



Dollars & Sense

► by Vern Pierce, beef economist, University of Missouri-Columbia

Don't sweat the small stuff

You might have heard of the popular book encouraging people to avoid worrying about the small stuff in life. Managing a beef operation uses the same skills and attention to the "big ticket" items that this author, and many others, would have us use in our daily lives. Some of us tend to spend our time on the "small stuff," paying little attention to what matters most. Much of our time and energy is spent sweating over daily chores that consume unplanned days.

Needed: good management skills

Executives of most commercial businesses rely on the infrastructure of the management team in place to provide specific expertise in the major areas of business operations, including marketing, research, production and finance. This allows the executives the opportunity to combine the resources of the management team when developing and implementing business plans.

The competitive nature of production agriculture will require similar acumen of its executives. The executives of farm businesses, however, do not have the in-house management team to serve as day-to-day advisors. Therefore, the farm business executive must develop this executive philosophy of management to provide the knowledge base needed to effectively manage the farm resources.

Labor, rather than management, often has the first claim on most family farming operations. In order to achieve the maximum value of production per person, farms tend to expend production in order to employ all available labor. When work is needed for daily chores for livestock operations or for field duties for crop operators, labor has first claim on all people involved in the operation, leaving management and planning as a residual.

Maximize profitability

However, learning to avoid sweating the small stuff does not take a whole team of vice presidents, just a manager with the following concept in mind:

Everything that you do on a daily basis

falls into one of two categories: important or not important. The difficulty arises in deciding which activities go into which category.

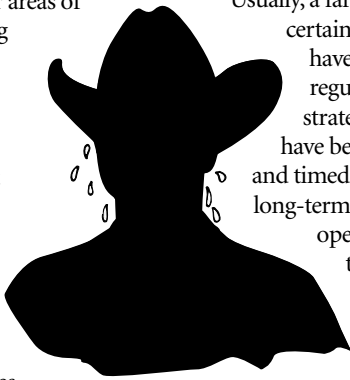
Usually, a farming operation has a certain number of activities that have to be taken care of on a regular basis. These are not strategically based activities that have been carefully planned out and timed in order to maximize the long-term profitability of the operation. They are usually things that just need to be done. We have categorized these activities for what they are, "chores."

The daily chores are important or we wouldn't be doing them, right? I would suggest some are and some are not.

Many of the chores we do on a daily basis are necessary for the maintenance of the business and require some of the daily sweat. However, many others do not. Consider the activities that you fill a typical day with and ask this question: "Is this an activity that must be accomplished in order to maintain the business?" This makes it either important or not important.

Of course, feeding the cattle would be important. However, would an activity like building fence have to be done today, or could you reprioritize your day to something more strategic that would have a longer-term impact?

This is the second phase of deciding whether to sweat over an activity: Is the activity urgent? Urgent activities, or at least activities that we allow to be urgent, take a large share of our time. Urgent activities are those that simply must be done now. Nonurgent activities can wait.



Breakdown of categories

We now have four different categories of activities on which to spend our time. All activities fall into one of these categories. Consider how these categories overlap in a grid as shown:

	Urgent	Nonurgent
Important	Quadrant 1	Quadrant 2
Not important	Quadrant 3	Quadrant 4

When we consider spending our time in this grid, it becomes painfully clear how easy it is to sweat the small stuff. In this case, the small stuff is everything on the bottom half of the grid. The valuable stuff is on the top. As you move to a time in which you are avoiding the small stuff, you will find more and more of your time spent on quadrant 2 (the best place to be) and less time on quadrant 4 (the worse place to be).

Like any idea that seems good at the time, this one too will take some time to incorporate. Start with a reality check. At the end of the day, sometime in the near future, sit with a pad of paper and try to write what you did that day on a list. Include everything that you can remember and approximately how much time you spent on each activity. Now try to write which box each activity falls in. Chances are you will have a lot in quadrant 4 and few things in quadrant 2.

In order to avoid sweating the small chores that can consume your day, start your transition by putting off the quadrant 4 stuff until toward the end of the day, when you don't need your thinking mind as much, or not at all. Spend the time of your day when you are the best thinker — thinking! Review your plans, consider your options and look at alternatives.

If you like what you find keep doing what you're doing!

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