



# Control What You Can Control

“Control what you can control,” is the advice that came from Compeer Financial’s Bob Le Cocq, Dairy Specialist. Numerous other dairy lenders agreed at a recent meeting with Deputy Commissioner of Ag, Matt Wolhman, and Rural Finance Authority staff. The current economic situation in the dairy industry affects all dairy farms regardless of size. The dairy lenders at the table agreed with the following areas proposed by Le Cocq to help mitigate risk and maximize opportunities.

Below is a tool to help gauge how well you are doing on your own farm. Use it as a point of discussion and remember this is not an all-inclusive tool. It’s a guide to help you focus on what you can control to be more profitable, reduce risk and manage distractions. How close can you get to 100%?

<b>Management Risk Factor Estimated Rating</b> <i>Rate the following 15 factors relative to your farm With 1 being best and 5 being poor.</i>	1	2	3	4	5
1. Manages using budgets	Green	Green	Yellow	Orange	Red
2. Has an effective production/labor team	Green	Green	Yellow	Orange	Red
3. Has quality accounting system, cash plus accrual	Green	Green	Yellow	Orange	Red
4. Knows cost of production at least quarterly	Green	Green	Yellow	Orange	Red
5. Has a defined marketing/cost management team	Green	Green	Yellow	Orange	Red
6. Practices “margin management”	Green	Green	Yellow	Orange	Red
7. Above average production producer	Green	Green	Yellow	Orange	Red
8. Manages and records feed inventories consistently	Green	Green	Yellow	Orange	Red
9. Relates proactively with lender and other vendors	Green	Green	Yellow	Orange	Red
10. Protects the major input costs	Green	Green	Yellow	Orange	Red
11. Has farm/family transition plan in place & updates	Green	Green	Yellow	Orange	Red
12. Executes on decisions, decision makers are well defined	Green	Green	Yellow	Orange	Red
13. Manages w/ respect to financial positions/trends	Green	Green	Yellow	Orange	Red
14. Willing to invest time & money to manage risk	Green	Green	Yellow	Orange	Red
15. Actions support the farm-business plan/goals	Green	Green	Yellow	Orange	Red

If you have additional questions, please contact Minnesota Milk at (877) 577-0741.

Special thanks to the Dairy Lenders below.

