

Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources
Department of Agricultural Economics
University of Nebraska – Lincoln

Three Steps to Making Changes

Market Report	Yr Ago	4 Wks Ago	1/25/02
<u>Livestock and Products,</u>			
<u>Average Prices for Week Ending</u>			
Slaughter Steers, Ch. 204, 1100-1300 lb Omaha, cwt	\$77.98	\$64.18	\$68.63
Feeder Steers, Med. Frame, 600-650 lb Dodge City, KS, cwt	93.58	*	87.02
Feeder Steers, Med. Frame 600-650 lb, Nebraska Auction Wght. Avg	95.57	92.31	92.96
Carcass Price, Ch. 1-3, 550-700 lb Cent. US, Equiv. Index Value, cwt	118.94	101.29	105.67
Hogs, US 1-2, 220-230 lb Sioux Falls, SD, cwt	37.00	*	40.63
Feeder Pigs, US 1-2, 40-45 lb Sioux Falls, SD, hd	*	*	*
Vacuum Packed Pork Loins, Wholesale, 13-19 lb, 1/4" Trim, Cent. US, cwt	111.20	106.00	109.60
Slaughter Lambs, Ch. & Pr., 115-125 lb Sioux Falls, SD, cwt	75.00	*	*
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb FOB Midwest, cwt	160.00	129.62	129.07
<u>Crops,</u>			
<u>Cash Truck Prices for Date Shown</u>			
Wheat, No. 1, H.W. Omaha, bu	3.32	3.04	3.11
Corn, No. 2, Yellow Omaha, bu	1.82	1.87	1.90
Soybeans, No. 1, Yellow Omaha, bu	4.38	4.02	4.10
Grain Sorghum, No. 2, Yellow Kansas City, cwt	3.48	3.51	3.63
Oats, No. 2, Heavy Minneapolis, MN, bu	1.33	2.32	2.21
<u>Hay,</u>			
<u>First Day of Week Pile Prices</u>			
Alfalfa, Sm. Square, RFV 150 or better Platte Valley, ton	115.00	115.00	*
Alfalfa, Lg. Round, Good Northeast Nebraska, ton	67.50	75.00	65.00
Prairie, Sm. Square, Good Northeast Nebraska, ton	100.00	105.00	105.00
* No market.			

Did you ever notice that some people seem to survive well, even after going through many stressful circumstances (bad luck)? While other people have great difficulty keeping it all together when even the slightest change in plans face them?

In the course of working with many Nebraska farmers and ranchers over several years, some general observations come to mind concerning changes (adjustments) that people *do* or *do not* make in their lives in response to outside forces.

First, a general assumption needs to be made: nearly everyone will encounter some hardships, obstacles, difficult times, adversity, etc. during their lifetime ---- either in their career (business) or personal life. Let's face it, things don't always turn out the way we would like them to. We don't have control over every aspect of our environment ---- and things happen!

What types of things am I talking about? Here are some examples:

- ☎ loss of production due to weather or disease problems,
- ☎ damage of assets due to severe weather or disaster,
- ☎ loss of income due to changing prices for inputs and commodities,
- ☎ dealing with changes in farm (ranch) size,
- ☎ adapting to different production (niche markets, joint ventures, etc.),
- ☎ coping with the need for off-farm income to meet cash flow needs,



- ☞ not being able to continue business or family traditions (a particular line of equipment, vacation schedules, educational choices, etc.),
- ☞ loss of family member (death or divorce) or loss of business,
- ☞ any other change(s) experienced by family or business.

My observations focus with how people deal with these unexpected events. As you can see, the adjustments necessary to cope with these situations cover a broad spectrum. The way that individuals respond under these circumstances is often an indication of how successful they will be in their business and their families.

Of course, the study of personality types can enter into this discussion. Some individuals are quick to respond to changes, others tend to study the situation (sometimes, too much). Hopefully, family members, friends or others can assist those who consistently put off making necessary changes.

In any event, I believe that three key factors exist in dealing with unexpected situations:

1. People need to recognize the problem or situation.
2. People need to identify what needs to be done.
3. People need to actually make the necessary changes.

Number 1: This is pretty basic. But, many people cannot get over this hurdle. Denial plays a huge role here, it is easy to think that “everything will work out,” or “we've always done it this way.” It is easy to remember family or business traditions in certain areas. But we don't always know what people went through in the past. The sooner that the issue can be identified, the better.

Number 2: Brainstorming can be a good tool here. It is useful to gather information on several alternatives, evaluate those alternatives and develop a plan to implement the best alternative. As mentioned, 'over analyzing' can be the downfall during this phase. There is always more information that could be gathered, but people need to get to the next step.

Number 3: This can be the toughest! Many people who can easily do #1 and #2 have great difficulty in completing this final step. While doing nothing can be a risk, many people view making changes as riskier behavior. There are a lot of excuses why people won't take this step, but sometimes change is necessary, and it often turns out to be good!

In my opinion, people who are the happiest and who feel the best about their lives are the ones who could (and *did*) accomplish all three steps in making changes during the tough times of their lives!

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