
RANCHING FOR PROFIT

Putting Profit into Agriculture

Newsletter #70

February-March, 2001

Just over a year ago, I had some welcome and constructive criticism from a friend. He was repeating the school and on the last day I asked him what he thought about the newsletter. He said he'd think a lot more of it if I got it out on a regular basis. I started doing just that. I hope you noticed, but more likely you noticed that the last issue didn't come on schedule—in fact, it didn't come at all. I apologize for skipping the issue. We have had some other matters to contend with this winter. With them behind us, this issue will put us back on track.

Guess What I Just Bought

The biggest item on our agenda is our purchase of Ranch Management Consultants. On January 1, 2001, Stan sold Ranch Management Consultants to Kathy and me. This is exciting and, at times, daunting. In addition to managing the schools, as we have for the past two years, we are now responsible for the whole enchilada.

Since 1992, when I first started teaching the Ranching for Profit School for Stan, I thought that the mission of RMC was to provide education for its clients. Perhaps the most important thing I've learned in the last two years is that the school and our follow-up programs are not just about *education*...they are about *implementation*. Time and time again, I see that you and your colleagues already have the knowledge and resources to effectively deal with the many issues and challenges we face. To achieve our goals we need to:

1. Focus our knowledge and talent;
2. Create an environment in which we can be effective; and
3. Create support systems to hold ourselves accountable.

That is the purpose of the Grad Link and Executive Link programs. To make the alumni programs as effective as possible, I am strengthening them in several ways.

Grad Link & Executive Link

I am indebted to David Parsons for running the GL & EL programs for the past 18 months. David plans to continue working with me facilitating and managing these programs for the next few months. But he has his sights set beyond RMC and will be leaving as a full time employee in June. Meanwhile, I am diving in head first to manage the GL & EL programs. I am working through the continuing education program materials to help participants apply the concepts directly to their businesses. I am also planning to bring Grad Link members into the EL process faster.

Facilitation

In 2002 I plan to offer facilitation services to clients. Our facilitation will focus on helping school alumni work through the ICA process with their entire staff or family.

We will start training facilitators this fall. If you think you have a talent for working with people and would like to tackle the challenge of helping families run through the ICA process and set up effective WOTB procedures, call us.

North American Meeting

In 2002 we plan to resurrect the highly successful annual meetings that were held in years past. The plate is too full for that this year. The first program will be sometime in late summer or early fall of 2002.

There are several internal challenges we'll be tackling too. For the past year my wife Kathy has been doing the administrative work related to the newsletters, seminars and schools, but with the addition of the GL/EL it's more than will fit in our home and our family. We'll be establishing an office outside our home this spring and hiring an office manager and administrative help.

As always, I look forward to your constructive criticisms and suggestions to help us improve our programs and procedures to best meet your needs.

The Bottom Line To You

Someone once told me that "Business is business and people are people." I disagree. Business *is* people....especially our business. As long as I'm running RMC our business will be you. The depth of feeling and loyalty of our alumni has always impressed and inspired me. Having worked with Stan for nearly a decade, I also saw that the feeling and loyalty was a two way street. It still is. Kathy and I are committed to offering outstanding courses and follow-up support to people who want to improve their land, their lives and their bottom line. Our bottom line is, and always has been, your success.

Where Are Stan & Hazel And What Are They Doing?

Stan & Hazel moved to Zimbabwe about two years ago. They live in a beautiful house in Harare. Hazel has one of the most beautiful gardens imaginable. She is also teaching money management to homeless kids in Harare.

Stan is back in the saddle developing a program very similar to the one he created here. He's been organizing an Executive Link program and the prerequisite "For Profit" course for farmers and ranchers in Zimbabwe. At Stan's invitation I taught the first two Zimbabwe schools last July and August and will teach another school there in March. In spite of the political and economic turmoil (the government is still encouraging farm invasions and interest rates are over 70%), Stan and Hazel, while obviously concerned, are happy and healthy and feel very much at home.

Mail to Zimbabwe is slow at best. If you'd like to send Stan and Hazel a message, I'd be happy to carry your cards and letters with me. I leave February 28th.

The Impossible Dream: An Organized Office

Now, more than ever, this has become a critical issue for me. I gather from many RFP participants and alumni that it is a never-ending challenge for them as well.

I remember listening to Stan talk about time management on the last day of the school. I was a bit suspicious when he said he had "a clean desk." "How could anyone have a completely clean desk?" I wondered. I couldn't imagine such a thing. My office was a hard hat area. My desk usually looked a little like the sierra foothills with at least 2 or 3 peaks of papers. Occasionally envelopes covered with notes on the backs would erode off the slopes. Inside the core of my desk volcano was a mixture of unread magazines, Stockman Grass Farmers, unopened mail, phone messages, free samples of various things, bills, post-it notes, dried up felt pens. If you were missing it, it was probably because it was on my desk.

It was a miracle that I got as much done and got as many calls returned on time as I did. But all too often things slipped through the cracks. I'd miss deadlines or forget appointments. So periodically I would purge the pile. I'd scrape everything into a pile and toss it all in a box. Then one by one I'd go through the box. Eventually the box would be empty, the desk clean and I'd feel fantastic, only to find that within a day or two the mountain of papers had returned. Arrugh!

My skepticism about Stan's clean desk turned to sheer frustration in 1991 when I spent a lot of time at Stan's office working on the Self Study Course. Within a few hours I had my brand-new work space looking like my old desk. Meanwhile Stan's desk was actually clean. He'd get all

sorts of work done, but he did it with a clean desk. It was then that I realized that my thinking and personal organization were as cluttered as my desk.

For years I tried to organize myself. I'd buy new organizing paraphernalia as an incentive. But nothing worked. The problem was, while I was ready to give up my old ways, I didn't have anything better to replace them with.

A little over a year ago I heard Julie Morgenstern, author of *Organizing from the Inside Out*, interviewed on NPR. She told me that I wasn't alone. She said that Americans waste nine million hours per day searching for misplaced things and that the average US executive wastes an hour a day (that's six weeks a year) searching for missing information in messy desks and files. By all accounts I was well above average. The bottom line is, that I bought her book, read it and applied it. I've been relatively clean now for a few months.

My father always said, "A place for everything, and everything in its place." My problem was that I had too many things and no place for any of it. When I finally did file something I'd often forget where I'd filed it. Thank goodness, most things didn't get filed.

When I read Morgenstern's book I realized that what I needed wasn't a *filing* system, I needed a *retrieval* system! Her book led me through a 5 step process to develop a filing/retrieval system that works for me.

The five steps are **SPACE** (*Sort, Purge, Assign a home, Containerize, Equalize*).

S = SORT

Related items in several locations makes them difficult to find. Morgenstern suggests sorting every item into basic categories (e.g. finance, administration, marketing, etc.).

P = PURGE

If you don't use it, lose it...or at least put it in long term storage. The less you have to file and retrieve, the easier it will be to develop a good filing/retrieval system. Better check with your lawyer and accountant before you throw out those old legal papers or bank and IRS reports.

A = ASSIGN A HOME

Just as my Dad said, "A place for everything and everything in its place." Organize your papers by related topics. Some examples include "Administration," "Sales & Marketing," "Financial," "Personal." Once you have the files assigned to a home, make an index page for the front of your filing cabinet showing all of the folder titles in that drawer.

C = CONTAINERIZE

Morgenstern has some useful recommendations for labeling your files and using colored folders to make file retrieval fast and simple.

E = EQUALIZE

You've just completed your rough draft. Now it's time to fine-tune the system. You'll find that some files are huge while others are skinny. Adjust the file categories to break the files that are an inch or two thick into smaller groups.

Now that you have a filing/retrieval system, the trick is to use it. You'll need to get into the habit of taking 15 minutes at the end of the day to re-file the papers you've been working on. An annual tune up will also be necessary.

RMC can't restructure your business for you. Our role is to give you the tools and support you need to do it yourself. Morgenstern's book is another tool to help you create a working environment in which you can be more effective.

Pratt's Paradigm: Estimating the Cost of Erosion

According to the Natural Resource Conservation Service, average annual soil loss from pasture land in the U.S. is 2.6 tons/acre. That's about 0.02 of an inch/year. It may not seem like much but, year after year the loss of productive potential is significant. We can look at the value of that soil in terms of the lost production and the cost of weed control...but there may be a more direct measure...the cost of replacing it. I called a local landscape company and asked them what I'd have to pay for a cubic yard of topsoil (enough to cover one acre to a depth of .007 inches). A cubic yard was \$28.50. Therefore, the annual cost of replacing the soil lost from each acre of an average pasture is \$75/acre!

UPCOMING RANCHING FOR PROFIT EVENTS

RANCHING FOR PROFIT SCHOOL

Amarillo, Texas

February, 25 - March 4, 2000

GRAD LINK/EXECUTIVE LINK PROGRAMS

Colorado Springs

February 12 -14, 2001 (EL)

Redding, California

February 25 -27, 2001 (EL/GL)

Edmonton, Alberta

February 26 - 28, 2001 (EL)

Edmonton, Alberta

March 1, 2001 (GL)

Billings, Montana

March 5-7, 2001 (EL)

Email Your Email Address

We have just switched to a new data base program and would like to make sure the information we have on all of our alumni is complete and up to date. Please e-mail your e-mail address to us (pratt@ranchmanagement.com). If the name or address on your newsletter is incorrect, if you get more than one copy, or if there are people at your address who need to be taken off the list, please let us know. Thanks.