

Cattle Business in Mississippi – October 2012 “Beef Production Strategies” article

Could Your Ranch go on Without You?

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Many beef cattle operations have owners, managers, and other people who perform unshared, key tasks. If one of these essential people was suddenly absent from the operation, how would it affect the operation? Would business go on as usual? Would major changes to operations or a replacement person be needed? Would anyone remaining with the operation know how to perform the tasks or where to find the information previously managed by that person? These are serious questions for all beef cattle operations and bring to light the need for advance planning and information sharing within an operation.

Prepare for the unexpected and the inevitable. It is a good idea to consult with an estate planning expert well before it might be needed. That way the people tied to the estate and associated with a cattle operation have a plan of action ready prior to a loss of a person. It will make for one less thing to be concerned about at an already difficult time. Good communication regarding the estate plan lets all involved know what to expect. The estate planning process itself can be critical for making optimum financial moves and preserving the estate's assets.

At the ranch level, it is not uncommon for a primary operator to make most or all of the ranch decisions, know what tasks have been and still need to be performed, and maintain their own record keeping system. Thus, if this person is unable to manage the operation before informing and training others on the ins and outs of the specific ranch, then it can be extremely challenging for someone unfamiliar with ranch logistics to seamlessly pick up the pieces and continue ranch operations. Effective communication with the people who would likely take over these jobs is the first step to make this a better scenario for the successors. This is a two-way process with the one person doing the training and the other(s) asking questions to make sure they comprehend the meaning that is intended and have all of the needed information. Sometimes this means going over the same information multiple times or writing important things down.

Maintaining detailed, up-to-date, thorough, and organized financial and production records is another highly recommended practice to improve future personnel transitions. Records are most valuable when they can be located and understood in a timely manner. Do not overlook the importance of knowing where records are stored, computer passwords, etc.

The day-to-day tasks of cattle operations typically cannot be put aside for a long period and then revisited. Cattle producers have a responsibility to care for their cattle by providing adequate nutrition, timely medical care, and keeping them confined off of roads and the private property of others. Taking over the immediate needs of the operation is much easier when the answers to following types of questions are already known:

- How many head of cattle are on the operation?
- What pastures or pens contain cattle, and how many should be in each location?
- What nutritional programs are the various groups of cattle currently on?
- What are they being supplemented with and how much feed is being fed each day to each group of cattle?
- What are the expected calving dates of any pregnant females?
- Does a bull need to be turned in or out of a breeding pasture now?
- Are there any cattle that require ongoing treatment for medical conditions?
- Are there any drug withdrawal times that have not been cleared yet?
- Where are the supplies stored?
- Are there any projects on the ranch that need immediate attention? Fencing repairs? Broken water lines?
- Are there any important appointments or events scheduled in the near future on the ranch or involving its people?
- Are any of the cattle already committed to sell in a particular sale, under contract, or promised to a certain customer?
- Are there any other contracts or agreements in place or pending that require immediate attention?
- What bills need to be paid right away?
- Is money owed to the operation that should to be collected soon?

Another consideration in making preparations for the event that someone becomes unable to participate in the cattle operation is to ensure that other individuals are properly trained in key aspects of cattle production. If someone who has little or no experience in handling cattle is suddenly thrust into those responsibilities, the safety of the handlers and cattle may be compromised, not to mention that it can be frustrating and inefficient. Make sure that these people receive adequate training in cattle production practices such as how to administer injections, how to know if calving is near in a pregnant female, etc. Record-keeping systems may also need to be learned and practiced. If there is a steep learning curve, then it may take some time to get a person up to speed to properly prepare them for the tasks they may need to assume. Seek out training opportunities to overcome these obstacles. Learn whether or not a person will be adept at handling certain responsibilities or if it will ultimately be better for someone else to take on those assignments.

Change occurs on all cattle operations. Being prepared for abrupt or even expected losses of human resources on the ranch makes smart business sense. It also promotes peace of mind for the people involved in the cattle operation and their loved ones. For more information about beef cattle production, contact an office of the Mississippi State University Extension Service or visit msucare.com/livestock/beef.