

DON'T TAKE STAFF FOR GRANTED



A well-motivated, trained and effective team is the foundation of an efficient dairy farm. Promar Principal Consultant Caroline Groves explains now is a good time to reappraise how staff are managed on your farm.

"Dairy farms are becoming more specialist, requiring more highly trained staff better able to use data, technology and better able to manage other people to drive performance and efficiency, so staff management is becoming a more important skill in all dairy farm businesses," Caroline says, "Increasingly we find that the more profitable farms have a better and more professionally managed workforce, be they workforces of just two family members or a larger team, the same principles apply."

Effective people management is not just about achieving lower costs, although the top 25% of farms ranked by profit in our March 2019 FBA sample achieved wage costs 23% lower than average. Good staff management must also fully embrace training and development, delegation, motivation and communication with everyone in the team.

If it's a good one, then keeping your current team together is becoming increasingly important, with predictions of an imminent shortage of farm labour. A recent RABDF survey reports an 11% increase in issues recruiting overseas staff with British workers not wanting to take up the strain. They say the likely outcome is more dairy farms short of labour, simultaneously hitting both cow and farmer welfare.

A shortage of potential applicants will make recruitment more difficult, leading to a longer interval before a vacancy is filled, with the associated costs, stress and inconvenience this can bring.



So ask yourself what strengths and opportunities can you build on to make you an employer of choice? Why would people want to work for you and stay working for you?

"In most circumstances it is not principally about money," Caroline suggests. "Most employers in the industry already pay well and salaries are broadly comparable across the industry. It is as much about clear understanding of the role and responsibilities, involvement, personal development and training and increasingly, achieving a desired work life balance.

"The more staff are involved and feel they have specific responsibilities and can contribute to the success of the business the more they will bring to the business. And they need to be treated as a valuable resource, so look at hours of work and rotas.

"The businessman Mark McCormack once said the key to a successful business is to recruit people cleverer than yourself, train them extensively and then delegate hard. With a well trained and motivated team you will also have more time to do the things you want to do, enjoy and are good at," Caroline adds.

With current labour issues, being a good people manager could be the difference between having someone to milk your cows or not. Our case study considers how one business is looking to improve the farm team and our checklist poses some key questions you should consider...

NEWS IN BRIEF

- **WHERE DO YOUR RAW MATERIALS COME FROM?** With the political uncertainty surrounding Brexit, there are concerns about the availability of agricultural inputs from the EU if border and customs processes are tightened. Products from outside the EU are unlikely to be affected to the same extent.
- **RETAIL PRICES** Bank of England Governor, Mark Carney, has warned food prices could rise 5-10% if there is a disorderly Brexit. He told MPs that in the most 'extreme' case, prices would rise by 10%, but in a less severe scenario the increase would be about 6%.
- **VAT CHANGES** At the time of writing, HMRC are yet to announce any plans to change the Making Tax Digital deadline of 1st April 2019. Be sure to contact your Promar representative if you aren't yet ready for the VAT changes.

TEAM BUILDING TAKES HIGH PRIORITY



Promar Principal Consultant Andrew Hawkins describes how he is heavily involved on an ongoing basis in helping one of his clients build a motivated and effective team.

Brothers Robert and Philip Hodgson farm just outside Tarporley in Cheshire. Father Wilf who is in his 80's is still involved in the business, where the principal enterprise is a herd of 320 cows.

The cows are averaging 9500 litres on an all year round calving system. They are TMR fed in the winter with the herd split into four groups. They graze in the summer. They are milked twice a day though a 28:28 herringbone parlour, with two people in the parlour every milking.

They make their own maize and grass silage and do the majority of the field work on the farm, including 50 acres of winter wheat. Robert is primarily involved with the cows, with Philip taking the lead on cropping and machinery. However, a key asset for the business is the staff they employ, which extends to a tractor driver who does all the feeding, a herdsman and two milkers - one full time and one part time.

Robert and Philip are aware of the need to help the staff manage their time and to take account of any family related commitments and are open to flexible working and to developing a rota that everyone understands.

"The brothers are also committed to building a strong team and central to this is a regular staff meeting which I chair," Andrew explains. "The meetings are pre-planned and everyone attends,

not least as they feel appreciated and everyone can contribute and have their say.

"It gives a chance to openly review performance, to discuss what is going well, what isn't going as well and why and what changes can be made. It is an essential opportunity to share and communicate.

"If any challenges are identified, we do not see it as criticism. There is no blame culture. Instead everyone has a chance to help develop a solution and we will discuss how successful it has been at the next meeting.

"This way everyone has better buy-in to where the business is going, and with all the changes happening in the industry at the moment, everyone is pulling in the same direction. The meeting only takes an hour but is probably one of the the most valuable and productive hours spent in the whole month.

"The herdsman will shortly be leaving the business so we have taken the opportunity to review the skills and experience the new person should bring to the business to further strengthen the team before we proceed to the interview stage. It is not a case of recruiting a replacement, but setting out to recruit better," Andrew concludes.

Investing in people and people management will be an important commitment on all dairy farms. This can be a very daunting and unfamiliar prospect for some producers whose strengths may lie elsewhere. Therefore sometimes, it is worth recognising that it requires the input of impartial, experienced third party professionals.

BETTER PEOPLE MANAGEMENT CHECKLIST

- Does everyone have a clear contract of employment and job description?
- Does everyone know their roles and responsibilities within the team? Are the objectives of the business understood and shared?
- Is performance shared and are KPIs available so everyone knows how well the herd is performing?
- Are there written protocols for key tasks so everyone knows how a task should be carried out?
- How well do business leaders delegate responsibilities?
- Do you have regular staff meetings to review progress and discuss concerns?
- Do you have shift patterns and rotas to reduce stress on key staff?

How well did you do? If you want to manage your team more effectively, we would be happy to discuss improving people management on your farm. For more information call 01270 616800 or email GB-Promar-Enquiries@genusplc.com or any of the contributors to this newsletter



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