



WHAT MAKES A GOOD POTENTIAL MANAGER?

Competent managers are essential to the success of all businesses, including agribusinesses, but how does one identify a potential business leader? Some agribusinesses have grown and prospered, while others, evolving in comparable circumstances, have failed and died. Chance and windfall gains play a role, but since businesses are run by men, it is much more logical (and likely) that the long-run success or failure of a business depends, in part, on the manager's efforts to add to his own abilities by identifying, recruiting, and developing subordinates as potential business leaders.

Unfortunately, agribusiness managers have few systematic and objective standards by which to evaluate leadership potential. There do exist, however, some guideposts, called the ABC's of managerial potential. Each should be carefully weighed in considering personnel qualifications:

- ❑ Ability
- ❑ Behavior
- ❑ Competence

Of course, behind these three essentials, there are a multitude of more complex factors. Therefore, we shall now consider each in more detail.

Ability

The most important ability for a potential agribusiness manager is to be able to think through and make decisions. Once the decision is made, he must be capable of translating it into effective action. Management is, more than

anything else, problem-solving and decision-making.

To be a good problem-solver, the potential business leader must make sure that all issues pertinent to the problem have been considered. Then, through a comparison of alternatives, he should choose the best solution (and accept the responsibility for that choice). It is the true mark of a managerial mind to attack problems systematically, taking care not to be distracted by irrelevancies.

Decision-making, in itself, can become a very selective function. That is, making right decisions is probably no more important than a manager's choice as to which decisions he will not make. For example, Chester Barnard, in his book, Functions of the Executive, suggests that a good decision-maker could best be judged by his choice to AVOID making:

- a. Decisions that cannot be translated into actions.
- b. Decisions not relevant to the subject of concern.
- c. Decisions of an untimely nature.
- d. Decisions, which should rightfully be made by others.

A potential business leader must also be able to influence and guide his subordinates. Every leader's central function is to use most effectively the resources at his command. Often this means focusing his associates' efforts on greater goals than personal ambitions.

Mental and emotional discipline is necessary if he is to be able to inspire confidence in others. A true leader is willing to reappraise his judgments when the situation warrants. He does not panic in the face of catastrophe, nor does he lose control when confronted with justified criticism.

The potential leader must understand the precise division of administrative authority, to avoid possible misunderstandings, he must also acknowledge his own status in relation to the whole and avoid encroaching into the areas of others.

Finally, a potential manager must be able to adjust quickly to a complex social environment. He must not only be able to meet and talk with people easily, but he must also have something worthwhile to say. Some people seem more at ease while conversing with their superiors, while others seem more at ease with those in lower positions. The most promising candidate would react confidently to contacts on all levels.

Behavior

Emotional and intellectual maturity are important prerequisites to a leadership role. Each candidate's behavior should be judged in accordance with his display of:

- a. Conviction - act according to principle, not whim.
- b. Responsibility - show reliability particularly under strain.
- c. Perseverance - show reluctance to succumb or concede until the opposition's case has been thoroughly proven.

Managers must be steadfast in their behavior and able to define goals and objectives. Employees are apt to become confused about their work unless their employer is able to clearly differentiate between "right" and "wrong."

Competence

Successful agribusiness managers must be knowledgeable and proficient in the skill of their profession. More important, however, is the ability to see beyond the immediate or the obvious and, with training and experience, acquire an administrative perspective.

Managerial education and training can take many forms: institutional study, instructional seminars, workshops, clinics, etc. There are certain areas where the potential agribusiness manager must possess a particularly impressive set of talents:

- a. Economics - business is essentially an exercise in applied economics, that is, all agribusiness managers are economists of sorts. Economics abounds in assumptions, interpretations, conclusions, and predictions. The potential manager, therefore, must have enough economic training and experience to find his way through this complex without becoming entangled in professional economic debate.
- b. Mathematics - regardless of one's personal liking (or disliking) of mathematics, management theory and practice are becoming deeply embroiled in systems of quantitative analysis. The successful manager of modern times must substitute a slide rule for the old time rules of thumb. He must be knowledgeable enough about electronic data processing to decide if, when, where, and how it is to be used.
- c. Public and employee relations' modern day agribusinesses do not operate in isolation. The business may often be just as dependent on its surrounding community as the community is on it. Agribusiness managers are reminded daily of their community responsibilities. At the bargaining table, also, the

manager must be capable of handling himself confidently and display a sincere interest in reaching a solution of benefit to all parties concerned.

- d. Specialization - years ago, the quickest way to get into the manager's seat was to first become recognized in a specialty area. This is no longer so true today. If managerial candidates are currently masters of specialized tasks, judge their managerial potential on how quickly each recognizes his interrelationship with other specialists. After all, as a manager, he will have to coordinate the efforts of many different specialists.

Summary

The successful agribusiness manager of today possesses administrative perspective: the desire and ability to view people, problems, ideas, and issues in relation to one another. He has the capacity to make unbiased and responsible judgments, and nowhere are these traits more needed than in the selection of the men who will be his followers. Hopefully the ABC's of managerial potential will provide some guideposts that are useful in making this selection.

FINANCIAL MANAGEMENT SEMINARS

The agricultural sector of our economy has progressed exceedingly well in its adoption of the latest and most effective methods of production. Never before has the American agriculturalist produced so abundantly and efficiently. Similar advances have occurred in the processing, packaging, distribution, and marketing of agricultural products and supplies, but some modern methods have not been so readily adopted by agribusinesses. This failure of agribusinesses to adopt certain modern management practices is often due to their lack of financial security.

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