

Dollars to Donuts

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Who contributes to your business?

You

Customer

Friend

Spouse

Full-Time Employee

Children

In-Law

Neighbor

Seasonal Employee

Part-time Employee

Why are working relationships important?

You live with these people!

This is your livelihood!

Who is competing for ag labor?

- Farms
- Ranches
- Agribusinesses
- Any local employer who utilizes workers of similar competency

What brings employers and employees together?

Compensation

Reputation

Situation

Elements of successful compensation packages

- Direct compensation
 - annual salary, hourly wage, profit-sharing bonuses
- Indirect compensation
 - legally required protection programs (SS, unemployment)
 - voluntary employment incentives (health insurance, retirement plans, paid leave)

Developing a competitive compensation package

- Understand the needs of your employees
 - communicate
 - review regularly
- Understand the current labor market

Stay Competitive

- It doesn't matter so much what your neighbors pay. It matters if they are more willing to meet your employee's needs.

Reputation

The fastest way to get better employees is to be a better employer.

6 Steps to Being a Better Employer

- Communicate More
- Use Job Descriptions
- Recruit and Hire the right people for the right positions
- Provide proper training
- Lay out the ground rules
- Meet the employee's needs

Employee Communication

Communication forgives most sins.
the “hazard lights phenomenon”

The Communication Test

- Every person within your business should be able to make the following 4 statements:
 - I know what to expect.
 - I know what's going on.
 - I know how I am doing.
 - I know how we are doing.

Step 2: Use Job Descriptions

Job Description

- Basic framework for all HRM practices
- Combines job analysis and specification to outline the entire position
- Establishes goals and objectives
- Always subject to change--should evolve with the employee and the job

A Job Description

- Should include:
 - Title
 - Position Summary
 - Qualifications
 - Opportunities and Responsibilities
 - Clear Performance Expectations

Step 3: Hire the Right People for the Right Positions

Not every person is well-suited
for every position.

Not every position is well-suited
for every person.

If you don't have time to do something right the first time, how are you going to find time to do it a second time?

- This is never more true than when talking about employee selection

Evaluate the Applicants

- Hurdles
 - -written applications
 - -written tests
 - -oral tests
 - -interviews
 - -practical tests
 - -reference
- Job Preview
- Let them interview you

Step 4: Provide Proper Training

The Training Process

- Teach newcomers the language
- Allow plenty of time
- Be aware of business / community adjustments
- Remember, everyone needs training
 - experienced new employees
 - inexperienced new employees
 - existing employees

Step 5: Lay out the Ground Rules

Don't be put into a situation where it looks like you are making the rules up as you go along

- Use clearly defined policies and procedures
- Communicate those things to your employees
- Allow your employees to have a voice when establishing these tools

Step 6: Meet Your Employee's Needs

Compensation

It's not about money.

It's about meeting your employee's needs

- Communicate with your employees
 - components and details of current package
 - needs for future packages
- Review your package regularly
- Be flexible and innovative

**Everything about your
compensation package sends a
message.**

Use the right carrots

- A compensation package must align with the business's
 - mission
 - vision
 - values
- People will respond to compensation incentives
 - you have to use the right incentives to get the right responses

Situation

Most situations can't be controlled

- Make an effort to allow positions to evolve with employees
- Be flexible
- Be innovative
- Know when to cut your losses

In conclusion,

- Finding and keeping quality employees has never been more difficult.
- With compensation, be more concerned with the employees' needs than what your neighbors are paying.
- Promote yourself as a valuable employer.
- Understand that when situations change, so do work relationships.

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