



Management Transition

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The Rundown

- Assumptions
- R.E.S.P.E.C.T
- Discussions (questions)



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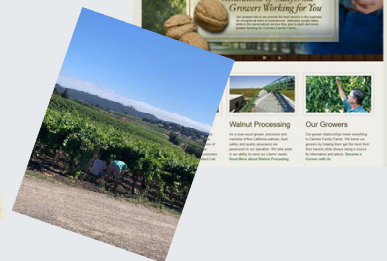
Assumptions

- YOU GOT AN ATTORNEY and/or LAWYER
- The new manager has been identified
 - They want the job
 - Its set in stone when the new manager will take over (specific date)
 - Specific Person/Time



Examples

- Tom Brothers Family
- Carriere Farms (Corporate-ish)
- Myself



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Responsibility

Explain

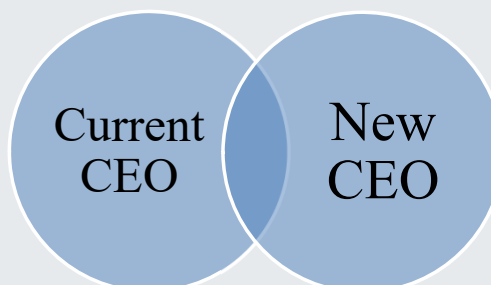
Strategize

Plan

Execute

Continue Education

Trouble Shoot



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RESPONSIBILITY



- Communication
60% of failed management transitions is due to poor communication (Exit Right by Mark Voeller)
- Understand-much like communication (it works two-ways)
 - Don't assume anything
 - Mature
- What is the new generation?
 - Technology driven
 - What's in it for me?
 - Why?
 - Did they grow up with the operation?
 - Communication style is different

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- The current CEO responsible fostering and the New CEO is responsible for understanding critical relationships (*John Park and Danny Klinefelter*).
 - Venders
 - Employees
 - Board members
- The CEO is always the face to anything external
 - Stakeholders



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EXPLAIN



- The outgoing CEO needs to explain what is the current landscape of the business
 - How is this information passed?

“Most family businesses are not just closely held, they are hermetically sealed.”

- Don Jonovic

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Types of Explaining

- I will tell you when you need to know
- Osmosis fallacy
- Do it this way
- Own experience



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What or How to Explain



- Common Values of the operation
- Complete evaluation of the current farm/business
- Don't Lie
- Be Honest
- OLD FAMILY STUFF
- DON'T ATTACK
- Keep these discussions private



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STRATEGIZE



- Top three reasons for no strategic plan *(Danny Klinefelter)*
 - 1. Requires sharing of information**
 - 2. Requires the CEO to respond to the ideas of others and to defend their own ideas**
 - 3. Requires a commitment**
- Current CEO- teach them the strategic smarts, strategic thinking skills
- Incoming CEO- listen, we don't know it all, contrary to our own beliefs

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PLAN

- New Manager
 - SWOT
 - Financial health
 - Dr. Aaron Smith's bank talk
 - Management
 - Family Ties...Outlaws
 - Performance of the company
 - Personality tests
 - Meyers Briggs
 - 360
 - Color Types



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Build

“What separates me from the average player isn't that I'm stronger or faster, but they go where the puck is while I try to go where it's going to be.”

1. Long Term Strategic Plan
2. Detailed Business Plan
3. Contingency (Emergency Plan)

1990-2000



Business expands to include more walnut and rice acreage as well as additional processing. With the passing of Herb Carriere in 1998 and Wilfred Carriere in 1999, the company makes the decision to continue to expand the business and take on more partners to continue the spirit and family farming tradition set forth by Albini, Wilfred and Herb.

2000



Another successful partnership with Borges of California results in our inshell processing plant in Glenn.



Lytle Tom, Jr incorporated artificial breeding into the family's program in 1963 and was one of the first to recognize how this tool could improve the nation's cowherds.

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EXECUTE



- Follow the plan
 - Important to recognize that two-thirds of the businesses that do engage in formal strategic planning never implement the plans that are developed
- Baby Steps
 - Key Output Variables
 - Keep Goals in mind
 - Be Realistic

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CONTINUE EDUCATION



- Symposiums
- Seminars
- Articles
 - Popular press for your industry
 - Extension!!
- Manager Trainings
- Peer Groups
- Finance Education
- Understand your Employees
 - Lunches, parties, functions (industry)

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TROUBLE SHOOT



- None of this is a one and done
 - Continuously Learning
 - Look at real results and alter if needed but while also staying true to the values of the plan
- Stay Ahead of the curve
 - Understand policy, Big Data, Trends
- Performance evaluations
- Peer groups/discussions with other/similar CEOs

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Other things...



- When to transfer
- Policy
- Trusts
- Wills

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Thank You!!!!



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