

**WHAT ARE YOU THINKING?
MANAGING EMPLOYER AND EMPLOYEE
EXPECTATIONS ON THE DAIRY FARM**



Cornell University
College of Agriculture and Life Sciences
PRO-DAIRY Program

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Top challenges on the dairy?

- Difficulty of hiring and retaining qualified employees.



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Dairy Farm Challenge:

- Increasing cost of labor.
- Second greatest expense – just behind feed expense.



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Dairy Farm Challenge:

- Interface between labor productivity and cow productivity.
- Increased labor productivity = Increased cow productivity.



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Challenge to Dairy Labor Productivity?

- **Turnover!**
- Turnover is the single factor with the biggest impact on dairy labor productivity.



Costs of Turnover?

Losses can be seen and measured in multiple categories:

- Productivity
- Recruitment
- Selection, hiring
- Safety issues
- Investment in employee orientation and training



Turnover rates?

- Employee turnover = # of employees leaving **divided by** the average total number of employees, **multiplied by** 100 (to give a percentage value).



Turnover Cost Calculations?

- Estimates are 150 to 250 percent of an employee's annual wage.
- Employee making \$10-12/hour
- Turnover cost = \$37,500 to \$45,000 at 150%



**Add
it up:**



- Dairy farm with 20 employees and 10% turnover . . .
- Cost is \$75,000 to \$90,000 per year.

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Reasons for Turnover?

- Research = Exit interviews and follow-up surveys
- **Top reasons given?**
- Compensation and benefits top the list
- Working conditions
- Lack of time off



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How accurate are these reasons?

All dairy producers **should** give due attention to working conditions, communication, employee motivation – to retain workers.

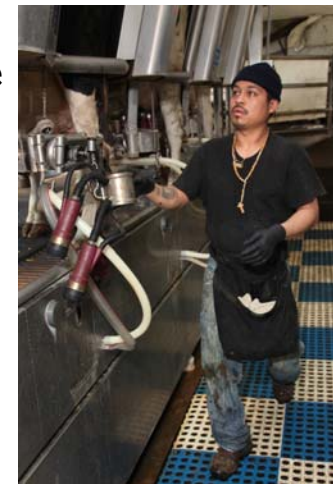


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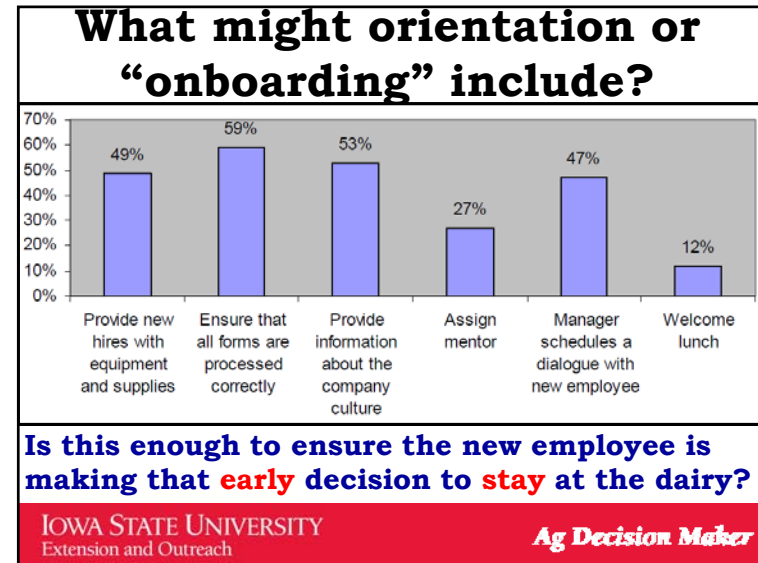
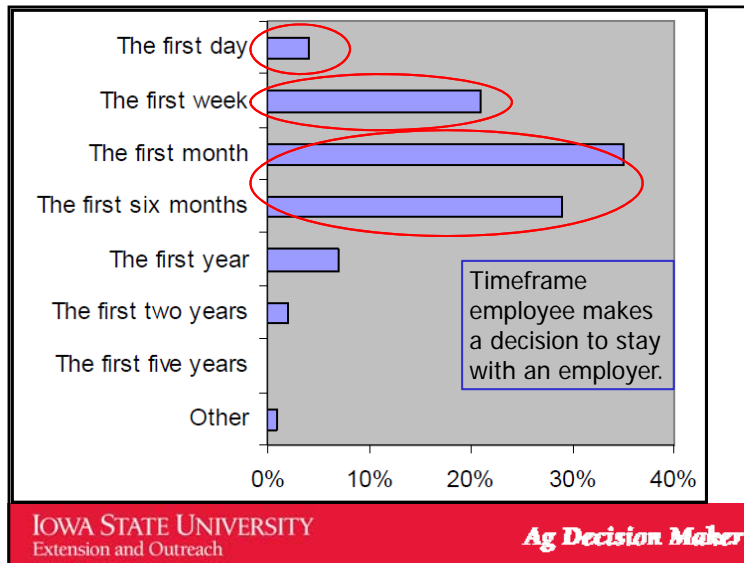
But **when** do employees make a decision to leave?

- Research:
- 90% of employees make their *stay-or-go* decision within the **first six months**.



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Recruitment and Hiring?

- **Significant investment in the processes of recruitment, interviewing, reference checks, evaluation, selection**

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Without a good start on **Day One . . .**

. . . all those hiring efforts can quickly go **“down the drain.”**

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What difference does **Orientation** really make?

- They were hired to do a job.
- Shouldn't we just get them working and productive as quickly as possible?
- Research says otherwise:



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Orientation Group A:

- Senior leader spent 15 minutes discussing ways in which "working here will enable you to express your individuality."
- New employers ranked their individual strengths they would exhibit if stranded on a life raft at sea; spent time discussing /considering how their responses might differ from colleagues'.
- New employees answered questions about individual strengths such as, "What is unique about you that leads to your happiest times & best performance at work?" – then spent time discussing and sharing this.
- New employees were given fleece sweatshirts embroidered with their individual names, along with a name badge. They were asked to wear them throughout training.



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Orientation Group B:

- Senior Leader and a lead worker spent 15 minutes talking about why this is a great place to work.
- New employees spent 15 minutes writing answers to questions such as, "What did you hear about our Company today that you would be proud to tell your family about?"
- They discussed their answers.
- New employees received fleece sweatshirts embroidered with the company name, along with a badge. They were asked to wear them throughout training.



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Seven Months Later . . .

- Turnover rate in Group B was **47.2%** higher than that of Group A.
- Group A earned higher customer satisfaction scores during the seven months than those in Group B.



What difference could it make to your cows? – to the KPIs on your dairy? Productivity?

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What **Four Questions** do Millennials* ask after the **First Day** on the Job?



*18 to 33 years old,
born 1981-1996

- Why did they hire me for this job?
- Will I enjoy working here?
- Are any of my coworkers *friend* material?
- Who can I talk to about . . . ?

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Orientation Starts Early: **Establish the Start Date**

When the employment offer has been accepted, a start date should be agreed upon as soon as possible.



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Before that start date . . .

Inform the new employee of **what** will happen on the **first day** of work.



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Clearly Communicate . . .



What time they are expected to arrive – **plus** other basics!

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It may seem fundamental to the producer --

-- but, focus on the new worker.

- ▶ Reduce nervousness, apprehension.
- ▶ New employees have common questions.
- ▶ Send a “Frequently Asked Questions” (FAQs) letter – by US Mail and/or email.



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What should I wear?

- Many new farm employees do not have farm backgrounds, need guidance.
- Footwear, gloves, other appropriate attire.
- Biosecurity guidelines – some items may be provided.
- Inform new employee that they will be trained on biosecurity procedures.



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Lunch, snacks, beverages?



- Noon or evening meal provided?
- Snacks, beverages?
- Go to town for lunch?
- Inform the new employee of your farm practices and what they should/may bring to work.
- “Welcome” lunch ?

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Vehicles and Parking

- Vehicle required for job?—should have been communicated during the pre-employment process.
- Where do I park?
- Areas reserved for visitors, vendors, family?
- Employee of the month?



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What documents should I bring?



- Form I-9 as well as other basic forms.
- What documents will be needed to complete these forms for compliance with state and federal law.
- Consult USCIS website for the most current I-9 forms and instructions
- www.uscis.gov

What else should I bring (or not bring) to work?

- Cellphone?
- Other electronic devices?
- Tobacco-free workplace?
- Weapons?



What will I do on my first day?



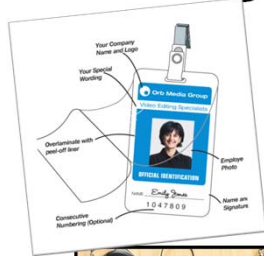
- First day(s) or week(s)
- Clearly communicate work hours, break policies
- General outline of initial orientation and training activities.
- Decreases apprehension or confusion
- Helps to prepare them for a planned orientation program as well as initial and ongoing training opportunities

The First Day

- Greet & **Welcome** Promptly
- Introductions – with connections
- Nametags, list, organizational chart
- Restrooms, break areas
- Key supervisor, mentor, partner
- Safety, biosecurity? New employee accompanied by a trained person.



Name Tags—Employee Badges



- Consider laminated clip-on photo ID badges for owners & employees.
- ID fosters worker socialization
- Farm security and biosecurity protocols are enhanced

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Shirts—Uniforms

or other printed wear?



- Identifies employees
- Pride
- Farm publicity!

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At the
end of
the first
day . . .



- Any questions?
- Offer assurances.
- Offer information, reminders about the days to come.
- Ask yourself: How did you do on those 4 Questions?

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Are there good answers to those
Four Questions?



- Why did they hire me for this job?
- Will I enjoy working here?
- Are any of my coworkers *friend* material?
- Who can I talk to about . . . ?

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After Day One: Do you have an Orientation program in place?

- Enhances socialization, reduces natural anxiety.
- **Research:** Orientation results in an employee who develops and maintains a positive attitude toward the employer.
- Positive attitude = earlier & higher productivity, longer retention, less turnover.
- Less stress = better concentration, learning, absorbing substantive information about job tasks



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Planning & Content of Orientation Program

- Planning may seem overwhelming, but resources are available.
- Ask **current employees** for input.
- “What do **you** wish you had been told when you first started working here?”
- “What do **you** view as important information for newcomers?”
- Every farm business is different . . . but possible content areas include → →



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Background, History, Overview of Your Farm

- Your dairy farm's story
- **Key people in history to present-day**
- Your farm's mission statement, goals and objectives.
- **Farm Tours – repeated – perhaps over a series of days**
- Throughout process -- emphasize role & importance of employees (this employee in particular) in the farm



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Farm Employee Handbook or Policy Documents



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**Don't
make a
mistake
with an
employee
handbook!**



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The money a producer spends having a competent employment lawyer review employment documents and procedures may be the best money spent.

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An employee handbook is – in essence – a contract with the employees.



- Producers should expect to be legally held to the language, promises made in that handbook.
- Be sure that statements made in an employee handbook is what was **intended** to be said.

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Job Descriptions



- **Orientation:** Use the job description as a guideline for discussion.
- **Discuss tasks including future training.**
- **Emphasize basic safety & importance of ongoing safety training, awareness.**
- **Discuss relationship and importance of position to other jobs & functions on the farm.**

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Who is on the Orientation Team?

- For consistent messages -- have the same person conduct orientation.
- Identify supervisors or more experienced co-workers to participate in the process.
- Assign a key **Mentor**
- All orientation team members should share a positive attitude.
- Constructive, upbeat messages geared toward positive, early impressions.



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Orientation: From Day One



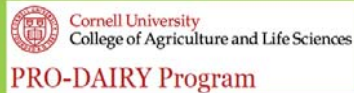
- Well-planned orientation requires time & effort.
- Sets the tone for a positive employment relationship on your farm.
- Employees treated with respect have greater job satisfaction.
- Translates into productive, long-term employees – good for the farm, good for the cows!

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Thank-you!

Please see ISU Extension and Outreach websites
for Farm and Dairy Management resources!



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