

Beating the Drought

Recent climatic events have certainly tested management and planning skills – a disappointment when prospects for the dairy season are so positive and extensive pastoral sectors are struggling. The key to thriving in this environment will be as much about attitude as action. Protecting enthusiasm, perspective and optimism will be basics for getting the rest right.

Priorities will be accurate information, patience and continual development of “Plans B and C” should nature bring extended difficulties.

This drought is different because it has come so early. It's put pressure on farms with limited stored feed reserves. Offsetting this is that an early recovery could give options to make something of the latter part of the season. Priority must be to protect stock condition and many will have invested in feed to keep the system functioning. Just like cricket – success is about batting 50 overs.

Accurate financial information and control is critical. Regular review of budgets and reconciling of cash books replaces assumption with information for sound decisions. Those who keep their financial records up to date will have the comfort of knowing that it is only as bad as the budget forecasts. Those that don't, risk their imaginations getting away on them.

Tax planning, cost saving and a creative approach to economies will be assisted by independent input and contact with those who have the experience and wisdom to know what to do. Priority is to cut “fat” not “muscle” so productive capacity is maintained into the future. There is little reason to expect returns to be any less next year so a strategy that leaves you in the best possible position to perform in a more normal season will be critical. At all costs, don't carry over this year's problems into next year's season.

Finally, invest some time in getting away from the pressures. This summer has been frustrating for farmers but its great for hobbies and holiday makers. Its good to see a few cricket tests scheduled – these almost certainly bring rain.

Maybe it's time to take advantage of some time out and get away to regroup.

Kerry Ryan is a Tauranga based Agribusiness Consultant. You can contact him at www.kerryryan.co.nz