

## Guiding Principles: Lon Frahm

By [Tanner Ehmke](#)

Since taking the helm of his family's irrigated corn and dryland wheat operation in 1986 at age 27, Lon Frahm, CEO of [Frahm Farmland, Inc.](#), in Colby, Kan., ushered the farm's growth from 7,000 acres to 30,000 acres today with the farm's 9 employees sharing in leadership and responsibility. Frahm points to 10 principles that have guided the farm on a path of growth and success.

**Empower Employees:** "People's knowledge and abilities come down to continuing education. When you empower people with knowledge and education, they can assume responsibility and make their own decisions."

**Be Transparent:** "Secrets are a lot of work. There are many people who call me a pretty up-front sort of guy, but up-front to me means transparency. If you don't tell someone the answer, they'll make something up."

**Invest in Education:** "Without my [Master of Agribusiness](#) degree, I wouldn't have had discipline, organization, or the ability to evaluate the risks or find and utilize outside resources. As they say, your only truly sustainable competitive advantage is the ability to learn and adapt faster than your competition."

**Take Care of Partners:** "We have a tight relationship with our lender and machinery and seed dealers. Our vendors regularly sit in with us on our morning meetings, and the Pioneer dealer and the John Deere dealer have even been on vacation with us. They're part of our team."

**Respect Others:** "Instead of following the Golden Rule of treating people as you want to be treated, follow the platinum rule: Treat people how they want to be treated. Not everyone wants to be treated the same way. Not everybody is you."

**Take Calculated Risk:** "The bigger risks you take, the bigger the rewards. Some things that look like big risks maybe aren't when you analyze it."

**Network:** "You can't be an island out there. You have to network with peers and serve on a variety boards. I've met and become friends with many people through organizations who've alerted me to opportunities, and vice versa."

**Be an Early Technology Adopter:** "You want to be an early adopter in almost everything. But, just because it's new doesn't mean it's going to work or be worth it. Being a farmer means being a technology coordinator, facilitator and evaluator."

**Write it Down:** "It doesn't exist if it's not written down. We have rules, procedures, compensation plans, a succession plan, a marketing plan, a drop-dead plan, and our mission, vision, and values all in writing. The good thing about all of it is you can change it anytime you want. It's not cast in stone."

**Keep it Simple:** "Things get complicated so easily. Anytime there's a question, the simplest solution is usually going to be the best."

## Preparing for a Strategic Hire

By [Davon Cook](#)

Last month I wrote about the importance of continuing to professionalize your business. One of the typical decisions in this "upgrade" is filling a strategic position in the organization. For example, I've seen a number of ag companies recently discuss hiring their first dedicated controller or CFO, as well as those considering adding an additional layer of operational management as the company grows. In considering a new position, it's important to walk through a series of specific reflections:

- What is your goal and motivation with this position? Is it to bring in expertise that you don't currently possess? Is it to offload management duties to free up time for other projects? Is it to increase staff for expansion? Make sure you understand your goals before you start looking.
- Have an honest conversation with yourself and others affected by the hire about the specific duties and responsibilities you want him/her to assume. Who must be involved in training the new employee? Who must give up some duties (and inherently, some sense of control) to utilize this new person? The emotional aspect of significantly changing your organization's structure is often overlooked.



- Map out the new employee’s duties in half-day increments for the first six weeks. This forces a reality check of how you will keep him/her busy and who it will impact (related to the previous point).

As noted, make sure these conversations include all key stakeholders that will be impacted by the change. If you want to be successful in utilizing your newly hired team member, you must have widespread ownership because it’s a significant change to the organization’s daily vibe. And you want buy-in to make the associated financial investment. Going through this reflective process naturally leads to the information you need to write a detailed job description—the subject of a future article. But most importantly, it ensures you’ve put adequate thought into the decision to hire in the first place.

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## Investing with Impact

By [Aimee Minnich](#)

Philanthropy is changing. The practice known as impact investing – putting money to work for financial profit along with social and environmental gain – has donors and charities alike fundamentally rethinking how they deploy capital for change-making.

Businesses with ministry built into their revenue model have the power to change social dynamics for the better. We want more impact from our charitable donations. We want to end sex trafficking, feed the hungry, bring clean drinking water, take care of orphans, share the Gospel, and on and on. And yet, we’ve read “[When Helping Hurts](#)” and know that all the charity in the world can’t move the needle on some of the biggest social issues of our day.

Charities themselves know that old models of funding won’t carry them through the next decade. Many are beginning to see that their mission can only come to fruition through revenue-generating activities. Joe Knittig, CEO of [Global Orphan Project](#), a charity engaged in orphan care and prevention in Haiti and Uganda, says it well, “Give a man a fish and he’ll eat for a day; teach him how to fish and he’ll eat for a lifetime; but *invest in his fishing business and buy his product and he’ll feed his whole village.*”

Adding a revenue generating business to an existing charity can be a great way to accelerate impact and grow sustainability. To learn more about the new wave of philanthropy, visit Impact Foundation at [impactfoundation.org](http://impactfoundation.org).

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## Faith and Family Business: God in Our Lives

By [Dr. Bill Long](#)

There is no other biblical book that puts as much emphasis on making plans for the future as the Book of Proverbs. In fact, many scholars talk about a sort of “formula” that Proverbs has: planning (including consulting with advisors) + trust in God = success. In more elegant language they call it the “Deed-Consequences Nexus” or connection. You do certain things, and what you do inevitably leads to certain outcomes.

While not underestimating this idea, there is one recurring theme that shows that Proverbs is as complex as life itself. It says: “The human mind plans the way, but the Lord directs the steps” (Prov. 16:9). That is, even when you do all you can, in faithfulness, in care, in taking into account every factor imaginable, *it is the Lord who directs the steps*. We humans simply don’t have the last word in life, even if there are some of us who insist on having it in our conversations. I call this the “God Factor” in the Book of Proverbs.

Rather than this statement destabilizing our sense of self or the importance of taking responsibility for our lives, our families and our family businesses, this reality should instill both humility and a sense of security. It should instill *humility* because we realize that there simply are factors in decisions we make that we might not understand or control, and that our daily prayer should be for guidance. It should instill a sense of *security* because we believe that the God we serve is to be trusted to make our paths straight. Do all you can and trust God, and, on top of that, believe that God still has His own way of making things secure.

