

# Dealing with Change

By: Jack McAllister, Ph.D.



If anybody should know what change is like it should be our dairy farm families. In just three short years dairy farmers have seen their milk price go from \$13 to \$21 and back down again. Accompanying this has been a rise and fall of feed prices like corn going from \$2.25 a bushel to over \$6 and now back down to \$4 and soybeans about doubling in price from \$6 a bushel up to \$12 and now about a dollar lower. Whew!!! What a ride! As business managers, are we wired to handle such change? Can we adapt?

A speaker I heard recently, Alan Roxburgh, talked to a group about what he called “transformative change”. I believe he was talking about how the change going on around us can cause us to change. Much of the change going on around us is change over which we have had little or no control – it is change which has happened *to us*. The key to our future is how we respond to that change.

Roxburgh described the transformative change process as having 5 stages:

- Awareness
- Understanding
- Evaluation
- Experimentation
- Adoption

*Awareness* is recognition that change has taken place and might cause us to try to gain some knowledge about the change that has taken place. It could be very useful to know not only what has changed but also about why the change might have happened. The old adage that “knowledge is power” might have some truth in it for our situation.

*Understanding* is the stage where we have an opportunity to reflect on the knowledge we have gained. It is the time we have to make this knowledge ours. It is at this stage that we can accurately describe the situation to someone else. Hopefully, it means we have a good grasp of the situation.

*Evaluation* is the stage where we ask ourselves “What does all this mean?” It is a time for discernment – for sorting things out. It is a time for coming up with options. It is a time for making decisions.

*Experimentation* is an action phase. What are we going to do now? This may involve trying to do some different things. It may also involve doing some things we are already doing but doing them a little bit differently. The “up” side of experimentation is that some experiments will succeed. The “down” side of experimentation is that some things will fail. The key to action-oriented experimentation is to observe and evaluate what seems to work better and what doesn’t seem to work.

*Adoption* is the stage where we implement new habits that work. Adaptive change is really about learning new habits.

What does “transformative change” have to do with the current state of the dairy industry or the individual situations of dairy farmers? It has to do with how we respond to the change that has already taken place. It also has to do with us pursuing a course of action

which hopefully will put us in a better place than where we are now. Many dairy farmers are considering strategies to reduce costs which don't negatively affect returns or seek better returns for the money they are spending. Family spending habits in the current economy seem to be changing as consumers are eating fewer meals away from home and are buying more store brand items and spending less on discretionary items.