

MAKING TIME FOR GOOD SYSTEMS AND POSITIVE FEEDBACK IS KEY TO ENGAGING STAFF

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Summary

- The current NZ Dairy HR Landscape.
- Defining staff engagement and its requirements
- Overview of people systems- recruitment, orientation, team meetings, reviews, and training processes.
- Giving good feedback and creating respect
- The reality of people management in NZ Dairy is that we aren't making time for it.
- The key to finding the time to implement systems and develop skills is through overcoming procrastination.

Current NZ dairy HR landscape

There is a staff shortage in the NZ dairy industry. New Zealand dairy farming currently has a 50% higher turnover than the national average, suggesting a change in practice is required. Profitability is being affected with costs including loss of production, cost of error, lost time for the manager, agency fees, advertising fees and training fees among others. This high turnover is due to a number of factors including long hours, lack of career progression, attracting the wrong people into the industry and poor people management on-farm. It is essential that, as farm managers, we do our part in applying good people management practices which will engage our employees and retain them in the industry.

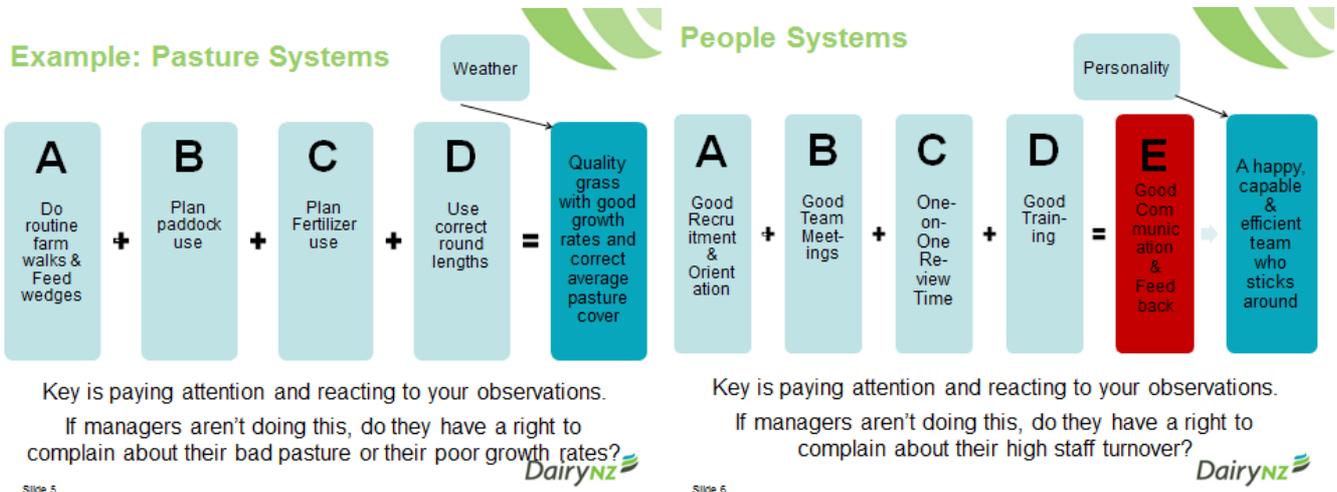
Employee engagement and good people management

Employee engagement is the emotional connection an employee feels toward the organisation, or farm, for which he or she works. The level of engagement tends to influence his or her behaviour and level of work effort. The more engagement an employee has with his or her company, the more effort he will put in.

Employee engagement depends on a number of things including the trust and respect an employee feels for management; the ability of an employee to see how her own work contributes to the overall farm; the opportunity for growth or career progression; and the level of pride an employee has about working or being associated with the farm he is on. To create this kind of environment, management needs to apply good people systems and skills.

Like other aspects of the farm such as pasture management, animal health management and compliance, people management has processes which can be followed to ensure success. When these processes are in place and good feedback is used, employees become engaged in their work because they know what is expected of them and can feel respected and part of the team.

The key to managing people is to pay attention and react to observations. The process can be compared to pasture management. See an example below of a formula for pasture management and how similar it is to a formula for people management.



Overview of people systems

Each aspect of people management requires preparation, documentation, tasks and actions. Systems make it easier for a manager to successfully deliver the feedback and time needed for each of these aspects, especially when there are four or more employees to manage. For example, good recruitment requires that you know your legal obligations, have clear job descriptions, have a clear idea of the type of person you want to hire as well as advertise and interview well.

Good interviewing involves a full process of phone screening, using an application form, doing a face to face interview with a template and doing thorough reference checks.

Good orientation should last three months and fully introduce the new employee to your farm, other staff, your systems, your rules, their job and responsibilities. An effective review will be well planned, positive and action focused. There should also be a few casual one on one meeting with employees as issues arise or a change in attitude is noticed.

Effective meetings will have an agenda, engage all individuals and deliver actions. Good training will link all study with practical farm work, and happen before expectations are placed on the employee. This may sound like a lot of systems to put in place but if farmers can aim to deliver all parts of these systems to at least a 70% level, it will be a huge improvement to the industry's people management. It is not about being unrealistic in our expectations but about understanding what great practice is and striving to get closer to it.

DairyNZ has created excellent tools to help with all areas of people management. The HR Toolkit, the Quickstart Recruitment series and the People Productivity Kit can be obtained by calling DairyNZ on 0800 4 DairyNZ (0800 4 324 7969) or by visiting the website

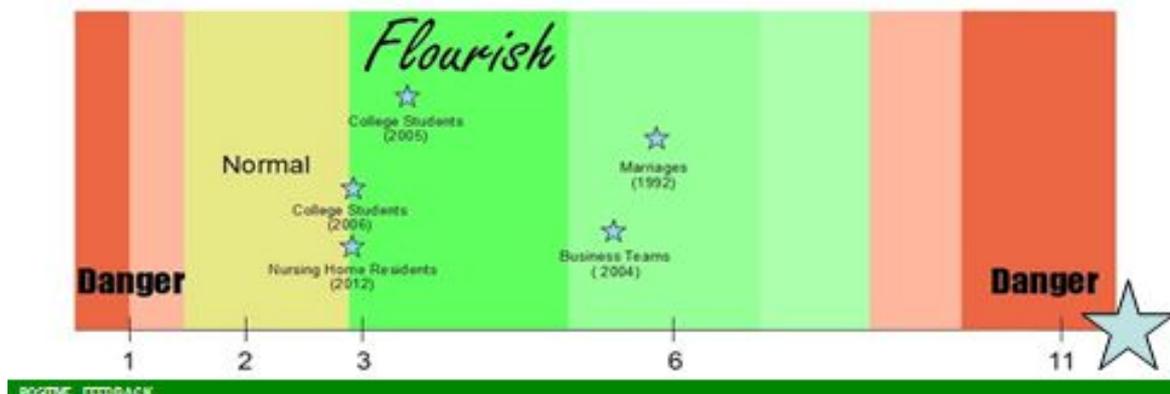
www.peoplesmart.co.nz. This is an online people management tool specifically made for dairy farmers.

Giving good feedback and creating respect

Giving good feedback involves listening to and observing your employees so that you can make conscious efforts to give regular positive and constructive feedback. The more positive or constructive feedback an employee has, the more engaged they will be. This is because they are more likely to feel they are valued and contributing. According to the Losada Ratio, employees require three positive feedback comments for each negative one as shown below.

The Losada Ratio

- an indicator of how much positive feedback one should give in relation to how much negative feedback.
- A ratio of 3+ /1- up to 6+ /1- creates high performance
- 2.9 is the dividing line between normal performance and flourishing performance (2.9 is the Losada Line)



Keeping in mind, of course, that for feedback to be truly positive it must site examples and explanations.

It takes more than just systems and good feedback to create engagement, however. The employee must also hold a certain amount of respect for his or her manager and the farm. A good way of understanding how respect works with engagement, is using the analogy of a respect account. The concept is that a manger has a 'respect account' with each employee and depending on the manager's actions, the account will either be in credit or debit. When a manager is in credit, that employee will be engaged, perform well and stay with the job. If a manger is in debit, the employee will be disinterested in the job, perform at a lower level and probably not stay long on the farm. Therefore, each positive and negative moment with each

team member is like a deposit or withdrawal in the 'respect account' and the number of deposits must be higher than the number of withdrawals. There are many things which cause credits and withdrawals as shown in the image on the next page.



The important thing to remember is that respect and loyalty has to be earned and that there are many ways to get respect and loyalty as well as many ways to lose it. Every interaction a manager has with an employee matters and everything a leader does has consequences to how his or her staff performs.

The reality of people management in New Zealand dairy

A 2013 benchmarking survey done by DairyNZ found that farm staff was rated very high in importance (8.9 out of 10). This was a slightly higher rating than was given to pasture quality (8.6), herd quality (8.3) and infrastructure (8.2). Ninety seven percent of farmers felt that their staff management abilities were at least passable and more than half admitted to not enjoying staff management. Yet a 2002 farmer survey done by Gillian Searle shows us that 29% of dairy employees have no job descriptions, 50% of orientations last only a few days or less, 42% of dairy farms do not have a working health and safety plan, 32% never run team meetings and only 23% of farm owners/managers regularly conduct staff reviews. It was even discovered that young dairy farm employees have a 27% likelihood of being yelled at by their manager. Something here does not add up!

Farmers say people management matters and that they are good enough at it. But research says that our people management is hugely lacking. Why this incongruency? It is probably due to farmers lacking awareness around what good people management is and therefore don't know whether they are good at it or not. Why might farmers be unaware?

As opposed to other industries, farmers go into farming because they love cows and grass, not because they particularly like working with and managing people. Farmers can also end up in management roles without proper training. Many farms have grown before the managers were fully equipped with the capability in people management necessary for larger farms. There now is an industry problem. There are not enough people systems and capable staff so managers have to do much of the work themselves. But the managers have no time to create systems or train staff because they are too busy doing it all themselves. How does this cycle get broken? Managers must make the time to set up the systems and up-skill themselves as difficult as they think that may be.

Finding the time through overcoming procrastination

The change for the industry starts with each manager. One by one, managers have to start making time for proper, well organised and genuine people management. Many say they do not have the time. However, successful managers, no matter how busy they are, will make time for what is important. Not making time for the important things, is simply procrastinating.

According to *The Feeling Good Handbook* by D Burns, there are six reasons why we procrastinate. The first is because we don't know how to do what is required. We put it off because we lack knowledge and ability. We just don't know where to start. We think it's difficult. We worry we will actually make things worse. We worry it will make us *feel* stupid/inadequate. We worry it will make us *look* stupid/inadequate. To overcome this type of procrastination we must first admit to ourselves we don't have the skills. Second we must get clear on what those skills are so we know where to start. Last we find some tools or professionals to help if we think we need further guidance.

The second reason we procrastinate is due to lack of interest. We just find whatever we are putting off plain boring. Our natural interests are not in this area. We have the belief that something worthy of our time needs to be fun. But what happens is we find it hard to enjoy the things we do like because we're feeling guilty about not doing the things we don't like? To overcome this form of procrastination we just have to do it. We need to schedule it in and then follow through. We will become interested when we get stuck into the tasks and see results. We must realise that winners learn to do things they don't enjoy.

The third reason we procrastinate is due to a lack of motivation. This is slightly different than not being interested. We don't feel like doing it and then we think something is wrong because we're not motivated. We think the motivation has to come before the task. But doing things is often what motivates us. We have to create the experience that will bring the motivation. So to overcome this form of procrastination, we need to take the first step, no matter how small. Follow that step with another. And follow that step again, and motivation will arise!

The fourth reason we procrastinate is due to fear of failure. We wonder, "But what if I can't cut it?" We worry that if we really try hard and fail, that is worse than if we don't try and fail. In the former, we really failed. In the latter- we didn't really try so we didn't really fail! We fill our time with other things so that we have legitimate reasons for "failing". Then we can say, "It wasn't really our lack of ability... we just didn't have time!" Perfectionism often underlies the fear of failure. Sometimes it's our own perfectionism we're trying to live up to. Sometimes it's our family, friends, shareholders or even our employees. In order to overcome this type of procrastination we must first acknowledge the unrealistic standards. Then we must get brave and start looking at failure as a step toward success and not as an end to itself. Thomas Edison is

a great example of this way of looking at failure. It took Edison 1000 attempts to develop the light bulb and when he was asked, "How did it feel to fail 1000 times?" he answered, "I didn't fail 1000 times, the creation of the light bulb just had 1000 steps."

The fifth reason we procrastinate is the fear of success. We are afraid of the consequences of our achievements. We wonder, "If I do well, how can I top this?" We worry that if we do well, more will be expected of us or that success may place us in the spotlight. We also worry that if we do well, we'll have no excuse not to do it again in the future. Some of the keys to overcoming this type of procrastination is to learn to set boundaries and say "no". We also must realise that once we conquer something, it takes less energy and time the next time we attempt it.

The sixth reason we procrastinate is due to rebellion and resistance. Something about the task makes us cry out, "You can't make me!" Often what we are really rebelling against are imposed schedules, standards and expectations. This is usually due to an underlying power struggle and often not conscious. Another reason we may rebel against an important task is that it may give someone a chance to say, "I told you so." The ways to overcome this type of procrastination is to decide what we really want for our business or farm and start responding logically instead of reacting emotionally to tasks. Perhaps we need to figure out who it is that has too much control in our life and learn to stand up for ourselves, logically and firmly.

Conclusion

There is a staff shortage in the dairy industry coupled with high turnover. These issues are due to a number of factors, some outside the control of managers. However, a large problem is that dairy employees are not engaged in their jobs and dairy farm managers are either unaware of how to engage them or not making the time for people management.

People management requires good systems in recruitment, orientation, team meetings, reviews, and training. Engagement is created through creating respect and giving good feedback. All of these things will only be accomplished through making the time. When we are busy we need to make sure we don't procrastinate scheduling and following through with these tasks. Understanding why we procrastinate and having some tools to battle that can help.

In the end we have three options as dairy farm managers. We can keep the farm and business going by doing most of it ourselves until we burn out. We can take the time to learn how to manage people and implement good systems in order to create a realistic workload. Or we can get out of management if we're not interested in managing people.

References

- DairyNZ Quickstart Recruitment Kit
- DairyNZ People Productivity Kit
- DairyNZ HR Toolkit
- DairyNZ People Benchmark Survey (2013)
- Searle, G. (2002) Reality of a Career in the Dairy Industry
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