

# Successful Dairy Managers—What Does It Take to Be One?



By Donna M. Amaral-Phillips

Over my 35-year professional career, I have been blessed to visit and work closely with many successful dairy managers. As I sit back and reflect on these experiences, I quickly realize that many common threads exist between these managers. Yes, they possess the skills to effectively manage the cows and employees of their dairies. However, these commonalities extend past how they manage their dairy cows on a daily basis and reflect more on how they make decisions and approach their business. Their personal skill sets speak to the success of their herds and the ability to be both profitable and successful.

## Cow Whisperers First

Successful dairy managers are first and foremost “cow people”. They understand normal cattle behavior, how to effectively and efficiently move and care for cattle, and can explain these skills to others. They use technology and records to help manage cows, but do not rely solely on technology. They can and DO walk through groups of cows, calves, and heifers on a routine basis and can quickly pick out those cattle needing additional attention, pull those cattle immediately, further assess if intervention is needed, and provide appropriate, timely attention to correct the problem identified. In addition, sound reproductive management practices are used to make sure cows are rebred within 150 days in milk. In larger herds, they provide appropriate oversight and supervision to those given these tasks, setting the role model.

They are observant of their surroundings, noting abnormalities not only in the cows themselves, but also in the cattle facilities and management within these facilities. Cow resting areas, feedbunks, water troughs, traffic lanes to and from milking facilities, and milking facilities are always managed for cow comfort, efficient and effective milking practices and performance, and such to ensure cows have continuous access to high-quality and properly mixed feed and clean, cool water. They are able to integrate and effectively manage the day-to-day practices on a dairy by being “overseers” of these management areas making sure they are accomplished daily and correctly.

## “Get’er Done” Attitude

Successful dairy managers pay attention to the details across multiple aspects of management. They understand why each is essential in their entirety and at each step of a management practice. Most importantly, they find ways to make sure tasks are accomplished on an ongoing

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basis and they do not procrastinate on getting things done. They have the aptitude to find ways to accomplish management tasks that fit the resources available on their farm, match the skill set of those completing said tasks, and make sure they are completed as directed over time. Some of the best recognized management practices include following established, tried-and-true practices associated with prepping and milking cows or getting colostrum into newborn male and female calves (Holsteins- 4 quarts, Jerseys- 3 quarts) in less than 6 hours of life. Instead of finding excuses of why they “can’t do something”, they just get it done and they convince employees (or family members) to help and that it needs to be done in the correct and timely manner. Employees are continuously retrained to understand “why” these practices are important and prevent the establishment of “bad habits” over time. Employees (and family), like their managers, drink from the same “Kool-Aid” and pay attention to accomplishing the details correctly on a daily basis. This is the culture on the well-managed farm and an expectation of all.

Harvesting (or purchasing) adequate amounts of high-quality forages are always a priority and they get this done year after year. They understand the statement, “your nutritionist (and how well your cows are milking while containing feed costs) is only as good as the quality of your forages”. They are super forage managers and prioritize getting forages harvested in a timely manner. For those not wishing to be forage managers, they understand their limitations of time, interest, and/or resources and outsource this aspect to a family member or other farmer that has this skill set. Regardless, of who is in charge of harvesting forages, they are involved in the overall process and ensure that forages are selected, harvested, stored, and handled at feedout for the best quality and to minimize shrink (forage losses) to contain feed costs.

### **Spend Time Being a Manager**

Successful dairy managers spend time reviewing performance records for individual cows, groups of cows (i.e. fresh, high group) and average of all cows on the farm and compare their performance to others in the US dairy industry. They use records, be it generated through computer software, printed, or handwritten, to identify individual cows underperforming and use records summarized by groups of cows to identify potential trends leading to health issues (SCC, fresh cow metabolic problems/disorders, pregnancy rates to name just a few) before they impact overall herd performance and future profitability. Top notch managers are able to cite average production per cow or group of cows (i.e. high, fresh), pounds of fat and protein produced, and overall SCC on milk shipped. In addition, the status of their herd, be it pregnancy rates, SCC within the first 30 days, cull rates within the first 60 days in milk, peak milk production, or dry matter intakes, very quickly roll off their tongues. I still remember early in my career asking an out-of-state dairy farmer we were hosting what he fed his cows. I expected an answer related to the type of forages and grain mix fed. Instead, he proceeded to relate the amount of dry matter each group of cows was actually eating! Successful managers determine what data are important for managing their herds and then use that data to manage. Yes, mounds of data easily are generated today, but the key is to select and monitor key data on an on-going basis. These key indicators change over time and the use of additional key parameters needs to be evaluated over time.

## Embrace CFO Duties

Spending time “going over the books” is the area most often cited as that task managers least enjoy, but is one of the most important aspects of owning a business, such as a dairy. Successful businesses are able to integrate the financial and management components, develop a plan of action, and modify this plan as financial conditions change. Managing the financial aspects of a dairy business goes beyond managing the day-to-day cash flow and associated bill payments, although necessary. One needs to understand the cost of doing business on a per cow, cwt of milk, and overall farm basis. This financial review needs to occur throughout the year (ideally at least monthly), not just at tax time or when a visit to the lender may be needed or planned. Successful managers can quickly quote their current cost of production and areas where costs have changed, by how much, and the implications of these increased costs on the overall operation. This information needs to be shared with family members involved in the business and middle managers so they understand the financial climate and why changes may be necessary. I still remember talking to one manager of a larger herd about how he had met with his middle managers and went over the costs of production for that particular month. The middle manager still had the piece of paper that listed the costs of production in his pocket the following day.

One area that often gets left behind is evaluating whether current assets including heifers, equipment, facilities, land, and capital are being used wisely and are generating a profit. Conversely, successful managers understand sometimes money needs to be spent in order to reap financial rewards in the future; examples being purchasing technology to increase heat or disease detection, facility changes to improve cow comfort, or automation to improve efficiency or work environment for employees. Sometimes, side enterprises, i.e. raising steers, beef cattle, extra heifers, or grain crops, may not be financially prudent and may take away from financial, land, labor, and capital resources that might be more productively spent elsewhere. In addition, equipment needs to be evaluated to see if it is needed or if other avenues of accomplishing the task are more economical and use labor resources more effectively. Successful dairy managers are able to evaluate the implications of other enterprises on the dairy (or the dairy on other enterprises), see if these match their financial and farm goals, and determine if changes overall or in direction are needed.

## Inspire Employees

Managing labor, be it hired employees or family members, is a reality on a dairy and a skill set as necessary as the one needed to manage both the cows/heifers and finances. Successful managers have trained and motivated employees that they can delegate tasks with little oversight and have the assurance said task will be completed in a timely manner and as directed. These farm businesses have an atmosphere where employees enjoy their jobs, help one another complete the day-to-day chores, feel like they share in the dairy’s successes, and believe that their opinions, observations, and suggestions are valued and always considered. As a result, their employees are willing to go that extra mile for the farmer and the dairy operation.

## Investigate Opportunities

The landscape for today’s dairy industry is rapidly changing. Advances have occurred in how we manage cattle at different stages of their lifecycle to increase future productivity, new choices for varieties of forages, additional byproducts and additives are available for feeding dairy cattle,

improvements in facilities for better cow comfort and cattle flow, and the incorporation of technology in milking equipment and animal identification to name just a few. Successful managers are able to sort through these various advances and changes and see how they can best utilize them to improve their businesses. They are not always the first adopters of new technology and management practices, but are aware of these changes, monitor the merits of them, and incorporate them at the beginning stages of when they become mainstream for the industry.

Successful managers understand how the industry is changing and are nimble and willing to change as the industry changes. Fluid milk consumption is/has given way to increases in other manufactured milk products. No longer are our dairy markets primarily based in the US, but must reflect global needs and viewpoints as US dairy producers compete in this global marketplace. Consumers worldwide want a say in how their food is produced and managed; dairy managers may not want to acknowledge this fact, but must understand this is part of today's marketing climate. Perceived impact of management practices on cattle welfare (i.e. pain management, dam and calf relationships), impact of methane on global warming, and use of ground water resources are just some of the "global issues/concerns" that dairy managers need to be aware of and develop plans on how their operations have or will address these.

### **Complete Building the Puzzle**

Successful dairy managers/owners are able to integrate all the various aspects associated with managing their business, their dairy operation. They are successful cow whisperers, financial planners, inspirations for their family and hired employees, and as importantly, believe in themselves and enjoy their chosen career path. They have weathered the storms previously and will bend and modify in a timely fashion to survive going forward. They may not have the highest herd average or the fanciest operations with the latest bells and whistles, but they know how to use their resources to make an enjoyable life and business for their cows, family, and employees that in turn makes a difference to their communities. They will continue to determine their destiny, not have it determined for them.