

# Extra 'Hands' for the Rancher

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As agriculture interacts with its increasingly complex environment, the nature of agriculture itself becomes more and more complex. Agriculture is a highly complicated enterprise, requiring a broad range of technical knowledge. The modern rancher is required to perform many functions. In addition to being an efficient manager, he must be a marketing specialist, engineer, lawyer, accountant, veterinarian, financier, mechanic, and technician. Lack of expertise in any of these disciplines can result in damaging and even irreparable loss to him.

While it is impossible for one person to attain the required proficiency in all of these fields, there are large amounts of staff assistance available. Staff refers to all elements of an enterprise that help the manager to work most effectively in accomplishing the objectives of the organization. Therefore, the purpose of this article is to outline the myriad of sources of staff assistance available to the rancher, the realm in which this assistance can be useful, and functions for which it can be obtained.

For organizational purposes, the description of the staffing services is divided into the classifications of the external environment of agriculture: economic, technological, socio-political, and ethical. Also, a general classification is added for staff sources that do not fall under any of those categories. The economic classification of the external environment is further divided into divisions by enterprise functions: production, marketing, and finance.

We should consider that in many cases, the decision of which classification to assign to each staffing agency is an arbitrary one, since each agency may be helpful in more than one, or all of the categories listed. It is hoped that this system or classification will aid the rancher in surveying the numerous sources of staffing assistance available to segments of the United States' rancher's operation.

## Economic Staff Assistance: Production

*Animal and Plant Health Inspection Service (APHIS)* conducts regulatory programs to insure quality of meat products for human consumption and protect animal health for the benefit of man and his environment.

- Administers laws dealing with animal health and quarantine, meat inspection, humane treatment of animals, and control of diseases and pests.
- Conducts the *Veterinary Services Program*.
  - (1) Evaluates and controls communicable disease outbreaks in livestock.
  - (2) Certifies the health of exported livestock.

The *Federal Crop Insurance Corporation (FCIC)* provides feed grain crop insurance against losses due to unavoidable causes such as weather, insects, and disease.

The *Farmer Cooperative Service (FCS)* helps ranchers help themselves through the use of cooperative organizations.

- FCS gives ranchers technical assistance in organizing new cooperatives.
- FCS informs ranchers on improving cooperative management through its monthly magazine, *Farmer Cooperatives*.

The *Forest Service* works in cooperation with state and local governments and agencies, forest industries, and private landowners in the protection, reforestation, and management of 631 million acres of forested land and associated watershed area.

- The Forest Service insures that burned areas get emergency reseeding to prevent massive erosion and siltation.
- The Forest Service improves rangeland for millions of livestock and game animals.
- The Forest Service provides technical assistance to ranchers that manage forested land and desire to maximize both efficiency and conservation.
- The Forest Service conducts cooperative programs with State forestry agencies, the Soil Conservation Service, and local water conservation districts.

The *Bureau of Land Management (BLM)* is responsible for the protection, orderly development, and use of resource lands and resources under multiple use while maintaining the environment.

- The BLM manages and leases timber, minerals, livestock forage, watershed development, recreation and cultural values, and wildlife habitat.

*Fish and wildlife agencies* provide valuable staff assistance to the rancher in developing a wildlife conservation program. This assistance aids the rancher in increasing profits through hunting fees, leases and a more complete use of resources.

## Economic Staff Assistance: MARKETING

The *Agricultural Marketing Service (AMS)* administers broad standardization, grading, product inspection, market news, regulatory and related programs for marketing decisions.

- Its Marketing News Service provides current information on supply, demand, quality, condition, and other pertinent information on farm products at specific markets and market areas.
- The AMS has established grading standards for more than 300 agricultural products.
- The AMS insures that reasonable rates for product trans-

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portation are obtained from transportation regulatory boards.

- The AMS protect ranchers from financial loss or personal injury resulting from careless, deceptive, or fraudulent marketing practices.
- The AMS insures that the rancher receives the highest possible price for his product by orderly marketing practices, adjusting the supply to the demand, avoiding unreasonable price fluctuations, and purchasing surplus commodities.

The *Packers and Stockyards Administration* enforces the Packers and Stockyards Act of 1921, which provides guidelines to insure fair business practices to aid ranchers in obtaining the true market value of the livestock that they produce.

- The Packers and Stockyards Administration supervises the marketing operations of 2,000 private livestock-buying yards, 5,500 meatpackers and 15,000 livestock commission firms and dealers.
- It is responsible for the posting and bonding of public markets.
- The Packers and Stockyards Administration tests scales to insure their accuracy.
- It audits books to insure the financial stability of firms subject to the act.

The *Commodity Credit Corporation (CCC)* stabilizes and protects ranch income and prices, assists in maintaining balanced supplies of agricultural commodities, and facilitates the orderly distribution of commodities.

- The CCC makes payments to ranchers growing feed grain crops when actual prices for these commodities fall short of the target price.
- It administers loan, purchase, and disaster payment programs for feed grains, wool, and mohair.

The *Foreign Agricultural Service (FAS)* operates a world-wide network of market reporting and analysis that covers over 100 foreign countries.

- The FAS informs ranchers on international conditions such as foreign agricultural production, trade, competition, and policy contingencies.
- Its information is available through FAS publications.

The *Office of the General Sales Manager (OGSM)* compiles and publishes information from private exporters of agricultural commodities relating to export sales and transactions.

The *Economic Research Service (ERS)* conducts a national program of economic research and analysis relating to the production and marketing of farm commodities.

- The ERS analyzes supply and demand, agricultural finance, farm inputs, pricing and policy, and long-run projections.
- Its analysis deals with agriculture as a whole, and not just certain commodities.
- The ERS also considers the international scene and its effect on American agriculture.

The *Statistical Reporting Service (SRS)* reports information on price, production, supply, and other quantitative figures for approximately 150 crop and livestock products.

- The SRS reports items such as price indexes, parity prices, farm employment, and farm wage rates.
- It publishes approximately 550 reports annually.

### Economic Staff Assistance: FINANCING

The *Farmers Home Administration (FmHA)* provides credit to rural Americans that are unable to obtain credit from other sources at reasonable rates and terms.

- FmHA provides youth project loans that aid ranchers under 21 years of age in establishing and operating modest-size ranches.
- Through its Emergency Loan Program, FmHA provides emergency loan to ranchers for losses, operating expenses, and other needs arising from natural disasters.
- It guarantees loans to ranchers made by legally organized lenders.
- The Farmers Home Administration finances ranchers in buying land and in making improvements upon this land.
- The FmHA finances ranchers in resource conservation pursuits and recreational development.

The *Rural Electrification Administration (REA)* provides self-liquidating loans, technical assistance, and dependable electric and telephone service to rural people at a reasonable rate.

- REA finances the construction and operation of generating plants and distribution lines to provide adequate electric service to rural areas.
- It guarantees loans from certain other non-REA sources to finance electric and telephone facilities.

The *Agricultural Stabilization and Conservation Service (ASCS)* administers specified commodity and related land use programs designed for voluntary production adjustment and resource protection.

- The ASCS administers price, market, and farm income stabilization.
- It provides loan purchases and payments for feed grains, wool, and mohair whenever market prices fall below set target prices, or if natural forces prevent planting or result in a low yield.
- The ASCS establishes acreage allotments and marketing quotas designed to balance commodities produced with the demand.
- Through its Forestry Incentive Program, the ASCS provides for the cost-sharing of tree planting and timber improvement.
- Through its Water Bank Program, it enables ranchers with eligible wetlands to receive annual payments to preserve and improve inland fresh water and designated adjacent areas.
- The ASCS provides emergency assistance programs.
  - (1) It makes available CCC-owned feed grains to eligible ranchers at reduced prices or by donation.
  - (2) The ASCS cost-shares with ranchers carrying out emergency conservation practices to rehabilitate farmlands damaged by natural disasters.

The *Federal Land Bank Association (FLBA)* provides long-term loans secured by first mortgages on ranch real estate.

- FLB loans are granted for periods of from 5 to 40 years.
- Repayment plans are suited to the borrower's needs, production potential, and security offered.
- The rancher is required to purchase stock in the association equal to 5 to 10 percent of the loan.

- Interest rates are closely tied to rates of interest in the national money and capital markets.

The *Banks for Cooperatives* form a credit system devoted solely to meeting the financing needs of agricultural cooperatives.

The *Production Credit Association (PCA)* is composed of locally owned cooperatives which finance loans for up to 7 years for almost any expense related to ranching.

- The rancher is required to purchase association stock equal to from 5 to 10 percent of the loan.
- Loans are made on a budget basis, whereby advancement of cash is tailored to the cash-flow of the individual to reduce interest.
- PCA's furnish some assistance in preparing cash-flow projections.

The *commercial banker* also provides much general financial assistance to ranchers.

- Commercial bankers comprise the major institutional groups of agricultural financiers.
- Commercial banks provide ranchers with an ever-increasing amount of invaluable staff assistance through their agricultural specialists.
  - (1) Bank specialists provide management counsel to ranchers.
  - (2) Bank specialists analyze credit needs and loan requests.
- The major limitation on utilizing commercial bank financing is the limited size of loans available.

*Life Insurance Companies* provide long-term financing for large loans such as real estate loans to ranchers.

*Savings and Loan Associations* provide long-term financing for large loans such as real estate loans to ranchers.

*Other Financing Institutions* provide some financing for livestock producing and marketing operations.

*Credit Unions* provide medium-termed financial assistance to ranchers.

*Investment Banks* provide a means for the rancher to sell stock if he decides to incorporate.

*Trade Credit with Dealers* provides short-term financial assistance to ranchers for current assets purchased.

- It is convenient.
- It is cheaper than that obtained from other financial institutions.
- Trade credit gives the rancher access to a larger total credit.

The *Professional Accountant* provides the organized accounting information that is necessary for the rancher to make decisions.

### Technological Staffing Assistance

The *USDA-Science and Education Administration (SEA)* develops the necessary technology for ranchers to produce efficiently while conserving the environment.

- SEA strives to protect and improve the yield and quality of field crops.
- It conducts research to reduce livestock disease and pests.
- SEA discovers improved management techniques.
- SEA strives to reduce water pollution due to livestock wastes.
- It conducts marketing research to expand markets, to

protect agricultural products in marketing channels, and to improve marketing techniques.

- The SEA strives to develop improved mechanization and farm construction methods.

The *Soil Conservation Service (SCS)* conducts a national soil and water conservation program in cooperation with landowners, regional resource groups, and other government agencies.

- Its programs are conducted through technical assistance to approximately 2,950 locally organized conservation districts, covering over two billion acres in all 50 states, Puerto Rico, and the Virgin Islands.
- The SCS provides ranchers with soil maps and other resource data.
- It provides information on practical alternatives for land use.
- The Soil Conservation Service aids in developing the National Cooperative Soil Survey.
- It tests plant species for use in conservation treatments.
- The SCS prepares stream-flow forecasts, flood predictions and the installation of watershed projects to reduce erosion.
- It cost-shares conservation practices under 3- to 10-year contracts with ranchers under the Great Plains Conservation Program.
- The SCS assists ranchers in developing recreation facilities on private land.

The *State Agricultural Extension Service* disseminates the results of research conducted by the state Agricultural Experiment Station through:

- Education of the public through group meetings, demonstrations, tours, publications, mass media and community newspapers.
- Education of youth through the 4-H program.

The scientists of the *State Agricultural Experiment Station* focus on a multi-disciplinary approach to research in the fields of agricultural production, marketing, natural resources, home economics, nutrition and rural development.

*State Land-Grant Colleges and Universities* conduct research to broaden the knowledge of agricultural production, marketing, natural resources, home economics, nutrition and rural development, and conduct programs to extend it to the rancher.

Industrial research by *farm and ranch equipment-producing companies* provides staff assistance to ranchers by producing new and improved tools for accomplishing work on the ranch. This research is of special value to the rancher because the resulting products must be useful to the rancher for the industrial producer to compete with other members of his industry.

Through the journals of *professional scientific organizations* such as the Society for Range Management and the American Society of Animal Science, ranchers are kept informed of current advances in ranching technology.

Serving as the largest agricultural library in the United States, the *National Agricultural Library* contains the latest literature available to keep the rancher abreast of current agricultural advances.

- It contains 1.5 million volumes.
- Publications are received regularly from over 120 governments.
- The National Agricultural Library prepares two monthly publications.
  - (1) *Bibliography of Agriculture.*
  - (2) *National Agricultural Library Catalog.*

The *Bureau of Indian Affairs* actively encourages Indian ranchers by working with them in the development and implementation of programs for their economic advancement and for full utilization of their natural resources consistent with the principles of resource conservation.

#### Socio-Political Staffing Assistance

*Attorneys-at-law* aid the rancher in operating legally under the laws, regulations, and government agencies that compose his socio-political environment.

- Attorneys assist in Income Tax preparation.
- They assist in estate planning.
- Attorneys assist in avoiding liability.

*Producer Organizations* also assist the rancher in relating to the entirety of his socio-political environment.

- These organizations aid ranchers in discouraging, tracking, apprehending, and prosecuting livestock thieves.
- They represent the legislative needs of ranchers through their influence on the State and Federal government.
- They lend assistance by relating to the rest of society the needs and problems of the rancher.
- Through their livestock production magazines and breed journals, ranchers are kept informed of current events and developments in the ranching industry.

#### Ethical Staffing Assistance

The *Minister* of the rancher's religious denomination assists him in determining the code of ethics that he will follow and how to apply that code of ethics.

#### General Staffing Assistance

The *State Departments of Agriculture* furnish special valuable staff assistance which is especially pertinent to the state in which

the rancher resides.

*Private Consulting firms* advise the rancher on a specific problem in return for monetary remuneration.

- They usually consist of a small core of permanent personnel which are readily expandable through the practice of bringing additionally needed consultants in as the specific job requires.
- They are paid on a cost-per-hour basis, or on a pre-determined fee set for the job.
- The rancher has legal recourse against the private consulting firm only if gross negligence of the firm can be proven.
- Private consulting firms may prove valuable in evaluating or supervising a project in which staff assistance from another source would require many different opinions, therefore becoming "piecemeal" and possibly not detailed enough.

#### Conclusion

From the preceding listing of staff sources and the example of use on the staffing concept, it can be seen that there are copious quantities of assistance available to the rancher. It can also be observed that the management concept of staffing can be of great use in ranching. Obviously, the process of utilizing this assistance is a dynamic and continuing process, subject to the knowledge of the rancher and his skill in utilizing the staffing concept. Therefore, as the rancher progresses from one situation to the next, he should constantly be consulting different staff sources and gathering the relevant data needed to make intelligent, well-informed decisions. It can be further observed that, while in most industries a manager's staff occupies a permanent position in the industry, the rancher's staff may be more likely to be utilized on a temporary basis.

Today's ranching industry is known to be one of the most independent but risky forms of business in existence. However, with proper use of the staffing concept, risk can be minimized while profit is maximized.

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