

SOCIETY OF ACTUARIES

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Tomato Management 101

by Dave Duncan

I received the following e-mail from a former employee late last night:

"Dave, I received a verbal offer from the company where I was interviewing. As always, I want to thank you for your assistance. You are the sole person that gave me confidence to go after things like this. I would probably still be working for [Joe] if you had not come along a few years ago. Once again, thank you for everything."

www.what a note and reward for me, as this person's former boss. What did I do so special to deserve his complimentary note to me at 11:00 p.m.? In a nutshell, I invested in someone and that investment paid handsome dividends. And those dividends helped me achieve the results for which I was hired as well.

As leaders and managers, we have results to achieve. To get those results, we have to do the right things. Those "things" include the management and deployment of our resources. Since our human capital makes up perhaps 65 percent of a typical resource budget, it makes logical sense to focus on getting the best returns from your people.

Lessons Learned from my Tomato Plants

I actually learned a lot about management from my tomatoes this year. The analogy between my tomatoes and your people will be obvious.

In mid-May I decided to grow some tomatoes. Without a natural green thumb, I knew that this would be a challenge. However, I took this approach: #1: Identify the best and act on it

I went to the outdoor garden section of Home Depot and found what I believed to be two tomato plants with the greatest potential. They weren't the most visible on the shelf. They weren't the tallest. They didn't have the most leaves. They were actually a little wilted, but it was because the tomato plants above them were blocking all of the sun and hogging the water. But I identified them as having the greatest potential. Total cost: \$1.49 for the plants and \$1.79 for a gallon of gasoline to get there and back. Most of the cost was related to the soft costs of time & effort. I made the best decision. Lesson-make the best decision based on the information at hand. A decision with 70 percent confidence based on 70 percent of the information is better than no decision while I wait on 100 percent of the information.

#2: Take time to learn from the experts I had the plants. Now what? Since I am not an expert at growing practically anything, I called my Dad. His tomato plants practically take over his back yard every year. Dad told me everything that I needed to know and I followed his instructions—find enough sunlight, dig the hole, plant deep so that roots can grow, fill the hole with the right soil, fertilize and water. If you don't know what you're doing, study the professionals. Lesson: Take time to read and listen—and then act!

#3: Create and nurture a productive environment

I set specific goals. I wanted to pick my first tomato by July 4th. I wanted to bear fruit



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through the fall. I wanted to reap enough tomatoes on my investment to justify the investment of time and money. So I checked on my plants often, to see if they were on track. I didn't just give them an annual performance review—we had feedback weekly! I watered. I followed through. I did everything humanly possible to provide an environment that would encourage growth. I knew that without growth, I would reap nothing at the end except for a dead hole in the ground. Lesson: Create the right conditions.

#4: Kill all bugs before they do permanent damage

Weeds have a way of choking the life out of plants, so I weeded. Often. Dead branches take up valuable resources, so I cut them off the plant. Bugs in my garden tried to eat away at these top plants and their fruit, so I killed them. The ground had a high clay concentration, so I watered them religiously. Is anything bugging or choking your top performers? Lesson: Kill the bugs and weed out non-performers.

#5: Use your limited time and resources wisely

One plant outgrew the other. I put Miracle Grow on both plants, but for some reason one plant did much better than the other. Initially, both were great plants. Both had the same benefits offered to them. But one took hold, grew and produced much more than the other. Guess which plant got my full attention? The best one. If you spend your time on the less fruitful, you'll kill the other. Lesson: Distinguish and reward consistent performers for their growth, production and results.

#6: Enjoy the harvest

Yesterday was Oct. 20, 2005. I went out to my two-plant garden and saw that four tomatoes were growing on the smaller plant. All four of those tomatoes were still green and very small. On the larger plant, however, I picked off 15 big, juicy, ripe tomatoes. 15—in one night—in late October. I ate a fresh tomato that night with salt and pepper. Tomorrow, I plan to put fresh tomatoes on my pizza. On Saturday, I'll have a BLT sandwich for lunch. A hearty bowl of chili made with fresh tomatoes on Sunday sounds fantastic. I am going to enjoy the fruits of my labor. Lesson: Expect and enjoy the results of your work.

I found out that one tomato plant has the potential to bear fruit to over 100 tomatoes. I cut open one of the tomatoes and counted the seeds. Did you know that each tomato has approximately 100 seeds? If one plant grows 100 tomatoes, each with 100 seeds, I have the potential for another 10,000 plants.

Tomatoes can't talk. Tomatoes can't spell. Tomatoes can't think. Tomatoes can't sing. Tomatoes can't write. Tomatoes can't use a computer. Tomatoes can't charm anybody. Tomatoes can't do anything. They're just dumb tomatoes. If a \$1.49 tomato plant can create a limitless return, what potential do all of us have with our human capital?

I really enjoyed getting that e-mail last night. It is so satisfying to see this person grow—what a reward to me as his former manager! During the time that he worked for me, he bore a tremendous amount of fruit for me which in

turn helped with my own success. Want my best guess? Someday I'll be working for him and my investment in him will really pay off!

How is your yield? Mine could be better, but I'm still learning. Next year, I'm trying my luck with corn. Do you know how many kernels are on each ear of corn? □

