

# Labor Management on Dairy Farms



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Labor makes up around 15-20% of total farm expenses, and labor turnover can cost 150% of the employee's salary. Therefore, proper labor management can greatly impact the productive and financial success of your dairy farm. Managing labor is a very important part of being a manager of a dairy operation. One must strategically hire efficient and honest labor, train new labor, manage all laborers to ensure productivity on the farm, continually train labor, communicate effectively, and fire labor if necessary.

## Hiring Labor

When hiring employees, remember you are entrusting them with your cows and your dairy business. Place advertisements for the job opening in dairy magazines or other agricultural prints. Even if advertisements have additional costs, a trustworthy employee can save you money in the long run. After advertising, it is imperative to interview potential employees. Place all your expectations on the table, and provide a written job description with specific responsibilities and wage information. When interviewing, make sure your farm is presentable. A good employee will not want to work on a poorly managed farm. Furthermore, an employee will put in the work to maintain the level you present. If the farm is unorganized and cows are dirty, the employees will work to maintain that level. Finally, it is important to contact your interviewee's references. Ask questions. Understand why the employee left the previous position, and if the past employer would hire them again. After this, start with a six month trial period. This period of time gives the employee and employer a chance to make sure the farm is the right "fit."

## Training New Labor

After hiring, training is needed for employees to do their jobs well. Train employees for two or three days, demonstrating how things are to be done and encourage questions. Provide written standard operating procedures for all tasks. If an employee does not know how to properly work equipment or manage your cattle, the job will not get done or be done correctly. Also, it is important to praise employees for following proper protocols, and be open to any questions. Have one trainer who instructs the employee, and ensure that coworkers do not contradict the instruction. Finally, have the protocols specific enough to allow the employee to know what to do even if the employee has not worked in the dairy industry before. Even with prior experience, remember, farms do things differently.

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## Providing Standard Operating Procedures

Training new labor can be difficult, but standard operating procedures or SOPs can help. The purpose of an SOP is to provide detailed instructions of a specific operation so anyone knows exactly how the task is to be done. SOPs are typically step-by-step directions, and should be written in English and Spanish if you have any Hispanic employees, or any language employees speak. The SOP should be detailed enough that there is no need for any questions or guidance. SOPs are important because it makes communication of directions clear, sets a standard that employees can be held to, and will ensure consistent results. Make sure SOPs are available for all employees, new and current, for all tasks. Also, make sure SOPs are updated if there are any changes in procedures or equipment.

## Managing Labor

After proper hiring technique, labor management is critical to the success of the business. A hierarchy of management works best. Make sure your employees have one clear boss. It is frustrating when multiple coworkers or family members give orders. Also, assign specific tasks based on individual talents, and let your employees provide input about ways to do tasks, specific work they enjoy or dislike, and ideas to gain efficiency. If an employee is miserable doing a job, it will not be done well. Another good management technique is meeting weekly to discuss production, upcoming tasks, and management successes and challenges, which improves communication in general. Have an agenda for your meeting, and allow all employees to contribute. Set short term goals for your farm and analyze your progress.

Brainstorm short and long-term plans to accomplish the farm's goals and take suggestions. Goals of the farm are the responsibility of the owner, but ensure employees understand them, and feel like they helped build these plans to help one reach your farm's goals. Make sure your employees know your plans and limitations so they don't have unrealistic expectations that can lead to complaints. Furthermore, set specific job goals for each employee. This encourages continual improvement and boosts employee morale. Also, consider matching any improvement with a wage incentive.

Furthermore, happy employees are productive employees. Give time-off and vacation time. Nevertheless, make sure the time they have is convenient for their family. Weekends are coveted, so maybe start a rotation where workers rotate weekends off. If shifts are an issue, rotate workers through shifts as well so one does not get stuck in a miserable situation. Consider what is important to them.

Always keep communication with your employees open. Your main goal as a labor manager is to keep morale, teamwork, respect, and your reputation as boss high.

## Continuing Labor Education

Although current employees already know how things run, it is important to continue training and reinforce previous trainings. Have employees set goals, and help them reach those goals. Demonstrate ways to be more efficient while still using proper techniques. Also, update any written standard operating procedures in case an employee is doing a job he or she normally does not do. Continual job training also helps employees understand the importance of their specific jobs, since a fault in one area can affect everyone else. Point out the effect of these faults in a calm manner, so the employee will understand.

Again, during training, make sure to encourage questions and be generous with praise. Withholding praise from current employees can drop morale quickly. Also, it is easier to correct faults when employees know praise is given when due. Additional training can be done by giving employees articles or diagrams to read or review from dairy magazines, extension papers, or consulting resources that relate to their specific jobs. This allows everyone to know the improvements available and how they can help. It also allows the boss to explain why any changes may be occurring. Again, if possible, provide these articles in Spanish and make sure the employee can understand the terminology. If the terminology is difficult, add a definitions page, or start with something simpler. Remember there is a need

for continual training for long- term employees. Everyone has the ability to learn and improve, and success improves morale.

A part of continual training of employees is continual education. New advances are constantly being made, so it is important to keep up in order to most efficiently and productively manage a farm. Most areas offer extension or consulting meetings that both employees and managers can attend. This can enable everyone to learn. Furthermore, individual employees may attend specific meetings or presentations based on the specific task they do. This will keep employees up-to-date with current practices and convey the importance of such practices to them, so they will keep improving your farm.

### **Communication**

In any business, communication is the key to keeping morale and productivity high. Weekly meetings, written standard operating procedures, and opportunities to ask questions aid in keeping communication lines open. Furthermore, proficiency in Spanish or any other language employees speak is important if employees are not native English speakers. Do not assume workers who know some English completely understand tasks and protocols. Show them and allow them to practice with guidance and instruction. Pictures can be used as well. Furthermore, communication is mandatory in maintaining a positive working environment and high morale. Discourage gossip and be approachable to any employees with personal problems. If necessary, confront them and listen to them, offering help when possible. Problems that may seem small at first can develop into major issues if left unattended. This can be easily avoided with open communication in the case of any issue large or small. With open lines of communication, employees should maintain positive work ethic and efficiency.

### **Firing Labor**

Many laborers quit due to low morale, excessive work, and low pay. These problems are easily solved by labor management. However, if an employee is not doing the job properly, it may come time for employment termination. Always be transparent with your workers, so let the problem employee know why you are dissatisfied. Write these reasons down, and give them an opportunity to improve. If there is no improvement, consider placing the employee on paid suspension for a few days. This allows the employee to step back and reconsider being part of the team. If the employee is not prepared to make the commitment and work for the team, terminate employment. If you are downsizing and must lay off good employees, let them know of other jobs in the area. This shows you care and builds trust with the other employees.

In conclusion, it is financially important to have good, stable employees working in a low stress environment. Have one clear boss for employees, and keep the lines of communication open. You succeed as a team and fail as a leader because you have not made it clear why each task is critical. Being smart when hiring can save you money and stress in the future, and staying calm while firing will build your reputation with your other employees. Remember that proper management can lead to happy cows, happy employees, and financial success.