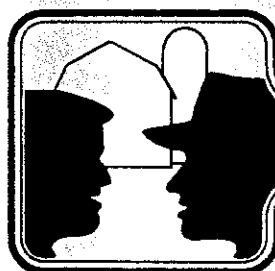


September 1988

A.E. Ext. 88-22



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

HUMAN RESOURCE MANAGEMENT ON THE FARM:

A MANAGEMENT LETTER SERIES

**Thomas R. Maloney
C. Arthur Bratton
Kay Embrey
Joan S. Petzen**

**Department of Agricultural Economics
New York State College of Agriculture and Life Sciences
A Statutory College of the State University
Cornell University, Ithaca, New York 14853**

It is the policy of Cornell University actively to support equality of educational and employment opportunity. No person shall be denied admission to any educational program or activity or be denied employment on the basis of any legally prohibited discrimination involving, but not limited to, such factors as race, color, creed, religion, national or ethnic origin, sex, age or handicap. The University is committed to the maintenance of affirmative action programs which will assure the continuation of such equality of opportunity.

PREFACE

The information in this publication was originally prepared as an Extension letter series for farm managers interested in becoming better personnel managers. This publication combines all the letters in the series into one source for easy reference. It is not intended to be a complete reference on the subject of farm human resource management, but a discussion of basic principles.

The information in this publication can be used in two ways. First, Cooperative Extension agents and others have mailed the letters one at a time to farm audiences. This approach has raised the level of awareness of the farm audience about human resource management issues. Second, as a compiled set of letters, this publication can serve as a management reference for the farm and small business manager.

The organization and development of this publication is the result of a team effort by four people: Thomas Maloney, Extension Associate, Department of Agricultural Economics, Cornell University; C. Arthur Bratton, Professor Emeritus of Agricultural Economics, Cornell University; Kay Embrey, Extension Associate, Cornell Migrant Program; and Joan Sinclair Petzen, Cooperative Extension Farm Business Management Agent, Cattaraugus County, New York. This group identified the topics to be covered, outlined each topic, and identified knowledgeable individuals to author the letters in the series.

Sincere appreciation is extended to all of the authors for their willingness to participate in this project and for their patience during the review and editing process. They are:

Stewart E. Ackerman
Regional Extension Specialist, Poultry
Western New York

C. Arthur Bratton
Professor Emeritus
Department of Agricultural Economics
Cornell University

Kay Embrey
Extension Associate
Cornell Migrant Program
Cornell University

R. Brian How
Professor Emeritus
Department of Agricultural Economics
Cornell University

Robert C. Nolan
Assistant Director
Home Study Program
Department of Agricultural Economics
Cornell University

Joan Sinclair Petzen
Cooperative Extension Farm Management Agent
Cornell Cooperative Extension
Cattaraugus County, NY

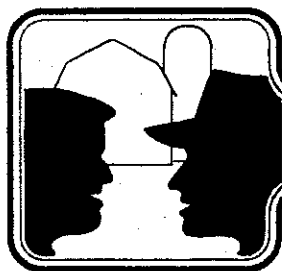
Robert E. Rich
Executive Director
Cornell Cooperative Extension
Cattaraugus County, NY

Don R. Rogers
Vice President, Farm Management Services
Farm Credit Banks of Springfield

TABLE OF CONTENTS

- 1 The "New Kid" in the Farm Management Family
C. Arthur Bratton
- 2 The Family Farm and Personnel Management
C. Arthur Bratton
- 3 Delegation: Key to Effective Management
Robert E. Rich
- 4 Who Makes an Effective Supervisor
Don R. Rogers
- 5 A Motivational Climate: Prerequisite for Success
Robert C. Nolan
- 6 Involving Employees in Decision Making
Donald J. Tobias
- 7 The Critical Match: Labor Needs and Resources
Joan Sinclair Petzen
- 8 The Job Description: A Personnel Management Tool
R. Brian How
- 9 Hiring From Within
Stewart E. Ackerman
- 10 Recruiting Qualified Job Applicants
Thomas R. Maloney
- 11 The Employment Application
Joan Sinclair Petzen
- 12 Conducting a Successful Job Interview
Thomas R. Maloney
- 13 The Hiring Process
R. Brian How
- 14 Wages: Some Issues and Concerns
C. Arthur Bratton

- 15 Fringe Benefits for Farm Workers
C. Arthur Bratton
- 16 New Employee Orientation
Stewart E. Ackerman
- 17 Training Makes a Lot of Sense
Robert C. Nolan
- 18 Evaluating for Growth
Robert C. Nolan
- 19 Discipline and Discharge of Employees
Kay Embrey
- 20 Seasonal and Temporary Workers: Special Considerations
Kay Embrey
- 21 Human Resource Management Practices in Action
Don R. Rogers



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

1 Human Resource Management On The Farm

THE "NEW KID" IN THE FARM MANAGEMENT FAMILY

C. Arthur Bratton
Professor Emeritus
Department of Agricultural Economics
Cornell University

Introduction

"It is impossible to hire and keep a good farm worker." "I have a waiting list of good farm employees who have applied for work here." These two statements came from farmers in a labor practice survey. Both were describing the situation that prevails on their farms. The difference is striking and likely can be explained by variations in the labor management practices they followed.

Management in the human resource or people area is basic. Through experimentation, managers learn what will and will not work. Researchers study the experiences and try to identify the principles and practices that work under various conditions. In this series, we will examine the management studies made in the farm labor area. Our first letter focuses on generalities related to the effective management of labor resources.

Management Defined

Management is a much used word but one that often means different things to different people. Let us think briefly about a few connotations that go with the word as we will be using it in this series of letters.

Management is the noun that goes with the verb to manage. Manage implies a degree of control over actions. The person in control or the manager is the one who is responsible for management actions. Similarly, control usually implies that there are different choices, and the manager must decide which alternative to use. In brief, management is based on decision making.

Two basic elements are in all definitions of management. These are the resources and the goals. Management of any kind is concerned with what is available for use and what is hoped to be accomplished. In farm labor management, the focus is on the human resources, and the goal is to get the work done efficiently and effectively.

A simple working definition of management is "using what you've got to get what you want." In farm labor management, this would be using the labor force on the farm to get the work done.

Introduction of Farm Management

Dr. G.F. Warren introduced farm management as a field of study between 1900 and 1910 and published his first "Farm Management" book in 1918. He felt it was important to look at how New York farms were managed. His approach was to observe the different ways farmers managed and to measure their effectiveness. This he did for the entire farm unit, which included the traditional land, labor, and capital inputs.

As specialization and commercialization progressed, the field of farm management evolved. Management as related to special segments of the farm operation was separated out for study. In this development, the farm management family grew to include land and soil management, machinery management, herd management, crop management, and financial management.

The latest to emerge has been management related to the human resources. At this time, human resource management is the "new kid" in the farm management family. As the "new kid", it has been studied the least of the various phases of modern day farm management.

Change in Focus

Early farm management studies examined labor or work inputs. The measure usually was simply the days or months of work that were put into the operation. Labor efficiency was measured in terms of output per work unit. The labor input was treated principally in terms of the time or physical effort expended.

Farm labor or personnel management focuses on the worker as a human resource. Here management takes on the aspect of how to deal with the people or workers. It takes on the added features of the interaction of persons and involves the complexities of "human nature."

Personnel Management

Personnel or "human resource" management is more difficult to study than the other kinds of farm resource management. It is easier to experiment with a cow, a tractor, or land than with a worker. Also, there is a degree of complexity in that workers use their mental faculties in responding to various management techniques.

Both farmers and researchers were more reluctant to delve into the management of human features than into the machinery, livestock, or crops features. Consequently, farm personnel management was neglected until recently. Finally, it is the "new kid" in the family, and we need to learn more about it.

New Dimensions

Farmers and researchers have long been accustomed to working with crops, livestock, land, buildings, and machinery. We feel at ease when dealing with them. But, with the workers, or personnel, we have had less experience and they do "talk back."

In trying to understand why labor management practices work or don't work, we must delve into some new dimensions. Psychology, sociology, communications, and human nature all get involved. These are new areas and we lack knowledge and skills in dealing with them. We need to roll up our sleeves and master these new dimensions as they relate to farm management.

More Information Available

Research studies in farm human resource utilization have been limited in number. At last, some persons are tackling the problems. Farm leaders have identified this as an area of needed research. Farmers themselves are experimenting with new practices. In a survey of labor practices, it is helpful to learn what farmers have discovered from their experience in coping with farm labor management problems.

Knowledge on the subject is gradually becoming available, and interest in the subject is increasing. We are on our way. It is hoped that the "new kid" soon becomes a full fledged member of the management family.

Human Resources

The human resources or labor input is a vital factor in any farming operation. As with all other input factors, there are alternatives in how it can be used. Where there are alternatives, management decisions must be made. In brief, the choices made affect the outcomes.

Farm operators are the ones responsible for managing. This is as true in the human resource area as in the crop, livestock, or financial management areas.

Management know-how and skills can be developed. Knowledge is basic in all areas of management. The "good" manager is always seeking new information and better ways of doing things. We must learn how to effectively manage the human resources on our farms!

Elements of Personnel Management

Personnel management on farms includes a number of elements. As the subject develops, new elements likely will be discovered. At present, the components commonly include: analysis of labor needs; development of job descriptions; recruiting; hiring; orientation and training; motivation; wages and fringe benefits; performance review and evaluation; and discipline.

Personnel management involves both an employer and employee, or a manager and worker within a family. In this letter series, the concerns of both will be considered.

Human Resource Management

Managing people, whether on a farm or elsewhere, is not easy. Understanding human nature and the development of "people" skills is fundamental. Experimenting with new methods and encouraging more research will help us move toward better labor management practices.

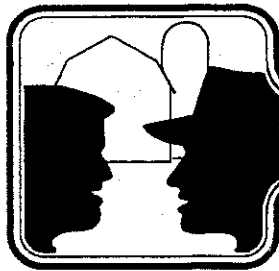
Our experiences with farm labor management are extremely varied. Some farms have found it impossible to hire and keep good workers while others have waiting lists of applicants. In like manner, some family members are enthusiastic about helping on the farm while others are alienated and leave at the first opportunity. There are differences, and for a reason.

We must not be afraid to look at what other businesses have done in the labor management area. This applies to other farm and nonfarm businesses. We can always learn from the experiences of others. The farm innovators are trying new human resource management practices. Our nonfarm business friends are probably ahead of us, and we can learn things from them too.

Developing a "personnel management system" for a farm takes time, but it is worth it. Time spent by the manager in exploring new ways of doing things usually pays off. It will save time and promote a more harmonious work environment.

The purpose of this letter series is to help those of us concerned with human resource management gain a better understanding of the subject and to find ways to improve our human resource management skills. *There is a better way! Let's find it together!*

Next letter: The Family Farm and Personnel Management.



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

2 Human Resource Management On The Farm

THE FAMILY FARM AND PERSONNEL MANAGEMENT

C. Arthur Bratton
Professor Emeritus
Department of Agricultural Economics
Cornell University

Introduction

A farmer recently said "I do not attend your labor management meetings since we operate a family farm." This sparked some lively discussion about what labor management is.

Labor management is often perceived to mean the handling of hired employees. This is a restricted view. In farming, labor is provided by hired and family workers and managing the labor on a farm involves both.

Family farms are often assumed to use no hired labor or services, but this bears examination. It is worthwhile to look closely at the sources of labor inputs used on family farms. Family farm operators use the services of others to a much greater degree than first assumed.

The members of a farm family are human beings and there must be management of their labor inputs. Even the operator provides labor and how it is managed affects the members of the family.

Personnel management and labor management are often used interchangeably and in both cases are assumed to deal with employers and employees. Human resource management is a broader term which includes all persons who contribute in any way to the operation of the unit.

Work Force

In our farm business management studies, the work force is usually reported by the source or "who" provides the labor inputs. The inputs are measured in terms of "time spent" and may be reported in terms of hours, days, or months.

Studies often report the sources of labor as operator or manager, unpaid family, and hired. The unpaid family must be estimated on a basis comparable to that of other workers. Modern family farms use a sizable amount of hired labor in addition to the work done by the family members. Both family and hired labor must be managed.

Management on a Family Farm

The simple definition of management as "using what you've got to get what you want" has special significance in the human resource management on a family farm. Since a considerable part of the labor is provided by family members, the "use of what you've got" takes on special importance. Similarly the goal or "what you want" may be affected more by the likes and dislikes of the family workers than in other kinds of business situations.

A family farm operator is responsible for managing the labor force so he/she must analyze carefully the capabilities of the family members. Their skills and capacities should be a major consideration in the labor management process. This also affects the kinds of "hired workers" that are sought.

In summary, an examination of the management on family farms reveals that there is a human resource or personnel management sector. Managerial skills in this area are probably just as important on a family farm as in a corporation.

Family Farm Partnerships

Partnerships are common among family farms. It is a way to pass the business from one generation to the next. This type of business arrangement has been used for a long time but, as the size and nature of farming has changed, the need for "good" partnerships has increased.

Successful partnership operations do not just happen. Many attempted arrangements fail. Studies show a major cause is in the human relations realm. Poor personnel management has surfaced as the cause of many family partnership breakups.

At a human resource management workshop in eastern New York, two young farmers who were in family partnerships were emphatic about the great need for good labor management practices in a family partnership. Based on

40 years of working with farm partnerships, I had to agree wholeheartedly. The "new kid" in the farm management family may be a kingpin in developing successful partnerships. The people part of partnerships is particularly pertinent!

Spousal Relations and Labor Practices

Stress among farm family members has come to be a topic of concern. Studies have been made of farm wives and the nature of the stresses they experience. Difficulties between the spouses is a common source of stress.

The labor management practices followed on the farm may well be the cause of spousal stress. There is much talk about the importance of regular hours, time off, and vacations in attracting and keeping good farm employees. Perhaps we need to apply the same reasonings as we struggle with stress among farm couples.

Service Providers and Labor Management

Modern day farmers use many service providers. Studies show they regularly use more than 30 on-farm services including electric service, fuel deliveries, fertilizer spreading, machinery repairs, veterinary services, and more. Do the human relation practices used with these individuals affect the kind of service received? Will human resource management skills work equally well with service providers? My answer would be YES!!

More Hired Workers

Scientific and technological advances have brought many changes to New York family farms. These advances have changed the nature of the inputs used and the kinds of output both in terms of quantity and quality. Much of the physical drudgery has been reduced or eliminated, and the same quantity of product can be produced in considerably less time. Another development has been the demand for workers with more technical skills and judgement.

A look at the labor force on dairy farms 20 years ago and now shows some interesting changes (table below).

Total months of labor on these "typical" dairy farms increased from an average of 21.9 months in 1966 to 37.1 months in 1986 or an increase of 70 percent in the 20 years. In 1966, operator's labor accounted for 60 percent of the total and hired workers 21 percent, but by 1986

these were 42 percent and 37 percent respectively. A larger percentage of the work is being done by hired employees on these dairy farms. Another interesting change has been the increase in the amount of paid family work.

The "Real" Boss

On a family farm there often comes the question of "who is the boss?" Any well run operation needs a manager or boss. This becomes increasingly important as the number of workers increases.

Studies made of career farm workers show that employees want to know who is in charge. On some family farms it seems that everyone assumes that they are in charge. Labor management principles tell us this will not work well. It is important that the "real" boss be identified and that he or she be responsible.

Benefits of Good Labor Management

Good labor practices certainly benefit the hired employees. Career farm workers repeatedly have indicated that labor practices, such as hours worked, clear instructions, definite understanding about sick leave, holidays, vacation, etc., all are important to them and affect their staying with the job. They indicate that the work environment is more important than rate of pay.

There is a spin-off to good labor practices. If the practices provide for reasonable starting and quitting times, the operator and family members usually benefit too.

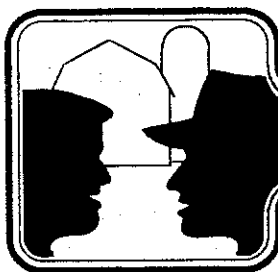
One Central New York dairy farmer reported on a labor management practice that they used for weekends off. He said they went to a system of being off from the Friday night milking until Monday morning milking every third weekend. The practice was developed to accommodate a good hired worker whose in-laws lived in Pennsylvania and visits required more than one day off. The farmer said it was not long until the farm family too found that they enjoyed this new schedule.

In like manner, a farm operator who develops new communication and listening skills, and a system for bringing out suggestions from employees, will also use these in dealing with family members. Family members as well as employees benefit from the new human resource management skills learned by the "real" boss.

Next Letter: Delegation: The Key to Effective Management

**Sources of Labor Inputs, 1966 and 1986
New York Dairy Business Summary Farms**

Source of Labor Inputs	Months		Percent	
	1966	1986	1966	1986
Operators	13.1	15.6	60%	42%
Unpaid Family	2.6	3.2	12	8
Paid Family	1.5	4.7	7	13
Hired	4.7	13.6	21	37
TOTAL	21.9	37.1	100	100



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

3 Human Resource Management On The Farm

DELEGATION: KEY TO EFFECTIVE MANAGEMENT

Robert E. Rich
Executive Director
Cornell Cooperative Extension
Cattaraugus County

Introduction

Farming is a very demanding occupation in many ways. One of the most conspicuous is the need for many different things to be done frequently and it seems, at the same time. Management and delegation of duties are the most effective means you have for dealing with this problem.

Management, for our purposes, can be defined as the process of supervising and directing the work of others. The more that work is distributed in an operation, the more reliance there is on management functions. Managing others differs a great deal from performing work ourselves. It requires new skills, attitudes, and an organizational framework that clearly defines roles and relationships.

The key to good management is delegation, which means passing responsibilities to others. Delegation needs to take place at various levels in the farm operation, depending on the nature and complexity of tasks to be performed. Tasks must be assigned to appropriate levels to keep labor costs down and make the best use of available skills.

Authority and Responsibility

Delegation takes place along lines of authority. Usually these lines are described in an organizational chart and through "job descriptions." There are two fundamental principles that apply to an organizational chart.

1. No employee can have more than one boss.
2. Authority must be equal to responsibility.

The first principle relates primarily to issues of communication and accountability. If a farm employee is expected to take orders from more than one person, what happens when orders conflict? On the other side, which boss checks to see that work was performed as directed? A one-to-one relationship between supervisor and subordinate is essential to avoid confusion.

The second principle of authority equal to responsibility is a practical consideration that is often overlooked by management. When an employee is assigned to a particular function he/she must have prior approval to make the critical decisions necessary to handle the job. Without this authority the employee is hamstrung, and the efficiency of delegation is lost in frequent delays of "checking with the boss."

Organizational Chart

Constructing an organizational chart can be done in a series of steps:

1. **Inventory Tasks.** All employees should keep a log of their day-to-day activities for a week or more and keep track of the average time devoted to each task. Then all employees should identify major tasks that are seasonal or occasional.
2. **Define Positions.** Individual jobs or positions can be defined by logically grouping the tasks identified. This is simply a recognition that certain responsibilities naturally go together (i.e., keeping books would go with preparing tax statements while ordering parts would go with equipment maintenance). It is also important to have tasks assigned at appropriate levels depending on their need for special skills and experience.
3. **Draw Chart.** The organizational chart can be easily drawn once the above decisions are made. The chart provides a diagram which shows who reports to whom, and is the "road map" for delegation of responsibilities.

Let's look at a couple of examples of how major job responsibilities might be handled in developing an organizational chart. In looking at the overall operation, of a family dairy farm the father may need to separate

out the herd management function to be delegated to another family member or hired help. It would be essential that the new "herdsman" be able to make culling decisions, ration changes, and have hire/fire authority in that area. In turn, the herdsman might delegate responsibility for milking and feeding operations to subordinates and provide them with appropriate levels of decision making.

In a fruit operation, a general manager might separate harvesting functions from orchard-care functions for delegation purposes. One employee might be in charge of supervising harvesting crews, arranging for trucking, and maintaining related equipment while another would be responsible for pest management decisions and spray applications and could even supervise the roadside stand. Now let's look at both good and bad examples.

FIGURE 1

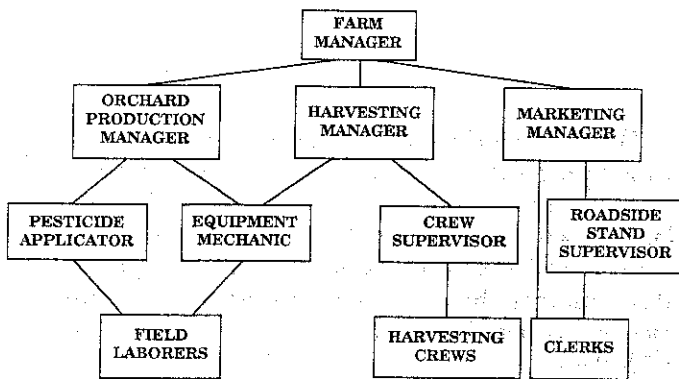
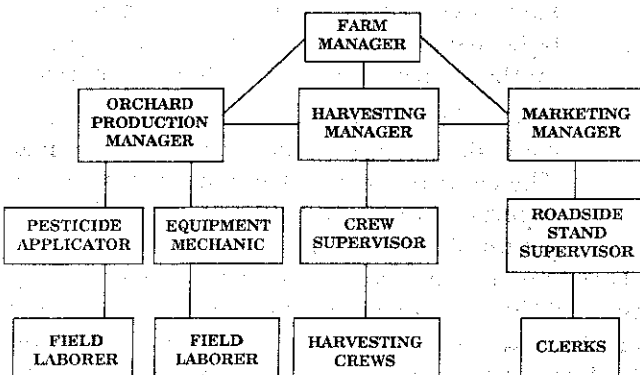


Figure 1 violates the "one boss" principle all over the place even though we can imagine the discussion that would have taken place . . . "Well, both the orchard production and harvesting managers are dependent on equipment, so they should have authority over the mechanic." and "Yes, the harvesting manager should boss the crew supervisor, but the marketing manager knows what varieties are selling best." The statements are true, but the structure invites disaster.

In an effective organizational chart, functions are segregated and communication between managers is relied upon to channel needs from one division to another.

FIGURE 2



In Figure 2 we see straight-line communication verti-

cally in the organization, with each position reporting to a single position above. Communication lines are drawn between the middle managers to convey that interaction between divisions follows that course. For example, the harvesting manager will go through the orchard production manager on equipment issues and the marketing manager will consult with the harvesting manager about which varieties to pick next instead of going directly to the crew supervisor. This system also applies within divisions. Note that the marketing manager will go through a subordinate supervisor for help from the clerks.

Making It Work

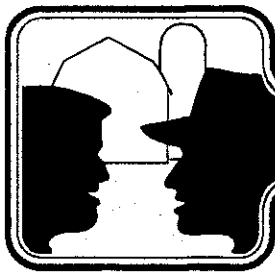
Regardless of how authority is to be divided and delegation is to follow, the most important response is to **stick with it!** The most difficult thing for an owner/operator/worker to do is to let go! Why is that? On the surface, we would think that one would welcome the opportunity to "off-load" some responsibility. In reality, there are some powerful inhibitors. Some of the prevalent ones are:

- **Loss of Control.** Very often individuals who have had overall responsibility for an operation just can't conceive that anyone else can do it. They fear that they will lose control of the operation and everything will "go to the dogs." "It took me years to learn what I know, how can I just turn it over . . ."
- **Feeling of Laziness.** Individuals who have done heavy physical labor most of their lives often think that they will appear lazy if they let someone else do the work they once did. Paperwork also may not seem like "real work."
- **Inadequate Communication Skills.** Describing and delegating work to others is substantially different from doing it. People often get frustrated with trying to explain what needs to be done and decide that "it's easier to do it myself." This particular obstacle can be handled by technique. It is vitally important that orders include the following: 1. who is directly responsible, 2. what specifically is to be done, and 3. when it should be completed. These three simple instructions usually eliminate confusion with delegated tasks.

In general, the most difficult skill to develop in handling the delegation function of management is gaining the confidence to do it. The manager needs to feel comfortable that problems that arise because of the performance of subordinates can be solved and that overall the operation will function more efficiently when the workload and responsibility are shared.

To review, management and delegation start as a thought process. What are the tasks to be completed? How do they fit together? Who should report to whom? After you answer these questions, then develop the discipline to let go and to follow the lines of authority consistently. Be clear with instructions and have faith that subordinates can do the job. It will pay off!

Next Letter: Who Makes an Effective Supervisor?



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

4 Human Resource Management On The Farm

WHO MAKES AN EFFECTIVE SUPERVISOR?

Don R. Rogers
Vice President, Farm Management Services
Farm Credit Banks of Springfield

Introduction

A supervisor is one who makes sure a job gets done, not the one who does the job.

On many farms the supervisor has to be a doer as well as the manager of a job. This makes it very hard to understand the role of a supervisor or to separate it from being an employee. You are so busy getting the task done you don't see yourself as a leader of a job.

Also, on farms, you as the boss must put yourself in a supervisor's role. Owners often create frustrations for those around them who are trying to act as supervisors. Remember the transition from worker to supervisor is a difficult one. Most of us started out as laborers and can recall how it was to wait until someone told us what to do and not to have responsibility for getting a job done. We could develop close friendships with fellow workers and even kid about the person in charge. So it is really a culture shock for many to put themselves in the shoes of a supervisor.

Let's then examine the qualities needed in a supervisor, who makes a good supervisor, and, especially, the problem of being in the middle, i.e., working for the boss and supervising his employees. We call this the middle manager syndrome.

Employees' Expectations

Employees know who is a good supervisor. In a survey of employees we asked what qualities they expect in a supervisor. The answers were:

- Is on top of his/her job. Commands respect for his/her expertise.
- Has the ability to "put on the worker's shoes" in discussing problems that come up.
- Is fair. Doesn't play favorites. Must be on an even keel.
- Has great patience.

- Has a sincere interest in learners.
- Is firm, but supportive.
- Is considerate, especially of the worker's job.
- Is tactful. Praises at the right time and offers criticism constructively.

Most farm owners prefer a supervisor who is an extension of themselves in approaching a job and getting it done. The first rule of delegation is to delegate the task to the right person. With a tight labor pool and the usual farm family relationships, many times no one is in charge of a key function. The scenario goes like this: "Joe, you handle planting the corn this year." The owner still buys the corn and fertilizer and tells him which fields to plant and when. So, in actuality, you just have a "driver of a tractor" who is good at planting corn. A real supervisor would be capable of organizing, planning, and carrying out all aspects of corn planting.

Supervisory Skills

Who makes a good supervisor? You as an owner need to accept the definition of a supervisor and then recognize that you are looking for someone who:

- Can lead—adapts to getting a job done with others.
- Can organize—keeps a daily schedule.
- Can motivate—a positive-type coach.
- Has initiative—makes his own decisions.
- Is assertive—gets started on his own.

Candidates for supervisors usually are:

- Young and inexperienced. This is fine, but the owner must take time to teach the above attributes because the young usually haven't hired, fired, or lead anyone yet.

- Long-time employees. Someone who has been with you for 5-15 years, is loyal, and is a good employee. Again, he's probably a task-oriented person. If he doesn't possess the above skills, he usually will be the wrong choice.
- Recruited from the outside. Be careful! A supervisor candidate from the outside shouldn't be someone else's long-time employee who has never had the opportunity to lead. Also, an outsider can only be effective if given the authority. Check the candidate's leadership characteristics carefully.

Middle Manager Scene

A supervisor in a small business (less than 50 employees) has a very stressful position. Sometimes we refer to him as the dumping ground, the fall guy, or a center (unsung hero) on a football team. It can be a very rewarding position if the owner handles this key position correctly. In other words, avoid end runs! It may be easier for you to tell an employee to do a different task or to do something differently instead of going over your ideas first with his supervisor. In reality, this is your right as owner, but after while a middle manager will say you undermined his authority and belittled his instructions by changing them. An owner's biggest fault in handling middle managers is letting the pendulum swing too far both ways. We see owners manage their key employees (supervisors) by the:

- Leave-them-alone method: Letting them do their jobs with little communication until something goes wrong.
- Treat-them-like-the-rest-of-the-employees method: The owner is still the supervisor of the function himself. Most commonly, he barges in on the work tasks and tells his crew what to do. "After all, I am the owner."

Somewhere there is a happy medium. It takes an effort to make your middle manager really effective, but the time spent is well worth it. Some positive suggestions that do help are:

- Have one-on-one meetings with each supervisor to clarify how you want tasks achieved.
- Discuss with the supervisor something you want changed that does not need immediate correction, instead of asking a worker to change it.
- Encourage supervisors to keep you informed about anything that prevents them from getting the job done.
- Plan ahead and require your supervisors to do likewise.

Do you really have a supervisor in your operation? Check up on yourself by answering these questions: Who's in charge of your three most important functions, i.e., equipment maintenance, care of livestock, and planting and harvesting? If it is other than you, can that person decide what to do daily without your direction, buy

supplies or parts, and hire employees who work in that function? A son or daughter is not an exception and should not be handled differently.

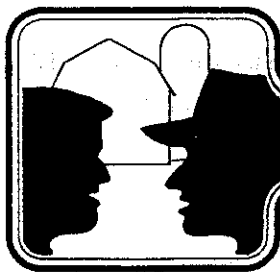
Summary

An owner of a small business cannot be everything to everybody nor master of all tasks. He must delegate certain tasks to the right people. His challenge is to find a key employee who is capable of responsibility. To make the supervisor's role effective, remember:

- Everyone needs to be valued for what he/she contributes.
- Middle management wants and *must* have a real place in the business with real responsibilities.
- Communication will be a constant problem and must be kept foremost in your mind. Unclear expectations are deadly.
- A written plan of duties and expectations can help immensely.

Take time to ask yourself: Am I an effective supervisor? If not, what can I do to improve my own skills as a manager and to help those in my business who function as middle managers?

Next Letter: Developing a Natural Motivational Climate for Profit and Productivity.



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

5 Human Resource Management On The Farm

A MOTIVATIONAL CLIMATE: PREREQUISITE FOR SUCCESS

Robert C. Nolan
Assistant Director
Cornell University
Home Study Program
Department of Agricultural Economics

Farm managers often ask "How can I do a better job motivating my employees? The manager, though, doesn't motivate; motivation comes from within the employee. The most a manager can do is to provide an environment or climate in which the employee wants to work. Before this can be accomplished, the following objectives need to be met:

- Identify the causes of high and low motivation, job satisfaction, and morale.
- Identify human needs and how they affect the level of motivation, job satisfaction, and morale.
- Comprehend the principles and methods of creating a climate to promote improved motivation, job satisfaction, and morale.

Motivation Defined

Motivation is something we feel within ourselves. It is the putting into action of an inner drive. Motivation involves the idea of directing energy to satisfy a need.

Motivation should not be confused with incentives. Incentives are external methods of encouraging us to do or not do something. For example, money is a major external incentive.

We cannot truly motivate anyone else. We can only create a climate where motivation is encouraged by good working conditions, incentives, and other job-related factors.

Application

Most of us identify strongly with our jobs. Work is central to life and most of us prefer to work, to achieve, and to succeed.

Typically, we get a major sense of accomplishment from work. When we are engaged in dull and boring work, life lacks inspiration and becomes merely tolerable.

The job of the farm manager in the process of motivation boils down to understanding the individual employee and identifying management actions that will lead to the fulfillment of his or her motivational needs.

The ultimate challenge for the manager is to find out how to "encourage" a particular employee in a particular situation at a certain point of time. Have you ever wondered why certain employees can be turned off at work, but in situations outside of work are often highly motivated? Take, for example, the bored farm worker who can't wait to leave work so that he can participate as a local volunteer fireman. The motivational climate that causes this interest outside of regular work is transferable to the job if we look for the key.

Principles of Motivation

The forces that motivate us at work are intensely personalized and usually include many of the following:

- Our own needs, interests, values, goals, and levels of aspiration
- Our feelings and views about ourselves
- Our rearing, family background, and life style
- Individual job satisfaction, coworker attitudes, morale, and organizational climate
- Education level and degree of intelligence
- Performance expectations of the employer
- Ability to produce desired results
- Condition of personal finances compared with needs and expectations
- Options available

No single approach to motivation is sufficient. The approach must appeal to the person's self-interest and the techniques must be aimed at individuals taking the

above factors into consideration. A manager who credits himself with being an excellent motivator of people does not understand the dynamics of motivation. Motivation comes from within the employee and cannot be imposed on the employee by the manager. People exert energy to achieve their own real motives. Managers need to know what the individual employee considers important and worthwhile. The most important factor is that employee and farmer needs and goals must be similar if employees are to be highly motivated.

Many human motivations appear to be unconscious or subconscious and we may not know what drives us. We do know, though, that new challenges and the unexpected make the job exciting. Often the job itself can be its own reward.

In analyzing job functions, you, as a manager, may want to change the job rather than expect employees to change. Feelings of personal progress and on-the-job success make us feel like "somebody". We are never content with dull, boring work and feeling like "nobody".

Employee Needs

To discover the needs of employees, begin by asking them to identify their needs and wants. You can also observe them and make calculated references from what you observe (what kinds of activities appear to turn them on and off or what types of incentives seem to get the best results).

Items That Commonly Motivate Us

- Self-esteem
- Prestige and status

- Pleasure and recreation
- Continuing growth and realization of potential
- Achievement, accomplishment, and contribution
- Recognition and appreciation by others
- Acceptance and belonging
- Power and influence
- Security and confidence in the future
- Affection and understanding
- Meaning and hope in our lives
- Reasonable independence and freedom of action
- Significant participation and involvement in activities affecting us

A well designed or enriched job has three characteristics: (1) it is complete, understandable, and doable; (2) the employee makes as many decisions as possible; and (3) the manager provides the employee with consistent feedback about performance.

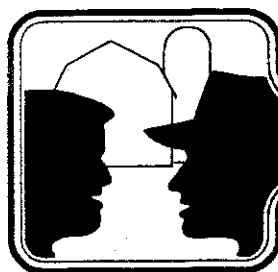
Look for opportunities to provide recognition for employees. For example, when the Dairy Herd Improvement Cooperative presents county milk production awards at their annual meeting, some dairy farm operators have the herd manager accept the award on behalf of the farm. Since the herd manager has a major role in achieving the production level, acceptance of the award is appropriate recognition for a job well done.

The primary task of any manager is to establish a motivational climate in which employees can achieve their own goals and, at the same time, contribute to the success of the farm.

Evaluate Your Success in Developing a Motivational Climate

The following checklist can help you judge your success in developing a motivational climate on your farm. For each item rate yourself (be very frank) on how often you use that skill. Test your effectiveness with subordinates. Give all subordinates copies and ask them to rate you on each of the items. Ask them to be frank. Compare your own personal rating with theirs and discuss it with them. How well do you stack up? What changes would you like to make in your management style?

	Always	Usually	Sometimes	Never
1. I give my people honest recognition on a regular basis.	_____	_____	_____	_____
2. I try to make each person's job as meaningful as possible.	_____	_____	_____	_____
3. I work at getting to know my people as individuals.	_____	_____	_____	_____
4. I provide my people with feedback about performance on a regular basis.	_____	_____	_____	_____
5. I am available to my people.	_____	_____	_____	_____
6. If my people don't come to me with information, I go to them and ask.	_____	_____	_____	_____
7. I try to match farm and employee needs.	_____	_____	_____	_____



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

6 Human Resource Management On The Farm

INVOLVING EMPLOYEES IN DECISION MAKING

Donald J. Tobias
Senior Extension Associate
Department of Human Service Studies
Cornell University

A number of personnel management styles and theories are prevalent in business today as managers attempt to hold the line on labor costs while increasing worker productivity. Greater employee involvement or participatory management is a concept that has been attempted in a variety of ways over the past two decades. While success with this management style has varied among companies, many businesses have encouraged greater employee involvement with excellent results.

So what are the implications of these management experiences for operators of farm businesses? It's worth re-examining how we involve others in decision making on the farm. While a participatory management style may not be for everyone, greater employee involvement has had such positive effects as increased commitment to work, informed decision making, and greater productivity.

Historical View

Concern over management and supervision goes back easily to the turn of the century with many of the early theories focusing on fitting the "right" worker to the task. The more specific we could be about the task and its requirements, the easier it became to select and supervise a labor force.

A procedure on how to hand-pick or cultivate a field crop could be determined from observation and from the experiences of the most effective laborers and their methods. The next step was to implement procedures and supervisory practices that effectively met management goals. In this environment, roles for supervisors and employees were clearly understood. Supervision came from those in authority and, frequently, in a directive manner.

Many of the newer innovations in management and supervision are rooted in research that began around the time of World War II. The changing nature of work continued to make tasks more complicated and required

more judgment of the employee. Perhaps, more importantly, ideas about power and authority were changing in the workplace; employees felt more secure in their rights and more willing to be mobile.

A new direction for supervision became the need to understand and involve the employee. Basic assumptions about employees were changing. The popular belief that employees were basically unmotivated and would avoid work was replaced with notions that employees wanted to work and wanted to be successful. Many workers desired supervision that encouraged their input and increased the satisfaction derived from their work. Much of the current popular management literature revolves around identifying those opportunities that allow both the employee and organization to meet their goals.

Decision Making

One aspect of operating a successful farm business is decision making. How is the business affected by these new ideas of supervision and decision making? Decision making in its simplest form is nothing more than choosing among alternatives. Most of us use a process that moves from identifying the problem and finding creative alternatives through evaluating the alternatives to making a choice and evaluating the outcome.

Appropriate Involvement

Generally our decision making is improved when we have more information, possible solutions, and knowledge of outcomes. A simple view would be that all decisions should have maximum involvement from others. This is not always true! Participation can lead to negative situations. For example, the employees may want a new piece of equipment and the business may not be able to afford it.

On the other hand, participation, where appropriate, leads to development of a long-term perspective, creati-

ity, increased production, improved problem solving, improved communication, and realistic structuring of work.

Some decisions require labor force involvement so they will be strongly supported. Let's take the example of the dairy farmer who is considering a change from milking twice a day to three times to increase milk output. Employee involvement in this decision could be very beneficial. People tend to support what they help create. If employees were allowed to select a new work schedule for themselves and suggest ideas for staffing all shifts, they are likely to support the new system.

Another time when farm employee involvement could be used effectively is during peak work periods such as crop planting or harvesting. Staff meetings before peak work periods could be used to correct problems that arose the previous season and to talk about procedures for handling potential problems.

Participation has some disadvantages; it requires accommodation, a longer time frame, skilled supervision, and close attention to communication. The supervisor has the authority and responsibility for decision making; he or she must decide if advantages outweigh disadvantages. Our own values and styles play a role in how we make the decision to allow participation.

Principles of Supervision

While the quality of the decision is important, the process of participation has beneficial effects on the supervisory relationship. Supervision is simply the art of working with people over whom authority is exercised in a manner that maximizes worker effectiveness. The following illustrates two approaches. Van Dersal, a noted management author, described the principles of supervision appearing in the first column below. The second column is an interpretation of these principles with the added factor of participative management.

Throughout the supervisory relationship, it is important to remember that supervisors can maintain their authority. At the same time they need to improve listening, questioning, negotiation, and sharing behaviors and to avoid over-accommodation, delaying decisions, and giving in to immature or uninformed points of view. If participation takes place, the employee will expect to see his or her impact on the outcome of the decision. Supervisors should expect to live with the choices made.

Job Satisfaction

While improving the decision making process and the supervision relationship is important, much of the most recent literature focuses on job satisfaction. Employee dissatisfaction is evident in low productivity, high turnover, increased grievances, poor morale, etc. The intent has been to improve the employees' perception about their jobs. In the late 1950's, Frederick Herzberg identified the following job-satisfaction factors: achievement, recognition, the work, responsibility, and advancement. Job dissatisfaction factors included: organization policy, supervision, salary, interpersonal supervision, and working conditions. Supervision should attempt to maximize opportunities for satisfiers and minimize dissatisfiers.

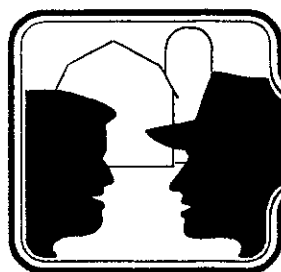
With some attention to disadvantages, there are considerable advantages to employee participation in decision making. It is understood that authority and formal power rest with the supervisor, but recognition that employees have power that grows out of experience and knowledge is equally important. Supervisors should not be drawn into a faulty belief that power is a fixed commodity, and to empower employees must mean diminished power for the supervisor. Rather, supervisors should buy into the belief that as employees use their power of experience and knowledge, decision making and productivity as well as the supervisor's power increase.

Supervision Principles

- People must always understand clearly what is expected of them.
- People must have guidance in doing their work.
- Good work should always be recognized.
- Poor work deserves constructive criticism.
- People should have the opportunity to show that they can accept greater responsibility.
- People should be encouraged to improve themselves.
- People should work in a safe and healthful environment.

Supervision Through Participation

- Participation encourages listening, questioning, negotiation, which clarify mutual expectations.
- Participation allows supervisor to maintain authority, but always the employee has an opportunity to influence decisions.
- Participation reinforces successful outcomes and the creative use of good thinking to arrive at solutions.
- Participation allows for recognition of problems and an opportunity to investigate causes, while minimizing defensive behavior of employees.
- Participation allows the employee to identify the ways in which work can be enriched and individuals grow.
- Participation can lead to identification of areas for personal development that will benefit the business.
- Participation leads to sharing work environment information in a positive manner.



CORNELL COOPERATIVE EXTENSION HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

7 Human Resource Management On The Farm

THE CRITICAL MATCH: LABOR NEEDS AND RESOURCES

Joan Sinclair Petzen
Cooperative Extension Farm Management Agent
Cornell Cooperative Extension
Cattaraugus County

Introduction

The human resource, labor, is essential to any farm operation. Matching the needs of the farm to the labor available has become an increasingly important role of the farm manager. Farmers are competitors in the labor market, although each region differs in the level of competition for various types of workers. It is up to farmers to plan how their labor force will be used. Likewise, they need to recognize the kinds and amount of labor their operations require in different seasons. Few farmers would plant a crop in the spring without planning how they would best utilize their fields and finance the cost of seed, fertilizer, and spray. If you are to get the most from all your resources, personnel deserves an equal place in the management of your farm operation.

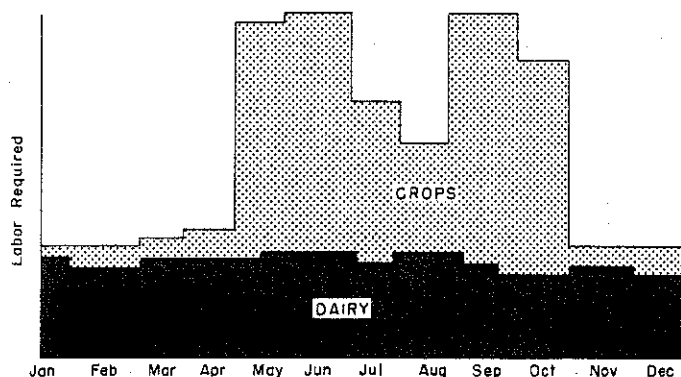
Labor Needs

A labor-needs assessment on a farm means developing a "job design" by looking at the number of workers needed and establishing the desired requirements of each job. The process of thinking through the amount of work that needs to be done and what type of employee will best accomplish that work will lead to more efficient use of time and minimize any unnecessary labor costs on farms. This allows top managers to pay more competitive wages and to maximize farm profits.

The following graph illustrates the labor requirements of the dairy and crop enterprises of a typical New York State dairy farm.

In a job design it is important to identify each specific enterprise on your farm and estimate how much labor will be required month by month for each. With a completed job design in hand, you can begin to assess just how you might staff your farm to accomplish each month's tasks most efficiently.

CONTRASTING LABOR REQUIREMENTS FOR DAIRY AND CROP ENTERPRISES



Leveling the Workload

Different jobs on farms occur at various intervals. "Chores", jobs that occur on a daily basis, are best accomplished by regular full- or part-time employees. Regular equipment maintenance is more likely to be a weekly job. Harvest and planting operations are examples of seasonal types of jobs. Special projects like erecting a new building or logging the farm woodlot occur on a more sporadic basis. It is important to consider the regularity of different jobs when you assess what kind of labor might be best suited to accomplish the task at hand. Seasonal labor is particularly useful in enterprises where jobs are very labor intensive, occur at specific times during the year, or are completed over a relatively short span of time.

Many farm managers have found ways to distribute workloads so that peak labor periods can be reduced. Some grape growers have expanded their pruning period from two months to four months and also trained these

few employees (pruners) to complete testing procedures in their wineries. This benefits employees by giving them longer, steadier employment. Employers gain because recruitment and training take less time. Peak demands in the crop enterprise for labor can also be reduced by making certain that all equipment is in top condition prior to planting and harvesting seasons to prevent downtime. Downtime is costly both from the perspective of timeliness of operations and having workers waiting around for equipment to be fixed.

Part-Time Labor or Custom Hire

Cornell University researcher Dale Johnson, in a 1986 study, found that a typical New York State dairy farmer could afford to pay \$100 to \$150 per hour for labor that would allow cropping operations to be done on a more timely basis. Part-time labor should also be considered during peak periods. Your neighbor, who works in town, may find it a relaxing change of pace to turn a furrow or harvest corn. This part-time help can extend the total hours that can be expended on seasonal tasks each day. Chores often put limitations on the amount of time your regular work force can spend on seasonal tasks.

Special projects may require specific skills or put undo stress on the regular labor force. Perhaps it would be best to custom hire or contract these jobs to be done by specialists. Contracting allows you access to specialized equipment too. It is important to define clearly the job that you need to have done (probably with a written contract) and the time frame in which you expect it to be completed.

Current Labor Force

Now, what kind of a labor force does your farm currently employ? Assess each worker on your farm, from yourself and your family to the young neighbor who helps with hay. Remember your first and foremost job is management. You must allow time for that when you are most alert each day. As the manager you are the hub of the farm, and you need to allow time to manage. List each person by name with the hours he or she can work. Include a description of the jobs each does best and the tasks that each worker is unable to do or does not perform well. Now develop a job description that suits each person's strengths and weaknesses and accomplishes the work outlined in your job design. You may find changes need to be made in your current labor force.

Local Job Market

A strategy needs to be developed for attracting qualified individuals to work for you. Consider the other employers in your area and what a competitive work schedule and wage might be. One Western New York farmer recently told me that in his area the principal competitor for skilled labor was the local salt mine. The mine pays nearly ten dollars per hour with full benefits including health and life insurance to its regular full-time employees. By using part-time labor for milking, the

farmer does not have to compete with the salt mine for regular full-time workers. Be in tune with what is happening in the labor market in your area as you plan a strategy for staffing your farm.

Flexibility

It is important to build flexibility into your staffing plan. This allows you to make adjustments as your operation changes and grows. You need to develop pieces of job descriptions that can be regrouped as new employees are hired. Perhaps the person who is responsible for spraying in your orchard is also in charge of harvest operations. That individual requires two very specific and different skills: one of supervision and one of technical knowledge of pesticide materials. If this individual were to leave your operation, you may wish to promote a current employee to take over supervisory responsibilities. Then, some of that promoted person's responsibilities might be grouped with those of spraying, and an individual with very different skills from the person who left your employ may be hired to complete your labor force.

Planning

The critical match of labor needs with resources can be accomplished effectively with a little planning. Develop a job design for your farm. Assess the capabilities of your current employees. Make certain that each is working in a capacity that is most advantageous to your business. Be informed about the competition for the available labor force in your community. Develop a flexible plan to attract employees to your operation that will allow you to minimize your labor costs while efficiently accomplishing the work that needs to be done.

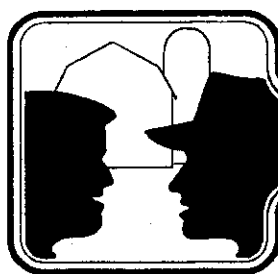
References

Farm Labor Management Home Study Course—Instructor's Manual, by C.A. Bratton, R.E. Eschler, G.C. Field, R.B. How, T.R. Maloney, W.M. Quinn; December 1982.

Dairy Farm Audit Manual, by Robert A. Milligan, Terry R. Smith, W. Shaw Reid, Thomas R. Maloney; August 1987.

An Analysis of the Effects of Field Operations Management on New York Dairy Farms, by Dale Johnson; May 1986.

Next Letter: The Job Description: A Personnel Management Tool



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

8 Human Resource Management On The Farm

THE JOB DESCRIPTION: A PERSONNEL MANAGEMENT TOOL

R. Brian How
Professor Emeritus
Department of Agricultural Economics
Cornell University

Thomas R. Maloney
Extension Associate
Department of Agricultural Economics
Cornell University

It has been said that an employee needs to know the answer to two questions: "What is my job?" and "How am I doing?". It is the manager's job to see that those questions are answered. An excellent way to answer the first question is by providing the employee with a written job description. The second question will be addressed in a future letter on performance appraisal.

The written job description is a personnel management tool used to aid in management organization, recruitment, selection, and performance appraisal. Once a job design has been developed for the business, the next step is the formulation of job descriptions for individual positions. Once a position has been filled, it can form the basis for an employee work agreement.

Managers are the primary users of job descriptions. Their employee selection duties can be aided by a clear statement of the job to be filled.

Job Specifics

The job description is designed to get down to specifics. What are the duties to be performed, the working conditions, the management expectations, and the wages and benefits? What are the job requirements in terms of education, experience, special skills, and physical ability? These at first are management goals which may have to be modified, but at least they provide an initial understanding of management expectations.

Putting this on paper may seem unnecessary. We often assume that everyone knows what a herdsman, a field worker, or a mechanic is supposed to do. However, the exercise of filling out a job description can be very helpful in clarifying our own ideas. We can use it in discussion with other members of management to make sure we are on the same track. And it can be very useful when the time comes to search for someone to fill the position.

The job description can be the basis for a formal help wanted advertisement, as well as a word-of-mouth search. Thinking through the various aspects of the job ahead of time can lend much more substance to the recruitment process.

Working Statement

A job description used correctly should be a working statement of what an individual does. Since businesses are dynamic, so too are the individual jobs within a business. Change the job description as often as needed to keep it up-to-date and working effectively. Sometimes when a position is open, a good person may come along whose experience, interests, or abilities do not quite fit the job description. Should you reject the applicant and wait for another? This may be a good time to change responsibilities of the job or to upgrade or downgrade the position as appropriate. Be mindful that job descriptions of other workers may need to be changed as well.

Getting Started

If there are no job descriptions for any of the positions on your farm, start by writing your own. List your duties, qualifications, supervisory roles, etc. Don't be too critical of your first attempt; improvement comes with practice.

The next step is to develop job descriptions for the other workers in the business. Work with employees to develop job descriptions to reflect the work they actually do. Use the process to clarify any responsibilities or lines of authority that may not have been clear. This process is excellent for keeping lines of communication open with both family and non-family members.

The following is an example of a job description written for the position of herd manager on a dairy farm.

JOB DESCRIPTION

Job Title: Dairy Herd Manager

Summary Description: Responsible for overall management of the dairy herd including milking, herd health, breeding, and supervision of employees. Plan feeding program in cooperation with farm owner.

Salary Range: Minimum \$350.00/wk

Maximum \$400.00/wk

Work Hours: 5:00 a.m. to 6:00 p.m.

Average Hours/Week: 60 hours

Days Off Per Week: 1½

Overtime: Never _____ Seldom X Often _____

Other Benefits: House in very good condition. Health insurance, two weeks paid vacation after one year.

Duties

Overall dairy herd management including milking, herd health, breeding, and raising of replacements.

Plan and implement feeding program in consultation with farm owner.

Supervise other dairy employees responsible for milking and feeding.

Minor Functions:

Assist with field work and/or machinery maintenance as time permits.

Supervised by: Farm owner

Supervise: 3 or 4 other employees who milk and otherwise care for dairy herd.

Report to: Farm owner

Assist with other jobs: Field work—as time permits during peak periods of planting and harvesting.

Qualifications

Formal Education: At least two-year degree from Ag and Technical School with major in animal science or a related field.

Experience: At least three years experience managing a dairy herd.

Skill Requirements: Able to work with modern milking equipment, and automated feeding system. Keep herd health and breeding records up-to-date. Ability to train milking staff. Good interpersonal skills.

Physical Requirements: _____

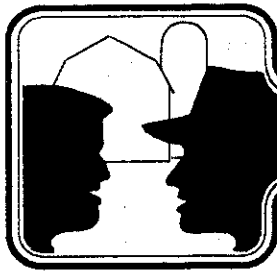
Quantity and Quality Requirements: _____

Work Environment: Modern 200-cow freestall operation, with 500 acres of field crops.

References:

Bratton, C.A., G.C. Field, R.B. How, T.R. Maloney, W.M. Quinn (1982) Farm Labor Management Home Study Course-Instructors Manual (A.E. Ext. 82-36). Ithaca: Cornell University, Department of Agricultural Economics.
Rosenburg, H.R., (1986, March 1). "Learn How to Use Job Descriptions". Amercian Nurseryman, pp. 73-76.

Next Letter: Hiring from Within



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

9 Human Resource Management On The Farm

HIRING FROM WITHIN

Stewart E. Ackerman
Regional Extension Specialist, Poultry
Western New York

The promotion of an existing employee to fill a new job or a job vacancy is an excellent way to recognize the skills and commitment of workers. Hiring from within also is a way to build a team of workers with broad job competence and strong loyalty to the farm business. Further, the unique skills of existing workers may be employed more productively by changing job responsibilities rather than hiring a new person.

Hiring From Within

Advantages:

- Less training is required.
- Strengths, weaknesses, skills, and interests are known.
- Farm owners may avoid a costly mistake resulting from hiring an unknown person.
- Productivity may be increased.

Disadvantages:

- An opportunity for hiring new skills may be missed.
- Conflicts may develop between other workers.
- Job and salary adjustments may be needed.

Family Versus Employees

Occasionally, hiring from within the existing labor force may cause some difficulties. When a family member who wants the new position is involved, it is increasingly important to have established a system of selecting employees based on skills and attitudes. The decisions on work responsibility, like other decisions in the operation of the farm, should be based on business criteria.

Employees need to know if family members are the only ones who will be considered for some jobs. People want to know where they stand and what the future holds. If there is no opportunity for advancement to top posi-

tions on your farm, this should be clearly explained to employees. Many employees can still be offered challenges through increased responsibilities; some will stay on your farm satisfied with their current jobs. Others may need to discuss with you their hopes of eventually moving to another farm in order to advance in their careers.

Efforts should be made to help those who feel they should have been more seriously considered accept a job-change decision. This effort should include providing an opportunity for everyone to review the process used in work assignments. It should include a clear description of skill requirements as well. Both individual points of view and opportunities for employees to train for the skills required should be discussed. The objective should be for all concerned to be able to support the decisions made in job assignments. This process can be helped if all workers understand the importance of their contributions to the objectives of the farm business. Plan recognition for effort and performance.

Farm operators who look for opportunities to hire from within to develop and promote existing employees are making optimum use of their training efforts. In addition, the loyalty and commitment that hiring from within produces also enhances the performance potential of the farm business.

Hiring from within may be less expensive than bringing in a new person. Promoting existing workers, however, may require some adjustments in salaries. The amount of training required to prepare a worker for a new job also will influence the relative costs of hiring from within.

This is not to suggest that the task-oriented production worker can't learn to do work requiring people interaction skills. It simply suggests that job assignments should take into account all the indicators of where people are at the moment.

Review Job Skills

When a job opening occurs on a farm, start by reviewing the job skills and attitudes of existing workers. Certainly a lot more is known about their performance potential and that highly important factor, job loyalty. Another important reason for hiring from within is that promoting a worker is a powerful motivating force. Unlike a wage increase that has an impact on performance for only a few weeks, a promotion touches on several important worker needs. A job promotion may serve to raise the self-esteem of the worker and to indicate the respect of the farm manager. Further, a promotion may supply an element of self-fulfillment, a factor that many jobs do not provide. Anything an employer can do to raise the value of the job in the minds of the workers will raise their feelings of self-worth. This kind of labor management usually costs little. Methods that may be effective in raising the value of jobs in the minds of employees include job name changes such as herd manager and flock manager; raising the performance standards and providing recognition for performance; and changes to improve the job environment. Increased privileges also may serve to raise the regard workers hold for their jobs and for themselves as workers.

Study Skill Needs

As the needs of the farm business change, jobs certainly change. New ones are created and old ones may become less important. Filling these new jobs from within is good management. An example is the use of computers in the monitoring and operation of many material-handling systems on farms. A worker who has had responsibility to manage the feeding of poultry or livestock may very well adjust nicely to the management of these same operations by computer. The training required for this transition is a further demonstration of the confidence of the employer in the worker.

When you are considering filling a job with an existing employee rather than hiring, it is important that you keep everyone informed of the opportunity. The detail provided should include the work associated with the job as well as the skills required. Employees who feel that they qualify should be encouraged to apply. The physical nature of the job, if important, should be explained. Abilities to take direction, to interact with others, and to make decisions, when important to the job, should be described. If training may increase the competence of existing workers for the job, providing this training will be a necessary investment.

The Job Fit

Every worker brings to a job a collection of skills and attitudes that have an influence on the quality of work that person will produce. The employee with manual dexterity and mechanical perception skills may prefer work that requires these skills. Those who have developed abilities in relating to and interacting with people may

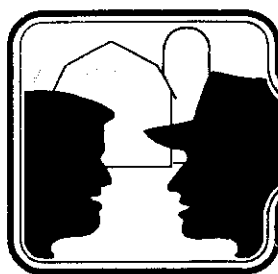
prefer opportunities that use these skills. The challenge to the farm manager is to use the skills and attitudes of each employee to the fullest. In addition, the manager should provide opportunities for workers to develop new skills.

The process of matching the job skills and attitudes of people with those required for a job should be based on what the person says about his/her previous job experiences. A prospective worker who reports on success and enjoyment of his/her work in specific task areas will probably continue to do well in that same type of work. The reason the expressions of job satisfaction are a reliable indicator of job skills is that people enjoy most the tasks they do best. For example, asking someone to be responsible for a retail farm market probably will not be the best use of the skills of a worker who indicates the greatest personal satisfaction from bedding plant propagation or the management of a flock of laying hens.

To the extent that the strengths and weaknesses of existing workers are known, mistakes may be avoided in making job assignments. The need for a careful listing of the skills required by a job is just as important for changing job responsibilities of present workers as for hiring a new worker.

One of the most important reasons for attempting to fill a job with existing workers is the potential for added productivity. In addition to the skills and job commitment that an existing worker should bring to a new job, the job change may be treated as a promotion. Job promotions have a powerful motivating value because they tend to build self-esteem, they represent an expression of esteem by the employer, and they have a potential, if carefully planned, of providing self-fulfillment to the worker.

Next Letter: Recruiting Qualified Job Applicants



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

10 Human Resource Management On The Farm

RECRUITING QUALIFIED JOB APPLICANTS

Thomas R. Maloney
Extension Associate
Department of Agricultural Economics
Cornell University

Bill Jones has been a dairy/cash crop farmer in Western New York for over 20 years, and for the first time he has found it difficult to hire a good farm employee. The key employee in his field crop operation submitted his resignation two weeks ago and Bill doesn't have even one lead on a qualified replacement. In years past recruiting was relatively easy for Bill. He would put the word out to some of his agribusiness contacts and close neighbors, and within a week or two he generated three or four leads on good, qualified candidates.

Now, however, the local labor situation appears to be quite different. As Bill talks to other farmers and small business owners, he finds that he is not alone. Several factors seem to be contributing to this problem of finding good help. First, Bill lives within 20 miles of a large population center with several thriving industries offering good jobs. Second, local construction is booming and attracting some employees formerly available to do farm work. Third, Bill has read that there just aren't as many 16-20 year olds entering the labor force these days, and this has further reduced the labor supply.

While word of mouth has worked for Bill in the past, he concludes that he will have to become a better, more aggressive labor recruiter if he is to attract the type of farm worker he wants.

The Recruiting Process

The process of recruiting farm labor is taking on greater importance as time goes on. Many farmers like Bill are finding that recruiting now requires more time and effort.

Recruitment, simply stated, is the process of searching for qualified candidates for your job and getting them interested enough to apply.

The primary objective of the recruiting process should be to generate a sufficient pool of qualified candidates from which to choose the best one to fill your job. The key here is getting enough applicants of the type you are looking for. There is a difference between generating a pool of "warm bodies" looking for jobs and attracting the quality of applicant you want. It is in your best interest to be clear about what you want and reflect it in your recruiting efforts. A major assumption made here is that you know exactly what you are looking for in an employee. If you don't, it may be appropriate to review the principles of job design and writing a job description described previously in this letter series.

There are numerous methods for recruiting of job applicants. Let's take a look at some of the more common methods for attracting good farm help and discuss the value of each in your recruiting program.

• **Suggestions from Current Employees**—Current employees can be an excellent source of contacts for new employees in your business. They know people in the community where your farm is located, and they have at least some idea of what your labor needs are. They also have a stake in the process since they are likely to be working with the person they have suggested if the person is hired. This approach, while effective, should be used with care. The same criteria for hiring another applicant should be used when hiring friends or relatives of a current employee. If the new person does not work out, there could be friction between you and the employee who suggested the applicant. This points out the need for dealing with all employees in a businesslike fashion as well as the need for continual monitoring and appraising of employee performance.

• **Word of Mouth**—This technique has been successful for many farmers and is commonly used. Friends and neighbors can send potential applicants your way if they know you are looking. Also, there are networks of agribusiness professionals (such as seed salespeople, veterinarians, etc.) who get around to many farms and may be in a position to inform you of prospective applicants.

• **Want Ads**—A frequently used recruitment method is the want ad placed in newspapers or agricultural magazines. This approach has several advantages. It is quick, it is relatively inexpensive, and it provides a way to reach a potentially large audience. But, newspapers may also have some drawbacks. Many farmers complain that these ads bring them many applicants but none they would want to hire. Perhaps the answer to this problem is how the ad is written. All too often we pick up the newspaper and read an ad like the following:

Wanted: Worker for dairy farm. Call 555-1111.

If the goal of the ad is to attract good applicants, perhaps the following ad would meet that objective better:

Farm Employee—100-cow dairy farm. Responsibilities include milking, feeding, and some machinery operation during peak crop periods. Competitive wages, health insurance, one week paid vacation, and one day off each week. Write Box 343, Hometown, NY.

• **Government Job Services**—New York State Job Service offices located in each county of the state provide valuable services to employers who request them. Farmers and other business people can call job service when they are seeking applicants for a vacant position. A job counsellor will then help the caller define the job to be advertised and write up a job announcement. The announcement will be posted in the job service office (without the name of the employer). Interested applicants go to job service personnel, to request more information on the job. Applicants interested in the job are screened by job service personnel, and only qualified applicants are referred to the prospective employer. In many cases, the services provided by the New York State Job Service are underutilized by the agricultural community.

• **College Placement Offices**—College placement offices (both four year and two year) can be a source of good farm employees. In fact, graduates of these colleges seeking farm work are very much in demand. Unfortunately, there are often more farm positions available than individuals to fill them.

• **Posting Job Announcements on Bulletin Boards**—While farmers typically have not written and posted formal job announcements, this is another approach that can help get the word out regarding your job. In Letter 8 job descriptions were discussed. If you have a written job description, writing a job announcement is fairly easy. Take the key responsibilities from the description and write an announcement which can be posted on bulletin boards in the

community. (If you don't feel entirely comfortable with this process, New York State Job Service counselors can help you.)

A job announcement should contain the following information:

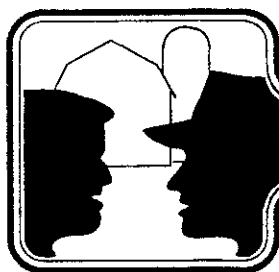
- Title of job
- Description of responsibilities
- Description of skills required
- Description of working conditions, if appropriate
- Key components of the wage/benefit package, if appropriate
- How to apply

After a suitable position announcement is prepared and duplicated, post it in areas where farmers and potential farm workers will see it. Such places might include bulletin boards at agricultural college career offices, Farm Credit offices, Grange buildings, farm supply stores, etc. It might also pay to distribute the announcement to key agribusiness contacts. They will then have the details if they know of a potential applicant.

• **Executive Search Firms**—A number of private firms make a business out of finding prospective employees for employers with vacant positions. In agriculture, most such firms are located in the Midwest and their ads can usually be found in popular farm magazines. Some Northeast farmers are just beginning to use these services to fill key farm positions and have found that they represent another legitimate avenue in the recruitment effort. A major consideration in deciding whether or not to use this alternative is cost. Most search firms work on a commission basis and may charge the employer from 10 to 30 percent of the new employee's annual salary.

In today's job environment, aggressive marketing of your job is important and will likely pay off if done carefully. One thing is certain: in a competitive job market effective recruiting requires time, effort, and patience.

Next Letter: The Employment Application



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

11 Human Resource Management On The Farm

THE EMPLOYMENT APPLICATION

Joan Sinclair Petzen
Cooperative Extension Farm Management Agent
Cornell Cooperative Extension
Cattaraugus County

Most managers find it very difficult to fire an unproductive employee. Probably the easiest way to avoid this unpleasant task is to hire top-quality employees in the first place. A thorough application and screening process lays the foundation for a productive employer-employee relationship. Good employees do not just happen. You must solicit and culture them through application, screening, and continued on-the-job training.

Have you ever advertised to hire a new employee only to find yourself spending the next several days conducting endless mini telephone and walk-in interviews? Trying to keep what each has said straight in your mind so that you can decide who gets an interview or a job offer can be very confusing. There is a more efficient way. Have job applicants complete an application form that you have prepared for your farm.

Application Process

Many small employers view the application procedure as an unnecessary element of their labor-management process. On the contrary, this process is the first line in developing a businesslike relationship with a potential employee. The application can help you to compare valuable information about a large number of potential employees with minimal investment of your valuable time. In addition, it lets you organize the applicant's information into the format that is most useful to you. A farm manager in western New York recently told a group of neighbors that nearly a third of the inquiries he had from a local pennysaver ad for a part-time milker position did not result in applications. In his opinion this was the first step in his selection process. "If people can't be bothered filling out an application, I don't need them as employees", he said. A job description and application tell the person who comes looking for work at your farm a lot about the job you have to offer. They help a prospective employee begin to evaluate his or her interest in working for you.

Kinds of information that are legally off limits for employers to ask potential employees include: age, color, marital status, national origin, race, religion, and sex.

There is a sample application on the back of this letter. It is intended as a guide only. For your application, you may wish to use parts of it and to add additional questions pertinent to the needs of your farm. With a two-sided (front and back) form you can use a larger (easier to read) typeface and provide more space for the applicant to supply information.

For highly skilled management or supervisory positions you may find it useful to request a resume from applicants. A resume allows applicants to give you a brief description of their education, experience, and expertise.

Screening Applications

Screening is often one of the hardest tasks in the hiring process. It is a true test of your application design. Sort through the completed applications. Assess each one keeping in mind your list of desirable and undesirable traits. Select no more than five applicants to interview initially. Interviewing more will probably lead to confusion when you are working toward a decision. If, after the interviews, you have not found a qualified person you can invite other applicants for an interview or readvertise.

The application process is the foundation for successful employer/employee relationships. Farmers are encouraged to develop an application for their farm operation. Require potential employees to complete the form to save time when making hiring decisions. Develop a list of traits/skills that are desirable for an employee to have. Analyze the applicants based on these traits. Offer an interview to a small select group of applicants. Following these steps will allow you to do a better job hiring employees that will complement your business.

FRESH AIR FARM APPLICATION FOR EMPLOYMENT

NAME: _____ DATE: _____

ADDRESS: _____ # OF YRS. AT ADDRESS _____

HOME TELEPHONE NO.: () _____ WORK TELEPHONE NO.: () _____

PREVIOUS ADDRESS: _____

POSITION APPLYING FOR: _____ WHEN CAN YOU START: _____

STARTING WAGES REQUESTED: Salary _____ BENEFITS _____

DO YOU HAVE OR HAVE YOU HAD ANY PHYSICAL DISABILITIES THAT WOULD IMPEDE YOU FROM PERFORMING THE JOB?

Yes _____ No _____ IF YES, EXPLAIN: _____

WHAT ARE YOUR MAIN FARM INTERESTS? Animals _____ Crops _____ Machine Operation _____ Milking _____

Machine Repair _____ Forestry _____ Other _____

EDUCATION

Name & Address	Dates Attended		Major Course of Study	Degree
	from Mo./Yr.	to Mo./Yr.		
High School _____				
College _____				
Other Training _____				

WERE YOU IN THE MILITARY SERVICE? Yes _____ No _____ IF YES, WHAT RESPONSIBILITIES DID YOU HAVE THAT MIGHT HELP YOU IN THE JOB YOU ARE SEEKING? _____

PREVIOUS EMPLOYMENT HISTORY: (Give most recent employment first)

From Mo./Yr.	To Mo./Yr.	Employer Address & Phone	Duties Performed

REFERENCES: Give the names of three persons not related to you whom we may contact as to your character, integrity, and ability. Do not give names of previous employers.

Name	Exact Address & Telephone No.	Occupation	Years Known

EXPLAIN BRIEFLY WHY YOU FEEL YOU ARE QUALIFIED FOR THE POSITION YOU ARE APPLYING FOR: _____

TRAINING AND/OR EMPLOYMENT—Indicate the amount of experience you have with each of the following:

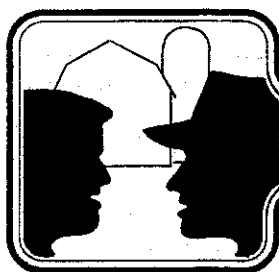
	Yes/No	Amount of Experience (yrs)		Yes/No	Amount of Experience (yrs)
Milking			Feed handling		
Stall barn			Silo unloader		
Free Stall			Augers & conveyors		
Animal Care			Weight cell wagons		
Calves			Self unloading wagons		
Heifers			Welding		
Bulls			Machine Operation		
Dairy cows			Tractors—size		
Manure Handling			Combines		
Manure spreader			Planting equipment		
Manure pump			Forage harvesters		
Manure scrapers			Plowing & fitting		
Front end loader			Weed spraying		
Mechanic			Hay baling		

Other Experiences: _____

Truck Operators License: Class I _____ Class III _____ Additional Information: _____

I hereby certify that the above information is correct.

Signature _____ Date _____



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

12 Human Resource Management On The Farm

CONDUCTING A SUCCESSFUL JOB INTERVIEW

Thomas R. Maloney
Extension Associate
Department of Agricultural Economics
Cornell University

The employment interview is the most commonly used source of information in employee selection. The interview is another selection tool which an employer uses to predict the performance of a potential employee. While it is obviously difficult to make such predictions with absolute certainty, a systematic approach to the interview process can make a big difference in the hiring decisions you make.

Many people find conducting an interview to be the most difficult step in hiring a new employee. Therefore, some advance preparation for an interview is well worth the effort. An interview can help you "tune in" on the personal traits of the prospective employee and confirm or challenge any information the person has previously provided you.

After all the interviews have been completed, you will have to compare all the candidates. At that point you will be faced with the task of organizing a great deal of information before arriving at the final decision. The more systematic you can be in your interview procedures, the easier you will find the task of selecting the most suitable candidate for the job.

Interview Questions

The first step in the interview process is to make a list of the behaviors you are looking for in a new employee. For example, some of the behaviors we are looking for in a middle manager might include ability to make decisions, ability to work with people, technical skills, ambition, ability to be trained, and leadership.

The second step is to formulate a list of questions which will allow you to get some insight into those behaviors. Try to make the questions as open ended as possible, encouraging the applicant to describe his/her feelings and to react to the question.

A third step is to use a rating scale from 1-5 (1 being least desirable and 5 being most desirable). In this way you can attempt to quantify each applicant's answers as a basis for comparison.

Table 1 shows how an interview checklist can be prepared and used to score the answers provided by individual applicants.

Conducting The Interview

Conducting job interviews is like doing some other farm tasks. You may not be an expert at them and you may not enjoy them very much, but they are necessary and you do them. You may feel just as uncomfortable as the applicant you are interviewing. Remember, too, that you are in control of the interview and, with the proper preparation, you can make it a positive experience for both the applicant and yourself.

As you conduct the interview, whether you realize it or not, the applicant is also interviewing you! Part of your task in the interview may be to sell the job so that the applicant you want will also want to come to work for you.

Here is a set of suggestions which, if followed, will help you conduct successful job interviews:

1. **Put the applicant at ease.** The more you can do to reduce any tension, the more meaningful will be the communication between the two of you. A handshake and friendly smile are a good start. Find a quiet, comfortable place for the interview and make arrangements to avoid unnecessary interruptions.
2. **Stick to your plan.** Follow the checklist discussed previously and allow yourself a reasonable amount of time to conduct the interview. You do yourself and the applicants an injustice if you do not get the same information from each person.

3. **Listen.** If you dominate the conversation you will learn very little about the applicant. Encourage him or her to do most of the talking. One of the best techniques is to ask questions that require an explanation rather than yes or no responses. When you use this technique, the candidate is likely to open up more and provide you with deeper insights.
4. **Be mindful of your own personal biases.** Do not overlook highly qualified applicants just because their religion, ethnic background, or some other trait is different from what you had in mind.

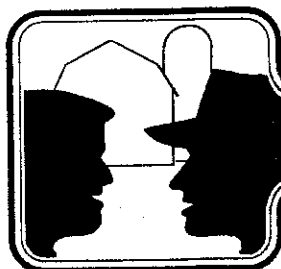
5. **Fulfill your responsibilities to the applicant.** Based on the information you provide, he or she must decide whether or not to accept the job if it is offered. Provide a written list of the benefits that come along with the job. Leave adequate time to take the applicant on a tour of the farm and, when possible, introduce the individual to others with whom he or she would work. State exactly when a final decision will be made. As soon as an applicant has been eliminated, let him or her know. It's not fair to keep candidates waiting if they are no longer in consideration.

Table 1.

SAMPLE INTERVIEW CHECKLIST

MIDDLE MANAGER POSITION

<u>Behaviors</u>	<u>Questions designed to predict behaviors</u>	<u>Answer Rating</u>				
Job Stability	How long have you been in the last two jobs	1	2	3	4	5
	What are your career goals?	1	2	3	4	5
Ability to Make Decisions	Describe a situation in a previous job where you had to make an important decision. What did you decide? How did you feel about being in that situation?	1	2	3	4	5
	Assume your boss was not around and the following situation arose (describe a decision making situation). What would you do and why?					
	How do you feel about making decisions which impact on the success of the business you work for?	1	2	3	4	5
Ability to Work With People	Given a choice, do you prefer to work alone or in cooperation with others?	1	2	3	4	5
Technical Skills	Describe your experience with developing pesticide spray schedules.	1	2	3	4	5
	What farm equipment have you operated?	1	2	3	4	5
	Describe your knowledge of animal nutrition programs.	1	2	3	4	5
Ambition/ Industriousness	Describe a particularly productive day in a previous job.	1	2	3	4	5
	Describe a major job related task you have performed that you are quite proud of.	1	2	3	4	5
Ability to be Trained	Describe your formal educational background.	1	2	3	4	5
	Have you voluntarily taken any adult educational courses?	1	2	3	4	5
	Describe an instance where you had to learn a new skill for a former job.	1	2	3	4	5
Leadership	Have you ever been an officer in a club or community organization? Describe.	1	2	3	4	5
	What supervisory roles have you played in previous jobs?	1	2	3	4	5
	How do you feel about supervising the work of other people?	1	2	3	4	5
Good Attendance	In the past year, how many days off work have you taken for sickness or personal reasons?	1	2	3	4	5



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

13 Human Resource Management On The Farm

THE HIRING PROCESS

R. Brain How*
Professor Emeritus
Department of Agricultural Economics
Cornell University

The act of hiring a new employee or employees is very significant to both you and your new help. The process you go through in signing on new people can have a very important influence on their future performance on the job. It is the first and critical step in the orientation and training process. You want to get the best workers, and they need to understand what is expected of them.

The selection process includes two more information gathering steps which many employers use in addition to the application and interview steps. Reference checks and skill tests will supply you with information of a different type for making a choice.

Checking References

Business people responsible for hiring hundreds of employees each year put high priority on reference checks used after the interview process. Consistently checking employee references is a good hiring practice.

While references can be checked any time, it is usually more practical to narrow down the top candidates for the job before starting to check references. Otherwise, it may be too time consuming. Also, ask the applicants to provide several references. The more information you have, the better the decision you can make.

When checking references, you may want to ask previous employers the following questions:

1. How long did you employ the individual?
2. What was the individual's quality of work?
3. How much responsibility was the worker given?
4. How did the individual get along with fellow workers, agribusiness reps, etc.
5. Was it necessary to provide very close supervision?
6. Why did this worker leave your farm?

You may want to add some of your own questions to this list.

While reference checking is important, it should be done with the knowledge that the reference provided may not always be entirely accurate. Unfortunately, some previous employers have furnished an inferior employee with a good reference to get him or her to leave.

Testing for Skills

Most secretaries are given a typing test and/or short-hand test before they are hired. While skills tests are not used on most farms, perhaps they should be employed more often as a measure of the applicant's ability. Take the forklift operator in an apple packing facility as an example. It is well documented that improper handling of fresh apples in and out of storage can result in excessive bruising leading to lower quality and lower product price. Given this fact, it is perfectly reasonable to ask the employee to use a forklift to demonstrate his or her skill level and potential trainability.

Such a test is called a work sample and can be applied to any of a number of tasks found in a farm business. When using this approach, you will want to test each applicant in the same manner and to find a way to measure critical behaviors and skills. Let's go back to the forklift example and assume we set up a test where the applicant was instructed to move six crates from one location and stack them in another. Two measures which can be used to evaluate performance are length of time the process takes and the number of mistakes made. This gives you a common basis for comparison of applicants.

*Other contributors include:

Kay Embrey, Cornell Migrant Program, Cornell University
Thomas Maloney, Extension Associate, Cornell University
Joan Petzen, Farm Management Agent, Cattaraugus County

Offering the Job

After interviewing applicants for key positions and checking their references, you should decide as promptly as possible whether or not you wish to hire any of them. If you decide to hire one of the applicants, you should arrange a meeting as soon as possible to make an offer and reach an agreement on the details. Before making the offer it is well to review the specifics of the job—what you expect to be achieved, how you intend to judge performance, quality and quantity of work expected, how and when the evaluation will be done, your work schedules, and what kind of wage and benefit package you are willing to provide. The process of attracting good employees takes a great deal of skill and diplomacy. You need to make the offer attractive but do not offer more than you are willing and able to provide.

Notifying Unsuccessful Candidates

Once you have filled the key position, you should let the unsuccessful applicants know right away that you appreciate their interest in the job but will not be able to use them at this time. This is not only common courtesy but may also stand you in good stead if you need more help soon.

Work Agreements

New York State requires that all agricultural employees be notified in writing of the terms and conditions of employment. Although many farmers view this as unnecessarily cumbersome, this requirement can benefit the employer as well as the employee. This process provides an opportunity for the farmer and the new employee to sit down and carefully go through the expectations that each has of their new relationship. Even family members often find it helpful to have their duties and benefits written out.

The law lists specific information which must be included in a work agreement including any non-economic terms and conditions of employment. Under this last category you may want to explain work rules or production quantity or quality standards which you have. Both the employer and employee must sign the agreement, and each one receives a copy. Management employees who make independent discretionary decisions are exempted from this legal requirement; however, these employees may need an even more detailed contract since their jobs entail so much responsibility.

Legal Requirements with New Employees

Certain payroll information is required to be recorded when you hire a new employee. This information includes the name, address, and social security number of the employee. The Social Security Act covers farm employees who were paid \$150 or more in cash wages. Agricultural employers who have a payroll of more than \$2,500 in a

calendar year are now required to deduct social security tax from each employee's wages starting with the first dollar earned and match that deduction with an employer contribution.

New York State through the Farm Minimum Wage Law requires detailed payroll records and employee earnings statements. You can obtain information regarding this from your local State Department of Labor office.

Deduction of income taxes is not required of employers of farm workers. An employee must submit a written request to the employer to have income tax withheld. The process of withholding taxes is explained in the Farm Labor Regulations Bulletin 204 by Grossman and Henderson available through your Cooperative Extension office.

An agricultural employer is only required to pay Federal Unemployment Insurance Tax if during the past two years:

- cash wages of \$20,000 or more were paid in any calendar quarter or
- 10 or more farm workers were employed during some portion of the same day during any 20 different weeks.

The rules and regulations that apply to taxation of agricultural employers are clearly outlined in Internal Revenue Service Publication 51, "Agricultural Employer's Tax Guide". This publication is also available through your local Cooperative Extension office.

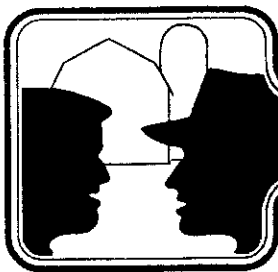
New regulations now require that additional information must be secured regarding citizenship or work authorization to satisfy the Immigration and Naturalization Service. The I-9 form requiring all employers to examine documents which prove a potential employee's identity and authorization to work in the United States must be completed by the employer. The employer and the employee must both sign the I-9 form.

The Right-to-Know Law requires that new employees be given information at the time of hire and then annually regarding any toxic chemical to which they may be exposed and provided with training on the proper use of handling of such materials.

High Expectations

Try to keep all your discussions with the new employee upbeat, communicating your expectation that the employee will do a good job and enjoy working for your farm. Take pride in your farm and your other employees. Let new people know that you are looking forward to working with them and that you know they can make a valuable contribution to your operation. Plan an orientation day for their first day on the job. Reassure them that you know things can be confusing for a new employee during the first few weeks but that you will be there to help and answer any questions. Then make sure you are there and that you do encourage and answer questions.

Next Letter: *Wages: Some Issues and Concerns*



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

14 Human Resource Management On The Farm

WAGES: SOME ISSUES AND CONCERNS

C. Arthur Bratton
Professor Emeritus
Department of Agricultural Economics
Cornell University

Introduction

Two questions farmers often ask are: "How much do you pay your workers?" and "What is the going wage for a good farm employee?" Both are asked with the expectation of getting a simple direct "dollar" answer.

Wages are a key part of labor management but more is involved than most people think. A simple dollar answer tells only part of the story.

Wages vs. Compensation

The dictionary defines wages as the money paid to an employee for work done and compensation as what one receives for his or her labor. There is a subtle but important difference in these two terms.

Wages are only part of the cost of labor on a farm. The fringes or indirect costs are sizable and significant and concern both employer and employee. What you "pay" a hired worker is much more than just the cash weekly wage.

Labor misunderstandings between farm workers and managers often result from "loose" use of "wage" terms. One step toward improved labor management is clarification of the terms of employment as related to wages and compensation. Be specific. Define your terms!!

Perquisites and Fringe Benefits

A perquisite is something a person is customarily entitled to because of the job. A tip for a waiter is an example. In times past, farm workers received certain perquisites such as room and board, and today income taxes are not required to be withheld from farm worker wages. These privileges are a part of farm labor management.

Fringe benefits are a newer part of the labor scene. This applies to both farm and nonfarm workers. Certain benefits such as Social Security are mandated by law.

Others have come to be part of attractive compensation packages. Studies show fringe benefits are a "hazy" area in farm labor management.

The value of fringes is usually surprising to both employers and employees. Fringes commonly range from 15 to 35 percent of the value of the cash wages. Because of the importance of fringe benefits we will devote a separate letter to them.

A Salesman's Job

Any successful salesman knows his territory. The farm manager is the salesman for work on his farm. Therefore, it is essential that the wage and compensation issues are clear. Take time to think through the compensation issues and to put the points on paper.

Inventory what is in your compensation package. What are the wages, what is the value of the fringes, and are there perquisites that add to the package? Once these are clear in your mind, it will be easier to sell them "convincingly" to your employee. Part of a salesman's job is to help the customer know what he or she is getting.

Adapting the product to the customer's need is another point in sales. Remember, employee needs vary. Try to adjust, where possible, the wage-fringe benefit package to meet the specific needs of your employee. In brief, tailor make your compensation package!

Worker Views on Wages

Wages are important to farm workers, but studies indicate that working conditions and benefits also rank high among their concerns. A worker must earn enough to maintain a reasonable standard of living. There is also the need to develop and advance in one's vocation.

A farm worker's family has the same social and economic needs as nonfarm workers. This brings into the picture the provision of such things as health and life insurance, home ownership, and retirement benefits. Career farm workers are concerned about the fringe benefits provided.

Wage Concerns

Are farm wages and benefits competitive with nonfarm worker earnings? Unless they are reasonably comparable, sooner or later good employees will move to better paying jobs. It is not easy to make direct wage comparisons between farm and nonfarm jobs. As a farm labor manager, be prepared to discuss with employees the comparative earnings in various kinds of jobs.

Working conditions are another concern. This includes such things as hours worked, days off, sick-leave privileges, vacations, and time to attend to personal affairs. Remember your employees have contact with nonfarm friends and relatives and learn about prevailing conditions in other fields. To be competitive, farm working conditions need to be comparable.

Opportunities for growth and development are a basic human need. These are not easy to provide in family farm situations. However, innovative farm managers are seeking ways to do this. Ways can be found!

Compensation rates can be used as an incentive for workers. This may involve increases in pay as the worker assumes greater responsibilities. Incentive plans where pay is directly related to worker accomplishments are used by some farmers. These must be well designed to be successful and probably work best for key employees.¹

Farmers often say they cannot afford to pay higher wages. Observations, however, do not support this. Operators who pay higher wages tend to have better productivity and higher incomes. The relationships of wages to income and productivity on New York dairy farms for 1984 are shown in the table below.

On New York dairy farms in 1984 it appears that farmers who paid higher wages had greater labor efficiency and higher operator incomes. David Kohl, in his research in 1975, posed a "chicken and egg" question. He asked which came first, higher wages or higher incomes? It is likely that they go together and it is difficult to separate cause and effect.

Some Wage Management Decisions

Basis for wage payments—Will the pay be as a yearly salary, monthly or weekly wage, hourly rate, or an incentive plan? There are merits to each method. A personnel manager must decide which is best for his operation.

With or without housing makes a basic difference in wages. House rents range from \$50 to \$100 per week depending on location and condition of the housing. Again the employer must decide which course to pursue.

Work time—When work starts and ends needs to be defined. This is not easy to do, but expected work time per week needs to be understood by both employer and employee. Is it 40 hours or 80 hours?

Overtime or extra time worked provisions are a point of concern. Will an informal method of compensating for extra time be used or will there be provisions for extra pay?

Time clocks were once thought of only as industrial devices, but no longer. Some innovative farm human resource managers are using time clocks and report they help solve some key management problems.

Wage and benefit statements are issued to most non-farm workers with each paycheck. Farmers concerned with minimum wage requirements use forms that are available. These statements can be an effective management tool for keeping the worker informed on his/her total compensation.

A system for wage raises is a tool which can be used to promote better labor management on a farm. This may consist of an automatic raise at the end of a trial period as well as regular annual reviews and adjustments in pay. Cost of living increases are needed as much by farm workers as by others. Will you include this in your management system?

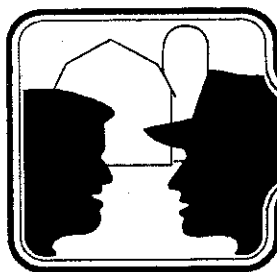
Bonuses or year-end gifts are commonly used. The bonus may be based on the profitability of the year; if so, it can serve as an incentive for the worker to help make the business pay.

¹Cornell University, A.E. Staff Paper 82-2,
Incentive Plans For Use On Dairy Farms.

Next Letter: *Fringe Benefits for Farm Workers.*

**Wages Paid, Labor Efficiency, and Operator Incomes
308 New York Dairy Farms, 1984**

Labor Expense Per Month Hired	Cows Per Farm	Milk Sold Per Worker	Operator's Labor, Mgmt. & Ownership Income
Less than \$700	65	380,000	\$13,993
700 to 900	74	391,000	15,141
900 to 1,100	95	442,000	21,376
1,100 to 1,300	89	452,000	21,849
1,300 to 1,500	134	556,000	28,679
Over \$1,500	183	633,000	39,937



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

15 Human Resource Management On The Farm

FRINGE BENEFITS FOR FARM WORKERS

C. Arthur Bratton
Professor Emeritus
Department of Agricultural Economics
Cornell University

Introduction

Fringe benefits have come to be a part of most compensation packages. Developments of this kind have traditionally been late arrivals in the farm sector, but the time has come and fringe benefits for farm workers are a current concern.

This new phase of human resource management on farms is in the "fuzzy" stage. There is much to be learned. Good farm managers are coming to grips with the benefit issues. We all need to learn more about fringe benefits for farm employees.

Definition

Fringe benefits are forms of compensation beyond the wages paid. These benefits are often subtle in nature and overlooked. Their value to the worker is usually underestimated. Yet the fringes often are the reason why good farm workers move into other kinds of work.

Farm worker fringe benefits include many things. The milk, meat, fruits, and vegetables are only a start. Housing, heat, and electricity also are fringes. Insurance, pension plans, hours of work, sick leave, holidays, and vacation time all are elements in the fringe picture.

Economic Importance of Fringes

Do you as a farm labor manager know the cost of the fringes you are providing? If asked, would key employees know the value of the benefits received? In most cases the honest answer to these questions would be "NO."

Nonfarm businesses have found the value of fringes range from 20 to 40 percent of the amount of the wages paid. David Kohl, in a study of New York farms in 1975, found the value of fringes to be 40 percent of the wages paid.

In the Cornell Cooperative Extension Farm Labor Management Home Study Course¹, an assignment is provided for computing the value of fringes. In an example

of an unusually good fringe benefit package, the value ranged from 50 to 80 percent of the wages, depending on the price used for each benefit. This would be a worthwhile "pencil pushing" exercise for many farm labor managers.

Analyzing the Value of Fringes

Estimating the value of fringes is not simple. For example, will milk provided be figured at the farm price or at what the employee would pay at a store? With a \$12 farm price, the value per quart is about 25¢ while the retail price in stores is about 50¢. The difference is considerable!

Health insurance is another item with a range. If the employer can get health insurance at a group rate, it will be much less than the employee would have to pay as an individual family. These illustrate how it takes time and thought to analyze the economic value of fringes.

Employee Needs For Fringes

Providing a "fixed" package of fringes for all employees is simple but probably not equitable. Needs vary with employees. A single worker has different needs from a married worker with a family. With two-worker families, there may be duplicate benefits provided. If the spouse's employer provides family health insurance, there is no need for it in the farm worker's fringe package.

Young workers often do not appreciate the need for such benefits as insurance. The effective human resource manager may help the worker to understand some of the subtle types of needs. In the long run, it may help hold desirable employees.

With or Without Housing

In times past, "the Hired Man" was expected to live with the family and get his room and board. Likewise, the farm wife took it for granted she would provide the noontime meal for extra help. These perquisites have been disappearing rapidly.

A "tenant house" for a married hired man was an assumed perquisite. This has continued especially where additional houses have been acquired as the farm has expanded. This practice is being challenged by innovative managers.

Home ownership is an accepted American goal. Why should career farm workers be an exception? There are merits to home ownership such as acquiring equity in property, pride in home ownership, and likely better care. Housing is a major fringe benefit cost. Deciding whether or not to provide housing needs careful thought.

Mandated Farm Fringes

Federal and State laws mandate certain fringe benefits. These include Social Security, Workers Compensation, and Unemployment Insurance. Since these are required by law some do not consider them as fringes. But they have all the characteristics of fringes and need to be considered in that classification.

Farm workers were excluded in the original Social Security legislation. Later they were included to help put them on a par with other employees. Social Security provides two basic kinds of benefits: survivors insurance and retirement income. The cost would be considerable to purchase comparable benefits from insurance companies. Workers need to provide for their dependents in case of premature death. The "Social Security" checks and medicare benefits are a help to retired farm workers.

New York has compulsory workers' compensation for farm workers. This is a benefit to farm workers in case of an accident. It is one more way of making benefits for farm workers comparable to those of nonfarm workers. Unemployment insurance for farm workers only applies to those working on larger farms. This mandated fringe can be a help to certain farm workers.

Both farmers and farm workers need to understand the nature of these mandated fringes. Social Security taxes alone amount to more than 14 percent of the worker's wages. They are significant.

Optional Farm Fringes

Health insurance is a much discussed fringe. Medical and hospital care are used by everyone these days and costs have risen sharply. Various kinds of health insurance plans are available. Systems have been developed whereby farmers and their workers can participate on a group rate basis. Health insurance is a high priority item for consideration.

Life insurance is another fringe offered by many employers. This is often a "basic" amount of insurance but it offers help in case of premature death. It may also be used to build a retirement income. Some farmers use this benefit to help attract and hold skilled workers.

Paid vacations are commonplace in our society. Is there any logical reason why key farm employees should not enjoy vacation benefits?

Sick leave time is a relatively new kind of fringe in farm compensation packages. Farmers often say they will "take care" of the worker if he or she becomes sick. In many cases they provide generously, but in studies of the concerns of career farm workers, the indefiniteness of sick leave policies ranked high.

Holidays and days off are features to be considered. Indefiniteness in these terms of employment items often is a source of dissatisfaction for employees. Spelling out these fringes in the "terms of employment agreement" helps.

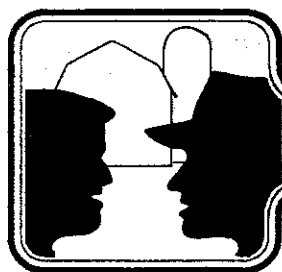
Fringes in kind include such things as milk, meat, eggs, fruits, and vegetables, as well as heat, electricity, gas for car, etc. These are valuable items but often "loosely" handled. It is well to think through what is reasonable and intended. Then spell it out on paper and preferably in a written "terms of employment agreement."

Employee abuses of fringe benefits are a personnel management concern. People seem prone to abuse situations. This happens in the farm fringe benefit area in such things as "faked" sickness, carelessness in conserving heat and electricity, or the use of farm gas for personal purposes. It is better to prevent these abuses than to try to correct them once they occur.

A Fringe Benefit Checklist

- Have you analyzed your fringe benefit package?
- What is the total value of fringes you provide?
- Do you discuss fringe "needs" with each employee?
- Are employees given a wage statement showing the fringes provided?
- Have fringes been "tailor made" to meet individual needs?
- Do you use a written "terms of employment agreement"?
- Is the compensation package reviewed as part of an annual performance evaluation?
- Have you tried any "new kinds" of fringe benefits?

Next Letter: *New Employee Orientation*



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

16 Human Resource Management On The Farm

NEW EMPLOYEE ORIENTATION

Stewart E. Ackerman
Regional Extension Specialist, Poultry
Western New York

Orientation Focus

One of the essential ingredients for future job satisfaction, as well as job performance of new employees, is an understanding of the job in all its details. It can be extremely discouraging for a new employee to start work not knowing what to expect. The new employee orientation session gives an employer the opportunity to review the total job environment and to establish a basis for a positive working relationship.

Planning for this orientation session should be thorough. The farm operator and others who may participate in the orientation session need to decide what the new employee needs to know. In addition, it is a time for building confidence in the employee that he/she can do the job and is a valued member of a labor team. The orientation session sets the stage for future working relations with everyone on the farm and can help build strong employee commitment to business goals of the farm.

Topics

- Welcome and confidence building
- Review of work responsibilities
- Policies and procedures
- Introductions to the supervisor, other employees, and family members
- An overview of the farm

Welcome and Confidence Building

When a new employee arrives for work on the first day, time should be set aside to help him/her feel positive about the job and comfortable in relationships with the boss and other employees. With these feelings comes confidence that the job is one that the new worker can do well as well as confidence that the employer and others will be supportive. This orientation session should not

be threatening or intimidating since strong responses on the job are best achieved through confidence. The farm operator might use the orientation session to comment on the skills and positive experiences of the new employee. He may make a point of reviewing the ways the worker is especially suited for the job and the opportunities that will be provided for further training.

Review of Work Responsibilities

Early in the orientation the new employee should be introduced to the jobs that he/she will be expected to carry out. This work review should be thorough. It should include work procedures, equipment to be used, performance standards, and the interdependence of each employee's work. Any hazards that must be avoided should be explained. Unless the new employee has had adequate training or experience with some hazards on the farm, additional time besides the orientation session may be required for their explanation. The orientation, while an important first step in employee training, must be regarded as only a start in a continuous program of labor development. Getting off to a good start should be the emphasis. In other words, when an employee starts work there should be no big surprises. He/she should begin work with a confidence that the jobs assigned have been thoroughly planned and that they are important to the success of the business.

Policies and Procedures

Every farm business survives by its adherence to a set of policies and procedures. These may include policies on tardiness and absence from work, reporting of injuries, work hours and times for lunch and breaks, and those responsible for solving problems. Other policies may include special procedures to prevent accidents. For

example, policies on the safe storage of pesticides are crucial and will require special emphasis. An employee's attitude toward farm policies and procedures is crucial to their adoption. Knowledge of policies and a willingness to follow those policies do not come automatically. Farm policies which involve employees need to be accepted as important. To achieve this transfer of purpose, an employer should explain why certain policies are used and the consequences of a failure to follow them.

Introductions

The orientation also provides the occasion for the new employee to meet other workers on the farm as well as members of the farm operator's family. It is particularly important for the employee to meet supervisors or those who have work responsibilities that depend on his or her work. Many problems can be avoided by providing a clear understanding of who the bosses are. As problems develop or changes in instruction need to be made, the new employee needs to know who is responsible for supervision and management. The farm operator, however, has the responsibility of supporting the supervisory roles that he establishes. He must not permit others to assume supervisory responsibilities that have been delegated. Further, the farm operator must not interfere in the supervision assigned to another worker.

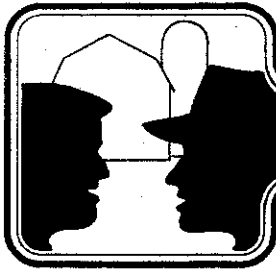
Overview of the Farm

The orientation session is the opportunity for a farm operator to build the new employee's respect for the business. Respect is important to building work commitment and responsibility. Respect can be built by sharing with the new employee details about the operations of the farm, its history, and its production and marketing efforts. When employees adopt some of the production and business goals of the farm operator, performance will improve. Employees are an essential resource for building successful farm operations. They can have a great influence on production efficiency, product quality, and profits. Sharing this overview of the farm business has its value in building an environment of trust and acceptance and can have a powerful motivating influence.

An invitation to the spouse to attend the orientation session has been suggested as an effective method for building a strong commitment in a new employee. The reasoning is that a spouse's high opinion of the job, the employer, and the work environment will affect the employee's commitment to the job. However, some employees and their spouses consider this an unwarranted request and resent the inclusion of the spouse. It cannot be a requirement of employment, but you may want to consider involving the spouse when housing is provided. When the new employee and their family move to a new town and school, you can be of assistance. Offer your advice on places to shop or help them enroll children in school and answer questions which arise as they settle into their new community.

The preparation of a new employee for work on a farm should be treated with thoroughness and sensitivity. Many mistakes and misunderstandings can be avoided. In addition, greater motivation and commitment can be expected when the employee feels a part of his or her new surroundings.

Next Letter: *Employee Training*



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

17 Human Resource Management On The Farm

TRAINING MAKES A LOT OF SENSE

Robert C. Nolan
Assistant Director
Home Study Program
Department of Agricultural Economics
Cornell University

You have probably heard the expression, "you pay for training whether you have a formal program or not." Essentially, it means that without training people learn to do jobs their own way; in other words, they learn to survive. Most often though, they lack the required employee skills and knowledge that help prevent undesired behavior, costly errors, weak productivity, and the loss of sales.

Employees with potential will not remain on a farm that does not have a training atmosphere. They will look for one that offers ongoing training and timely follow-up and that encourages employees to perform at their very best.

It is a fact that employees who are challenged and supported in their development reach full potential early and are able to improve productivity and ultimately the farm's bottom line—**profits**.

It is crucial to determine the relevance of the training. Pinpoint the barriers that prevent newly acquired skills and knowledge from being fully utilized and deal with them. As a manager, you should improve your ability to help employees transfer training to their jobs. Employees must think it is a good place to work. They must have a positive attitude about your commitment to provide opportunities for them to grow. Your commitment to employee training should provide more than opportunities for employees to learn skills they can use on their jobs. It should also give them opportunities to plan and develop new responsibilities on the farm by offering appropriate training opportunities to perform within the framework of these responsibilities.

This kind of support and encouragement helps employees become more effective on the job and in all aspects of their lives.

How to Train

Once the need for training has been identified, you must then decide how the training will be done. Farm managers have two principal options for training employees. First, the training can be done off the farm. Many communities offer a variety of educational opportunities for adults. It would be appropriate, for example, for a farm worker to take a welding course at a local vocational center. In instances where the skills learned are directly transferable to the job, the employer will often pay for the cost of the training and even provide time off from the job. It should be remembered, however, the outside training is most effective when the principles learned in class are reinforced when the employee returns to the job.

The second approach to training and the one most commonly used on farms is for you or a key employee do the training on the job. Many farm employers report that they feel inadequate in the role of teacher or trainer. Yet they know very well how to do the task they are attempting to train. Perhaps the key to success in this situation is to follow a systematic approach to training.

The following steps should help you become a more effective trainer for even the most basic jobs:

1. Determine your training objectives. Exactly what tasks are you going to teach?
2. Prepare to instruct. Put the workers at ease and try to make them comfortable as they prepare to learn the new task. Make sure that all the materials necessary for doing the job are available and that the workplace is set up correctly.

3. Have the employee perform the job. Observe the worker while he/she is doing the job. Coach the employee through the correct steps in doing the job and correct errors as they arise. Be sure the worker has ample opportunity to ask questions and that he/she understands the job.
4. Follow up. Allow the employee to work independently and be sure he/she knows who to go to with questions or problems. Check in periodically to evaluate progress and provide encouragement.

Perhaps the greatest challenge facing you is to invest sufficient time to make the process work. Time invested in preparation for training, the training itself, and follow-up can have a big payoff.

Evaluation

Many farm managers expect their operations to yield a good return and will go to great lengths to determine if they have succeeded. When it comes to training, however, they expect the return, but rarely do they make a like effort to measure the actual results.

Evaluation of employee training and development programs may be lacking for several reasons. The farm manager may be willing to accept the program at face value or may be unaware of the importance and value of evaluation.

Because training and development are so costly and important, they should be done correctly. First, training needs must be defined and assessed. Employee training is an attempt to improve current and future performance by increasing an employee's ability to perform through learning. The need for training is determined by the employee's performance. Deficiency is computed as follows: Standard or desired performance (present or future) *minus* Actual (present or potential) performance *equals* Training need. If there are no performance deficiencies and none are expected, training is not needed.

Training objectives must be determined, for example:

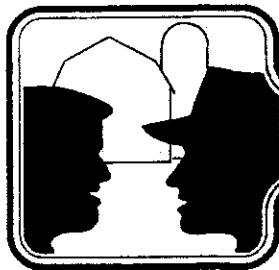
- Employees deserve a thorough orientation to the farm where they work and to their jobs.
- Employees deserve specific skills training that can be applied to their jobs.
- Employees deserve adequate counseling in planning their careers and the training necessary for that career development.

Training questions that must be answered include:

- What is best method of training employees?
- Should you even have a training program?
- How can it be made to work?
- Who should be training and what kind of training is needed?
- How can the effectiveness of training programs be evaluated to indicate to farm management their worth?
- What rewards will be attached to the training activity?

If employee training is to be effective, you must make every effort to enlist the participation and support of employees in the training development process. Meetings must be held with employees and through candid discussion determine the training needed, who will be trained and by whom, and how the training results will be measured. When employees participate to this degree, chances are they will assume "ownership" of the program and make it work. No one works harder than an owner to implement ideas. Training does make a lot of sense.

Next Letter: *Evaluating For Growth*



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

18 Human Resource Management On The Farm

EVALUATING FOR GROWTH

Robert C. Nolan
Assistant Director
Home Study Program
Department of Agricultural Economics
Cornell University

Two questions every employee needs the answers to are "What is my job?" and "How am I doing?"

Performance evaluation is defined as a set of policies and procedures for determining employee progress on the basis of job standards (the function the employee is responsible for accomplishing).

Day-to-day monitoring of employee performance should be a primary and ongoing responsibility of all managers. In addition, every manager should have at least an annual evaluation of a subordinate's overall performance. The successful manager will always be concerned about people's performances and helping them reach their potential.

Manager's View

Despite its importance, the performance appraisal is viewed by most managers as an unpleasant task that they would prefer to avoid. Too often the evaluation situation is an uncomfortable if not an anxious one. The manager is asked to play the role of parent and make judgments he or she often feels uncertain about and feels incapable of really defending. On the other hand, subordinates are too frequently expected to act as obedient children while passively listening to criticisms and suggestions for improving their performance.

The evaluating process will improve in direct proportion to the confidence and competence of the manager and the time made available for this crucial managerial duty. Fortunately, performance appraisal "know how" and skills can be learned by any manager. Needed are a positive attitude, desire, and the discipline to develop these skills.

Currently, formal performance appraisals are not done on most farms. But a small number of farmers are leading the way toward making performance evaluations a reality in agriculture. Most of these farmers are achieving a good

measure of success in their efforts. All it takes is the acceptance of the idea and the willingness to take the initial steps to get a program started. Farmers need input and direction from their employees. In the development stage the employee will be accepting ownership of the program in the form of participation which will pay off when the program is implemented.

Keys to Success

The following principles are key to an effective appraisal system.

1. All parties involved should show positive intent, good will, a spirit of cooperation, common goals, and desire to improve performance.
2. The entire appraisal process should emphasize integrity, fairness, reasonableness, honesty, and objectivity.
3. There are two parts to be considered:
 - Performance activities (the process)
 - Performance results (the achievement expected)
4. Effective goals, policies, procedures, etc., must be generally accepted by all personnel concerned (i.e., performance criteria and standards should be developed cooperatively by all parties affected).
5. Successful appraisals require strong commitment and a high priority on time. The time needs to be set aside for the evaluations and strictly adhered to by employers.
6. There should be an established procedure which is understood by every employee.
7. It is not fair to hold people accountable for those things they cannot change or influence.

8. Appraisals should focus on strengths as well as weaknesses, positives not negatives, future not past, and the performance not the individual as a person.
9. The role of the appraiser should be coach and helper, *not* judge and fault finder.
10. Appraisals should be based on reality and represent normal performance and functions of the employee. (There should be reasonable time between progress review sessions to permit the employee to seek assistance and improve performance.)
11. Self-appraisal is worthwhile and should emphasize improvement.

The appraisal interview is neither the beginning nor the end of anything. It is a middle step in a cycle that begins when an employee is hired to do a specific job and ends when he or she leaves it.

Continuing Process

The first step in the continuing process is to define the job, a principle that appears in most personnel manuals. The trouble is that job descriptions seldom go beyond formal job specifications. The very language of such documents all but obscures what is expected. For example: "Shall direct the activities of subordinate staff members." Confronted with the language of most job descriptions new employees can only throw up their hands and ask, "Yes, but what do you really want me to do?"

The second step is to communicate the job definition clearly to employees. It means leveling with them as to what you *really* expect. Most managers at this point labor under a severe handicap. Either they do not have enough insight to know what they really expect or they know but lack the courage to convey it.

It is at this point in the cycle that the appraisal meeting may be doomed. If managers are unable or unwilling to convey what they really want of employees, they leave to chance that employees will discover it. Over time, most employees will try to deliver what they perceive is expected.

Evaluation leads to discussion and discussion leads to understanding. The appraisal process is not unlike tuning up an engine at regular intervals. It is a review of effectiveness and efficiency, and its objective is to maintain or develop performance according to desired standards.

Procedures and Pitfalls

A comprehensive performance appraisal system contains the following steps:

1. Developing appraisal philosophy and goals based on needs of the farm and its employees
2. Developing implementation procedures
3. Developing performance standards

4. Setting target dates for review sessions
5. Conducting performance appraisals
6. Reviewing the process for possible improvement

Part of learning to do a performance appraisal right is knowing some of the likely pitfalls. Some common ways the appraisal process can go off the track are:

- Avoidance

The most obvious and possibly most common way to botch the appraisal of a subordinate is to avoid doing it at all.

- Argument

One of the risks in appraisal meetings is disagreement. If the manager sits in judgment, employees will feel obligated to rise to their defense. Part of their defense may consist of counterattack.

- Unexpressed Hostility

Sometimes employees become hostile during an interview but do not express their negative feelings.

- Mistaken Impressions

Often subordinates receive the distinct impression that their work is highly satisfactory and that they may expect a raise or other benefit. Managers must level with subordinates to prevent disappointment.

During evaluating sessions attitude is much more important than technique. There is a clear need for honesty, sincerity, and leveling. Criticism is to be expected. When it is necessary to disagree, do it agreeably.

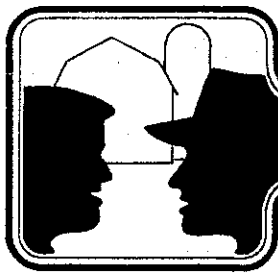
Feedback

Performance appraisal is basically an ongoing feedback process for both the employer and the employee. It helps to correct behavior and performance. Although feedback is necessary to achieve results it can also be very troublesome. People frequently say they need feedback, but then they do nothing to encourage, recognize, or interpret it. We wonder if such people really want feedback and if they have the personal security to accept constructive suggestions. It works both ways for the farmer and subordinates.

A farm manager who is unaccustomed to seeking opinions from employees must rid himself of the notion that he alone is the reservoir of all the best answers. For example, a long history of excessive egg breakage during processing could possibly be turned around if egg room employees have a chance to provide input. You will never know how valuable employee feedback is until you ask for it.

Every employee needs the answers to "What is my job?" and "How am I doing?"

Next Letter: *Discipline and Discharge of Employees*



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

19 Human Resource Management On The Farm

DISCIPLINE AND DISCHARGE OF EMPLOYEES

Kay Embrey
Extension Associate
Cornell Migrant Program
Cornell University

When farm managers are asked, "What is the hardest job for you as a labor manager?", the answer is often, "Disciplining and firing employees." Even the most experienced managers usually struggle with deciding the appropriate response to an employee who has broken a rule. Unfortunately, the punishment can often vary depending on your mood at the time of the occurrence. Occasionally a manager will act out of anger resulting in an arbitrary decision and unnecessarily harsh punishment.

Reacting from anger is certainly understandable; yet we all know that employers and supervisors who react this way cannot function successfully in today's businesses. Supervisors who yell at employees in anger make no contribution to their businesses or to the development of the employees. Yelling at employees, especially in front of others, affects their self-esteem and their ability to perform their jobs. People end up feeling bitter and resentful.

Individual Approach

The goal of any disciplinary procedure is to prevent problems, not to punish employees who have made mistakes. So how should you handle employees who are performing poorly or breaking work rules? There is no magic formula which is successful with each employee. You need to alter your approach for each employee based on several factors: work record, length of employment, training received, events preceding the incident, and many others. Is this violation of rules just a lapse in an otherwise spotless work record for a longtime employee? Is this a misunderstanding on the part of one employee beginning a new procedure? Has the new employee received adequate preparation for working on your farm? Consideration also has to be given to the personality of the employee. "Have a hard time getting out of bed this morning Will?" might be all the comment that is necessary for one tardy employee. Another who repeatedly comes in late may require a review of the rules and a discussion

to determine what is causing this behavior. Knowing the personality of each of your employees will allow you to tailor your approach to best suit a particular individual.

Informational Discussions

Often poor performance can be traced to personal problems at home, conflicts with another employee, actions which the employee perceives as unfair and feels bitter about, or simply that the employee did not understand the rule. Private discussions can often straighten out the problems and resolve misunderstandings, eliminating the need for any disciplinary action. In approaching employees remember to:

- Be calm.
- Get all the facts first.
- Make sure the reprimand is deserved. Is this the correct action?
- Talk to the person in private.
- Always begin with a question. There may be a simple explanation.
- Carefully consider the evidence including the employee's side.
- Correct constructively. Go over the behavior you want to achieve.
- Adapt your methods to fit the individual, but be straightforward.
- Close on a positive note and restore the person's self-confidence.
- Follow-up.¹

Discipline of Employees

Punishment of an employee often results from a breakdown in communications, poor planning, poor supervision, or a failure of the personnel practices; however, sometimes a difficult employee may leave you no other

choice but to discipline. As with all personnel policies, a systematic approach can make the manager's job and the employee's life easier. An effective disciplinary policy eliminates the arbitrary decisions made out of frustration and assures employees that they will be treated fairly. For managers, second-guessing and time spent deciding what punishment to administer are greatly reduced. Rules are applied uniformly while discipline is applied evenhandedly and is related to the seriousness of the offense.

Rules and Punishments

Although the courts in other states in recent years have created some exceptions to the "employment at will" doctrine (such as wrongful discharge or breach of contract), in general employers or employees in New York are able to terminate the employment relationship at any time for whatever reason or for no reason. Most employers, however, recognize their workers' needs for employment security and their own needs for a stable work force by establishing a system which assures that people will not be fired arbitrarily. Many use some form of progressive discipline. However, you should be aware that once established and communicated to employees, a progressive discipline procedure may be legally binding.

The concept of progressive discipline is not a new one and can be effectively used on farms. Two key components are:

- A set of rules and standards which are related to the performance of employees and to the smooth functioning of your farm, and
- A set of escalating punishments which will be taken for a violation of these rules.

Both of these must be communicated to employees, either verbally or in writing. Many farms now use policy manuals and include this in the contents. However, don't get carried away with unnecessary rules. Remember the purpose is to encourage productive work and behavior.

Following is a sample chart of a progressive discipline system with a few examples of offenses. This is a model to start with; your organization should develop one which is appropriate to your organization and includes employee input. The chart begins with an informational discussion followed by a simple oral warning which is usually adequate for minor offenses at the top and moves to more severe punishments at the bottom. The severity of the punishment depends on the offense and the number of times the employee has repeated the offense. Before deciding on the punishment you must again consider the employee's past performance and employment record. A failure to report to work by a new employee must be treated differently from such a failure by a veteran employee with a good work record. Major offenses may warrant discharge with a single occurrence.

Documentation

A written record of all disciplinary action should be kept. It ensures an accurate recounting of incidents which memory often distorts, and it can be used to protect your

business if the employee later takes legal action. Your records should include: name, date, time, names of witnesses, a description of the specific incident, the rule violated, the change in behavior expected, and what happens if the violations occurs again. The employee should sign this to acknowledge the discussion and that he or she is aware that this is being included in the employment record.

Sample Schedule of Disciplinary Steps²

Steps	Examples of Offenses
1. Informational Discussion (next occurrence)	Minor Unauthorized absence from job Disputes with co-workers Foul or abusive language Inefficiency, incompetence, or negligence
2. Verbal Warning (next occurrence)	Moderate Gambling Careless or negligent use of property Failure to report without notice Failure to comply with written rules
3. Written Warning (next occurrence)	Major Intoxication or use of drugs on job Fighting on job Theft or willful destruction of property Failure to report without notice for 3 days Gross insubordination
4. Suspension (next occurrence)	
5. Dismissal	

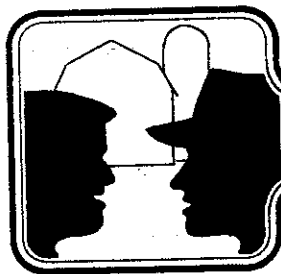
Appeals

Large farms using middle managers or crew foremen with authority to discipline employees should also establish an appeals procedure. Employees who believe they have been unjustly treated must have an opportunity to tell their side of the story. Don't make their only option the courts. A precautionary step which many businesses use is to suspend an employee and consult an attorney prior to a forced termination.

Threats, intimidation, and fear produce only bitter employees. Think of warnings as reminders of performance standards. Make sure your employees *understand* what is expected of them. Provide people an opportunity to talk about problems and make sure to listen to your employees, and you will go a long way toward resolving conflicts on your farm.

¹Smith, Gerald D., *Citrus-Avocado Supervisor's Handbook*, Agricultural Producers, Los Angeles, 1979.

²Rosenberg, Howard, "Discipline Means Not Always Having to Say 'You're Fired'", University of California, February 1982.



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

20 Human Resource Management On The Farm

SEASONAL AND TEMPORARY WORKERS: SPECIAL CONSIDERATIONS

Kay Embrey
Extension Associate
Cornell Migrant Program
Cornell University

The personnel practices which were covered in this series provide a good foundation for functioning with *all* employees. Respect for the individual and fair treatment for each person are essential to good employee relations. Agricultural businesses require employment of some people on a temporary seasonal basis and the hiring of many people for a short time is no reason to omit your standard hiring procedures.

Hiring

Although you may recruit through another source you still need to make a good match between the applicant and the job and to consider some special steps to assure success on the job for these employees. The use of labor contractors is unfortunately often an integral part of the migrant labor system. Labor contractors have their own needs as a priority, which are often not in your best interest or in the best interest of your employees. On farms with good employer-employee relations management deals directly with their own seasonal employees with no independent middleman.

Checking references for so many people at the same time may seem to be an endless task. However, many seasonal employees, even the ones coming to New York from another state, will have worked in the past for another farm in your area. A quick phone call to that employer can save you many headaches down the road.

Housing

When you are providing housing to an employee, you need to be particularly careful about whom you hire. The process of evicting a former employee from housing which you provide can be a lengthy process. Although destruction of property might be a concern, the effect of a disruptive employee on your other employees in

nearby housing must be considered. Many migrant farm workers report leaving a well-liked employer because other workers at the labor camp were causing problems for them or their families. On the other hand, good housing conditions can be used to attract workers. Some qualities which people look for in housing are privacy, cleanliness, reputation of other people in the camp, safety, and access to stores.

Good Employee-Employer Relations

The short length of time which seasonal employees will be on your farm does require some special considerations. You need to get to know them as quickly as you can and communicate to them their value to the business and the importance of their job. The group is made up of unique individuals who do not want to be viewed as a faceless mass. Learn each person's name immediately. Find out each person's interests and develop a relationship with him or her as quickly as possible. You want to establish a trusting relationship between the two of you and to develop a commitment to *your* farm on the part of the worker.

Work Crews

Large groups or labor crews who work closely together can present a challenge. These people may live and travel together developing very close bonds. They often depend on each other for food, loans, and other assistance. A supervisor's disagreement with one worker may quickly become a confrontation with the entire crew as it did recently on one New York farm. One member of a labor crew was told the cost of his damaged picking-sack would be deducted from his pay.* The rest of the crew agreed

*It is also illegal in New York State to make deductions from employee's wages for broken or damaged materials.

with the worker's story that the sack had a broken strap when it was given to him. The disagreement escalated and the employee was ordered to return to the labor camp. To show their support of their fellow employee, the rest of the crew sat right down in the orchard and refused to work until the man was allowed to return to work.

On the other hand, a crew also knows when one employee is disrupting work or is taking advantage of you. You will gain respect of the group by dealing with this employee's behavior fairly. Other employees will back you when they see fair treatment for everyone. But if they perceive favoritism or arbitrary treatment, the whole group will react. Your relationship with each individual will be the determining factor. If they know and trust you they will come to you with problems or complaints before things get out of hand.

Cultural Differences and Values Conflicts

People from various cultural and ethnic groups have different ways of viewing the world and have their own unique value system. When people from different cultures work together, you need to take the time to talk about differences. Consider them as you establish work rules and methods for achieving your goals. Recent incidents on farms best illustrate the problems which can occur.

Haitian farm workers had been told repeatedly to leave the apples which had fallen on the ground and not put them with those that were picked from the tree. Problems also occurred when different varieties of apples were placed in the same containers. The supervisor had even told a few people not to return for work because of their insubordination. Discussions with the farm workers explained their actions. In Haiti food was in short supply. Leaving what appeared to be good apples on the ground was a waste of food that they could not understand. Mixing varieties was understandable when we consider that only the rich can afford apples in Haiti. The numerous varieties of apples were as unknown to them as the numerous varieties of bananas would be to us.

A farm worker repeatedly arrived late for work in the morning. The manager told him that the next incident meant termination of his employment. The American obsession with time is often viewed as strange by people of other cultures. This particular farm worker gave rides each morning to two neighbors whose jobs started later than his. The choice of leaving his friends behind or being late for work was not even a choice to him. Of course he would wait for his friends.

Respecting the values of your employees and trying to be flexible in your operation will allow you to draw on the strengths of each person involved. Explaining your production practices and the logic behind your rules will go a long way toward preventing problems.

Interpreters

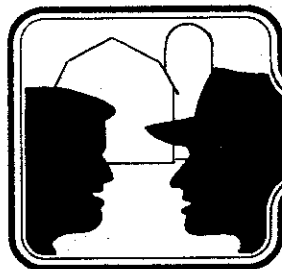
If you cannot speak the language of your employees, the best advice is to start learning it immediately. Your employees must be able to understand you and be able to communicate problems to you. The use of interpreters on farms is a common solution, but it must be undertaken with caution. Often interpreters make inaccurate translations, do not stress the same points that you would, or change what you say to elevate their own position. This responsibility gives them a powerful position in your business. They can withhold or share information based on their own needs. Rarely do interpreters just translate; often they also supervise groups of workers. With their control of the flow of information they have tremendous power over the people beneath them. Employee grievances often will not come to your attention until they have reached unsolvable proportions.

Many times people will be promoted to a management position based purely on their interpreting skills. This should not be your sole selection criterion. You need to consider the skills you would look for in any supervisor: leadership, communication, and motivational skills. Supervisors selected from the group for their interpreting skills will need special training to make them part of your management team. They should be *your* employees with clearly defined responsibilities. It is wise to avoid labor contractors who have no allegiance to your farm. It often takes new supervisors some time to view the farm operation from a management perspective, to learn to communicate this view to the people they supervise, and to maintain an honest and fair relationship with employees.

A Multi-Talented Team

If we think of your employees as a work team, all heading toward the same objective, then you are the coach. The coach must understand all of his players individually—their strengths, weaknesses, and what will help each player achieve his or her best performance. Understanding the background and culture of your team members will allow them to contribute their fullest to your farm business.

Next Letter: *Human Resource Management Practices in Action*



CORNELL COOPERATIVE EXTENSION

HUMAN RESOURCE MANAGEMENT

Department of Agricultural Economics

21 Human Resource Management On The Farm

HUMAN RESOURCE MANAGEMENT PRACTICES IN ACTION

Don R. Rogers
Vice President, Farm Management Services
Farm Credit Banks of Springfield

Handling people on farms is unique because of owner involvement, family help, seven-day weeks, high risks, very seasonal work, and tasks that can't be separated. But successful farmers have found ways to implement human resource management principles.

Various methods are currently being used successfully by farm owners who realize that people resources are very critical to the success of their businesses, especially within the current labor climate.

The better people managers will:

1. **Involve Their Employees.** In the business world, it's known as participative management style and was already highlighted in a previous newsletter. Remember that the person who does the job knows the most about how the job can be done (or changed). Despite a farm's hectic schedule some owners do find time to:
 - Be with their key employees during a short morning session—monitoring areas after breakfast or once the work crews are going
 - Take key employees equipment shopping and to meetings and shows
 - Encourage their employees to work directly with agribusiness, i.e., the vet and crop specialists, who can be effective trainers
 - See all employees each day.
2. **Create a Positive Attitude.** "Have you caught an employee doing something right today?" (from *The One-Minute Manager* book) If we feel an employee is stupid, lazy, and no good, then he will sense this and fall into this rut. If we feel an employee is moral, trainable, and a worthwhile human being, he probably will be. Again put into your vocabulary the phrases—"well done," "thank you," "I appreciated the extra effort."
3. **Understand That Time Off Is Essential.** Planting and harvesting seasons are long. Most employees accept this and enjoy the challenge. What they don't accept is getting only every other Sunday off. Probably the #1 pet peeve for farm employees is not having enough time off, especially weekends. A Wednesday off when the kids are in school and the spouse is working doesn't fit into family priorities. Many farmers are organizing their schedules to create at least *one weekend day off a week for each employee*.
4. **Train a Trainer.** In our labor management workshops, over 90 percent of farm owners admit that they don't train. They assume everyone knows the basics of milking, handling equipment, and driving a tractor. If you haven't the time to do the training yourself or don't have the patience, then develop training skills in some of your key people. Send them to seminars, etc. Several farmers I know have been pleased with the results of a Dale Carnegie course. Others pay for computer courses.
5. **Manage Relatives Carefully.** Relatives in a business sometimes can be the root of serious labor problems—the son home from college in charge of longtime employees or cousins and uncles and their wives playing games with each other. You can't afford poor communication here. Employees will get the upper hand if the family can't be in accord—especially fathers who can't handle their sons as employees will be in trouble. Some suggestions that have worked well:
 - Have uncles supervise their nephews.
 - Put the son in charge of employees—without interference from the father.

- Avoid hiring employees' relatives. If you have already hired them, separate their duties.
- Don't play family favorites.

6. Do Not Give Titles Without Authority. A herdsman in charge of the dairy herd had better *be* in charge. If he can't call the vet, order semen, schedule milkers, or treat a cow, he is not a herdsman. One of the major miscommunications with employees is the perceived expectations versus the real-world responsibilities.

7. Do Performance Appraisals. An employee has a right to know how he/she is performing. Have you sat down and discussed with your employees for at least an hour their strengths and weaknesses and how you can help them do a better job? If you haven't, you had better. It's necessary, and farmers who do this regularly have told us how rewarding it is to both parties.

8. Provide Incentives. You hear a lot about specific money incentives for meeting certain goals—corn planted by June 1; \$25 for every live calf after six months; a heifer calf each year. All these incentives create a positive image for what is important, but remember:

- The employee must be in agreement and have some control over achieving his goal.
- The employee must be trained to succeed.

Incentives in farming are hard to measure and control, especially a percentage of the profits. If the employee is good, he needs very little incentive other than a good salary and benefits. Becoming part of the business is something many farmers find is a meaningful reward to a key employee, and it creates job security. But this is a serious step that requires careful planning and commitment. All too often good intentions never materialize.

9. Plan Business Family Activities. One can't ignore the value of a picnic after a hard planting season for all employees and their families, or sponsorship of a bowling team, or tickets to a sporting event. One farm business enjoys a Christmas party. Yes, these activities cost money but they create teamwork, pride, and appreciation.

10. Keep a Daily "To Do" List. Busy owners and supervisors find that a notebook calendar or pocket card to write notes on goes a long way in helping you to: organize yourself, help you to remember something, allow you a chance to think and write down points, bring priorities into focus, and remind yourself to call someone, get help, or find some information. I use it to challenge myself.

11. Establish Communication Helping Devices. Some that are working quite well include: maintenance schedule checklists, blackboards to write messages to one another, two-way radio phone systems, and answering service. Or try a daily diary of production results (i.e., pounds of milk shipped/cow/day, number of cases of eggs processed/hour). These become monitoring tools and goals that offers opportunities for working together.

12. Prepare An Employee Handbook. Businesses with more than a dozen employees are putting together written information for their new employees on expectations, rules and policies (i.e., vacations, holidays, absenteeism, etc.), and details regarding fringe benefits. This creates fair standards for everyone and eliminates politics and favoritism, which, if not controlled, become roots of employee discontent.

There are many more examples of excellent human management practices. Hopefully, you are doing some of these already. But remember that you must have the basic employee management practices emphasized in this newsletter series in place before creative ones become effective.

Now, after reading this series on human resource management, why not make up your own personnel management action plan to incorporate key points that you feel will have a positive effect on your business.