Technology has changed our working environment. Yield monitors, GPS equipment, and cellular phones are common farm investments. The Internet has provided a wealth of information at our fingertips. Growth in electronic commerce continues to exceed forecasts.

How has your decision toolkit kept pace? Are you taking advantage of computer and hardware technology? Are your calculator, pencil, and back of the envelope still your most valuable tools?

Farm operations have become more complex, profit margins have tightened, and considerable uncertainties exist in farming. These changes dictate a need for more precise economic assessment of your key decisions. The farmdoc website has a wide and expanding range of decisions aids and farm management tools. One set of tools, entitled Farm Analysis Solution Tools (FAST), is a set of 31 computer tools that are developed to assist farmers, farm managers, consultants and agricultural lenders.

With harvest just around the corner, there are three specific FAST tools that can assist farm operations with harvest-time decisions – Grain Inventory Management, Crop Storage Decisions, and Grain Delivery Point Comparison.

The Grain Inventory Management program allows a farmer to track grain from harvest to sale. It is not uncommon for farms to have grain stored at multiple locations. Moreover, some operators manage and store grain for their landowners. Documenting the location and ownership of grain is a major objective of the program. The reports generated by the program include production reports by production location and inventory reports by owner of grain and by storage location. The operator can also track the proportion of grain sold, LDP’ed, forward contracted, or under a futures or options contract.

The Crop Storage Decision program allows a farmer to calculate the costs of storing grain. The costs entered in the program include minimum storage charges, opportunity cost of money, monthly storage costs, and shrinkage costs. The reports generated by the program include the future per-bushel breakeven prices needed to be equivalent to selling at harvest. A pricing model is also included that permit a user to estimate the likelihood that commodity prices will be at various levels in the future.

The Grain Delivery Point Comparison program allows a user to compare the net returns of delivering grain to alternative locations. Three different delivery points can
be entered. Storage, shrinkage, drying, transportation, and opportunity costs are included and compared across the alternative delivery points.

These three programs can be valuable tools to use in developing and enhancing your marketing plan. Other tools as a part of the suite of FAST tools include financial analysis and planning tools, investment analysis tools, crop insurance tools, machinery management tools and breakeven cost estimation tools. You need Microsoft Excel, one of the components of Microsoft Office to operate the tools. FAST tools can be downloaded at www.farmdoc.uiuc.edu and select FAST tools section. You can also acquire copies of the programs on CD. Training sessions on FAST tools will be conducted across Illinois this winter. Go to the farmdoc web site for dates and locations.

Successful farms in the future will be farms that manage costs and risks, identify profitable investment opportunities, maximize competitive advantages and minimize weaknesses. You invest in machinery, equipment and farm tools. Your toolkit should also include decision tools that help you manage your operation profitably.