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Circle of Concern and Circle of Influence

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IFMA 23, the biannual congress of the International Farm Management Association was held in Copenhagen, Denmark in late June. Farm managers, farm management consultants, and academics from around the globe met for a week of presentations, papers, technical tours, and hours of discussion about managing the production of food, fiber, and energy.

Regardless of provenance, the issues are the same...inflation, weather, supply chains, the war in Ukraine, political uncertainty.... The discussions were hardly different than those at the local diner anywhere in Kentucky, except that the accented English was more noticeable. The discussions were all in English, by the way. The global language of interchange.

This commonality of shared problems highlights a long-observed tenet of management...circle of concern versus circle of influence. Much of our discussion is on items of concern, like prices and input supply problems, certainly important, but largely beyond our individual influence. Case in point, diesel prices. By now we all know how many hundreds of dollars it takes to fill a tractor or truck, but all the complaining has not lowered the price a penny. Is it important? Sure. Is it something we can influence? No. Do we have to manage around it? Yes. While an individual cannot manage the price, they can monitor and manage use and efficiency. While an individual cannot manage a supply chain interruption, they can anticipate and plan to accommodate disruptions and delays.

Items of concern will always dominate the conversation. Areas of influence have to be sought out. I will close with a case in point from a successful producer and marketer of organic vegetables in the Copenhagen grocery and restaurant markets. They tried production of a wide variety of vegetables for their unique soils and local markets. They identified and concentrated on the ones they did best. Her quote "...the ones that grow above the ground." She cited prices as her biggest area of concern as organic production became more mainstream and price premiums weakened. Her management response was, "to know exactly my cost of production." She closed our conversation with three things they can, and do, control: 1) the quality of our product, 2) the image we present to our customers, and 3) what we can do better.

Lesson demonstrated. I can't say it any better than that.



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