

**FIRST IN AN ANNUAL SERIES--  
MY GIN MANAGEMENT PHILOSOPHY**

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**Abstract**

I have contended over the years that management is the same whether it be managing a cotton gin, a candy store or a bank. The principles of management are the same. I have studied many styles of management and have gleaned something from each, but the following is a style of management that I feel fits our needs at Glenbar and I am happy to share with you our management style.

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Other managers I am sure have developed styles of management that fit their need, and I am sure their styles are just as good as what we use. It is interesting to follow through on other styles as you study management.

We will discuss what management is and go through the various steps of management outlined by Dan Henley such as planning, organizing, staffing, directing and controlling and outline each of these subjects as to how they are implemented at Glenbar Gin, Inc.

Planning is the ongoing process of developing the gin operation's mission, objective, goals, and detailed tactics, which will clearly focus activities toward the most productive and rewarding ends. Planning also involves the process of problem solving and decision making.

At Glenbar our first step in the planning process is to compile the number of acres we will gin. From that we can go into the budgeting process. Using the acres we plan to gin and multiplying that by the average yield we know approximately the number of bales we will gin. We know about the time harvesting will begin and how many bales per hour we can process. From this information we can calculate the number of bales we will process each monthly period. We can also calculate our income for each month of operation.

We then will budget our income and expense operation for the entire year. Our corporate year runs through March 31. Exhibits 1 through 3 show our annual budget forms. From this information we know our working capital needs by deducting those expenses that do not affect working capital such as depreciation. Also we can do some tax planning from these numbers.

Our next step in our management plan is organizing. Organizing is establishing an internal framework for the gin operation. It clearly defines the roles and activities required of employees to meet our business objectives. As manager, you must decide the positions to be filled and duties, responsibilities, and authority attached to each one. At Glenbar, we have prepared a personnel manual we give to each employee. We start with a welcome and give a little bit of the history of the company. We emphasize the importance of each employee. We want each employee to feel as much pride in Glenbar as we do.

Glenbar's personnel manual also covers company policies. These policies include hiring, trial period, dismissal, salaries, hours of work, pay period, salary deductions, vacations, paid holiday, sick leave, forced absence, absence without pay, jury duty, accidents, reviews resignations, training, travel and grievance procedures. Also included in the personnel manual are benefits provided employees such as workers' compensation, overtime pay, unemployment compensation, group medical, dental and vision insurance, life insurance, retirement, disability insurance, uniforms, bonus, emergency loans along with employment acknowledgment.

A very detailed job description is included in the personnel manual such as owner/manager, executive assistant/secretary, part time office clerk, gin supervisors/ginners, temporary yard man, temporary gin labor, and module truck drivers. We go over the personnel manual with each employee to make sure they are very clear what their job is, and all the benefits that go with the job.

Management further covers staffing the operation. Staffing is recruiting, hiring, training, evaluating, and compensating oneself and other people. It includes finding the right person for each job and keeping all positions filled. At Glenbar, we offer training through the gin schools, continuing education, and other seminars as available. We also evaluate our employee annually. We developed an employee review, shown on Exhibit 4. We made the review a positive review where we let the employee review themselves and also review the management. At review time, we also go over the benefits Glenbar provides for its employees.

Management also has the responsibility of directing. Directing is the leading, coaching, delegating, and motivating oneself and other people. Directing involves communicating with people to develop a working environment in which people enthusiastically carry out their roles in the organization.

Further management responsibilities include controlling. Controlling is measuring and reporting actual performance against set standards and taking appropriate corrective actions when events are not conforming to plans. At Glenbar, our accountant provides us with a monthly

operating statement. We take this operating statement and compare this with our budget. This includes comparisons not only of income and expense but also income and expense per bale processed. If we are over budget or under budget we have the opportunity to correct the problem or justify the difference.

These are the management concepts simplified which we try to follow at Glenbar Gin, Inc. I am looking forward to each of you sharing your management procedures, so that we may continue to improve.

**Exhibit 1.**  
GENERAL AND ADMINISTRATIVE EXPENSES - GLENBAR GIN, INC.

GENERAL & ADMINISTRATIVE EXPENSES	April	May	June	July	August	Sept.
Adv. & Contributions						
Bank Charges						
Cash over (short)						
Depreciation						
Dues & Subscriptions						
Employee Benefits						
Entertainment						
Education/Training						
Insurance General						
Insurance Group						
Insurance Workers Comp.						
Interest Expense						
Legal & Accounting						
Licenses						
Office Salaries						
Office Supplies						
Officer Salaries						
Postage						
Rental- Equipment						
Repair & Maint. Bldg.						
Repair & Maint. Equip.						
Vehicle Use Expense						
Supplies						
Taxes- Payroll						
Taxes- Property						
Taxes- Income						
Telephone Expense						
Utilities						
TOTAL ADM. EXPENSES						

**Exhibit 2.****PRODUCTION EXPENSE PROJECTIONS - GLENBAR GIN, INC.**

PRODUCTION EXPENSE	April	May	June	July	August	Sept.
Production Labor						
Payroll Taxes & Insurance						
Module Hauling Labor						
Production Equipment Depr.						
Equipment Repair						
Equipment Repair Labor						
Equipment Rental						
Production Supplies						
Production Utilities						
Other Production Expenses						
<b>TOTAL PRODUCTION EXP.</b>						

**Exhibit 3.****PROJECTED REVENUES - GLENBAR GIN, INC.**

REVENUES	April	May	June	July	August	Sept.
Upland Ginning Revenues						
Pima Ginning Revenues						
Compression & Handling						
Ginned Cottonseed Sales						
Miscellaneous Sales						
Planting Seed Sales						
Miscellaneous Bale Revenue						
<b>TOTAL REVENUES</b>						
<b>COST OF SALES</b>						
Cost Ginned Cottonseed						
Freight Expense						
Cost Planting Seed						
<b>TOTAL COST OF SALES</b>						
<b>TOTAL REVENUE LESS COSTS</b>						

**Exhibit 4.**

**ANNUAL EMPLOYEE REVIEW - GLENBAR GIN, INC.**

Name \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_

Date of Review \_\_\_\_\_ Salary at Review \_\_\_\_\_

Bonus Last Year, If Any: \_\_\_\_\_

**Review:**

Are instructions clear from management or must you spend time trying to figure out what you are supposed to do?

Is work organized or does work change from day to day and is work carried out in unorganized manner?

Do you think the Company is open to new ideas and take those ideas into consideration in carrying out the company's goals?

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Do you feel that you are complimented on a job well done and do feel that criticism is constructive criticism?

Do you feel that you are offered opportunities to improve your talents and develop your skills?

Do you feel management is available when you need help and do you feel you can trust management?

Do feel goals and work is properly outlined where work can be performed in an orderly manner or do you think we operate in the crisis mode too often?

Do you arrive to work on time and are you prepared to begin work upon arrival?

Do you reflect a good appearance in dress and do you have a good attitude while on the job?

Are you aware of the time off as stated in the Employee Manual and do you request time off ahead of dates requested?

Do you work well with other employees?

Are you pleasant with customers?

What do you think you can do to improve the efficiency of the company and what do you need to institute that efficiency?

Do you understand the benefits you receive from the company in addition to your salary?

Present Salary \_\_\_\_\_

**Benefits:**

Hospital Insurance \_\_\_\_\_

Dental & Vision \_\_\_\_\_

Disability Insurance \_\_\_\_\_

401 K Matching \_\_\_\_\_

Uniforms \_\_\_\_\_

Bonus \_\_\_\_\_

TOTAL SALARY PLUS BENEFITS ----- \$ \_\_\_\_\_

Do you request an increase in salary. If so, how much? \$ \_\_\_\_\_

Comments and suggestions concerning this review:

**SUPERVISOR COMMENTS**

Employee Signature \_\_\_\_\_

Supervisor Signature \_\_\_\_\_