

## Employee Turnover



**“I employ one person at a time, and I’ve had as many as eleven persons in one year ... maybe I’m not paying them enough.”**

**San Joaquín Valley Dairy Farmer**

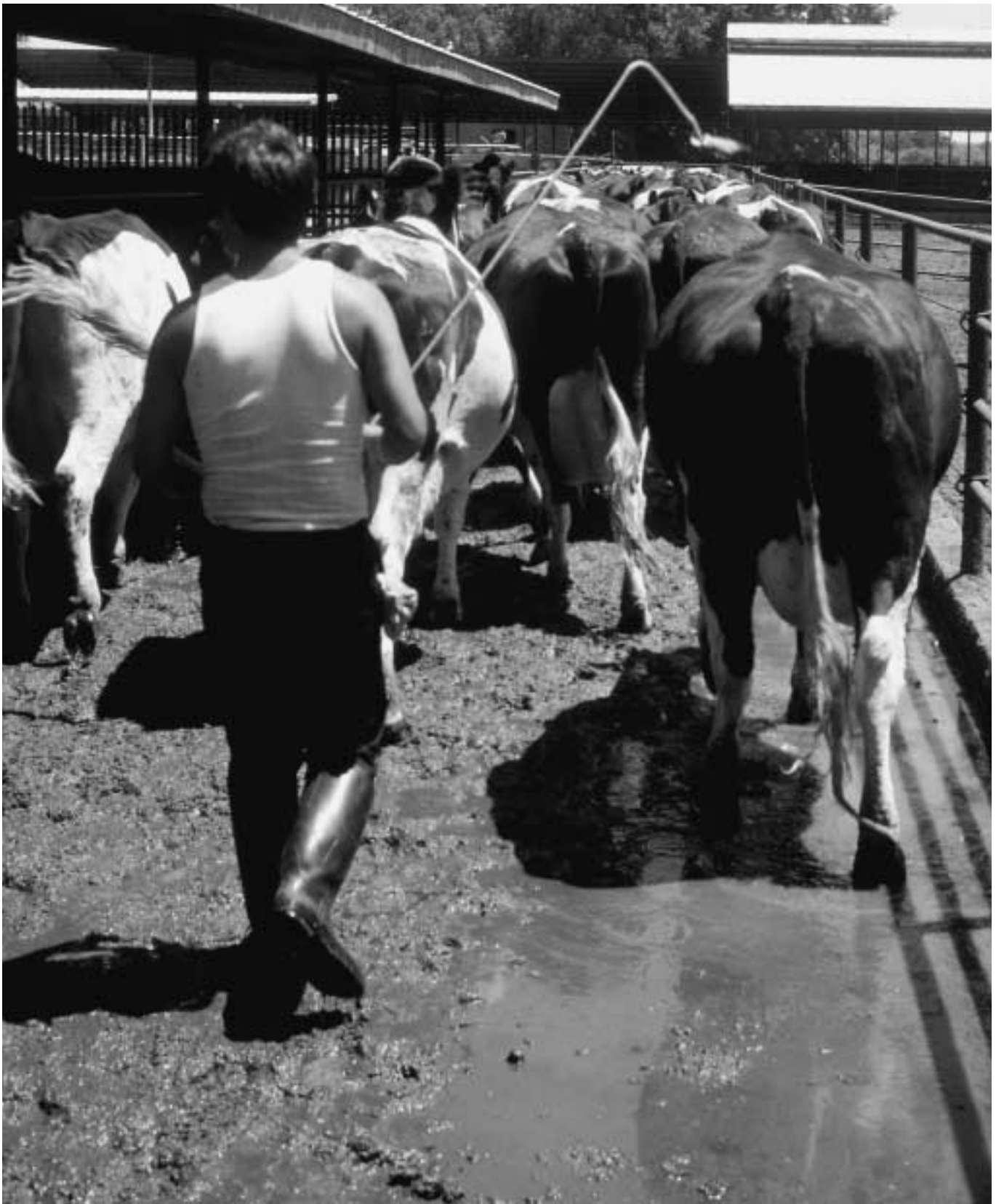
Employee turnover can hurt the overall productivity of a farm and is often a symptom of other difficulties. One dairy manager put it this way: “Every time a milker leaves, I lose about one cow.” Turnover in livestock operations upsets routines, makes animals uncomfortable, and affects the health and safety of the herd.

Other costs of turnover are associated with the processes of selecting, orienting, and training new workers. While an employee is being replaced, a substitute (sometimes you, the farmer or manager) has to be found

to do the work. Many farm employers feel it takes about two years to train a year-round employee.

Some employment separations come quickly and as a surprise to both the worker and employer (e.g., the employee may be offered a job at another farm). Other separations are known long in advance by the worker, farmer, or both.

Many employees experience reluctance, ambivalence, and stress about leaving a job in pursuit of another. Some workers would rather retain a disliked job than venture into the



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*Knowing the reasons why workers leave can give farmers an edge in improving working relationships.*

unknown. Often employees leave mentally, even though they show up to work regularly. Knowing the reasons why workers leave can give farmers an edge in improving working relationships.

One way of classifying turnover is by the degree of control the farm employer has over the separation. As a farmer you may have little influence over the worker's family problems, moderate influence over scheduling, and relatively high control over the relationship between management and workers.

Turnover is not always bad. Sometimes positions are no longer essential. Those who leave are not replaced. Many farmers are uncomfortable either disciplining or terminating poor performers and are relieved when they leave on their own accord. Some employers make a worker's life difficult so she will leave on her own. In the language of the courts, this may be regarded as *constructive discharge* and be treated in a similar fashion as a regular firing.

Although the data and reasons for turnover may vary with time, region, and type of agricultural commodity, the following dairy turnover study may provide useful insights.

## DAIRY TURNOVER STUDY

In a 1983 study<sup>1</sup> I interviewed dairy workers in an effort to (1) determine whether single or multiple reasons are involved in turnover; (2) establish what these reasons are; and (3) estimate turnover rates.

The study involved more than one hundred dairy employees, including milkers, outside men, and herdsman. Workers had little trouble recalling the reasons for their departure from previous positions. Most cited a single reason rather than a combination of motives. When there were multiple causes for leaving, one was predominant.

### *Why do workers leave dairies?*<sup>2</sup>

Figure 16-1 gives the principal and secondary reasons for workers leaving dairies. It shows the results of two studies, one in 1953 and the other in 1983. Both studies found compensation was a leading cause of turnover. It accounted for 35 percent of turnovers in 1983. The 1953 study differentiated between "left to get higher pay (21%)," and "too much work required (14%)." Another similarity is the frequency of turnover due to relations with other employees.

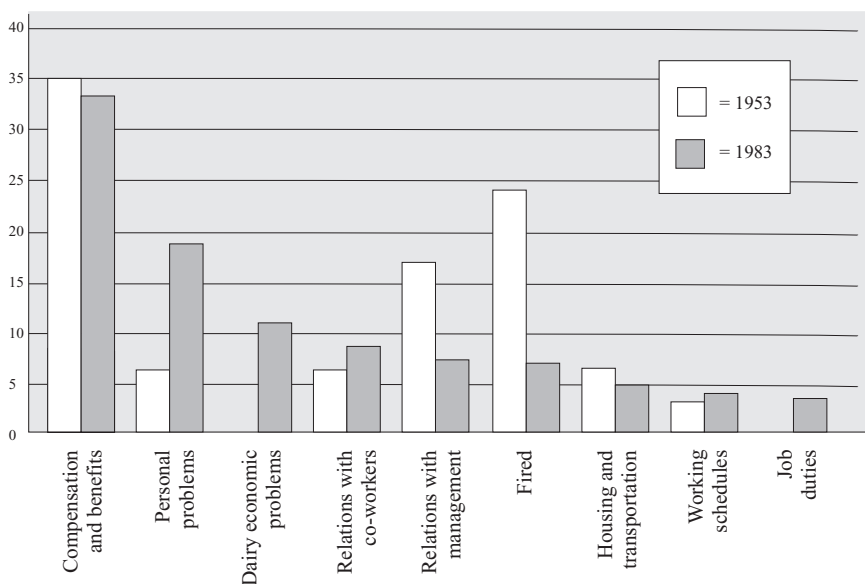


FIGURE 16-1

*Why do workers leave dairies?*

Source: Fuller and Viles<sup>3</sup> for 1953 data; and Billikopf<sup>4</sup> for 1983 data.

The major differences in findings of the 1953 and 1983 studies are: (1) personal problems involved 7 percent of workers in 1953 and 19 percent in 1983; (2) economic problems of dairies, not mentioned in the earlier study, accounted for 11 percent of responses in 1983; (3) relations between workers and management accounted for 17 percent of the turnover in 1953 and 8 percent in 1983; and (4) employer-initiated terminations were the cause of 24 percent of the turnover in the earlier study compared to 7 percent in the 1983 study.

### **Examples of responses in each category—1983 responses**

*Compensation and benefits.* Some workers left because (1) of a poor match between pay and work expected; or (2) the farmer did not come through with pre-employment promises. Others left their jobs because they did not receive health insurance.

*Personal and family problems.* Several workers took vacations to visit the country of their birth, especially to get married. Some workers left their jobs because of marital problems, including divorce. Other workers moved (1) to be closer to their families, (2) because a family member needed a change in climate for health reasons, and (3) so a family member could get a job at another dairy. Less common were departures for reasons of pregnancy and to join a family business.

*Economic problems of dairy.* Economic problems included (1) the dairyman selling out, (2) change of ownership, and (3) change in location of dairy.

*Relations with other workers.* Several employees did not get along with coworkers. They felt coworkers were lazy, got drunk during off hours, or gave conflicting orders. Some workers got along so well with a coworker that when the dairyman fired their friend (or relative), they also left. One worker quit because he got lonely working by himself in the milk parlor. Another worker left because there were others in the parlor, and he liked working alone.

### *Relations with management.*

Turnover associated with worker-management relations included: (1) not getting along with the herd manager or farmer; (2) feeling supervisors did not know how to give orders; (3) having to do work of a personal nature for a herd manager, in addition to assigned milker duties; (4) dairy farmer was never satisfied with the amount of work (the harder a milker worked, the more that was expected of him); (5) language difference presenting too large a communication barrier; (6) experiencing sexual harassment; and (7) receiving orders from too many bosses, including the dairyman's wife and children.

*Fired.* A couple of workers had no idea why they were fired. Those who did know the farmer's reason mentioned: (1) not getting along with the herd manager or dairy farmer; (2) worker insisting on receiving promised benefits; (3) losing eligibility to work in a school dairy after graduation; (4) increased dairy automation; and (5) excessive absenteeism.

*Housing and transportation.* Few workers quit because of the quality of housing. One worker who got married, however, did report leaving to find more adequate space. Most of the comments centered on the distance between housing and the dairy or the nearest town. This problem was mentioned mainly by workers who did not have a car.

*Working schedules and time off.* Reasons associated with schedules and time off included intolerance for night shift, split shift, and little time off.

*Job duties.* One worker wanted outside work rather than milking. Another wanted milking rather than outside work. A herdsman disagreed about the management of the dairy. One milker was asked to do some tasks by hand when he felt there was a faster method. One worker was offered a job with more desirable duties. A worker got tired of the dairy business.<sup>5</sup>

*Dairy design.* No one mentioned dairy design as a principal cause for leaving a job. Two mentioned it as a secondary reason.

The average turnover frequency for workers was once per year in the 1953 study. In contrast, the 1983 study found average stays at previous jobs was two and a half years. The average length of employment in the present job, however, was more than four years. The average length of employment seems to have greatly increased during this 30-year period.

There were major differences among individual worker statistics. Two employees who had worked in dairies for the same amount of time (14 years each) contrasted widely: one had worked for two dairies for seven years each, while the other had average lengths of employment of about two years each. In another comparison of two workers who had each held four jobs, one lasted an average of half a year per dairy compared to the other who lasted an average of four and a half years per dairy.

## REDUCING UNWANTED TURNOVER

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Throughout this book we have discussed how farmers can hire more qualified employees, train them, and pay and treat them as professionals. It is important to place employees in jobs they like; follow through on promised pay, benefits, or responsibilities, and to give employees an opportunity for time off. Several dairy farmers, for instance, could share one or more relief milkers. A farmer could also hire a longer-term relief milker while milkers take their vacations end-to-end.

A useful tool for understanding and managing turnover is the *exit interview*. You can check the reasons why workers leave the farm and ask for suggestions on how to improve the way you do business. If properly conducted, exit interviews can give you candid answers that can help prevent problems in the future.

*Many foreign born employees desire to return to their native lands from time to time. Several dairy farmers could share one or more relief milkers in order to give employees extended time off.*

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Another tool farmers can use, before it is too late to change the employee's mind, is a periodic *worker satisfaction* survey. It would be better not to conduct the survey at all, however, if its only purpose is to measure satisfaction. It is essential to implement changes in areas where the survey shows improvement is needed.

A well-constructed survey should yield plenty of worker suggestions for management changes. Reducing discontent helps to prevent a multitude of problems besides turnover, including slowdowns and sabotage. While satisfaction with work does not necessarily increase productivity, dissatisfaction will probably decrease it.

A *grievance procedure* allows employees to express their dissatisfaction with management action. The existence of a binding arbitration agreement may increase resolution of differences at a lower level of a grievance procedure (Chapter 9). When stakeholders are involved in interest-based negotiations (Chapters 13, 18) challenges should seldom escalate to the point where arbitration is required.

Depending on the reason for leaving, there may be a danger in rehiring employees who have quit. This is especially true if they left because of dissatisfaction or poor personal relationships with coworkers or others. It is easy for workers to forget the reasons why they left—until they come back. Leaving the second time is just easier, regardless of the motive they left the first time. Some who leave, of course, may come back to perform very productively.

## SUMMARY

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Turnover can be a symptom of other problems, especially dissatisfaction with work or working conditions. Measures taken to prevent turnover are bound to improve other operating results as well. Turnover is costly in terms of time and effort required to recruit, select and train new personnel.

Farmers have many tools at their disposal to combat unwanted turnover. Holding exit interviews with workers who leave the farm can help determine if there are specific problem areas to watch and improve. So does conducting worker satisfaction surveys.

## CHAPTER 16 REFERENCES

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1. Billikopf, G. E. (1984, September). Why Workers Leave Dairies (pp. 26-28). *California Agriculture*.
2. Including data from Fuller, V., and Viles, G. (1953). Labor-Management Relationships and Personnel Practices in Market Milk Dairies (p. 42). *Giannini Foundation of Agricultural Economics No. 140*. University of California, Berkeley.
3. Fuller, V., and Viles, G. (1953). Labor-Management Relationships and Personnel Practices In Market Milk Dairies (p. 42). *Giannini Foundation of Agricultural Economics No. 140*. University of California, Berkeley.
4. Billikopf, G. E. (1984, September). Why Workers Leave Dairies (pp. 26-28). *California Agriculture*.
5. This worker eventually returned to a dairy job, but obviously there could be others who left dairy jobs and we would not know because of the design of this study.