



Culture

The Key to Surviving and Thriving in any Economy



SINCLAIR
TRACTOR

Culture is Easy – Isn't It?

- I Know It
- Everyone Else Should Know It
- We Don't Have Time to Teach Something Everyone Already Knows!
- Didn't we talk about Culture last year?

Culture is Easy – Isn't It?

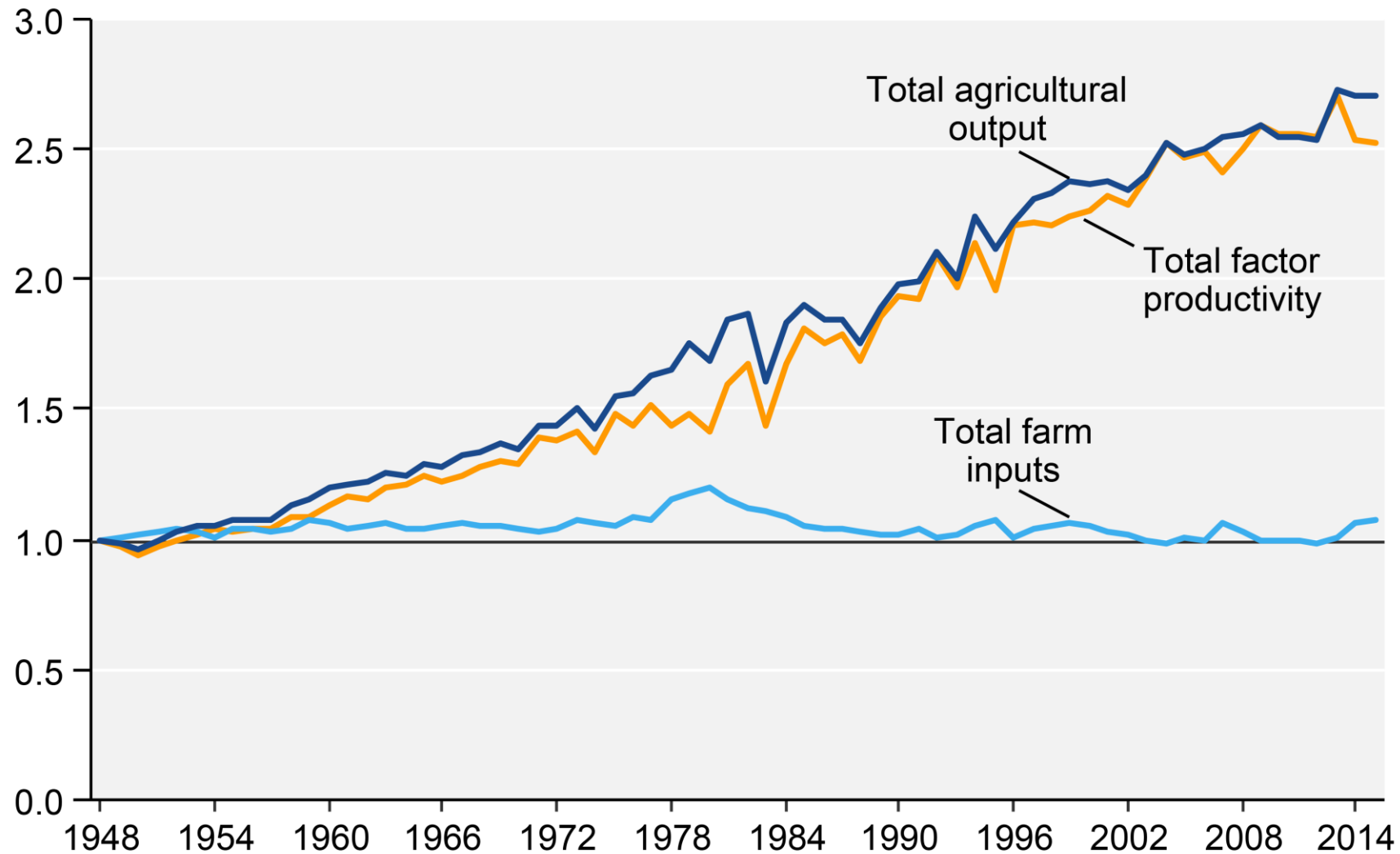
- I Know It
- Everyone Else Should Know It
- We Don't Have Time to Teach Something Everyone Already Knows!
- Didn't we talk about Culture last year?
- **We didn't have Culture Problems until we started hiring Millennials**

Does Your Culture Pass the Millennials Test?

- Are Questions Allowed?
- Is Technology Embraced?
- How soon can new Team Members make a Difference?
- Have you Defined what Success looks like?
- Are you providing regular Feedback?

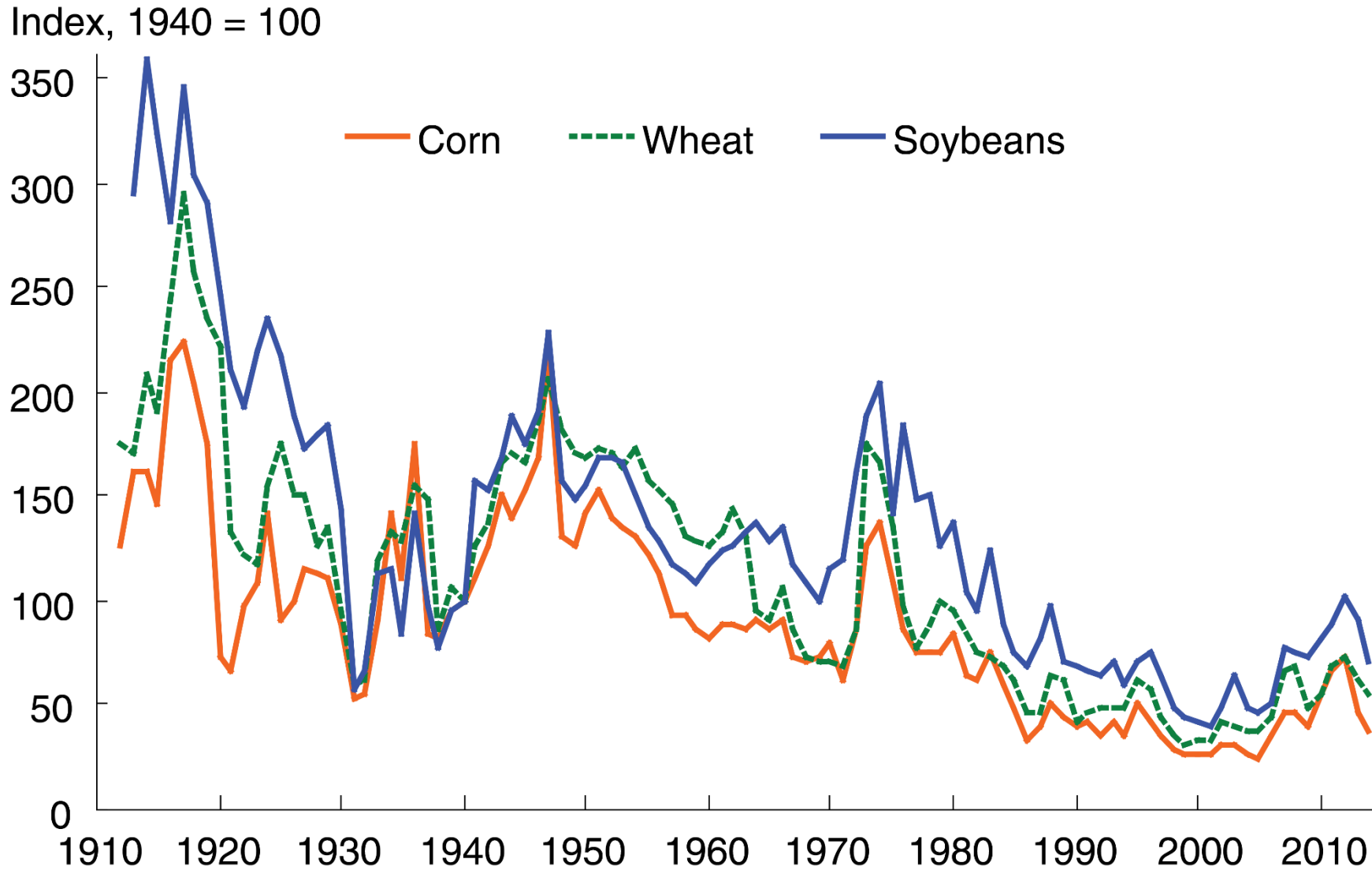
U.S. agricultural output, inputs, and total factor productivity

Index, 1948=1



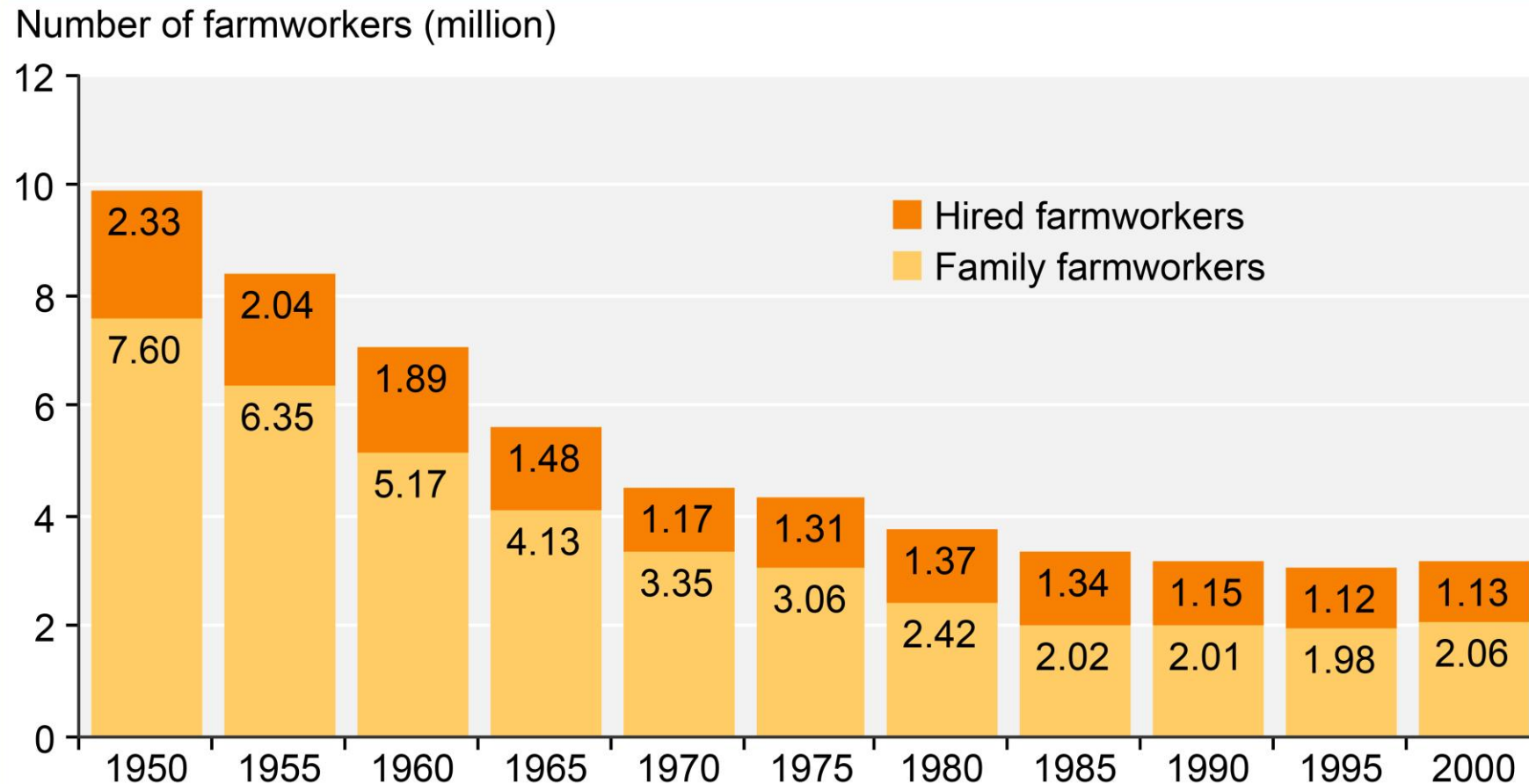
Source: USDA, Economic Research Service, *Agricultural Productivity in the U.S.* data series, as of October 2017.

Inflation-adjusted corn, wheat, and soybean prices, 1912-2014



Source: USDA, Economic Research Service calculations using data from USDA, National Agricultural Statistics Service and U.S. Department of Labor, Bureau of Labor Statistics.

Family and hired farmworkers on U.S. farms, 1950-2000

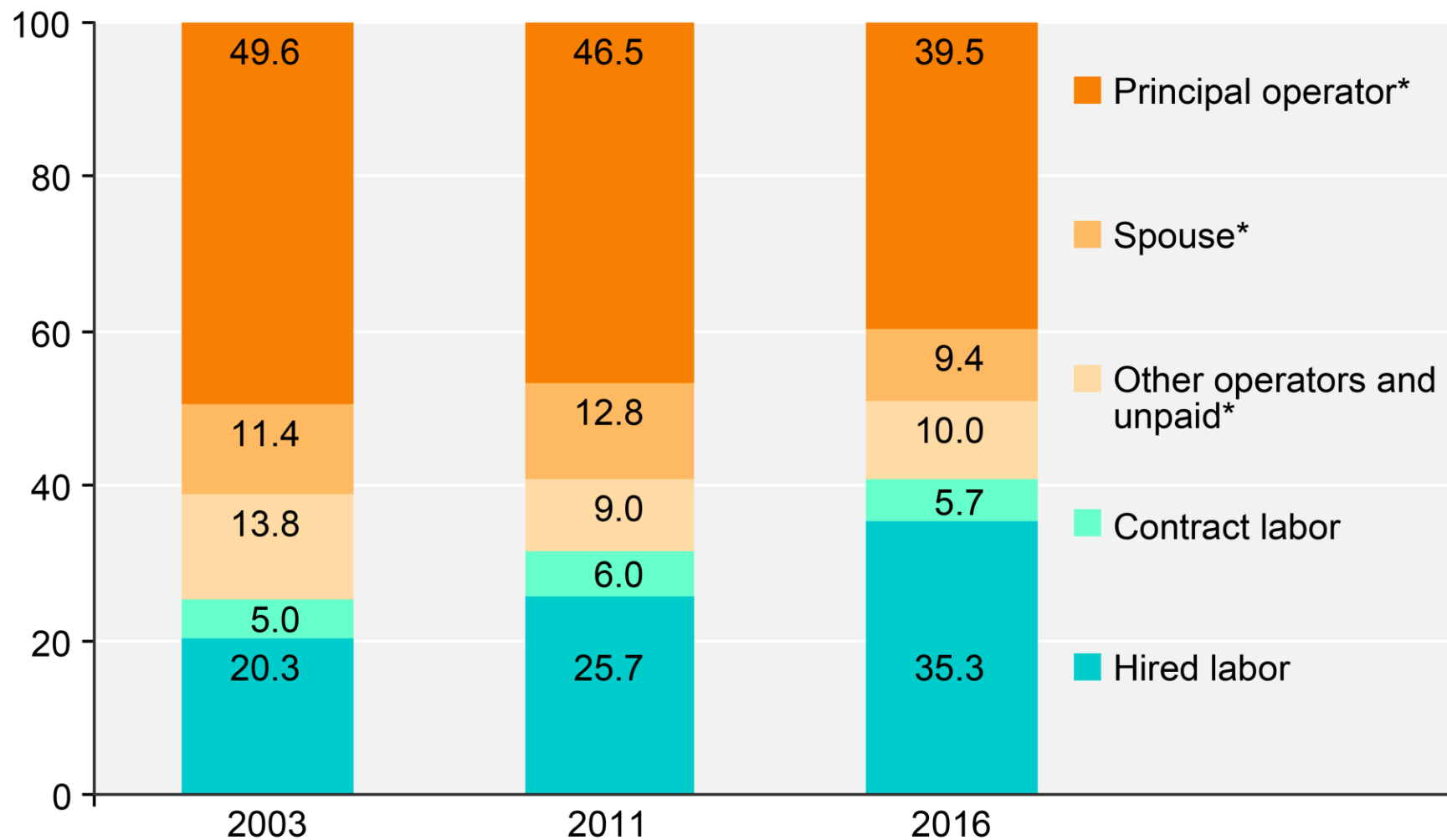


Note: Family farmworkers include self-employed farmers and unpaid family members. Hired farmworkers include direct hires and agricultural service workers employed by farm labor contractors.

Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, Farm Labor Survey (FLS). The FLS stopped estimating the number of family farmworkers beginning in 2001. As of 2012, the survey no longer counts contracted agricultural service workers.

Paid and unpaid agricultural work by type of worker, 2003-16

Percent of hours



*Includes paid and unpaid labor.

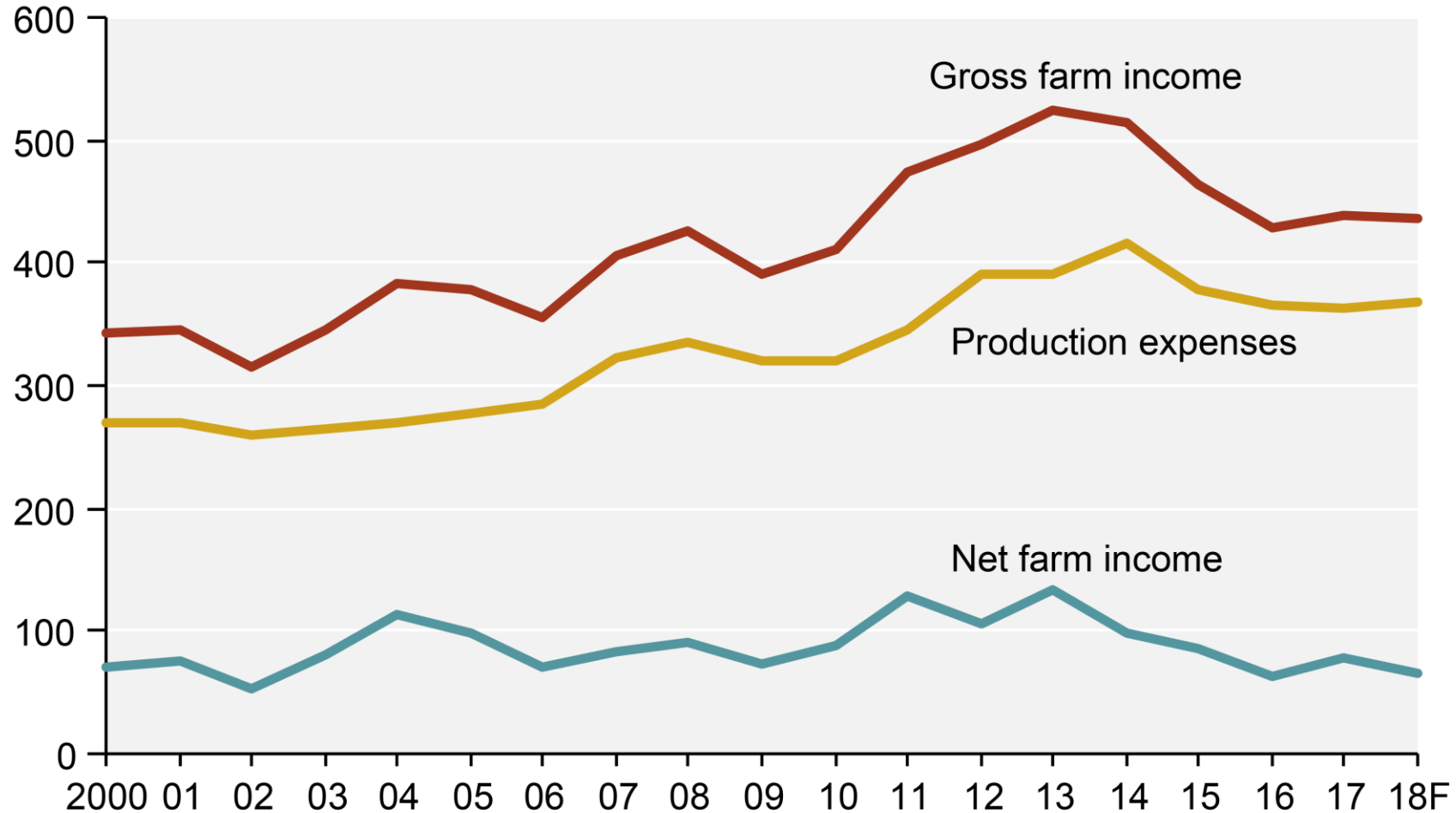
Source: USDA, Economic Research Service and National Agricultural Statistics Service, Agricultural Resource Management Surveys, selected years.

The Sinclair Tractor Journey

- Founded July 21, 1998
- Grew Organically for 14 Years
- Acquired 2 John Deere Dealerships in 2012
- Acquired 2 Napa Autoparts Dealerships in 2012
- Acquired 8 John Deere Dealerships in 2014

Gross farm income, production expenses, and net farm income, inflation adjusted, 2000-18F

\$ billion (2018)



Note: F = forecast. Values are adjusted for inflation using the chain-type GDP deflator, 2018=100.

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics.

Data as of November 30, 2018.

The Turmoil of 2014

- Sinclair Tractor Grew 360%
- Corn Price dropped 50%
- Sales dropped 51%
- Cultures didn't Mesh
- We were losing money and needed to Cut Expenses

Culture is how we Survived

- No Layoffs!
- Kaizen – Sinclair Style
- We let our Employees Take Care of Our Customers
- We made the decision to have fun!
- We doubled down on Culture and Training

6 Elements of the Sinclair Tractor Culture

1. **Do the Right Thing**

6 Elements of the Sinclair Tractor Culture

1. Do the Right Thing

2. Stand Up for What is Right

6 Elements of the Sinclair Tractor Culture

1. Do the Right Thing
2. Stand Up for What is right
- 3. Sanctity of Information**

6 Elements of the Sinclair Tractor Culture

1. Do the Right Thing
2. Stand Up for What is right
3. Sanctity of Information
- 4. Everyone is a Manager**

6 Elements of the Sinclair Tractor Culture

1. Do the Right Thing
2. Stand Up for What is right
3. Sanctity of Information
4. Everyone is a Manager
- 5. Accountability**

6 Elements of the Sinclair Tractor Culture

1. Do the Right Thing
2. Stand Up for What is right
3. Sanctity of Information
4. Everyone is a Manager
5. Accountability
- 6. Don't Let Anyone Else do it Wrong**

Requirements to be an Employee

- Honest and Ethical
- Human
- Care

Our Priorities as a Company and Employee

1. God
2. Family
3. Sinclair Tractor

Secret Culture Sauce

- **Mission Statement: Integrate Technology into our Lives to help Us and our Customers become more Efficient and more Profitable.**

Secret Culture Sauce

- Mission Statement: Integrate Technology into our Lives to help Us and our Customers become more Efficient and more Profitable.
- **Serenity Prayer: God grant me the Serenity to accept the things that I cannot change... the Courage to change the things that I can... and the Wisdom to know the difference.**

Secret Culture Sauce

- Mission Statement: Integrate Technology into our Lives to help Us and our Customers become more Efficient and more Profitable.
- Serenity Prayer: God grant me the Serenity to accept the things that I cannot change... the Courage to change the things that I can... and the Wisdom to know the difference.
- **Platinum Rule: Treat others like they want to be Treated**

Making Decisions with the Why Test

- Why Would I?

- Why Wouldn't I?

Making Decisions with the Why Test

- Why Would I?
- Why Wouldn't I?
- Mitigating Factors – Reasons why each “Why Do It” doesn't Apply.
- Mitigating Factors – Reasons why each “Why Don't Do It” doesn't Apply.

why get the cats

1. remember Humphrey

2. Have more things to do

3. and I will have more friends

we don't need a cat to remember Humphrey
we already have a lot of things to do
I already have friends

why Don't get the cats

1. more messing

2. more money to spend

3. more work

we can clean up messing
cats arent very expensive
we can handle work

answer: Have cats Eleanor/pad

SWOT Analysis

- **S**trengths
- **W**eaknesses
- **O**pportunities
- **T**hreats

SMART Goals

- **S**pecific
- **M**easurable
- **A**chievable
- **R**elevant
- **T**ime Bound

Favorite Culture Sayings

- **Always be Happy, but Never Satisfied**

Favorite Culture Sayings

- Always be Happy, but Never Satisfied
- **Ignorance is Bliss – Knowledge should be as well**

Favorite Culture Sayings

- Always be Happy, but Never Satisfied
- Ignorance is Bliss – Knowledge should be as well
- **Separate Fact from Emotion when making Decisions**

Favorite Culture Sayings

- Always be Happy, but Never Satisfied
- Ignorance is Bliss – Knowledge should be as well
- Separate Fact from Emotion when making Decisions
- **Life is like the movie “Groundhog Day”**

Favorite Culture Sayings

- Always be Happy, but Never Satisfied
- Ignorance is Bliss – Knowledge should be as well
- Separate Fact from Emotion when making Decisions
- Life is like the movie “Groundhog Day”
- **When you Prioritize you pick where you are going to be Good – which means that you also picked where you might NOT be Good**

Favorite Culture Sayings

- Always be Happy, but Never Satisfied
- Ignorance is Bliss – Knowledge should be as well
- Separate Fact from Emotion when making Decisions
- Life is like the movie “Groundhog Day”
- When you Prioritize you pick where you are going to be Good – which means that you also picked where you might NOT be Good
- **The Difference between Winners and Wannabees is very small – Winners typically do more Little Things that Make a Difference.**

Rescuer

Persecutor

The Dreaded Drama Triangle
(derived from the Karpman Drama Triangle)

DDT™



Poor You
Pain Reliever
Fears Not Being Needed



The Problem
Dominates, Blames
Keeps Victim 1 Down

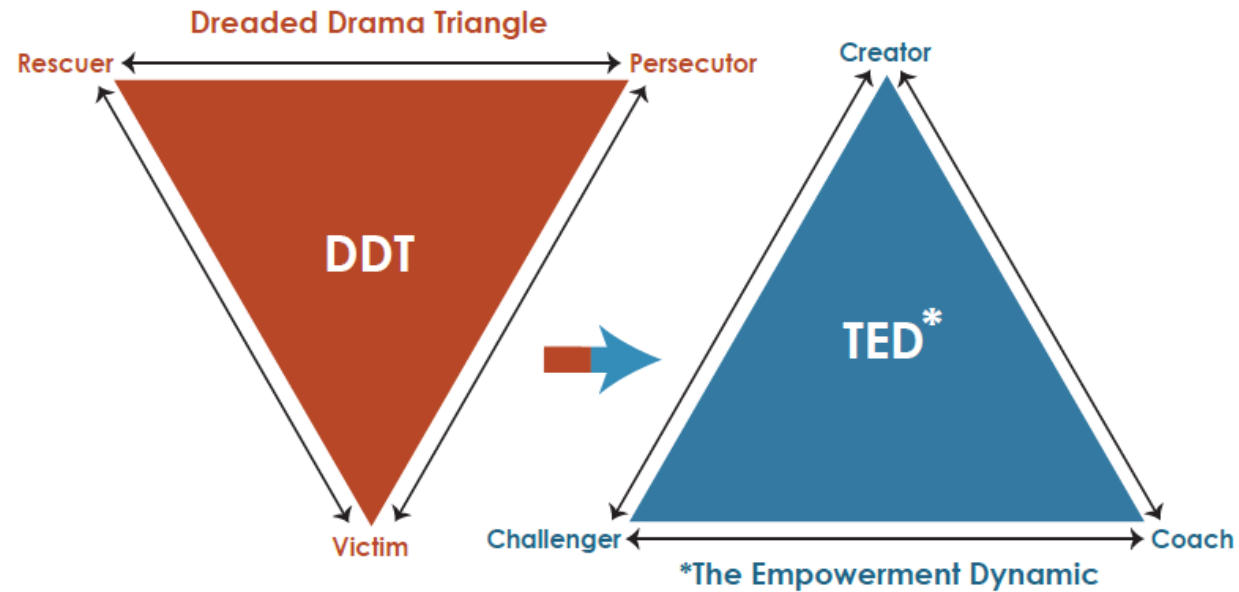
Feels Powerless
Dream Denied
Poor Me



Victim

© 2014 David Emerald - www.PowerofTED.com

TED* – *The Empowerment Dynamic



Victim

Thinks they are powerless and at the mercy of life circumstances. Is unwilling to take responsibility for what happens in their life.

Persecutor

Thinks they must win at any cost. Controls others through blame, criticism, and oppression.

Rescuer

Intervenes on behalf of the Victim to save them from perceived harm. Fosters dependency by relieving the Victim from taking responsibility.

Creator

Focuses on vision and desired outcomes. Takes full responsibility for initiating action to achieve their desired outcome.

Challenger

Sparks learning by challenging assumptions and the status quo. Focuses on improvement and development by holding people accountable for taking action.

Coach

Empowers people through inquiry to gain clarity.

THANK YOU!