



Cow-Calf Management Guide

VIII. Ranch Management and Financing

Management Objectives—(1) To guide and administer the affairs of the ranching operation so that short- and long-range goals of the enterprise can be achieved, and (2) to understand financing and the wise use of borrowed capital.

Biological facts—All living things have certain limits that govern their existence. The cow is no exception.

Goals—That which resources are expended to obtain.

Points to Remember

- Managing a beef cattle operation at a profitable level must be done within the limits and philosophy of the operator's skill, knowledge, physical facilities, terrain, climate, finances, and labor. **CL100, 107, 108, 960**
- Regardless of where or how you operate, you must manage within the confines of the *biological facts* of beef production. **CL100, 211**
- Setting some short-term reachable *goals* and objectives as well as some long-range ones and developing a sound management plan will give you more return to your reason for being in the cattle business. **CL100, 107**
- The anxieties of managing a cattle operation are much less if a sound finance and management plan is instituted along with some clearly defined goals. **CL107, 900, 942, 960**
- One of the first things that you should do before establishing goals or a sound management plan is to analyze resources. **CL108**
- The purpose of analyzing your resources is to define the tools you have to reach your goals. **CL107, 108, 211**

System—Regular method or order.

Criteria—Measures or standards.

Budgets—A written estimate of future income and expenses covering a definite time period.

Assets—Things of value you own.

Debts—Obligations you owe.

- Probably the easiest way to get started on this is to write down your goals in the order of priority you set. Then beside each goal write down the steps that have to be accomplished to get to that goal, and the time when the steps need to be done. **CL107, 900, 905**
- Once you have some objectives established, you must try to manage by these objectives. This is essentially a system of incorporating into a more logical and effective pattern the things that you are already doing. **CL107, 108**
- Remember any *system* of management is better than no system at all. **CL107, 915, 917, 935**
- The ability to organize, get results, and adapt to rapidly changing circumstances will be the primary *criteria* for management success in the future. **CL107, 855**
- Management by objectives simply means that a manager systematizes the tasks of managing. This is done by setting good objectives and then, through proper planning and controlling, making the right choices to achieve those objectives. **CL107**
- To manage is to control, to direct, or to make the right things happen. **CL107, 900**
- Managing is productive and can actually reduce work, but managing to get the right things done is no more work than managing to get the wrong things done. **CL900, 1270**
- Having a secure source of money is important to the overall management plan; however, there is no easy way to manage money. **CL900, 935, 940, 942, 950, 951**
- *Budgets* are road maps. They show how you plan to get where you are going. There are bound to be some detours and changes, but the road map is still valid. **CL925, 930, 935, 955, 1270**
- The *assets* and *debts* are yours. Control and guide them properly and your goals will become reality. **CL917, 950, 951**
- You are trying to reach goals that you thought were important, not just live with what you thought last year. There is one question that you should ask yourself as you review your goals and plans. “What business am I in?” **CL107, 108**
- In measuring progress and setting goals, remember to be realistic, be honest with yourself, and make the right things happen. **CL107, 918**

Good Management Practices

1. Have a complete list of the resources you have to “make things happen.” **CL107, 108, 900, 950**
2. Set some realistic goals that are attainable. **CL107, 930**
3. Put together enough capital to do the job, but don’t over-borrow. **CL925, 930, 935, 940, 942, 955**
4. Build a “cash flow” chart. **CL935**
5. Know your net worth. **CL917, 950**
6. Have a way of measuring progress toward “your” goal. **CL107, 108, 900, 915, 917**



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