Culture
The Key to Surviving and Thriving in any Economy
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?
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• 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

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

Index, 1940 = 100

Corn
Wheat
Soybeans

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

Number of farmworkers (million)

12
10
8
6
4
2
0

7.60 6.35 5.17 4.13 3.35 3.06 2.42 2.02 2.01 1.98 2.06
2.33 2.04 1.89 1.48 1.17 1.31 1.37 1.34 1.15 1.12 1.13

Hired farmworkers
Family farmworkers

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.

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

Percent of hours

<table>
<thead>
<tr>
<th>Year</th>
<th>Principal operator*</th>
<th>Spouse*</th>
<th>Other operators and unpaid*</th>
<th>Contract labor</th>
<th>Hired labor</th>
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<tr>
<td>2003</td>
<td>49.6</td>
<td>11.4</td>
<td>13.8</td>
<td>5.0</td>
<td>20.3</td>
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<tr>
<td>2011</td>
<td>46.5</td>
<td>12.8</td>
<td>9.0</td>
<td>6.0</td>
<td>25.7</td>
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<tr>
<td>2016</td>
<td>39.5</td>
<td>9.4</td>
<td>10.0</td>
<td>5.7</td>
<td>35.3</td>
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</table>

*Includes paid and unpaid labor.
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.
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
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2. Stand Up for What is Right
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3. Sanctity of Information
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4. Everyone is a Manager
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5. Accountability
6 Elements of the Sinclair Tractor Culture

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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.
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• *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.
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• 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?

• Mitigating Factors – Reasons why each “Why Do It” doesn’t Apply.

• Why Wouldn’t I?

• Mitigating Factors – Reasons why each “Why Don’t Do It” doesn’t Apply.
Why set up 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
I already have a lot of things to do

Why don’t get the cats
1. More mess
2. More money to spend
3. More work

We can clean up the mess
Cats aren’t very expensive
We can handle the 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

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- Ignorance is Bliss – Knowledge should be as well
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• 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.
The Dreaded Drama Triangle (derived from the Karpman Drama Triangle)

Rescuer

Poor You
Pain Reliever
Fears Not Being Needed

Persecutor

The Problem
Dominates, Blames
Keeps Victim 1 Down

Victim

Feels Powerless
Dream Denied
Poor Me

DDT™

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TED* – *The Empowerment Dynamic

**Dreaded Drama Triangle**

- **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.

**TED* – *The Empowerment Dynamic**

- **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!