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# **Managing People on the Farm**



Years ago I was taking photos of farm workers when one vineyard pruner, with a twinkle in his eyes, objected: "My photo will cost you \$10!"

I could not help but smiling as I asked for an explanation.

"You see," the pruner continued, "I'm the best!"

Now my interest was peaked even more. "How can you say that," I inquired, with humor in my voice, "when those two pruners a couple of rows over are ahead of you?"

"Well, there you have it," he concluded matter-of-factly. "You said it yourself, two pruners. Both are pruning the same row while here I am on my own, right on their tail, and there is only one of me," he concluded in triumph.

Research shows that, indeed, the best farm employee can consistently be two

to four times more productive than the worst. And in selection testing it is not unusual to see workers who are four to eight times better than others.

Farm personnel are certainly not a constant. Whatever control over production you have at your farm, it is achieved through people, whether they are in production, supervisory, administrative, or management positions. How these individuals are selected and managed makes all the difference.

People management skills can be broken down into three essential ingredients: (1) a *concern* for productivity and for employees; (2) an *understanding* of human resource management; and (3) purposeful *action*. Effectiveness in people management skills calls for a mix of all three



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ingredients. Concern and action alone cannot make up for inadequate understanding. Nor can plentiful care and knowledge succeed without action.

# A CONCERN FOR PRODUCTIVITY AND PEOPLE

To effectively manage a labor force, an employer must be concerned about productivity and also about people. Some farmers are always looking for ways to improve production and ensure the long-term viability of the business. Others operate deteriorated farms and seem to have little interest in increasing yield or in recycling profits into the operation. A manager's attitude toward farm productivity, especially toward product quality, can strongly influence worker output. Performance is often enhanced when employees believe they are contributing to a valuable product and are part of an effective team.

The connection between employee productivity and farm profitability is direct and obvious. Not as apparent, but just as vital, is the association between concern for worker needs and profitability. How employees' needs are met has a direct bearing on their performance. Focusing on productivity alone may lead to a reduction in worker output.

A concern for worker needs means attending to their well-being, as both individuals and employees. Courteous and consistent treatment, job security, fair pay, and safe working conditions are

important to employees. When those needs are ignored, worker dissatisfaction may impede productivity. One disenchanted employee explained, "When I first worked here, I really exerted myself. But now I try to do as little as I can and still keep my job." Another put it this way, "I've learned to give my job the time it deserves, but I no longer give any more of my own time. I've been burnt by doing so." A third worker confided, "When I'm mad at the supervisor, I do exactly what she asks me to do . . . even if I know a better way of doing something or have a good reason not to do the job her way."

Trust is another important contributor to productivity. Trust builds gradually, as managers and employees learn they can count on each other. Even after workers' trust has been won, management must continually nurture such trust if they are to retain it. The flow of trust cannot be turned on and off like irrigation water.

Management generally expects personnel to (1) consistently produce high quality work on a timely basis; (2) take their responsibilities seriously, at times even going beyond the call of duty; (3) show concern for the welfare of the farming operation and for other employees; and (4) represent the farming enterprise well within the community.

Employees hope, in turn, that management will (1) value their feelings and opinions; (2) provide positive feedback for work well done; (3) meet the agreed-upon terms and conditions of employment; (4) be consistent and courteous; and (5) provide a work environment where they can develop their potential over time (in terms of skills, knowledge and earnings).

# UNDERSTANDING LABOR MANAGEMENT

Effective labor management demands a clear understanding of its principles and familiarity with its tools. Managers deal with a complex web of interrelated elements. For instance, the wage scale advertised may affect the quality of applicants you recruit; the qualifications of those ultimately hired will in turn determine the amount of onthe-job training needed.

People mistakes may be quite costly. A new worker on a kiwifruit plantation fertilized too close to the plants with a highly concentrated formulation that burned the foliage. Many plants died. The quality of the fruit that did grow was so poor as to be unmarketable through normal channels. Yet another worker mistakenly milked a penicillintreated cow into the main tank. The good milk in the bulk tank was contaminated and all of it had to be discarded.

These blunders could have been avoided by selecting knowledgeable, skilled personnel, or by providing better orientation, training, management and supervision. Tapping motivation, building effective personal relationships, establishing and carrying out a constructive disciplinary process, and encouraging worker input in decision making are all part of labor management.

There are a number of options available for solving people problems. If we are comfortable using only a few management tools, we may be limited in our response to a challenge. Some, for instance, attempt to use *training* to solve most any adversity, such as tardiness, misuse of tools, and conflict on the job, whereas others believe that most every difficulty can be solved with *pay*.

There is a difference between a mistake and a purposeful error. In one

vineyard the vines were planted upside down under the direction of an inexperienced supervisor. The ranch manager discovered the error the following spring, when the vines failed to bud out.<sup>1</sup> The supervisor's mistake hurt them not only in terms of lost vine cuttings, but also a year of valuable vineyard development. I thought this was just a mistake. A horrible one, granted, but nevertheless human blunder. That is, until I received the following note from a grape grower who had read the story in an earlier edition of this book:

"Years ago [when] we were planting our vineyard, the Hispanic supervisor (within the farm labor contractor crew) was imparting his wisdom about crew management. He spoke about their last job at another farming community. Apparently the owner had come out to rant and rave and suggest that the men were slow and stupid. This supervisor told me how he gave that grower the expected humble response of si (i.e., yes) and then quietly fulfilled the angry grower's expectations. At the first moment the owner's back was turned the Hispanic supervisor gained the already watchful crew's eyes; then proceeded to invert a cutting and insert it into the ground. Without a word the entire crew followed his lead and

Some would try and solve every labor challenge with the same management tool: for example, only training, only pay, or only discipline.



planted the rest of the vineyard with the cuttings upside down. That grower would have no idea what happened until next year . . . and if confronted, the Hispanic supervisor would just explain that he didn't understand English very well and thought that the grower wanted them to plant those vines the other way. How was he supposed to know?"<sup>2</sup>

A clear understanding of management tools includes the proper application of the same. One orchardist, after learning of a neighbor's success with an incentive program switched his pay system. The peach grower offered crew pickers a full day's pay-and the right to leave as soon as they finishedif they would pick an additional bin for the day. The pickers were delighted. Most were through before 11 a.m. The farmer was thrilled with the increased productivity. But after the initial excitement wore off he started to feel that the bargain was not so good. He tried to even out matters by asking for yet one more bin per day. The workers, who may have originally accepted the extra bin as a fair exchange, now instead voted for union representation. Crew workers felt the farmer had broken an oral contract.

When labor management principles are properly understood it is more likely that a manager will choose the right set of tools—and apply them correctly—to deal with a given challenge. Time and effort spent on improving management competence pays off. Once the foundation is laid, new skills are easier to acquire. Also, tools developed for use in one area may serve well in others. For example, a detailed job analysis may be used during the selection process. The same analysis may yield data to establish pay differences, fix performance parameters, and help tailor a training program.

An overview of human resource management is presented in Figure 1–1. The list in the left column shows external constraints that are placed on the workplace, the center column lists labor management tools and practices, and the column to the right lists potential results or outcomes.

I like to think of the *tools* in the middle column as filters or magnifiers affecting the *results* column. In the absence of effective human resource management practices (the middle column), external *influences* may have a pronounced effect on productivity and other sought after results.

INFLUENCES AND CONSTRAINTS	PRACTICES, DECISIONS AND TOOLS	RESULTS
Tradition	Organizational structuring	Productivity
Competitors	Job design	- quantity
Laws	Recruitment	- quality
Labor market	Selection	Waste
Technology	Orientation	Breakdowns
Union contracts	Training and development	Satisfaction
Individual differences and skills	Supervision	Motivation
	Performance appraisals	Absenteeism
	Compensation	Turnover
	Quality control	Strikes
	Benefits	Grievances
	Safety and health	Litigation
	Organizational development	Injury and illness
	Discipline	Workplace violence
	Research and evaluation	- -

#### FIGURE 1-1

Adapted from Rosenberg, H. R. et al. (2002). Ag Help Wanted: Guidelines for Managing Agricultural Labor, Western Center for Risk Management Education (p. 24).

For instance, an employer might choose to hire the first twenty applicants who show up for a citrus-picking job without testing their skills. By so doing she forgoes the opportunity to use a selection filter to hire more productive workers.

Let's briefly examine the elements within these three columns before moving on to the importance of purposeful action.

#### External influences and constraints

*Tradition* represents the way things have been done in the past. Some traditions ensure stability. Others may reduce creativity.

*Competitors.* The techniques used by competitors can influence farm practices. Like tradition, competitors may provide a positive or negative influence.

Laws at the federal, state, province, municipality, or other local level regulate almost every aspect of labor management. When well thought out, such laws can extend important protections and benefits to a large number of workers. Many laws have been passed without sufficient study, however, and the time spent in compliance can be onerous. Unfortunately, some believe that simply following the law will guarantee that they are managing properly. This book is intended for an international audience, and is focused on effective human resource management practices, more than on what is legal or not. Because laws do change frequently and are so different from one nation to another, make sure to always consult with a qualified local labor attorney before implementing the suggestions found here.

The *labor market* generally deals with relationships between the supply and demand of workers on the one hand and with wages on the other. Generally, a shortage of workers will drive wages up.

*Technology.* Labor law constraints and potentially unpredictable labor markets—including labor shortages tend to encourage mechanization. Technology may change the nature and number of jobs but is unlikely to diminish the importance of labor management.

Union contracts. Agricultural enterprise managers desire freedom to manage, while unions want to restrain possible abuses of such freedom. Furthermore, unions often fight to improve economic outcomes for employees (wages and benefits). Beside issues of economics, unions also attempt to protect worker dignity and improve working conditions. Unions may give employees a greater voice in some types of decision-making. The opposite can also be true. Perhaps the single most important predictor of unionization is the quality (or lack of) two-way communications between management and employees. One poor supervisor can have a negative effect on the whole organization. Other factors<sup>3</sup> that may also play a key role on whether employees will join a union include: (1) perceived costs for joining vs. expected returns (e.g., cost of union dues vs. increases in pay), (2) personal feelings towards unionization (e.g., workers who identify with management, prefer merit over seniority, and value individual initiative are less likely to want to join a union), and (3) feelings toward a particular workplace and a particular union.

Individual differences. Individual variations affect almost every aspect of human behavior, including labor productivity. An effective manager considers both how individual workers differ and how workers may react similarly to a given situation.

## Labor management practices

**P**roductivity is a result of worker *ability* (the "can do") times *motivation* (the "will do"), or  $P = A \times M$ . Farmers have a number of tools that can help them influence both of these factors. The multiplier (rather than additive) effect means that if either ability or motivation are absent, productivity will also be lacking.

Organizational structuring. A number of frameworks exist for getting



First select employees with ability and then motivate them to excel on the job. jobs done, including by *function* (e.g., irrigation, tractor driving), by *product* (e.g., dairy, crops), and by *geographical location*.

*Job design*. Some jobs are designed so that workers can take responsibility for a product from beginning to end. Others tend to promote specialization. In the process of designing jobs, farmers can also prepare job analyses, job specifications, and job descriptions.

*Recruitment* involves attracting enough qualified applicants to fill the staffing needs of the farm. Generally, the larger the applicant pool, the greater the chances that the group contains a qualified applicant.

*Selection.* Workers with sufficient ability, knowledge or skill are selected from the applicant pool and hired to carry out the required jobs. Promotions and transfers are also selection decisions.

*Orientation*. During orientation periods, newly selected and promoted employees are exposed to the requirements of their new jobs. In addition, workers learn about the company's philosophy.

*Supervision*. Supervisors are responsible for directing and facilitating the performance of one or more employees. Some important supervisory skills include communication, delegation, training, performance appraisal, discipline, and conflict resolution. *Performance appraisal*. Employees have a need to know how they are doing, and what they can do to improve. Performance appraisal is the process of evaluating employee performance and arriving at mutually planned changes.

*Compensation.* Pay may be designed in terms of *wage structures* or *incentives.* Wage structures establish pay differentials between jobs—and usually within a job, too. Incentives are designed to reward employees for performance or other valued outcomes.

*Benefits.* Some benefits are mandated by law (e.g., workers' compensation). Optional benefits may include farm produce, paid vacation and sick leave. Once offered, optional benefits may also be regulated by law.

Safety and health measures. Safety and health management involves (1) promoting safety, (2) correcting hazards, (3) training employees, and (4) tying safety to other management actions (e.g., performance appraisals, discipline).

Organizational development. Elements of organizational development that promote sound communication and decision-making skills include assertiveness training, role definition, leadership skills, conflict resolution, team building, empowerment, coaching, effective meetings, and techniques based on group dynamics.

*Research and evaluation* help farmers credit specific results to particular management actions. Farmers can assess where adjustments in management direction are needed.

#### Results

External influences interplay with management action to bring about specific results. These results are a measure of management effectiveness.

*Production* can be gauged in terms of both quantity and quality. For example, gallons of milk, flats of tomatoes, and boxes of grapes are examples of quantity measures. Indicators of product quality may include somatic cell counts (high counts in dairy cows may indicate health problems such as mastitis), bacterial counts in milk, color or size of fruit, and degree of marbling in meat.

*Motivation* can affect production, satisfaction, and a host of other outcomes. On the way home one worker may stop to fix a broken irrigation ditch, and another may drive past it. While employees may come to the farm with different degrees of enthusiasm, there is much a farmer can do to affect a worker's on-the-job motivation.

*Waste* may be gauged by such measures as the percentage of fruit or vegetables that do not meet grade, calf mortality, scrap metal, and leftover seed or fertilizer that cannot be reused.

*Breakdowns* of farm machinery and equipment can have deleterious effects, especially in the middle of harvest or other high labor-intensive periods.

Satisfaction is a measure of how well the employer's or worker's needs are being met. Sources of employee dissatisfaction may include pay, job design, handling of promotions, interpersonal conflict and supervision. Expressions of employee dissatisfaction may include reduced output, strikes or union activity, absenteeism, or turnover.

*Grievances* are employee complaints. When an effective mechanism is provided for management to hear grievances, early problem solving and increased mutual respect develop.

*Litigation.* If grievances are not attended to and solved early on, they may result in litigation. If no one inhouse will hear workers' complaints, they may find someone outside the organization who is more sympathetic.

*Injury and illness* may arise from unsafe and unhealthy work environments. Examples of injuries include slag in the eye (from welding), muscle strains, and ruptured disks. Work-related illnesses may flow from unprotected exposure to chemicals or heat, or from excessive stress in the workplace.

## PURPOSEFUL ACTION

Understanding and concern without action can be like planting and cultivating without harvesting. It is not

always easy to confront employees with their poor performance, listen to their difficulties, act as an effective mediator to reduce conflict, or take an unpopular yet principled stand in the face of adversity. But purposeful action carrying out a plan to obtain a specific result—may help you turn challenges into opportunities.

Action is not always the best choice when dealing with human behavior; many difficulties seem to disappear simply with time and patience. Other problems, however, only fester if they are not faced squarely.

#### **Obstacles to action**

What hinders us from taking action or reaching objectives? The benefit may not seem worth the effort. Or, we may doubt that the effort will yield the desired result.<sup>4</sup> Two additional challenges may include lack of selfesteem or inability to focus. Finally, action may not be effective because of faulty planning, evaluation, or correction measures.

*Insufficient payoff.* A price must be paid to meet most objectives. We typically weigh that price against the value of the outcome. At times, goals require efforts or financial resources that are simply not available without forgoing other desired objectives. It is easy to act when minimal effort will yield large positive results.

More challenging objectives usually demand a correspondingly greater effort. Achieving long-term goals requires discipline and perseverance in spite of difficulties. It helps to be able to relish the actual process of achievement—even when progress is slow.

*Likelihood of success*. Will action really bring about the desired outcome? Managers may doubt, for instance, that confronting employees with their poor performance will result in improved production. Perhaps such action will simply confirm an enemy and further reduce output. Before taking action in doubtful situations, managers may want to consult a more knowledgeable employer, friend, or human resource management professional—or perhaps Many difficulties seem to disappear simply with time and patience. Other problems only fester if they are not faced squarely.





There is a balance found somewhere between premature, hasty action and doing nothing.

attend a seminar or course on management techniques.

Lack of self-esteem. Some managers may avoid action because they lack confidence in their ability to succeed. People who have reaped the rewards of attaining a difficult goal are more likely to believe in their ability to achieve again. Success—or lack of it—may become a self-reinforcing cycle. Some theories of self-esteem<sup>5</sup> suggest that although everyone encounters failure at times, the main contributor to selfesteem is coping with, rather than avoiding, difficulties.

*Lack of focus.* One of the major tasks in pursuing a difficult goal is avoiding distraction. People can use a number of devices to help stay focused on the goal: reading material related to the objective; setting aside specific time for contemplating the subject; or posting a visual reminder, such as a photograph or note in a prominent place.

Faulty planning, evaluation, and correction. You have probably heard the saying, "an unwritten goal is simply wishful thinking." Although somewhat exaggerated, this remark emphasizes the need for careful planning, evaluating, and correcting. Planning may involve establishing goals and sub-goals and scheduling a logical sequence of events. Regular appraisal of progress that has been made is part of the evaluation process. Finally, correction may encompass dealing with challenges, failures (including going off course), or contingencies (the "what ifs").

Though taking appropriate action when managing a work force is critical, speed is not always essential. There is a balance to be found somewhere between premature, hasty action and doing nothing. Some decisions require more time and careful planning before being implemented; other situations call for immediate reaction. Often, steady plodding will move an organization further towards positive changes than fast, yet inconsistent, efforts.

Action alone, without consideration for worker needs and productivity or without understanding the dynamics of labor management, may yield mixed results.

### SUMMARY

The three essential ingredients of effective labor administration are (1) a concern for productivity and people; (2) an understanding of human resource management; and (3) purposeful action. Labor management may suffer if any of these are absent.

A concern for both employee needs and worker productivity is fundamental to effective management. In the long run, human resource management must benefit both farmer and worker.

A key understanding is that (1) workers differ in both ability and motivation and (2) farmers can manage much of that variation. There are numerous labor management tools that farm employers can use to temper challenges or improve results. Managers must avoid the tendency to rely on a limited number of tools.

Impulsive or overly cautious action can worsen personnel challenges. It helps to have a plan with timetables, and to incorporate ways of evaluating progress toward goals. Perseverance is often better than uncoordinated bursts of effort. A lack of management intervention may cause producers to forgo control over long-term profitability and other desirable outcomes.

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