

FUTURE LEADERSHIP IN FOOD AND AG

Defining skills essential in an era of disruption

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As the food and agriculture industries stand at the crossroads of a rapidly changing global landscape, the future of leadership within these sectors is poised to be shaped by a confluence of several critical factors: consumer behavior, policy, technology, and sustainability. Consumer demand for sustainability is often at odds with the practicalities of cost, availability, and willingness to pay.¹ Organizations across the traditional food and agriculture sectors are grappling with ethical leadership amidst a plethora of pressures, often ignited by specific interest groups.² Leadership is evolving to these new environments.

Leaders in food and ag must now navigate a path that reconciles the need to feed a rapidly growing global population with the imperative to minimize environmental impact while embracing technological innovation.³

This paper aims to explore the multifaceted dimensions of a new style of leadership that will drive the food and agriculture industries forward, ensuring resilience, adaptability, and ethical stewardship in the face of a future that demands nothing less than transformative change.

“Tomorrow’s executives will not only be hired for what they have accomplished, but more crucially, for their potential to impact the future of an organization. In fact, while experience may get senior leaders an interview, many other factors are required to drive an organization’s growth.”

Jim Gerardot, Jr., Managing Partner, Kincannon & Reed

THE COMPETENCIES OF FUTURE LEADERS

To thrive, tomorrow’s industry leaders must possess a unique blend of skills and competencies that enable them to drive innovation, foster sustainability, and inspire change.

Certain skills such as communication, decision making, and conflict management for example, will always be in demand but in today’s complex business landscape, leaders also need a strong business and economics foundation to make informed decisions that balance profitability with social responsibilities.

Digital skills, and understanding it is transforming the nature of business, will become table stakes for future leaders. At minimum, a basic understanding of technology, the impact of artificial intelligence (AI), and proficiency in management information systems will be crucial to optimize operations and enhance productivity.

What will set apart tomorrow’s leaders will be the competencies of systems thinking, digital acumen, and emotional intelligence.

Systems Thinking

At its core, systems thinking is an approach to problem-solving and analysis that considers the complex interactions and interdependencies within systems, rather than focusing on individual parts in isolation. Leaders competent in systems thinking recognize that systems are more than the sum of their parts. By moving beyond an individual event or data point to look at the whole system, those leaders are able to identify patterns of behavior and better understand the underlying influences, allowing for more effective, sustainable solutions to be found.⁴

Leaders who utilize systems thinking are more adept at comprehending the broader context in which they function, encompassing the business landscape, customer requirements, and the implications of external factors like geopolitical matters and cultural distinctions.⁵ This understanding promotes agility in leadership, allowing for informed decision-making that considers the intricacies of the systems they are part of.⁶

Digital Acumen

As technology advances rapidly and digital transformation becomes crucial in all sectors, digital acumen – the ability to use and understand digital technologies – is increasingly seen as a vital competency for future leaders. Leaders will encounter digital challenges when deciding what new technologies to invest in, evaluating innovation and start-ups, reacting to competitive pressures involving technology, envisaging different business models and disruption. As such, and in a way never required in human history, it involves leaders to have skills such as digital literacy, critical thinking in evaluating digital information, and proficiency in using digital tools for communication, collaboration, and problem-solving.

Examples abound of how technology will become increasingly pivotal across the food and agriculture sectors transforming traditional practices. Leaders will integrate digital solutions, including robotics, to address several challenges, including labor shortage, efficiently increasing production, and to address environmental sustainability opportunities. Equally, the application of artificial intelligence has the ability to transform the nature of work itself, and leaders who have familiarity with programming and coding can make better decisions in acquiring and incorporating these into new business models.

Successful organizations will have leadership who can navigate the complexities of digital and technological opportunities. Tomorrow's leaders will need a strong digital acumen to effectively drive innovation, competitiveness, and sustainable growth in their organizations.

Systems thinking enhances leadership by enabling leaders to:

- Generate deeper insights into the nature of problems and opportunities
- Anticipate and respond more effectively to disruptions
- Guard against unintended consequences of decisions and actions
- Develop strategies that are more likely to be sustainable over the long term
- Enhance their ability to solve problems in a way that considers all stakeholders
- Foster a culture of collaboration & continuous learning

Leaders who embrace systems thinking are better positioned to lead organizations through complexity, drive innovation, and achieve sustainable success. This approach requires a shift from linear, cause-and-effect thinking to a more holistic, interconnected perspective that considers the intricate web of relationships and dynamics within and around organizations.

Some of the key pillars of digital acumen include:

Continuous Learning: By its nature, the digital world is constantly changing, and the pace of that change is accelerating. Leadership with strong digital acumen demands fostering a corporate culture of continual learning and adaptation. Leaders play a pivotal role in resourcing a learning environment that anticipates future skill requirements, actively re-skills employees, and establishing a framework that encourages seamless knowledge exchange and innovation.⁷

Knowledge: Leaders need to possess a strong understanding of both existing and emerging digital technologies, such as artificial intelligence (AI), cloud computing, data analytics, and automation. This allows them to recognize opportunities for using technology to improve business operations, products, and customer interactions.⁸

Championing: Committing the organization to embrace digital change and reinvent itself is critical for driving successful digital transformation efforts across an organization. Not only do leaders need to prioritize digital literacy at all levels⁶, but they also need to articulate the vision and goals of digital initiatives, in addition to anticipating and overcoming potential obstacles while fostering alignment and collaboration. The gap between digital initiatives developed within companies and senior leadership's inability to understand and commit to this same change is frequently reported by managers as the reason for their frustration, the loss of key digitally-literate talent, and the failure of these initiatives to be successful.⁵

Digital in Action: In addition to comprehending technologies, leaders must ensure that they are strategically implementing them within their organizations. This includes incorporating digital solutions into the business model to stimulate innovation, enhance operational efficiency, and develop new value propositions for customers.⁹

Emotional Intelligence

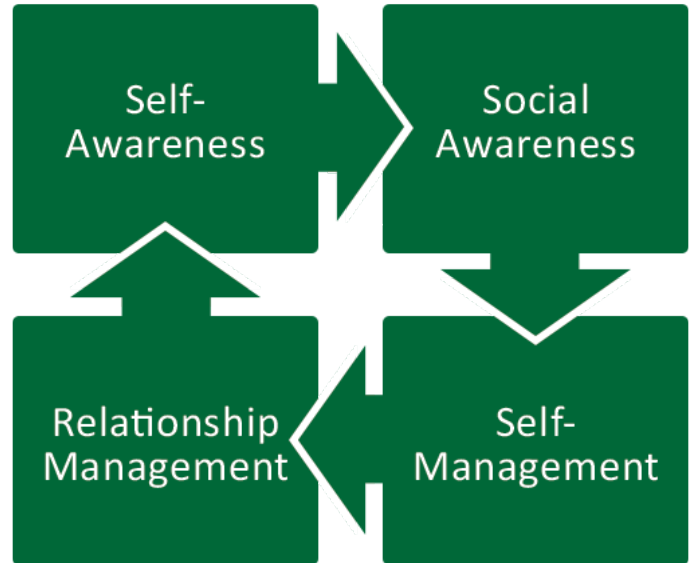
Gone are the days when a leader was expected to drive an organization of followers. Today, emotional intelligence is arguably the most important competency for tomorrow’s industry leaders. In fact, emotional intelligence was ranked the most important of the strengths and competencies needed to navigate the current business climate in the most recent AESC Client Research Report.¹⁰

Emotional intelligence – also known as emotional quotient (EQ) – is the ability to understand, use, and manage one’s emotions in positive ways. It is important in relieving stress, communicating effectively, empathizing with others, working through challenges, and diffusing conflict.

A lack of EQ can have far-reaching consequences such as lower employee engagement and a higher turnover rate. When leaders possess this skill, it drives higher levels of job satisfaction and inspires trust among their teams. These individuals empathize with others, communicate effectively, and manage conflict well which leads to greater success across the organization.

When guided by an emotionally intelligent leader, an organizational culture is:

- Healthy and supportive
- Efficient and productive
- Innovative and creative
- Characterized by a growth mindset
- A place where all feel they belong / inclusive
- Empowering and equips individuals to make decisions when facing challenges
- Built on strong bonds between the leader and the team



Graphic based on Goleman’s Emotional Intelligence Model

Made up of four core domains – self-awareness, self-management, social awareness, and relationship management – emotional intelligence requires the same level of dedication to master as any other skill in a leader’s arsenal.

While some might argue that EQ has always been essential in leaders, our perception is that in a digital age with increasingly technological and data driven management, exceptional leaders will be those who excel at skills that computers simply cannot replicate such as empathy and understanding of human emotions and motivations.

FINDING FUTURE LEADERS

In the United States alone, there are only 68 employees for every 100 open roles¹¹ – a statistic that highlights the very real shortage of talent being felt not just in the US but around the globe. These statistics, paired with an aging executive workforce, emphasize the need for different approaches to find the talent required to lead these industries forward.

Looking Outside of Food and Ag

Identifying individuals with the essential qualities to lead the future of food and ag requires an expansive view and an eye for [recruiting talent](#) outside the industry or across sectors.

Unless an aggressive succession plan has been developed, organizations within food and ag would be remiss if searching for talent outside of traditional sectors hasn’t been considered. Because the truth is this: we can’t raise them all.

Outside-industry or cross-sector recruitment can also inject

greater diversity and innovation into the organization.¹² These leaders bring different backgrounds and experiences, and that diversity of thought is a dynamic force for change and growth. [Diversifying leadership](#) with varying skills and mindsets is the best way to guard against stagnation in an evolving market.¹³ A leader who is new to an organization is not constrained by established ways of doing things, but instead brings a fresh perspective and new insights.

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Looking Outside of Food and Ag, continued

Kincannon & Reed's recent survey demonstrated a growing appetite to look beyond the organization and outside the industry to locate talent.¹⁴

The survey reports nearly two-thirds of respondents expressed they did not have reservations about recruiting leadership from outside their industry and more than 75 percent felt their organization needed to strengthen leadership assessment and development efforts.

Investing in Future Talent

Once part of the organization, future leaders need to be nurtured through a range of leadership development opportunities. The type of training can include formal development programs, mentorship, and executive coaching.

At the core of effective [leadership development](#) is a desire to foster that leader's authentic growth which extends far beyond leadership strategies and tactics. Mentoring typically takes the form of a dynamic relationship between a seasoned, experienced individual (the mentor) and a less experienced person (the mentee). It is often a long-term commitment, forging trust and connection. [Executive coaching](#) is a more structured and goal-oriented approach, whereby a professional with expertise in a certain area helps the coached leader establish and realize specific objectives. Coaching can be short-

Transferable skills can be hugely important when looking at potential leaders outside the industry. Sometimes referred to as portable skills, these competencies transfer well from one job to the next, regardless of industry or role. These can be hard skills like strong financial acumen and technological proficiency, or soft skills like flexibility and empathy. In a changing job market, transferable skills are highly valued. Evaluating a leader based on their skills rather than their last job title can help fill critical roles with the best talent.

term or project-based, and focuses on skills development, problem-solving or enhancing performance.



Leadership development can create significant business dividends. Data shows coaching produced over a 5:1 return without including the financial benefits of employee retention. When considering that critical factor, the ROI jumps to nearly 8:1 or 788 percent.¹⁵

CONCLUSIONS

Tomorrow's leaders in food and agriculture will bear the immense responsibility of feeding the world and keeping it healthy despite growing global socio-economic challenges. Pivotal to navigating the complexities of modern practices, market demands, and societal expectations, leader's roles have become multifaceted and crucial to driving innovation, efficiency, and sustainability efforts within these sectors. The most effective way to find leaders who are equipped to meet current and future challenges, is a mixture of exposing internal candidates who have demonstrated the ability to develop with tailored development programs, with the goal of enhancing

their exposure to the skills they will need, married with external recruitment targeted to identify talent through trusted talent advisors who are well-networked inside and outside of the industry. The use of external recruitment will become more essential, and not less, in view of the complex skills the exceptional leaders of the future are required to master.

The skills of systems thinking, digital acumen, emotional intelligence are essential to allow organizations to remain fresh, robust, and resilient, and so the talent net will have to be cast wide to secure the leaders of the future.

RESOURCES:

- 1 - [How Can Companies Promote Sustainable Consumer Behavior](#), Bloomberg, 2023.
- 2 - [What does effective and ethical leadership look like in the future food & agriculture industry?](#) AgFunder, 2023.
- 3 - [Thirteen trends driving change in food and ag production](#), Food Business News, 2023
- 4 - [Systems Thinking: What, Why, When, Where and How?](#) The Systems Thinker
- 5 - [How systems thinking enhances systems leadership](#), i2Insights, 2021.
- 6 - [Leadership & Culture: Systems Thinking](#), LinkedIn
- 7 - [Corporate Leaders Lag in Digital Skills](#), Learning Guild, 2022.

- 8 - [How Technology Will Shape Leadership](#), Forbes, 2023.
- 9 - [The Role of Leadership in Digital Transformation](#), elev8
- 10 - [Optimism as a Competitive Advantage](#), AESC, 2024.
- 11 - [America Works Data Center](#), US Chamber of Commerce, 2024.
- 12 - [Artificial Intelligence and the Leader of the Future](#) Kincannon & Reed, 2023.
- 13 - [Fostering a Diverse Workforce](#), Kincannon & Reed, 2021.
- 14 - [Year End Global Talent Trends and Implications](#), Kincannon & Reed, 2023.
- 15 - [The ROI of Executive Coaching: Is it Worthwhile?](#), Kincannon & Reed, 2023