

The Art of Decision-Making

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There's probably not an occupation in the world that requires more decision-making than farming. To farm is to observe, plan, monitor, adjust, and re-plan constantly in response to the multiple factors that influence how crops grow and animals develop. Whether we realize it or not, our many day-to-day decisions have a cumulative impact on our overall profitability and quality of life. How often do we make short term decisions that lead us away from our long term goals?

The Center for Holistic Management promotes a decision making framework that provides a consistent means to quickly evaluate both large and small decisions. It involves seven questions to ask yourself about the decision you're about to make. But first of all you need to have a clear idea of your long-term goals, of where you want to go. When you have that goal in mind, any decision can be evaluated not only for its immediate effect, but also for how well it fits in with your overall operation.

Not all of the seven tests are needed for every decision, but it's good to go through them all to make sure. The tests include the following:

Cause and Effect. If you're attempting to solve a problem, does the action you're deciding to take address the root cause of the problem or does it just treat the symptom?

Sustainability. If you take this action, will it lead you toward your long term goals or in another direction? Does the decision help preserve the resources of your farm or deplete them?

Weak link. Will the decision you make have a positive or negative effect on your cropping or livestock system (biological weak link)? Will it have a strengthen or weaken the overall financial condition of your enterprise (financial weak link)? And will it enhance or be detrimental to your relationship with your customers or neighbors (social weak link)?

Marginal Reaction. Which of several options you're considering provides the greatest return for your investment in effort and money, both in the short-term and in the long-term?

Gross profit analysis. What is the potential for this decision to improve your profitability?

Resource source and use. Where is the energy, time, and/or money coming from to address this problem, and is it the best use of those resources?

Society and Culture. Finally, are there any other factors that you need to consider? If the decision has passed all the other tests, do you have any other concerns about carrying out this decision?

Here's an example of how it works. My husband Bill and I bought a group of 14 stocker calves this spring to get our beef operation going. Among them were 3 heavy steers that we planned to butcher in fall; the rest are heifers of various ages, some of which we'll sell and some we'll keep to start a little cow-calf herd.

As the heifers started coming into heat back in June, one of the steers—we'll call him Arnold—made it clear that his operation hadn't been completely successful. Arnold quickly became a problem, stirring things up among

the girls and setting a bad example for the other two steers, not to mention the possibility that he might actually be successful with these young heifers. What to do?

What's the real problem?

Our first response was that we had to get him fixed. When we talked to Dick Ryan, who we bought him from, his response was the same—we'll get him taken care of. Problem: failed castration. Solution: redo castration. Simple. But stop and think a minute. What is the actual problem? It's not the failed castration, it's the fact that he's in a mixed herd with females. Now that opens up a whole lot of other possible solutions.

Brainstorming solutions.

A lot of times, experience boxes us in and narrows our thinking when it comes to problem solving. Sometimes you have to consciously force yourself to avoid this linear thinking to come up with the best solution. So what are our options for Arnold?

If the problem is having him in the herd with the girls, we can move him out of there. A couple of options there: we could segregate Arnold and his cohorts in their own separate pasture system or we could sell him back to Dick or have Dick 'custom raise' him for us (he wouldn't be a problem in a herd of steers).

We weighed those options and still weren't entirely happy with any of them. The vet option would cost money and lost weight gain while he recovered and he might continue to have a behavior problem. The segregation option would cost money, lost income, and/or additional time and resources to run two groups.

As we stood there watching Arnold mounting one or another of the heifers, I remembered Bill's frequent comment over the past several weeks that he couldn't wait to put him in the freezer. That made me think: why wait? What if we butchered him now?

It was mid-July. Arnold had started out at 850 pounds and he'd been on pasture for nearly 3 months. We did some quick calculations. Eighty-some days, a couple of pounds a day, he should be getting up around a thousand pounds. He's definitely not 'finished', but might this be the best option financially and logistically? Let's test this decision:

Cause and effect. Does this address the problem (Arnold's bad behavior)? Yes.

Does this lead us toward our long term goals? If the alternative is to have Arnold breed our open heifers before they're ready, yes.

Does this solution address the biological weak link (which in this case is Arnold's biological urges)? Yes, albeit in a pretty drastic way.

What about addressing a financial weak link? In some ways, it helps. We'll get less beef to sell by butchering him now, but we're spreading out our sales over several months instead of having three steers to sell at once.

What about a social weak link? This may be a test that we don't use in this case.

Marginal reaction? Does this option give us the best bang for our buck? Comparing this option to the others, it at least comes out about even.

Resource source and use. This option minimizes the amount of effort by ourselves and others and minimizes the trauma poor old Arnold would be subjected to (they say that stress reduces meat quality).



Society and Culture. Overall, taking Arnold to visit the butcher a little early seemed like the right thing to do. We couldn't really think of any other considerations that we'd missed in making this decision (there always are some—you just have to do the best you can).

After brainstorming all the options we could think of (I'm sure there were others we could have considered), and running our favored option through the tests, we felt more confident about the choice. It might not be the best choice for someone else, or even for us at another time, but the process pointed us toward the right decision for us at that time. So, Arnold went to the butcher, the heifers are calm, and the steaks are delicious.

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