

STAFF – THINKING OUTSIDE THE NORM

Cara and John Gregan
112 Teschemakers Bush Road, Hunter, 1 RD, Timaru 7971

Ask any dairy farmer what their biggest headache is and 9 times out of 10 their reply will be staffing. Not turning up, sleeping in, lack of buy in, the list goes on.

Why is it, and where are we going wrong?

In our industry the word “sustainable” is bandied around all the time in relation to the environment and our practices. The definition of sustainable is “able to be maintained at a certain rate, level, able to be upheld or defend”.

Are our staffing practices sustainable?

We don't have the answers to all the issues, but the purpose of the workshop is to go through our journey with staff and some of the practices we have put in place and, to be honest, we are seeing major benefits from.

So going from 7,000 ewes to 1,000 cows has been a journey of discovery. First our mortgage is hundreds of times bigger but we have 8 staff who now work with us. “Work with us” is a key phrase. Our staff don't work for us they work with us. This small change in wording makes a difference when interacting with staff. There is no “I” in Team! Our business would not survive without our staff.

We became employers by default – we needed staff to milk the cows. But there is a lot more to being an employer than paying the wages and allocating tasks; I think about the mistakes we made from bad recruitment decisions to not putting enough focus on the individual needs of our staff. Staff are people and people have needs!

We watched staff self-destruct before our eyes – from alcohol to relationship issues, tiredness, not turning up. John and I would often shake our heads and ask ourselves what we were doing wrong – it can't be this hard.

The first turning point for us was with the guidance of Results.com writing our strategic plan, setting our core purpose.

Notes:

Our core purpose is empowering people – helping our team and whanau to be the best they can be; to inspire, teach and support.

We finally had our identity – you will find our values and purpose on the side of each of our sheds. These values and our purpose dictate our decisions.

We started looking at all our business decisions, especially staffing, from a different perspective and in this process we also did the “Gumboot test” - “If it was me or my partner wearing the gumboots, how would I feel” and a major one for me is, “If it was my child how would I feel”.

First of all, as a mother I can tell you that I don’t want my 17 year old working 12 to 14 hour days. As a wife I didn’t want my husband and my children’s father gone from 5.00 am in the morning to 5.30 pm at night, only seeing them when they pop home for lunch. Too exhausted to help with the children and just want to crash on the couch. Not able to watch their Saturday sport or coach their rugby team because of work commitments.

So what were we going to do about it? Ok to talk the talk, but now we had to walk the walk – and stay in business.

The first area we identified where we had our biggest issues and highest rate of “destruction” for want of a better term was our junior staff – farm assistants.

What were the issues?

- Long hours
- Isolation to peer group
- A job not a career
- Lack of family time/social time
- Accidents/mistakes caused by fatigue
- Reduced decision making ability
- Budgeting ability.

Long hours

A typical farm staffing would look something like this:

AM Milking	Daily Tasks	PM Milking	Hrs / Fortnight
Farm / Herd Manager			120
Farm Assistant			120
Relief Milker	Weekend Milkings	Relief Milker	20
			<u>260</u>

Fact:

The definition of a “full time equivalent position” is 40 hours per week. Our “typical dairy farm staffing” saw our staff working one and a half full time equivalent jobs.

So this example shows that two staff members plus a weekend relief milker were working the 3.25 FTE positions.

Why can’t dairy staff work a FTE job? So I started playing with the rosters and possible scenarios. This was an option we decided to go with on one of the units:

AM Milking	Daily Tasks	PM Milking	Hrs / Fortnight
Farm / Herd Manager			120
Farm Assistant 9am to 5 pm			84
Milk Harvester			32
Relief Milker	Weekend Milkings	Relief Milker	20
			<u>256</u>

Let’s look at this dollar wise.

Typical model

Typical					
AM Milking	PM Milking	Hourly Rate	Hrs/ Fortnight	Package	
Farm / Herd Manager		\$25.00	120	\$78,000	
Farm Assistant		\$16.00	120	\$49,920	
Relief Milker	Weekend Milkings	Relief Milker	\$20.00	20	\$400.00
			<u>260</u>	<u>\$128,320</u>	

Note: Value of Housing is included in the package.

Gregan Farms Model

Gregan Dairy					
AM Milking	PM Milking	Hourly Rate	Hours per Fortnight	Package	
Farm / Herd Manager		\$25.00	120	\$78,000	
	Dairy Farm Assistant 9am - 5pm	\$16.00	84	\$34,944	
Milk Harvester		\$20.00	32	\$12,800	
Relief Milker	Weekend Milkings	Relief Milker	\$20.00	20	\$8,000
			<u>256</u>	<u>\$133,744</u>	

Notes:

In summary, very little cost difference.

Before we go through the benefits of this option to our business – here are a couple of examples of some advertisements we placed in the paper.

**Gregan Farms
DAIRY POSITIONS**

At Gregan Farms we understand the need for a balance between social, family and work commitments. We have created positions on our Dairy Farms at Hunter (30 mins from Timaru, 20 mins from Waimate) to allow a career in Dairying whilst having time to live life.

We currently have the following position available which involves all aspects of dairying. Milkings are generally 2 ½ hours each.

Below are the hours based on our two week roster:

- Monday to Thursday 9am to 5pm
- Friday 6am to 5pm
- Saturday and Sunday (am and pm milking but once our work is done we go home between milkings)
- Monday to Thursday 9am to 5pm
- Friday, Saturday, Sunday off

The position is approximately 85 hours per fortnight during the milking season and 80 hours during the winter, paid at an hourly rate depending on experience.

A travel allowance will be available.

We encourage and pay for our staff to attend courses

No experience is needed and age is not a barrier. As long as you are honest, hardworking and reliable and have a current driver's licence you could be the person.

Gregan Farms is a drug free work place.

For more information please contact
**Cara Gregan 0274 782 259
or Wayne Pritchard 027 689 5599**

**GREGAN FARMS
People before Production**

Sarah is leaving for University so we are looking for a new team member on our unirrigated dairy units at Hunter, 30 minutes from Timaru, 25 minutes from Waimate.

When she joined our team Sarah had never milked a cow, but it didn't matter as she was fit, hardworking, honest and reliable and importantly had a driver's licence.

She decided to live in Timaru so we paid her a travel allowance of \$120 per week but if she had wanted we have single person's accommodation available.

Her hours of 9am to 5pm Monday to Friday and both milkings every second weekend meant that she enjoyed a great life balance.

**DO YOU HAVE THE SAME
ATTRIBUTES AS SARAH?
ARE YOU INTERESTED IN FILLING
SARAH'S GUMBOOTS?**

If so give us a call (not a text)
Cara Gregan 0274 782 259
Wayne Pritchard 027 689 5599

**Gregan Farms is a drug free but
not a fun free workplace.**

We had a great response to our advertisements – we only advertised in local South Canterbury newspapers. We find the free community papers are best as a lot of people no longer subscribe to a newspaper and we have found that if you advertise on the internet everyone replies!

Here's the profile of one young gentleman we employed.

Josh was 18 when he started working with us. He had worked in the dairy industry for 12 months but wanted to experience flatting and weekends. His previous roster was a six on two off hence, he only had days off on a weekend every six weeks but being a young man, he wanted to go out with his mates. Josh found himself traveling to town (Timaru) every night to

catch up with friends. A six on, two off roster will suit some staff but once again it is about being flexible to understand what suits each staff members age and stage, best.

We agreed to a set salary to help him with budgeting his money rather than hourly pay and he went flatting in town. We paid his bond and provided him with a travel allowance, but most importantly he loves flatting and being in town. His salary was higher than his previous job and he worked fewer hours.

This option has meant the dairy industry has not lost a very competent young man. Mind you, it hasn't been all plain sailing. His vehicle is a Ford Falcon and costs a packet to run and he found it hard to budget when he had rent and electricity to pay. After a budgeting session at the kitchen counter and an interest free loan from us to buy a little run around he is all set.

Gregan Farms 2014 Season			
AM Milking	Daily Tasks	PM Milking	Hrs / Fortnight
	Operations Manager		100
	Farm / Herd Manager		120
	Farm / Herd Manager		106
	Farm Assistant 9am to 5 pm		85
	Farm Assistant 9am to 5 pm		85
	Farm Assistant 5 am to 1 pm		85
	Milk Harvester		30
Relief Milker	Weekend Milkings	Relief Milker	36
			<u>547</u>

Notes:

Gregan Farms 2015

AM Milking	Daily Tasks	PM Milking	Hrs / Fortnight
Operations Manager			120
Farm Manager			120
Herd Manager			90
Farm Assistant 1 - 9am to 5 pm			84
Farm Assistant 2 9am to 5 pm			84
Milk Harvester			32
Relief Milker	Weekend Milkings	Relief Milker	30
			560

Gregan Farms 2016 - Proposed

AM Milking	Daily Tasks	PM Milking	Hrs / Fortnight
Milk Harvester		Milk Harvester	66
Farm Manager			120
Herd Manager			90
Farm Assistant 1 - 9am to 5 pm			84
Farm Assistant 2 9am to 5 pm			84
Milk Harvester			32
Relief Milker	Weekend Milkings	Relief Milker	30
			506

Above is a summary of our whole operation. As a side thought, you may be interested to see how the change in economic times has affected our staffing.

The employment of an Operations Manager is a lifestyle choice for our family and the fact John does some work off farm and therefore needs the flexibility.

Meet some of our staff and how we have benefited from a flexible workplace.

Firstly our Operations Manager. Wayne has been with us since our first conversion – a shearer by trade. His biggest asset is his ability to relate to and deal with staff. He progressed through the ranks to Farm Manager. When we looked at how we could keep Wayne in our business we knew one of his key drivers was his children. Hence when we put the package for the position together, we took him off the roster for milking but also he wasn't required to work weekends. Naturally, in his role he checks in with the staff in the weekends and covers when needed but he has the ability to spend the weekends with his children.

As you can see from the above Wayne went back on to the milking roster when the payout dropped this last season. In many ways it was an open and frank discussion with him. All our staff are shown our financial position and know our debt and when we had a round table with our staff about how we were going to get through the new season with the low payout, one

of the obvious solutions was for Wayne to go back on the milking roster and to not replace a farm manager who moved on at the end of the previous season.

It's not about changing the rules but rather buy-in and staff understanding what position the business is in and doing everything to protect the business and their jobs.

One of our managers is a new parent to a very unsettled baby. Sleep deprivation is dangerous at any workplace – a dairy farm especially. An unsettled baby also puts mum under a lot of pressure and I am a firm believer in “happy wife happy life”.

Solution – extended lunch hour for our staff member. He would go home at lunch and spend two hours with his family, often holding baby so mum could have a sleep, or having a nap himself. It was a win/win – mum had a break and our staff member stopped feeling torn between work and family. It's that work life balance.

Our Dairy Assistant, Malcom, who works from 5.00am to 1.00pm is an avid sportsman. He loves playing and coaching basketball as well as playing cricket and rugby. We have identified that isolation is a big issue with young staff. Malc lives in a single man's quarters on the farm. It could be a lonely existence for a young man, but by finishing each day at 1.00pm he often has a nap and heads to Waimate to the gym or to practice or a game. It has enabled him to enjoy life as a young person should but also to have a career. Malc has worked for us now for 24 months and in the 2015 season moving to the role of Trainee Herd Manager. His work hours will be 5.00am to 2.00pm as we didn't want him to give up on his great work life balance.

As discussed before we do not accommodate two of our farm assistants. Given their hours they can easily make the 30 minute commute to the farm from Timaru.

Our thinking behind this is twofold. Firstly, from a purely financial point of view, we haven't had to outlay capital to build two homes. At a guess a four bedroom home would cost us around \$350,000. Interest at say 7% would be \$24,500 plus repairs and maintenance etc. Paying \$120 a week mileage is a quarter of the price. Another option is to base the allowance on their rent or mortgage in town. It really comes down to being flexible and tailoring the package to suit the employee and their situation.

Notes:

To be honest, on reflection, the hourly rate for our staff who are not housed is possibly higher than if they are housed, but it is hard to be decisive about this as we tailor our individual packages to the staff and their circumstances. Every staff member has different needs. Remember if you pay peanuts you can get monkeys!

It really does concern me that given dairy staff are often housed, when the majority leave the industry they do not own their own homes. By paying a travel allowance or a housing allowance it gives staff the opportunity or helps them along the way to home ownership.

Not accommodating staff means that accommodation doesn't feature in our decision on who we employ. We can employ the best person for the job. If accommodation is a hurdle, it is about helping staff find appropriate accommodation for their personal circumstances.

Secondly, it comes back to what is best for our employees. A typical scenario is that given our modern lifestyle, Dad is the only one that doesn't end up travelling. I know myself that the children and I spend hours in the car driving to town for sports, school, music, swimming lessons, etc. I often threaten John that I will buy a house in town as I spend more time there than I do at home, with all the kids' activities.

There is a real cost to families running a vehicle to and from town. It also limits the ability of the partner to find work. In my discussions with a staff member's wife, she pointed out to me it is only worth working in town if she works full time by the time she pays petrol, but she really wants to go back into the workforce for the social interaction as well as the money.

Another big consideration is that families are better with their support networks. Rather than uprooting everyone each time the employee changes jobs – are they better staying where their friends, families and child care are? Research has shown that each time a child changes schools they lose six months of schooling.

As we all know, the 90 day trial period is an important time for both employee and employer to ensure it is the right fit. If the fit isn't right and the employee moves on, often their children and family need to be uprooted from school and moved again. As humans we need stability, especially in our home life.

Given the location of some units, not accommodating staff may not be an option. We do accommodate our Operations Manager and one farm manager and acknowledge you do need some staff on farm but maybe not everyone. We purchased a house at Makikihi (a small village of approximately 100 inhabitants) 10 minutes down the road for one of our farm managers. A contributing factor was that the cost of the four bedroom house was \$175,000; half the price of building. In tough times it can be sold or even rented out. Given that our current staff are very keen to live off farm, we are actually selling this property and in this current climate it is great to put that capital back into the business.

I have found one on one time with your staff for 10 minutes every four weeks invaluable. I sit down with them all individually for a chat. Often not about the job but about them, their

family, sport, anything. It is here that they get an opportunity to talk and to discuss issues, problems and basically just chew the fat. But it gives me an opportunity to understand where they are coming from. Sometimes it is a comment about their son's soccer and the team needs a coach. I tend to make notes for myself, identify the issues and to date I have found in the next couple of days I come back to them with a solution or idea. It may be that if Rose would swap a morning milking for a night milking then they could be the soccer coach, or that if practice was at lunchtime at school, I am more than happy for them to work things so they can coach.

It's about finding the key drivers for your staff. It is not necessarily money – often it is about the work life balance and family and so it is making them feel that we understand this and put things in place to help them achieve it. It is a big reason why our staff days off always include a Saturday and Sunday. If you are rostered on in a weekend it is basically minimal duties and then head off to watch your children play sport or play sport yourself.

All the above points are about the big picture. Our staff are the cornerstone to our business. Without them our business would not exist so it is about being flexible, thinking outside the square, putting yourself in their shoes. As employers we benefit as much as anyone with engaged happy staff which in turn results in low turnover

I urge you when you return to your units to look at each of your staff individually. Imagine if you were them what would make your job so much better. Think about what are your staff key drivers. And start the process to making your place a work place of choice.

Notes: