



Careful not to lose control!

René Roy, agr.

Agroeconomist, Valacta

Here we are in August already, and you haven't got a minute to spare now that the field work is underway. This is exactly the kind of situation in which you risk losing sight of your operation's performance.

Last January, when the 2015 fiscal year came to an end, you were surprised to see your concentrate purchases had increased considerably compared to the previous year. And because you weren't able to take advantage of the additional production days in the fall, you didn't get the extra income. To avoid getting caught again this year, you've reviewed your feeding program with your advisor and are monitoring your monthly feeding costs. You've put together a milk production plan that is updated regularly, and you've even drawn up a budget for the year. You are set to achieve your objectives.

When the field work begins, however, time is tight. You need to manage your priorities judiciously and respect the technical constraints to obtain the best results: seeding early to make the most of the growing season, harvesting forage crops at the optimum stage, spreading manure quickly after cutting, starting again 30 days later, harvesting your grains, corn and soybeans... not to mention getting in that third milking to capi-



ARCHIVESTOCK

talize on the fall incentive days.

Under these conditions, is it any wonder that you lose track? If you're not monitoring your performance indicators regularly, you may be in for a surprise come fall.

Set up an effective early warning system

There's no time to do an in-depth analysis of your operation's results on a monthly basis, so you need a system that warns you when a problem arises. To set up an early warning system, you first need to identify your major indicators: milk shipped, fat shipped, concentrate consumption, SCC, pregnancy rate, cash situation, etc. Next, you need to decide

what sources of information you will use to monitor these indicators, and then you need to define your warning thresholds. In the case of milk and fat shipments, the website for Les Producteurs de lait du Québec provides information on the utilized margin of tolerance, which you can use as an indicator. You then decide on the difference between planned and actual milk production that will trigger a warning; for example, when actual production is 100 kg under or over the target.

Repeat this exercise for all your indicators. If the cost of concentrates per hL of milk shipped is an indicator, the warning threshold could be when the target price is exceeded by five per cent. For

your cash situation, you can use your credit margin as an indicator by setting a maximum balance for each month. The best method is to work with a monthly budget, but monitoring a few specific indicators is an adequate approach.

Let the "sentinels" do the job

It is important to have access to up-to-date information to analyze a situation rapidly and react in a timely manner. A budget is of limited use if your book-keeping is three months behind. So how do you stay on track when time is a rare commodity?

One solution is to adopt the military commander's approach and let the sentinels take care of camp surveillance. If you want your sentinels to provide the support you expect, however, they will need to be informed of your major indicators and the applicable thresholds.

Your veterinarian can play that role for reproduction, if you already have a good preventive medicine program in place and maintain a sufficient number of visits throughout the season. Your Valacta advisor can act as a sentinel for milk production and concentrate costs. Your Valacta technician can also get involved in monitoring some of the major indicators on your milk recording reports, such as SCC, urea, Ketolab and Transition Cow Index®. An example of a herd performance indicator overview report is shown in Figure 1.

HERD PERFORMANCE INDICATOR OVERVIEW

HERD PERFORMANCE INDICATOR OVERVIEW			
Farm name:	Patrick Producer Farm Inc.		
Test date (YYYY-MM-DD):	2015-05-15	Herd no.:	99999
1. SCC – TARGET : below 150, 000			
Actual value	Excellent!	212, 000 Careful!	Danger!
% of cows over 200, 000 : 18			
Comments : Cows with high SCC: Cocotte 850, 000 and Juju 645, 000. Percentage of cows over 200, 000: requires monitoring			
2. MILK UREA – TARGET :			
Actual value	11 Excellent!	Careful!	Danger!
% of cows in the herd within the desired range (target ≥ 85%) : 68			
Comments: Group 1: 55% of the cows are within the optimal range.			
3. KETOLAB – TARGET :			
Number of positive cows : 0	Excellent!	Careful!	Danger!
Comments : 2 suspected cows: Lisa and Juju			
4. TRANSITION COW INDEX – TARGET:			
Average at last test: 325	Excellent!	Careful!	Danger!
Comments : Last test: 3 cows out of 3 had a positive TCI; the situation is improving.			

Figure 1: A report for busy people

Relying on a sentinel for your accounting could be a little more complicated, particularly if you enter the data yourself. But by entrusting the job to someone with the right training, you'll benefit from knowing where you stand at all times. You obviously don't have time to go through a pile of reports to make your decisions. You need a message that is short and sweet: "The credit margin is \$3,000 higher than planned – what do we do?!"

Know where you stand... at all times

If, despite careful planning, your results have not been meeting your expectations, the problem may be due to a lack of follow-up, simply because your day-to-day operations take up so much of your time. The most important role you have is to make decisions at the opportune moment. And to do so, you need the right information. So don't hesitate to get help. It may cost you a few dollars, but the control you gain is certainly worth it!