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Ranch Planning Options

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Rangeland resource managers face a variety of challenges, not the least of which is trying to make a living from their enterprise. Managers are pulled first one way and then another by changing markets, regulations and new technologies. Several universities are now offering management programs that, while not making the job easier, offer a process for giving control back to the manager. The following information sheet, produced by John Hewlett, Farm/Ranch Management Specialist, University of Wyoming, is from the Western Integrated Ranch/Farm Education (WIRE) program offered by Wyoming. I believe Utah and other western universities offer similar programs. The WIRE program was adapted from the Total Ranch Management program developed in Texas and offered annually through Texas A&M. You should contact the Extension Service regarding availability of similar programs in your state. -Bud Rumburg, Executive Vice President, SRM

Extension Focus: Integrated Management

There is hope. A new way of approaching the forces and factors of managing a farm or ranch is starting to spread across this country and elsewhere. This new method can be referred to as integrated management. This so-called new method is probably not so new to operators who have been around awhile. In fact, this method of approaching agricultural management problems is probably the same system used by operators years ago. While in the past an operator could afford to be intimately familiar with all the resources of his/her operations, today operations are larger and regulations more numerous, making the job appear overwhelming, without a method of approaching it.

Integrated management is a method of managing the farm or ranch operation as a whole, rather than as separate, unrelated enterprises. Some refer to this type of system as a method of 'holistic' thinking. No matter what the name, it provides a step-by-step method of working through the 'information overload' ag managers receive daily. It puts 'handles' on the unruly beast and provides a place to grab on, giving control back to the manager.

Integrated management begins with goals for the operation. These goals include both business and personal goals. It may even include the goals of management and personnel. Every operation and its employees have goals. Without goals, the farm or ranch is managed randomly. Yet few ag operators (let alone their employees) have ever sat down and written out their goals. Goals can describe what the operation should be in 10-20 years, where management wants to be personally in 5 years, or the kind of education they'd like to provide for children. These sorts of goal statements are required if the persons involved, or the business as a whole is to ever reach the desired destination.

The next step of integrated management is to inventory the resources available. Resource categories vary from one integrated management system to the next. One system uses the following five resource categories: basic resources, human resources, financial resources, livestock resources, and wildlife resources.

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Basic resources refer to both the natural and the agronomic resources of a farm or ranch. Natural resources include soil type, ground water, precipitation potential, native plant populations, topographical relief, and other 'site' characteristics of the operation. Agronomic resources include the 'human-contributed' characteristics, such as crops grown, irrigation water available, field locations, etc. Human resources describe not only the number of people working for the operation, but also their skill levels, responsibilities, and hours available for work. Financial resources, probably the most listed resource, includes cash in the bank, the value of all assets owned by the operation, and any liens against the asset base. The livestock resource includes any domesticated livestock: cattle, calves, sheep, horses, exotics, or others. Finally, wildlife resources include wild animals present on lands owned by the operation, both game and non-game species.

This listing of resources is critical to the overall process and should not be taken for granted. The resource base of an operation includes everything available for use in generating income. Any income left after meeting operation expenses is applied toward the goals. A complete resource list can provide insights into new methods or activities that could generate additional income.

Once goal statements and an inventory of resources have been drafted, the strategic level of the integrated management process is complete. This work sets the direction for everything that comes after. The tactical level explores how to get from where you are to where you want to be. This includes all activities or enterprises that can turn farm/ranch resources into income. Such tactical planning is done within the resource limitations of the operations, including the human resource limitations of time and skill levels.

Within the operational level of the process, new or revised plans are implemented—put to work on the ground. This is where the "rubber-meets-the-road." This is the "what is done" part of the process that accomplishes the goals set at the

strategic level. While plans are being implemented, resource use must be monitored and adjusted as necessary. Replanning occurs throughout the year as resource use is monitored; it should also occur at year end. In this way the process provides information on how resources performed over the year, including contributions toward goals.

This is the integrated management process. It is a method for taking all the information agricultural managers receive on a daily basis, processing that data, and developing plans for their operation that will move them from where they are to where they want to be.



One integrated management program being offered in the West is titled WIRE (Western Integrated Ranch/Farm Education). It was developed by a team of Wyoming extension agents and specialists. The course focuses on giving participants a means of getting a handle on the management of their farm, ranch, or related business. It covers each step of the process outlined above and helps managers get started applying the process in their own situation. For information about this program, contact your local Cooperative Extension office.

Ag managers must process an ever increasing amount of information to be competitive in today's operating environment. In addition, the level of competition inside and outside our borders is increasing. To make sense of this and to manage in a way that allows success, a method of approaching the problem is needed. Integrated management means of looking at the resources available, analyzing alternative enterprise activities, and implementing plans to accomplish those activities in a resource-sustainable manner is one way to approach the problem. Success in this management system is measured by progress toward goals, both business and personal. It's been said that money alone can't buy happiness. When extra dollars of revenue help the manager reach strategic goals, progress alone can be very satisfying.

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