

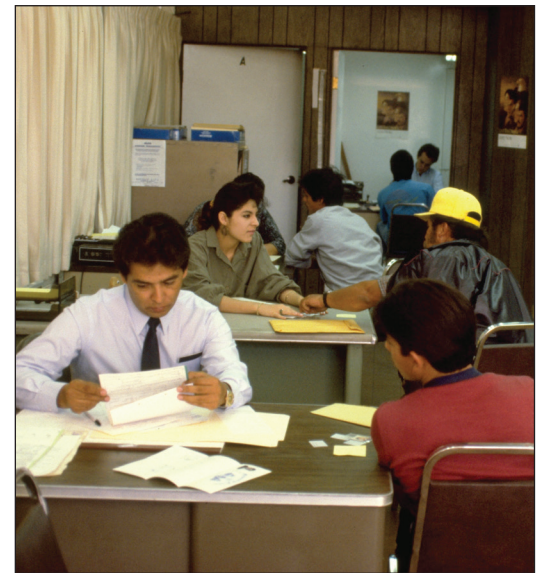
Ag Help Wanted: Attracting & keeping good help

How Much Risk is Right for You?

Many farm and ranch businesses have a labor force consisting of family members. Some owners decide to add employees as operations grow, demands for their own time prove overwhelming, or the children move on to other stages of their lives. They tend to see themselves primarily as business people and give little thought to their roles as employers until the idea is triggered by a current or impending crisis.

For a large and increasing share of farms and ranches, hiring and managing labor is basic to the nature and technology of the business. Managers do not choose to be employers but rather take as a given that they need hired workers. The choices they face are not about whether, but rather how, to find, engage, and supervise people performing work essential to the business.

Managers of agricultural labor need to understand human behavior, organizations, laws, labor markets, technologies, and the whole of their business situation. Managers need information beyond what they can acquire through firsthand experience. Most, however, face the dilemma of being strapped with an abundance of day-to-day problems and little time to become more knowledgeable about labor management.

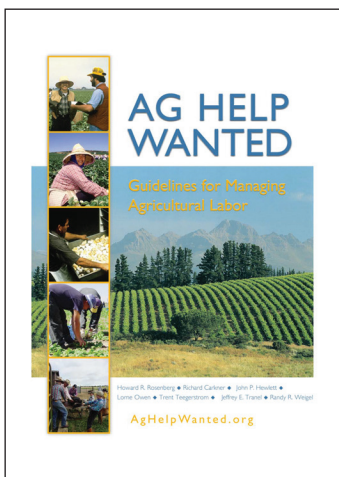


Recruitment

Recruiting applicants for agricultural work is difficult, especially for farmers and ranchers who have never hired, or rarely, hire employees. It is common in agriculture to capitalize on the flow of information through friendship and kinship networks. Word of mouth is a primary channel for recruiting potential employees.

Naturally, more workers come looking for jobs for farms and ranches known as good places to work. Earning a reputation for fairness and respect is probably the most effective way of getting a leg up in recruitment. Advertising notices in print, online and radio also reach potential employees.

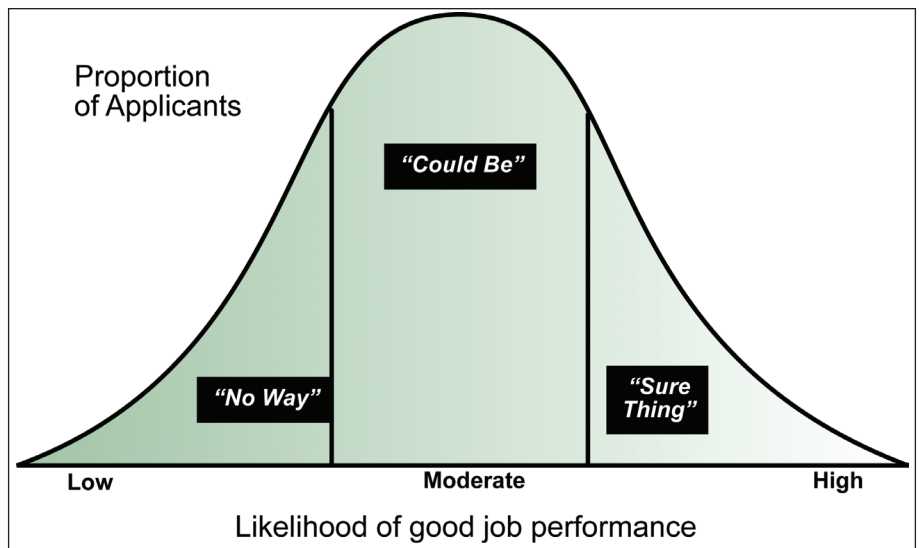
All effective recruiting methods inform, promote interest, and encourage self-screening. Announcements, both written and oral, should include a descriptive job title, overview of major responsibilities, pay range and benefits, required and preferred qualifications, application deadline, employer identification, and other information that may distinguish your business as a good place to work.



Making the selection

Agricultural businesses are structured organizations that produce food and fiber. Through a different prism, they are collections of people. As a result, it matters who those people are. The employment of every one is the result of a selection decision.

Most agricultural jobs entail manual tasks in which physical effort and the use of hands achieve tangible results. Research shows that the best performers typically produce at least twice as much as the worst. Also, inferior work can exact a toll in terms of crop conditions, animal health and performance, equipment reliability, and supervisory headaches.



Work performance depends on ability and motivation, neither is sufficient without the other. The most capable person may perform poorly if motivation is low. Likewise, the most eager worker cannot be very productive without ability. With few exceptions, the level of performance also depends on the quality of management after selection.

Matching people with jobs

Matching people with jobs involves working with information, both about the jobs and the people applying for those positions. Reflecting on the following questions may help clarify the recruitment and selection processes.

1. For what type and timing of work do we need help?
2. What returns should we expect from the addition of hired labor?
3. Do we have sufficient cash flow to pay the person needed?
4. Could any job(s) created keep the interest of an able, motivated employee?
5. Do we have sufficient skills and patience to train, supervise, and evaluate an employee?

The selection process used by agricultural businesses ranges from casual to clinical. Casual may be interpreted as taking a chance, for example, on one out of every third applicant or everyone who makes it through the gate. The clinical approach is used by employers who know what the job requires and applicants are assessed in terms of specific criteria directly related to the job in question.

Careful selection of an employee also just makes good, legal sense. It has become increasingly difficult to remedy a poor selection decision through discharge. The doctrine of employment at will has been eroded by both statutes and legal case decisions. Given the potential liability – and costs – of poor performance and discharge, it pays to make good selections.

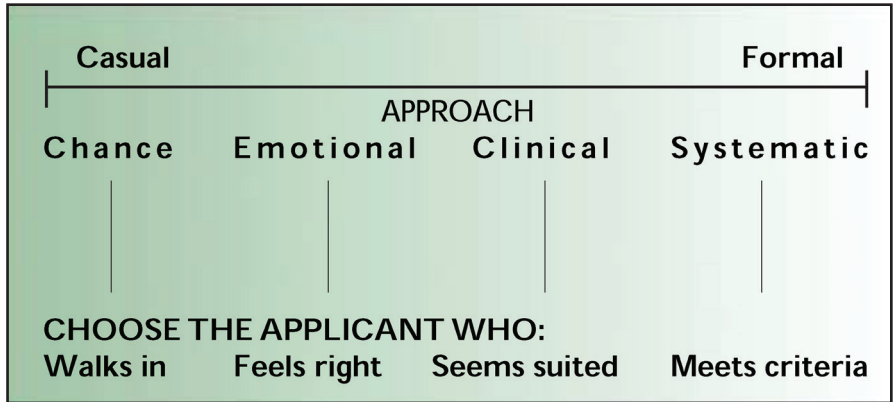
Discriminating among applicants with respect to job-related attributes (e.g., understanding animal husbandry, knowledge of equipment, knowing how to irrigate, ability to lift or carry a certain amount of weight) is both



legal and smart management. Federal and state laws, however, prohibit hiring discrimination based on several personal factors that have no bearing on the person's ability to perform most jobs.

Casual or formal approach

When asked how they select the most suitable candidate, most farmers and ranchers say they lean more to the casual side of the



spectrum. They often believe that the greater expense (time and money) of being more systematic or clinical in the selection process will not save money and is an aggravation over the long run. However, any additional care put into the selection process—less casual and more systematic—can make a large difference in quality of performance, morale of farm staff, and reduction of manager frustration.

In preparing to assess applicants, employers need to be clear about (1) the job qualifications and (2) how to get information about whether or not the applicants meet those qualifications. The list of functions, duties, and responsibilities in the job description states what the applicant will need to do.

There are two primary questions each employer needs to answer before assessing a pool of applicants: What would the employer need to know about the applicants to decide if they are capable of doing the job? What knowledge, abilities, and other characteristics would a person have to possess to be suited for the job? Having all the relevant information about job applicants may be nice but it can be expensive and time-consuming to acquire.

Where to from here

People who want to continue their development as agricultural labor managers can tap a wealth of available resources. References include articles in magazines, newsletters, and journals; fact sheets and guidance on regulatory topics; and books. Ag Help Wanted is a comprehensive resource about hiring and managing human resources in agricultural operations. It is also a great source of many valuable web links. More information is available at AgHelpWanted.org.

RIGHTRISK.ORG

RightRisk.org is a rich resource for operators looking to improve their response to risk. Currently the site offers online risk management courses spanning topics from recordkeeping to enterprise risk strategies, and from planning a lasting legacy to planning your taxes for next year. Other resources available include: Risk Analytics Tools to evaluate risk management decisions; Publications covering Risk Management Profiles; Applied Risk Analytics, and Risk Concepts; Risk Controls for managing risk; Recorded Presentations; and Links to other resources help you go even deeper.



Take a look to discover innovative and effective risk management solutions. For more information, see RightRisk.org



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Contributing authors:

John Hewlett, Ranch/Farm Management Specialist - University of Wyoming, hewlett@uwyo.edu

Jay Parsons, Risk Management Specialist - University of Nebraska-Lincoln, jparsons4@unl.edu

Jeff Tranel, Ag and Business Management Specialist - Colorado State University, Jeffrey.Tranel@ColoState.edu

Editing and Layout: John Hewlett, hewlett@uwyo.edu

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