



News and views from your agribusiness partners at First Dakota

August 2021

## Does Strategic Planning Work?

I am about to begin my 24th year with First Dakota and my 28th year in banking. All of this time has been serving the needs of Agriculture. In our last newsletter, I shared my “Lessons Learned” over those years. One of those lessons answers this article’s title question very directly. As a matter of fact, if I had to point to the one thing that has been the most significant reason for my successes and the successes of the teams I’ve worked with, it is strategic planning.

There are many types of business plans in agriculture. Some examples include an estate plan, transition plan, financial plan, crop plan, feed ration plan, grazing plan, marketing plan, or a capital expenditure plan. All of these are important plans. However, none of these plans have the power and impact of a well-developed strategic plan.

Let’s define the technical pieces of a strong strategic plan. It starts with a SWOT analysis. SWOT stands for **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats. Strengths and weaknesses are controllable within your organization. Opportunities and threats are those factors outside of our control that we must be aware of to manage and make the best decisions for our organization. There are several ways to define your organization’s SWOT. The most effective methods I’ve seen encourage and involve all stakeholders of your organization. The process assures they are free to speak their mind and share honest, candid, and professional thoughts and ideas. SWOT development is done with one thing in mind, “To utilize your strengths to overcome your weaknesses which will help guard against your threats and take advantage

BY NATE FRANZÉN,  
AGRIBUSINESS DIVISION PRESIDENT



of your opportunities.” Next comes development of objectives, also known as goals. A thorough process that develops, prioritizes, and refines objectives is vital. The most effective strategic plans I’ve seen limit their objectives to 3 to 5. This assures the proper level of focus can be maintained and progress can be made. Once objectives are defined, there is one step left in the process. It is the most important step. Define action plans on how you will accomplish these objectives and then **execute**. I emphasize the word execute because I have seen several good plans over my years that were a complete waste of time because no one stayed accountable to execute the plan.

Now let’s discuss some of the art of enhancing your strategic planning process. Done well these things will ultimately lead to the best possible strategic plan for your organization. All participants must put their elephant hide on during the process. A good plan solicits honest, candid, professional feedback. Sometimes this feedback can offend participants. Weaknesses are hard to talk about, especially in an area for which you are responsible. Everyone must realize and be of the mindset that comments made are meant to help address issues holding back the overall performance of the organization. This goes for everyone involved in the process, from the leader to the least experienced person on the team. Sometimes having an outside facilitator can help improve the process. A skilled facilitator can help get all the important issues on the table while assisting participants in staying professional and positive as they look to the future.

These outside facilitators can also bring a fresh, external point of view that can be very healthy for an organization. Strategic planning is not a one-and-done process. The highest performing organizations develop a culture of strategic planning. A strategic plan is flexible and fluid. Monitor the execution over time and make adjustments to the plan when new facts and information warrant. Strategic plans can be performed annually or every 3 to 5 years. It depends on your organization's approach. No matter the frequency of your planning process, the magic happens as you execute the plan. As you execute, be sure to enjoy the journey. It is hard work at times. Remind yourself and your team of these three key questions. Where have we been? Where are we going? What are we going to do when you get there?

At First Dakota, our Ag Banking team has been performing strategic planning on an annual basis since

the day I started. Our team embraces the process and strives for the best possible outcomes. Much of our success can be attributed to the goals and objectives developed in this process and the constant drive and accountability to execute. Without strategic planning, First Dakota would not have our Dakota Mac real estate lending products and services. We would not have been the first Preferred Lender in the nation for Farm Service Agency lending programs. We would not have our ongoing educational efforts, such as our annual AgriVisions programs, newsletters, and our Beginning Farmer Program. We would not have our Keep Farmers Farming consulting efforts. Ultimately, I'm convinced we would not be one of the largest agricultural lenders in the nation without our culture of open, honest, candid, professional planning. Remember this, "Failing to plan is planning to fail"! Our First Dakota Ag Banking team stands ready to help you plan for success.

## Drought Conditions Remain



BY KEVIN BLAGG  
VP - AG BANKING - SALEM

As we move into August, harvest is approaching and the widespread drought conditions are still here. While forecasts for rain pass by without any measurable precipitation, we would like to remind you to use this time to prepare yourself for some additional work that may arise.

First, continue monitoring your crops and contact your local agronomists and feed suppliers to determine the appropriate time to harvest your feed and test for the feed value of drought-conditioned crops. Additional acres may need to be harvested or additional feed supplements sourced as we move into a longer than expected feeding period coming into the spring of 2022. Second, contact your crop insurance provider to prepare yourself for a potential audit prior to your crop insurance claim being paid. Being disorganized with your historical records may result in delays while processing your claim. Finally, we ask that you contact your First Dakota National Bank Ag Banker and have an open dialogue about your situation. The earlier the situation is identified, the more options First Dakota has available for you if a financial issue arises due to these ongoing drought conditions.

As we have seen in the past, these current drought conditions will pass and move into what we consider normal again. Have a safe harvest!

## Let's talk more about Strategic Planning

Utilizing the tools available to manage risk for your operation is more important today than ever. Let Keep Farmers Farming help you with your Strategic Planning. We will facilitate the planning process for all stakeholders in your operation. While working through the SWOT analysis, we will define the goals and objectives for your operation, then define the action plans. We will help hold you accountable to the plans and defined timelines. A great plan without action is no different than a poor plan. Give Alan a call today!

**ALAN HOJER**  
LEGACY CONSULTANT  
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605-270-1684



**Keep Farmers  
Farming**

A DIVISION OF FIRST DAKOTA NATIONAL BANK



# Beginning Farmer Program



BY JAYSON PLAMP  
VP - AG BANKING - MITCHELL

As we look towards fall and prepare for harvest, there is excitement, anxiety, and many other emotions running through the air. On the one hand, the commodity market conditions are far better off than a year ago. On the other, dry weather and drought conditions are posing a challenge to many areas. Dealing with this multitude of ups and downs becomes somewhat old hat to producers that have been in the game a long time. Younger producers may find this a challenging time.

Regardless of your years of experience, it can be helpful to look to others in your network as a

confidante or a mentor. You can use each other to talk through ideas. Your network may include farmers from down the road, but it is helpful to have those who are outside of your area so you can feel more comfortable opening up to them. Educational opportunities can also create an environment for networking. One such program is the First Dakota Beginning Farmer Program. This is a unique educational opportunity for young farmers and ranchers. Class size is limited, allowing a personalized learning environment and the ability to interact with instructors in a one-on-one setting. By enrolling in this program, you will be learning from industry leaders such as Dr. David Kohl & Eric Snodgrass, among many others. Stop by our booth at Dakotafest to talk with a banker about signing up or simply go to [www.FirstDakotaAg.com](http://www.FirstDakotaAg.com).



We have equipment financing tailored to fit your needs. IronCountry Equipment Financing lets you finance new or used farm machinery and equipment with several fixed and variable terms.

Greater than \$75,000		\$25,000 - \$74,999	
3-year fixed	2.79%	3-year fixed	3.49%
4-year fixed	2.95%	4-year fixed	3.85%
5-year fixed	3.15%	5-year fixed	3.85%
6-year fixed	3.50%	6-year fixed	4.25%
7-year fixed	3.50%	7-year fixed	4.25%

Rates good through August 31, 2021. Subject to change.

## Financial Information Locator

Do you know where your birth certificate, life insurance policy, or safe deposit box keys are? Do your children, spouse, or executor know where to look for these items? We all have important documents that we should know where they are. Utilize our Financial Information Locator to write down where everything is - then keep this form in a safe place. For the complete form, go to [FirstDakotaAg.com/agrvisions-knowledge-center](http://FirstDakotaAg.com/agrvisions-knowledge-center). Complete the form today and place it in a safe place.

### FIRST DAKOTA NATIONAL BANK FINANCIAL INFORMATION LOCATOR

Birth Certificate \_\_\_\_\_  
Adoption Papers \_\_\_\_\_  
Marriage Certificates \_\_\_\_\_  
Citizen Papers \_\_\_\_\_  
Social Security Card \_\_\_\_\_  
Passwords \_\_\_\_\_  
\_\_\_\_\_





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### South Dakota Offices

Beresford	605-763-2135
Chamberlain	605-734-5555
Elk Point	605-356-0289
Kimball	605-778-6218
Mitchell (North)	605-996-3364
Mitchell (Norway)	605-996-3364
Oacoma	605-234-5005
Parkston	605-928-3077
Pierre	605-224-5817
Salem	605-425-3111
Sioux Falls (Downtown)	605-333-8200
Sioux Falls (East)	605-333-8282
Sioux Falls (Louise)	605-333-8295
Sioux Falls (South)	605-333-8210
Vermillion	605-624-5555
Wagner	605-384-5456
Yankton (Downtown)	605-665-7432
Yankton (North)	605-665-4999

### Loan Production Offices

Columbus, NE	402-563-2326
Hastings, NE	402-463-4637
Ogallala, NE	308-284-3260
Watertown, SD	605-753-5880

ADDRESS SERVICE REQUESTED

## Join us at Dakotafest: August 17 - 19



Dakotafest is celebrating 25 years and the First Dakota Ag team is excited to be part of Dakotafest 2021. We invite you to join us at our First Dakota building on August 17 and 18 from 9:00 AM - 5:00 PM and on August 19 from 9:00 AM - 4:00 PM as we bring something fun and exciting to our booth.

Stop in anytime on Tuesday, Wednesday, or Thursday for great conversations, something cold to drink, and the chance to “dunk” your banker or Ag celebrity. All proceeds from the First Dakota dunk tank will go to the South Dakota Ag Foundation.

The SD Ag Foundation was established to support our number one industry, Agriculture. The foundation promotes philanthropy in agriculture and is making a growing impact on our industry. We encourage you to support the SD Ag Foundation. It is a great way to support your industry!

## Dunk Tank Schedule \$5 - 1 chance, \$10 - 3 chances

### Tuesday, August 17

1:00 PM - 1:30 PM	Chris Maxwell, SD Ag Foundation
1:30 PM - 2:00 PM	Dawn Scheier, SD Soybean Board
2:00 PM - 2:30 PM	Mike Jaspers, SD Corn Growers
2:30 PM - 3:00 PM	Dusty Anderson, First Dakota

### Wednesday, August 18

1:00 PM - 2:00 PM	Don Norton, SDARL
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2:00 PM - 2:30 PM

2:30 PM - 3:00 PM

Jayson Plamp, First Dakota

Jeff Wolfram, Dakota MAC

### Thursday, August 19

1:00 PM - 1:30 PM

1:30 PM - 2:00 PM

2:00 PM - 2:30 PM

2:30 PM - 3:00 PM

Nate Franzén, First Dakota

Austin Havlik, First Dakota

Jeremy Grady, First Dakota

A Pork Producers Representative