

## **Ranch Management Information System (MIS) Capabilities Checklist**

1. Written objectives and goals in a ranch business plan that is updated annually with performance benchmarks measuring progress.
2. QuickBooks™ set up for IRS compliance and managerial accounting. Complete annual accrual adjusted financial statements. This includes adjustments from cash reports for changes in inventory for livestock and feed, prepaid expenses and accounts payable and receivables. Use QuickBooks's class financial reporting feature to evaluate production and marketing alternatives.
3. Monthly reconciled cattle inventory by category and class. Purchase and sales reported by category and class of cattle.
4. Standardized Performance Analysis (SPA) reproduction analysis for each breeding season. Begin analysis when the bulls are turned out with a count on exposed females.
5. Feed fed and inventory system for both purchased and raised feed fed reporting.
6. Written culling, controlled breeding season, sire selection and a written veterinarian approved health schedule by category and class of cattle.
7. Land resource inventory includes grazing capacity, stocking rate by pasture and brush control and land conservation and maintenance needs. Written grazing leases are current.
8. Grazing system plan and measure by pasture monthly stocking rates.
9. Need body condition scores (BSC) on breeding cows and replacement heifers taken at critical times to prevent BCS loss that results in poor reproduction.
10. Have a list of production standard operating procedures for all major production activities that spells out timing for action.
11. A detail summary data on sires used is valuable to guide for implementation plans.
12. A marketing plan for all sales and means to evaluate performance of previous effects.
13. Retained ownership projections and closeouts that support marketing plan on paper with frequent updates. Use TAMU decision aids, see source below.
14. Individual animal identity and traceability is a growing necessity for optimal market access. A cattle record system needs to be employed to address this need.
15. Employee job descriptions and annual performance review.
16. Updated insurance program.
17. Updated depreciation schedule and annual capital asset replacement plan. Book depreciation in addition to calculated IRS compliant depreciation costs.

Financial and production reports need to be reviewed frequently with data providers. All participants must have training on what the data truly means from their job perspective and decision-making responsibilities. Need a commitment to a participatory management style.

Improving the MIS starts with doing a review of the current system and preparing a priority plan for improving the MIS. Defining a report content and use must precede worrying about data or calculations. Finding ways to reward the bookkeeper, CPA and other data and information providers is an important part of a successful MIS.

### **Things to remember:**

- **Leadership is motivating people to do their best to execute what they know they should be doing.**
- **People will rise or lower to the expectations placed on them.**
- **Knowledge is the only factor of production that is not subject to the law of diminishing returns.**
- **Persistence and execution are often undervalued.**
- **Prior preparation prevents poor performance.**
- **You manage what you measure.**
- **One-page written summary reports get read.**
- **Effective management reporting begins with defining report content not data collections and calculation needs.**
- **The grazing land resource management and conservation is key to long term cow-calf profitability.**
- **Exposed female pregnancy and weaning rate is the most important measure of management performance and will be the major determinant of total unit cost and return on investment (ROI) in any breeding operation whether it is cow-calf or horse breeding. Period!**

### **Source of Beef Cattle Decision Aids:**

**Texas A&M University - Department of Agricultural Economics – Agri-Life Extension  
Beef Cattle Decision Aids - <http://agecoext.tamu.edu/resources/decisionaids/beef/>**