



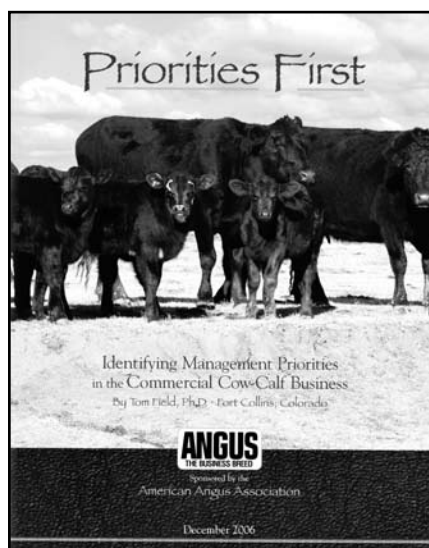
Outside the Box

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Priorities First

Producers can pick up any agricultural publication or attend a beef cattle management seminar and find themselves facing a host of ideas, management protocols and suggestions designed to improve their cattle enterprise. In fact, the list of “should do” and “ought to do” is overwhelming to most. Couple the information explosion with the plethora of emerging issues, regulations and societal pressures on the cattle business, and the job of staying focused on the core capabilities of an enterprise becomes even more difficult.

Nonetheless, successful commercial cow-calf producers have intentionally prioritized their management activities to create an environment where desirable outcomes can be obtained. In an effort to better understand the process of prioritization and to benchmark the priorities of both cow-calf managers and a cross-section of the technical specialists who serve the industry, the American Angus Association funded a study to investigate management priorities in the commercial cow-calf business.



Surveying success

Surveys were collected from 130 cow-calf producers preselected as successful managers as well as 87 of the established cow-calf technical specialists who provide consulting and informational service to the industry. Producers were geographically distributed in alignment with the regional concentration of beef

cow inventories and represented mid- to large-sized herds for the most part, with 75% of respondents owning more than 200 head of beef cows.

Respondents were asked to prioritize 15 overall management activities as being either essential, important or beneficial (but of lesser importance). The rankings of both producers and technical specialists were highly correlated (0.90), suggesting a very strong sense of agreement between the two groups.

The combined rankings of the 217 respondents are provided in Fig. 1.

Results

Scores of seven and higher were considered to fall into the “foundational” category of highest importance. Management categories that met the criteria for very high priority included herd nutrition, pasture and range management, herd health, financial management, marketing, production management and genetics. This group of seven management topics provides the foundation upon which the success of the cow-calf enterprise is based.

Labor management, information systems, and harvested forages were viewed as being high in priority. Categories viewed as lower in priority (but not unimportant) included herd identification (ID), natural resources management, biosecurity, facilities and equipment resources, and technical support services.

Survey participants were also asked to prioritize a series of management

subcategories listed under each of the 15 primary management areas. Details of these results can be found on page 18.

Analysis of the survey results point to the industry’s focus on nutritional management with special emphasis on the grazing resource (ranked 1 and 2). Respondents ranked harvested forage management 10th, suggesting cow-calf managers and technical specialists recognize the economic and biological benefits of concentrating attention on providing nutritional inputs from pasture and range resources.

Nutritional subcategories receiving the highest scores included nutrition of the cow herd during lactation, in the final trimester of pregnancy, and during the heifer development phase of production. Pasture and grazing management subcategories viewed as highest priority included stocking rate, as well as timing and duration of grazing.

Respondents were very clear in their intent that holding herd health, genetics and labor at below-industry-average costs was less important than assuring desirable results from these management activities. However, in regard to the costs of harvested and supplemental feeds, participants ranked holding costs below industry average as high priority. Veterinarians and financial specialists were perceived as having high value to the cow-calf enterprise.

Self-evaluation

The results of this study allow producers to compare their own priorities to these established benchmarks and to determine if changes in priority should be considered. Producers can also conduct a self-evaluation of their own enterprise by completing a table similar to the one presented in Table 1.

Completing the table provides a roadmap for producers to determine if

their time and resources are allocated to the highest priority activities, as well as determining in which areas opportunities lie to better engage technical specialists for assistance.

While significant differences between cow-calf enterprises exist, the common limiting factor for each is time. The allocation of time is perhaps the most critical decision made by a manager in any given setting. Establishing priorities

within the host of potential management activities is critical if a manager is to stay focused on those resources and choices that yield the highest potential returns.

Successful cow-calf producers have the ability to sift through vast amounts of information and to critically evaluate emerging issues as to their true effect on the enterprise. Furthermore, successful managers and their technical support teams understand that prioritization of

activities is central to their profitability and effectiveness. They understand that in business, as in life, getting first things first is the foundation to success.

The business environment is likely to get even more chaotic in the future. Only through intentional allocation of resources to priorities of highest value can we guide enterprises through these stormy seas.



Fig. 1: Cow-calf management priorities

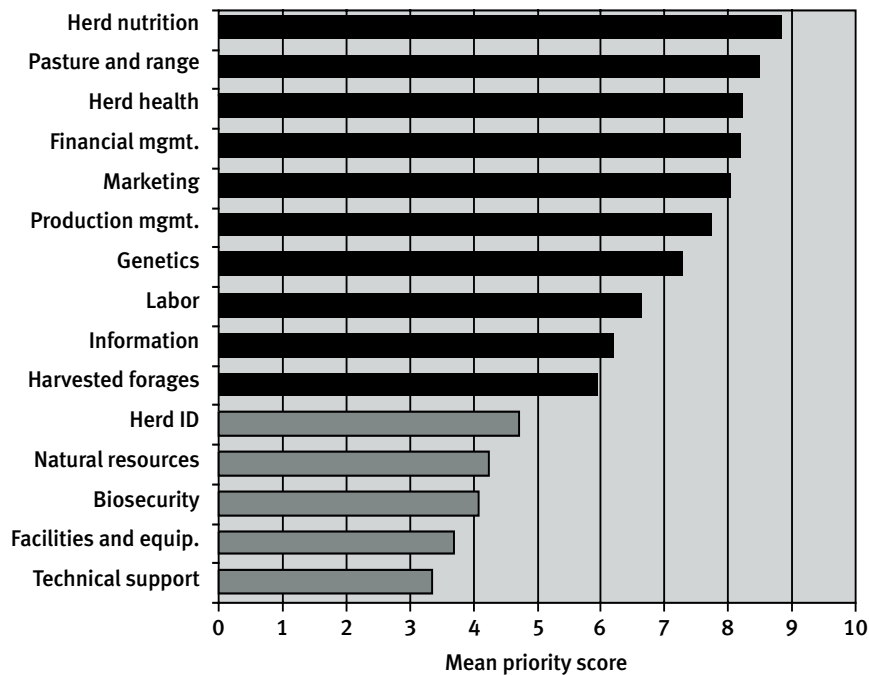


Table 1: On a scale of 1 to 5 (1 = no, 5 = absolutely) rate whether this area of your business is performing correctly

Management Category	1	2	3	4	5
Herd nutrition					
Pasture and range management					
Herd health					
Financial management					
Marketing					
Production management					
Genetics					
Labor management					
Information resources					
Harvested forages and supplements					
Herd identification					
Natural resources management					
Biosecurity					
Facilities and equipment					
Technical support services					