



# Holistic Management

## A Lifelong Management Goal

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### Introduction

There are many misconceptions concerning farmers and ranchers, and not understood by those living in urban areas. However they are looked upon, the successful managers in today's production agriculture must have a firm knowledge of many different resources. Some of these resources include but are not limited to; soil, grasses and/or other crops, cattle and/or other production animals and their biological processes, labor resources. In order to be profitable these operators must be able to manage their finances as well. Managing these individual resources can be complicated and requires a thorough knowledge of the resource and "specialization" in that area. Farmers and ranchers must also manage all of their resources simultaneously, which means they must be specialists in many different areas.

### Integrated Resource Management

Merriam-Webster Dictionary (2014) defines integrated as "to combine (two or more things) to form or create something: to make (something) a part of another larger thing." By definition, integrated resource management (IRM) is the managing of two or more resources at one time. Subsequently, integrated resource management is the management of these two or more resources as a part of another larger thing, sometimes referred to as the whole.

### Holistic Resource Management

Additionally, Merriam-Webster dictionary (2014) defines the term "holistic" as: "relating to or

concerned with complete systems rather than with individual parts: relating to or concerned with wholes or with complete systems rather than with the analysis of, treatment of, or dissection into parts." When considering holistic resource management (HRM) the phrase "every action has a reaction" holds true. Every time there is an adjustment in one resource it will affect all of the other resources. In simple terms, managers must be aware of the results of all decisions that are made. This is a discipline that can take a lifetime to master. Essentially there is little or no difference between HRM and IRM. They are the same in that; resources should be managed together as part of the larger whole. In production agriculture it is imperative that an operation's resources are managed as a whole.

### Sustainable

In order for agricultural operations to remain profitable they must be sustainable. "Sustainable agriculture seeks in principle to "sustain" economic viability, environmental stewardship, and social responsibility. These three tenets are to be embraced as one functional unit" (Sullivan, 2001). Holistic management gives us the knowledge and tools to accomplish our sustainable goals. "Holistic management is a process of sorting out and making sense of all the tools and choices that face us each day" (Sullivan, 2001).

### Goals

The first step to accomplishing anything is to set goals. People that have written goals are much

more likely to succeed than those who don't. In the holistic management process, setting goals and writing them down is the first step and this goal should then be the center for all future decisions made.

**Finance**

Financial planning is a very critical part of the whole. Even if the operation is sustainable in all other areas the operation will not be able to stay in business without sustainable financial planning. The key to holistic financial planning is that the business plans for a profit. This is considerably different when compared to cash-flow planning where production is the goal. Table 1 shows a comparison between holistic and cash-flow financial planning.

Table 1. Distinctions between holistic financial planning and cash-flow planning.	
Holistic	Cash-flow
Profit is the goal	Production is the goal
Profit is planned first	Profit is what is left over
Expenses put into WIM categories (Wealth Generating, Inescapable, and Maintenance)	Expenses put in overhead and variable costs
Monthly monitoring to stay on track	Annual monitoring?
(Sullivan, 2001)	

**Landscape/Ecosystems**

“The people’s economy is indivisible from land because the only wealth that can truly sustain any community, or nation, is ultimately derived from the photosynthetic process (plants growing on sustained healthy soils)” (Savory 2013). For this reason production agriculture is at the heart of our economy. As we look at the landscape that sustains us, agriculturists must understand how ecosystems work.

Savory (1990) points out that holistic management requires management in ‘wholes’ where wholes are not neat and are rarely self-contained. He also indicates that any management involving land requires a minimum whole that includes the people, land and finance involved. These should be managed as one indivisible unit. Livestock can easily be added into this equation.

In livestock and crop production we should be managing the land so that it can sustain healthy forage growth throughout time. The sustained forage growth can then in turn support a consistent and optimal number of animals both domestic and wild. These are complex ecosystems and require thought in all management decisions.

Sullivan (2001) describes four natural processes that must be understood in order for operators to be successful. They are: the water cycle, mineral cycle, energy flow, and natural processes that show us that plant and animal communities strive toward high biodiversity.

When managing livestock on rangelands there are some principles that should be taken into account. The Savory Institute (2014) discusses these; “Holistic Management is based on four key principles that highlight the symbiotic relationship between large herds of grazing animals, their predators and the grasslands that support them:

1. **Nature functions in wholes**
  - a. You can’t control or change one thing in one area without having an impact on something else in another area.
2. **All environments are different**
  - a. It is crucial to acknowledge nature’s complexity and that an action can produce completely different results in different environments.
3. **Properly managed livestock can improve land health**
  - a. When domestic livestock is properly managed to mimic the behavior of wild herbivores interacting with grasslands, they can reverse desertification.
4. **Time is more important than numbers**
  - a. Overgrazing of plants is directly related to the amount of time the plants are exposed to the grazing animals and the amount of time that lapses between consecutive grazing events.”

**Case Studies**

Holistic Management International (HMI), is an organization striving to educate land managers in the holistic management of their resources. Their

website describes various case studies that demonstrate the effectiveness of this management approach. One such case study, Neil Dennis of Sunnybrae Farms, has been able to increase his carrying capacity from 250 head to 900 head. If Dennis was able to wean 550lb calves from 90% of his herd and sell them at \$1.50/lb. his starting revenue would have been \$185,625. Since Dennis has taken a holistic management approach he is able to generate \$742,500. This is a \$556,875 increase in revenue (HMI, Sunnybrae Farms, 2014).

In another case study, Lisa Clouston & Greg Wood of Spring Creek Farm, were ready to sell their operation but in one last attempt to save their livelihood they attended a holistic management seminar. They reported within four months of implementing holistic management they began to see results in their grass growth. When analyzing their business they found that selling their tractor made sense as well as reducing their mixed cropping operation. By making these changes Lisa and Greg were able to cut their fuel cost by two thirds. This cut machinery costs as well. Managing holistically has not only save their operation but has significantly improved production and profits (HMI, Spring Creek Farm, 2014).

This management style works on operations of any size. Deseret Land & Livestock, a Utah ranch owned by the Church of Jesus Christ of Latter day Saints consisting of 200,000 deeded acres is currently able to run 4,500 mother cows and 4,000 yearlings as well as providing 56,880 AUM of forage for wildlife. Deseret Land & Livestock reports that this is a 100% increase since they began managing holistically in 1983. The case study indicates that DL&L was able to begin making a profit within 4 years of their purchase (HMI, The Deseret Land & Livestock Ranch, 2014).

## Conclusion

In the case studies above, the operations underwent significant improvement and change. Through holistic management practices these operations were able to stay in business and increase their financial stability. One reason for their increased financial stability is the increased productivity of the soils. Additionally, through their financial planning they have been able to cut costs, hence increasing profits. As the duration of this

management style increases the operation will be able to withstand greater adversity; financially, environmentally, and socially. A lifelong approach to management must be holistic.

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