



Farm and Ranch Personnel Management

Curriculum Guide

I. Goals and Objectives

- A. Learn how the participatory management style can benefit your business.
- B. Understand the role and importance of written job descriptions, communications, training and leadership in the personnel management process.

II. Description/Highlights

- A. In today's business environment, people represent one of the most important resources in making a farm or ranch business more competitive. Participatory management is a style of management that provides opportunities to realize human capital potential.
- B. *Management Styles.* The participatory approach to management is replacing the old command-and-control method. This method of management involves everyone in defining objectives, decision making and accountability. The implementation of participatory management requires the sharing of written goals, strategies, financial and production performance information. Also, tying reward systems to strategies and improved performance is part of the participatory management style. By involving every employee and reducing the number of "commanders" may also reduce costs and improve employee satisfaction.
- C. *Changing Management Style.* Production agriculture has been and still is dominated by the command-and-control management style. This style of management must be replaced with communication, participation and performance analysis. The change in management style must be initiated by the owner and must motivate participation. To do this they must identify and employ workers who respond to the participatory management style. In many cases an outside professional will be called in to train and motivate employees when changing to a participatory management style since there is not vested interest in changing working relationships.
- D. *Job Description.* Employee participation is enhanced by developing written job descriptions that clearly define responsibilities, the basis for measuring performance and the reward system that recognizes varying levels of achievement are necessary. Job descriptions are also helpful in identifying and hiring employees, especially when developed through a participatory effort and closely tied to business strategies.

E. *Team Efforts.* Most farms and ranches have too few employees to justify forming several teams, but they can benefit from owners, managers and employees working as a team. Katzenbach and Smith state the reason to use a team or group approach is that “teams outperform individuals acting alone especially when performance requires multiple skills, judgement and experience.” Katzenbach and Smith list the following keys to successful team efforts:

1. There is group agreement on a common purpose – established urgency and direction. 2. Measurable performance goals are established. 3. A defined working approach to accomplished tasks is followed. 4. Holding each employee mutually accountable for results benefits all involved.

F. *Taking Care of Employees.* Employees cannot be neglected. Successful management begins with employee considerations. Continued training, employee reward systems, benefit packages and living conditions that make a farm/ranch job as favorable as possible will pay off in employee retention.

G. *Temporary Service.* Because of the high cost of permanent employees, outsourcing specific jobs is encouraged. This is common for seasonal activities such as custom pesticide and fertilizer application and custom hay harvest. An advantage of temporary employees and services is that it is easier to get out of the arrangement if the job is not done correctly.

H. *Employee Training.* To ensure that employees have and maintain the necessary skills to perform their duties it is important that continued education and training be an ongoing part of the employee management and maintenance package. Employees should be rewarded for a job well done and be encouraged to explore and learn new and more efficient ways to perform their jobs.

I. *Selecting and Terminating Employees.* Selecting and terminating employees are two of the most difficult tasks of personnel management. Many times managers keep employees who do not meet the job requirements because letting them go and finding and training a replacement seems too difficult. The cost of keeping an unproductive employee is not only a cost outlay but also the cost of opportunities lost or the recurring cost of correcting the problems.

The hiring and dismissal process is more effective if the job description, performance evaluation, and mission and objectives are clearly communicated. It is important that employees get feedback on their performance whether it is positive or negative. Documented underachievement can make the dismissal process easier.

J. *Leadership.* Important functions of leaders in personnel management are to impress upon employees that they are capable and to encourage them to maximize their capabilities. This cannot be done with the command-and-control philosophy.

- K. *Communications – Using Outside Professionals.* Bringing in an outside professional, one who knows and understands farm/ranch personnel management and general farm/ranch production, marketing and financial issues can facilitate better communications by identifying opportunities for improvement. An outside professional can communicate reality without worrying about job security as might be the case if an employee communicated the same information.

- L. *Business Plan and Execution.* Personnel management must center on a well-developed business plan that clearly defines management philosophy, goals, and performance analysis procedures that monitor accountability and achievements. Execution is the main focus. Everyone must understand that it is not the strategy that makes the success but the execution in getting it done and getting it done right.

III. Potential Speakers

- A. Extension Economist
- B. County Extension Agent

IV. Review Questions

- A. What three items, if clearly communicated to the employee, make the employee dismissal process less of a burden?

Answer: 1.) Job description, 2.) Performance evaluation, and 3.) Mission and objectives.

V. For More Details

None at this time.



People represent one of the most important resources in making a farm or ranch more competitive.

! Management Styles

- ☞ **Command-and-Control**
 - ✓ This method used historically in production agriculture

- ☞ **Participatory**
 - ✓ Sharing of written goals, strategies, financial and production performance information
 - ✓ Reward systems for improved performance



! Adopting Participatory Management Style

- ☞ Initiated by owner
- ☞ Motivate employee participation
- ☞ Must identify and employ workers who respond to the participatory style
- ☞ Bring in an outside professional to train and motivate

! Job Description

- ☞ Clearly define responsibilities
- ☞ Define basis for measuring performance
- ☞ Helpful in identifying & hiring employees



! **Keys to Successful Team Efforts**

- ☞ Group agreement on a common purpose
- ☞ Measurable performance goals established
- ☞ Defined working approach to tasks is followed
- ☞ Holding each employee mutually accountable for results benefits all

! **Taking Care of Employees**

- ☞ Continued Training
- ☞ Employee Reward Systems
- ☞ Benefit Packages
- ☞ Living Conditions



! **Temporary Service**

- ☞ Seasonal Activities
 - ✓ Pesticide and fertilizer application
 - ✓ Custom hay harvest

- ☞ Easier to get out of arrangement if it doesn't work out

! **Employee Training**

- ☞ Ensures that employees have and maintain skills needed to perform their duties

- ☞ Employees should be rewarded and encouraged

! **Selecting and Terminating Employees**

- ☞ Job description, job objectives and performance evaluation should be clearly communicated

- ☞ Give employee feedback on job performance whether it be positive or negative

- ☞ Document underachievement



! Leadership

- ☞ Impress upon employees that they are capable and encourage them to maximize their capabilities

! Communications – Using Outside Professionals

- ☞ Outside professionals can facilitate better communications
- ☞ Identify opportunities for improvement
- ☞ Use someone who knows and understands farm/ranch personnel management