The reality of a career in Dairy Farming

Report

# THE REALITY OF A CAREER IN THE DAIRY INDUSTRY

An Employee's Perspective

### A SURVEY OF NEW ZEALAND DAIRY FARM STAFF

Prepared for the Kellogg Rural Leadership Course 2002

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# **Executive Summary**

All industries within New Zealand are experiencing pressure to find the quality and quantity of people to do the work.

In order for the New Zealand dairy industry to be attractive to people in a tight labour market, there needs to be an alignment between the needs of the farming businesses and the needs of the people doing the work

The objectives of this report are:

- 1. To get an indication of the overall job satisfaction experienced by dairy farm employees under the age of thirty in their job.
- 2. To get an indication of the degree to which farm jobs are meeting the career objectives of younger people as identified by Barbara Kuriger (2001).
- 3. To see if dairy farm jobs are operating on a professional and legal level, through the use of employment contracts and job descriptions.
- **4.** To get an indication of the level of staff management skills of dairy farm employers.

The main findings of this report are:

- 1. That dairy farming employees enjoy their work.
- 2. That dairy farming jobs meet the four of the top five career objectives of younger people. Dairy farming jobs do not meet the career objectives of younger people for time off, which is rated second most important objective.
- 3. Dairy farming jobs do not operate to an ideal standard in terms of the use of employment agreements and job descriptions.
- 4. The staff management skills of dairy farm employer are good, but could still be improved.

# Introduction

Within the New Zealand labour market there has been a continuing rise in difficulty of finding skilled staff. Along with this, the level of difficulty in finding unskilled staff is at its highest level since 1985.

The New Zealand dairy industry is also reported to be struggling to find the quantity and quality of people required to work on dairy farms.

The extent of the problem has not been formally measured. However, publicity around the problem is significant. Most farming magazines published in the last two years have had at least one article each publication period discussing the problem of quality and quantity of farm staff. Predictions have been made that by the year 2005 we are going to need a further 5000 people in the dairy industry if growth of the industry is to be unhampered (Kuriger, 2001)

It is important that the opinions of people who are working on dairy farms are heard in looking for solutions to shortages of farm staff. At the moment the most common source of information to dairy farm employers about how to improve their farm staff performance and results comes from other employers sharing their individual tips to successful staff management. While this is important information, it is not hearing from the actual employees themselves. Too often assumptions are made about what dairy farm employees really need and want in their jobs in order to be attracted to the industry, and then to remain contented and contributing members of farm businesses.

This survey is an attempt to measure the reality of a job on a dairy farm *from the employee's perspective*. It is a measurement of the employee's own perception of their jobs, without judgement.

It is hoped that the information will guide farm managers regarding whether the expectations and needs of farm staff are met in the reality if their jobs.

# **Objectives**

There were 4 objectives in preparing the survey.

- 1. To get an indication of the overall job satisfaction experienced by dairy farm employees under the age of thirty in their job.
- 2. To get an indication of the degree to which farm jobs are meeting the career objectives of younger people as identified by Barbara Kuriger (2001).
- 3. To see if dairy farm jobs are operating on a professional and legal level, through the use of employment contracts and job descriptions.
- **4.** To get an indication of the level of staff management skills of dairy farm employers.

# Limitations

Access to dairy farm staff was limited to staff who attend Dexcel discussion groups and staff who are involved in AgITO training.

This is likely to have resulted in a biased sample group. It is most likely that the group was biased towards the employees of the better employers. This is because the better employers are likely to be ensuring their staff are receiving further education through attending Dexcel discussion groups and AgITO courses.

# The Survey

Dexcel Consulting Officers were the key to getting a decent sample size to make this research worthwhile.

Twenty-one consulting officers were phoned and explained the nature of the survey. Eighteen of the consulting officers were able to distribute surveys in their region and these were sent a number of survey forms and a self addressed and stamped envelope to return the completed questionnaires back to me. The consulting officers were wonderfully cooperative and I am very appreciative of their efforts in collecting the data. Especially as my inexperience with this sort of survey meant that I had neglected to address the need for a pen to fill out the survey form! As few people carry pens to discussion groups the consulting officers were great in taking care of these vital details for me!

Surveys were also distributed and collected by the Bay of Plenty AgITO Training Adviser, Ben Hickson, to his trainees.

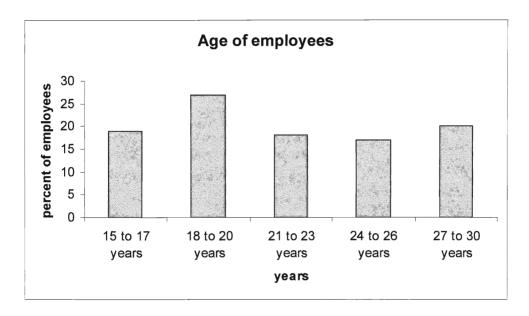
From 400 survey form there were 133 replies which reflected the views of employees from all over the country.

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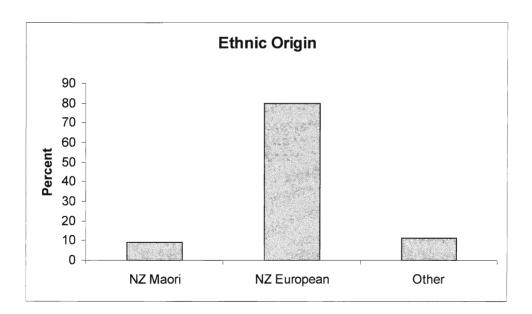
# The Sample

Respondents were 88% (117) male and 12% (16) female.

The age distribution was as follows:



The ethnic origin of the respondents was as follows:



Nine percent (12) of the respondents were Maori, 107 (80%) were NZ European, and 14 (11%) of the respondents were of other ethnic origin.

### **Current Position**

The respondents described their job positions in a variety of different ways. The positions were grouped in order to make it easier to work with the data. The following groupings were used:

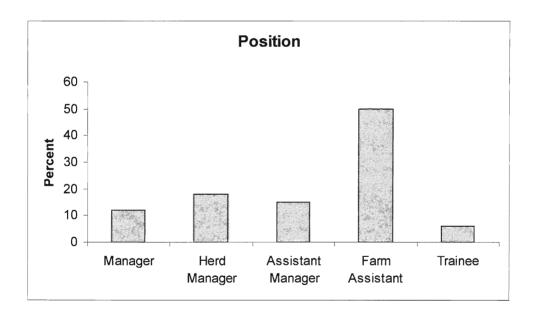
Manager (12%)

### Herd Manager (18%)

Assistant Manager (15%) This group consisted of people who described their position as trainee manager, assistant herd supervisor, junior herd manager, and assistant manager.

**Farm Assistant** (50%) This group consisted of people who described their position as worker, assistant, farm assistant, farm hand and cup remover (!).

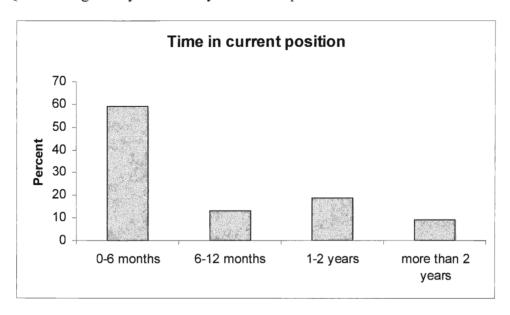
**Trainee** (6%) This group consisted of people who described their position as a trainee or a cadet.



The largest group was in the position of farm assistant, with 50% identifying with this category.

### Length of time in current position

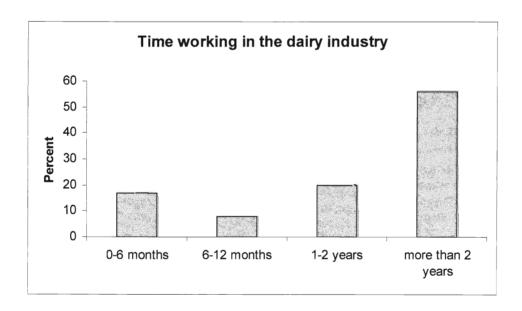
Q. How long have you been in your current position?



59% of respondents had been in their current position for less than six months.

### Length of time working in the dairy industry

Q. How long have you been working in the dairy industry?



Fifty-six percent of respondents had been working in the dairy industry for more than a year.

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# The Reality of the Job

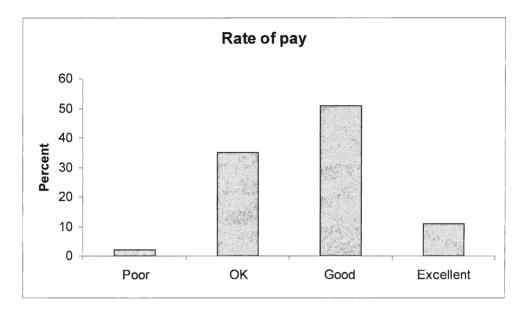
### Annual salary or hourly rate

Q. Are you paid an annual salary or on an hourly rate?

Ninety-five percent of respondents were paid an annual salary.

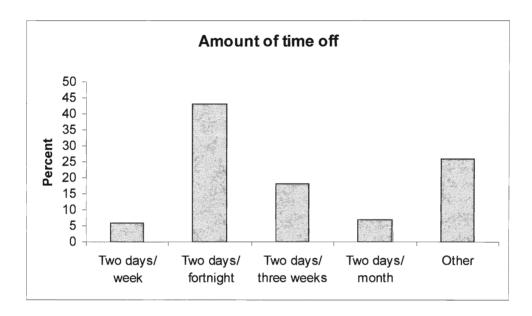
### Rate of pay

Q. Is your rate of pay poor/OK/good/excellent?



Thirty-five percent of respondents said their rate of pay was OK. Fifty-one percent of respondents said their rate of pay was good, and 11% of respondents said their rate of pay was excellent.

**Time off**Q. How much time off do you get in your job?

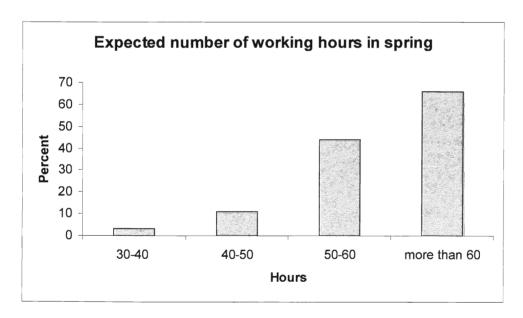


Forty-three percent of respondents get two days of every fortnight. Twenty-six percent of respondents get a time off combination other than the options that were listed in the questionnaire. The most common other times off categories were three days off every fortnight, and three days off every three weeks.

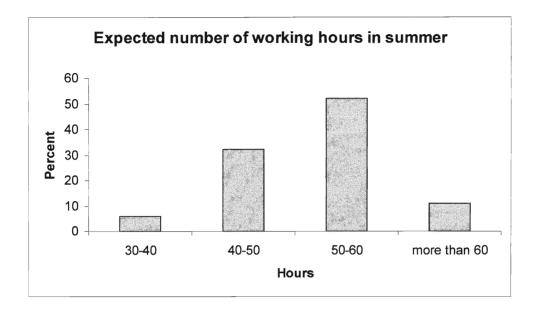
### **Expected number of working hours**

This question was divided into four seasonal periods.

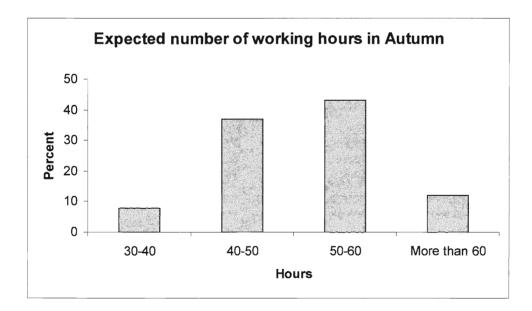
Q. In your current position how many hours do you expect to work in an average week?



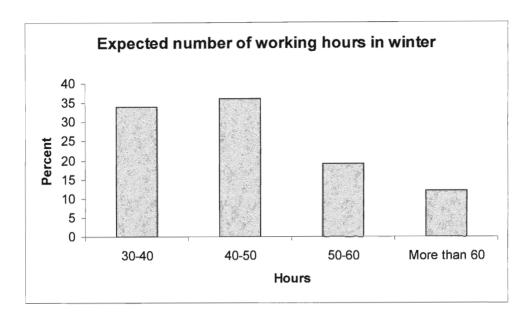
Eighty-eight percent of respondents expected to work more than 50 hours a week during spring. Fifty-three percent expected to work more than 60 hours a week in spring.



Sixty-three percent of respondents expected to work for more than 50 hours a week in summer. Eleven percent expected to work more than 60 hours a week in summer.



Fifty-five percent of respondents expected to work more than 50 hours a week in autumn. Twelve percent of respondents expected to work more than 60 hours a week in autumn.



Thirty-four percent of respondents expected to work between thirty and forty hours a week in winter. Thirty-six percent of respondents expected to work between forty and fifty hours a week in winter. Nineteen percent of respondents expected to work between fifty and sixty hours a week in winter. Twelve percent of respondents expected to work more than sixty hours a week in winter.

Sixty-seven percent of respondents expected to work more than forty hours a week during winter.

### Accommodation

Q. Are you provided with accommodation as part of your job?

Ninety-two percent of respondents were provided with accommodation in their job.

Q. If you do have accommodation provided how do you rate the quality?

Twenty-seven percent of respondents who were provided with accommodation rated the quality of the accommodation as good, and fifty-six percent of respondents who were provided with accommodation rated the quality as excellent.

### Opportunity for advancement of career

Q. Is there any opportunity to advance your career while remaining with your current employer?

Seventy-seven percent of respondents said there was opportunity to advance their career while remaining with their current employer.

### **Building assets**

Q. Are you able to save money or build your assets while in your current position?

Eighty-five percent of respondents are able to save money or build assets while in their current position.

### Living in close proximity to family members

Q. Are you living within 60 km of close family members?

Sixty percent of respondents live within 60km of close family members.

### Team work

Q. Do you prefer to work as a team member or on your own?

Seventy-seven percent of respondents prefer to work as a team member or both as a team member and on their own.

### Stability of position

Q. Assuming that you are performing your job to the required standard, are you confident that your current position is stable for as long as you want to stay in the job?

Ninety percent of respondents are confident that their current position is stable for as long as they want to stay in the job.

### **Training**

Training was divided into formal and informal training.

Q. Have you received any formal training (eg. gone to any courses or seminars) while in your current position?

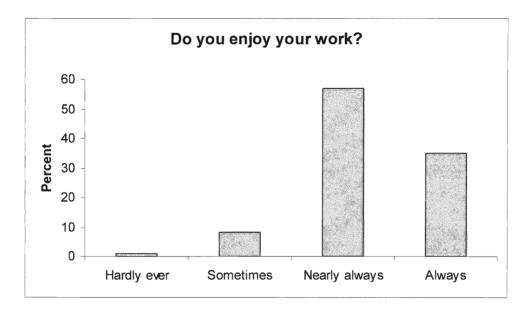
Sixty-five percent of respondents have received some formal training while in their current position.

Q. Have you received any informal training (eg. training by a work superior) while in your current position?

Seventy-one percent of respondents have received some informal training while in their current position.

### Work enjoyment

### Q. Do you enjoy your work?



Fifty-seven percent of respondents nearly always enjoy their work. Thirty-five percent of respondents always enjoy their work.

### **Employment agreements**

Q. Do you have an employment agreement?

Seventy-six percent of respondents had an employment agreement.

### Job descriptions

Q. Do you have a job description?

Seventy-one percent of respondents had a job description.

### Praise

Q. Has your current employer ever praised you?

Eighty-seven percent of respondents have been praised by their current employer.

### Abuse at work

Q. Has your current employer ever yelled or lost his/her temper at you?

Twenty-seven percent of respondents have been yelled at or had their employer lose his/her temper at them.

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### Clarity of what the job involves before taking on the position

Q. When you first arrived at work in your current position, were you clear about what the job involved?

Eighty-four percent of respondents were clear about what their job involved before starting in their current position.

Q. Did you get any surprises about what your current job involves?

Twenty-eight percent of respondents had got some surprises about what their current job involves.

### People management skills of boss

Q. How would you describe the communication skills of the person that you report to most frequently?



Fifty-two percent of respondents described the communication skills of the person they report to most frequently as good. Thirty-four percent of respondents described the communication skills of the person they report to most frequently as excellent.

Q. Do you believe that your current employer would benefit from training in people management skills?

Fifty-three percent of respondents believed that their current employer would benefit from training in people management skills.

### Intention to stay in current position

Q. Do you intend to stay in your current position next season?

Forty-nine percent of the respondents who answered this question intended to stay in their current position next season. Eleven percent of respondents did not answer this question, and some added the comment that they were undecided.

Twenty two percent of respondents intended to move on to a more senior position.

Eight percent of respondents intended to move on to a job that is better (eg, better paid or with better conditions).

Eleven percent of respondents intended to get out of the dairy industry.

Thirteen percent of respondents intended to move on for some other reason, such as going overseas or to be nearer to family.

# Discussion

### Objective Number One: General Experience of job satisfaction.

The overall sentiment of the survey respondents was that dairy farm employees were satisfied with their jobs. Respondents felt they are paid well and housed well, and the majority nearly always or always enjoys their work.

Given that the sample was likely to have been biased towards staff of the better employers it means that the dairy industry is making changes and moving successfully towards providing people with jobs that people want to do.

### Staff Turnover

Although 76% of employees had been in the dairy industry for more than two years, only 28% had been in their current position for more than one season. This indicates that staff turnover on dairy farms is high.

High turnover could be the result of:

- Difficulty in combating the dairy farming tradition of annual staff migration.
- Employers not recognising the cost to their business of staff turnover, and therefore not placing enough value on retention to put effort into holding staff.
- Dairy farming jobs not providing staff with something that they want in a job. If this is the case then this survey points towards time-off and long hours as an area to start looking at in the future.
- High turnover could be the result of something other issue altogether.

### Time off and hours worked

Very few employees are limited to only one weekend off per month, as has been the tradition within dairy farming. The majority of employees have more time off.

Dairy farm employees expect to work more than a forty-hour week. Over half of the respondents expected to work more than 60 hours a week during spring, and eighty-eight percent of respondents expected to work more than fifty hours a week during spring.

While there is often talk about the long hours being compensated for by shorter work hours at other times of the year the surveyed employees still expected to work long hours during spring and autumn. Sixty-three percent expected to work more than fifty hours a week during summer and fifty-five percent expected to work more than fifty hours a week during autumn. In winter 31% of employees still expected to work more than fifty ours a week.

It is unfortunate that the survey did not ask how the respondents felt about the amount of time they expected to have to work at their jobs. It is possible that dairy farm employees accept long hours of work as an unavoidable part of dairy farming, and it is also possible that some people like working long hours. However many respondents

commented at the end of the survey that more time off, shorter hours and better organisation of work would make their job better.

Tipples, Hoogeveen and Gould (2000) identified the length of time worked and time off as being one of the most important factors to influence the quality of a dairy farming employment relationship. This survey supports this finding and indicates that for dairy farm staff under the age of thirty the reality of their jobs does not meet their needs for time off.

If dairy farmers want to increase their competitive advantage for staff in an increasingly tight labour market they must address the issue of long hours. Dairy farmers must reject the idea that dairy farming is an unavoidably long hours job. The over riding message from this survey is that dairy farm employees really like their jobs – but that the long hours is the main bugbear.

An unpublished survey completed in 2001 by Dexcel Extension staff has shown that there is a huge range in the amount of time that dairy farmers spend on each work area in their farming business. Research and changes in on farm work practices are likely to lead to increased competitiveness on the part of the dairy industry for staff.

### Comparison to Barbara Kurigers report.

Barbara Kuriger surveyed Taranaki high school students and found that students rated their career objective in the following order:

Pay
Time off
Stability of employment
Proximity to family
Career advancement
Travel
Asset building
Working as a team
Accommodation provided
Working by themselves

This survey shows that young people can be confident that dairy farming jobs do deliver on four out of their top five career objectives.

In the area of time off dairy farming jobs are not yet meeting the career objectives of younger people.

It is common within the New Zealand dairy farming scene to assume that the lack of time off within dairy farming jobs is compensated for by the ability to build up assets quickly. However the Taranaki students did not rate asset building highly within their career objectives. Dairy farmers must be very careful about assuming that the opportunity to build assets within the dairy industry compensates for working long hours. This is especially important when many people can view farm ownership as an unachievable dream.

Dairy farm employers need to take the time to firstly clarify if asset building is a goal of their employee. Then the employer needs to take the time to teach the employee about how the goal can be achieved, if they want to use the opportunity for asset building as a compensator for long work hours.

### Professional Standards and Legal Standards in dairy farming jobs.

Seventy-six percent of employees had an employment agreement and seventy-one percent of employees had a job description.

It is hard to know if this result should be classed as a good result that indicates that farm jobs are operating to a highly professional standard or not because there is no data to compare it with. However the results were better than expected, but still not meeting minimum legal standards for every employee to have an employment agreement and a job description. Given that the sample is likely to be taken from the employees of the more professional employers this result probably indicates that many dairy farming employment relationships are not operating in a highly professional manner, and this makes both employers and employees vulnerable in the event of disputes.

It also means that many dairy farming employment relationships are not using written communication processes to clarify expectations around jobs when the relationship is formed. Most employees said they were clear about what their job involved when they first started work, twenty eight percent of respondents said that they got some surprises about what their job involved when they started work in their current position. Research has shown that communicating clearly and realistically around a job before the employment relationship is started is one of the best ways to reduce employee turnover.

Dairy farm employers may be able to address the high turnover and attrition rates by clarifying expectations about the job through the use of comprehensive job descriptions. These should clearly spell out the reality of a job to a potential employee before they agree to take on the job. Research has shown realistic job previews increase commitment, increase job satisfaction and reduce initial turnover in employees (Riggio, 2000). They also give more successful employment outcomes because they give the employee a better chance at self-selection for the job. More effective use of job descriptions could improve the dairy industries ability to do something....?

### Staff Management Skills of Dairy Farm Employers

Eighty-seven percent of employees have been praised by their employer and twenty-seven percent of employees have had their employer yell or loose their temper at them. It appears that many dairy farm employers are making the effort to communicate positively to their staff, but the reality is that young dairy farm employees have a twenty-seven percent likelihood of being yelled at by their employer. Dairy farming employment relationships frequently involve employers and employers working in close proximity for large periods of time - for example milking together on a regular basis. The high likelihood of being yelled at by your employer in

a dairy farm job is likely to act as a disincentive to young people looking for sustainable working relationships in the dairy industry.

Eighty-six percent of employees felt that their employer had good to excellent communication skills, but fifty-three percent still felt that their boss would benefit from training in staff management skills. This suggests that while the majority of young staff on dairy farms are happy with the communication skills of their boss, they still see room for improvement.

## **Conclusion**

Dairy farm employees under the age of thirty generally enjoy their work and report positively about their experiences with their job and their employer.

Dairy farm jobs also meet four out of five of the career objectives for high school students.

The primary weakness of dairy farm jobs for employees under the age of thirty are the long hours of work.

Dairy farm employers could improve the professional nature and the success of dairy farm employment relationships through better use of employment agreements and job descriptions.

Overall, employees believe that their employers have good communication skills, but that they would still benefit from training in people management skills.

## Recommendations

There are two recommendations as a result of this survey.

- 1. That the dairy industry put more effort into reducing the number of hours that a young person has to work in order to be part of the dairy industry. This could be through more research and effort into labour saving technologies. Another approach may be to research the returns that are being generated through each area of work so that those areas that do not generate a return can be dropped out of the working day, or by researching current best practices for time spent on work on the farm.
- 2. That farm employers improve their own skills in people management so that the dairy industry develops a competitive advantage for staff in the tight labour market.

# Acknowledgments

I would like to thank the following people who helped make this report possible.

The Dexcel Consulting officers who distributed and collected survey data:

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Barbara Dow for help in using my Excell database.

**Fraser, Locky and Caitlin** for being happy to let their wife and mother work full time and do a Kellogg project at the same time.

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Kuriger, B. (2001). *Perceptions of a Career in the Dairy Industry*. Unpublished Report prepared for the Kellogg Rural Leadership Course, Lincoln University, New Zealand.

Riggio, R. E. (2000). *Introduction to Industrial/Organisational Psychology* (3<sup>rd</sup> Ed) Prentice Hall: New Jersey.

Tipples, R., Hoogeveen, M., Gould, E., (2000). *Getting Employment Relationships Right*. Primary Industry Management, Vol 3, No.2; 23-26.

Dairy Career Survey Survey of dairy farm employees under the age of 30 years.

This survey has been prepared as a piece of independent research for the Kellogg Rural Leadership Program. It is designed to improve our understanding of careers for younger people involved in the dairy industry. All information is confidential.

Age:		_ Male/Fe	emale:						
Wh	at is your cu	rrent position? _							
	How long have you been in your current position? (please tick)  0 - 6 months  6 months to one year  one – two years  more than two years								
	w long have 0-6 months 6 months to one-two yea more than t	o one year ars	ng in the dairy in	dustry? (please	tick)				
Are	you paid an	annual salary o	r on an hourly ra	ate?(please circle	e) Salar	ay/ hourly rate			
	vour rate of p Poor OK Good Excellent	oay (please tick)							
How much time off do you get in your job? (please tick)  Two days every week Two days every fortnight Two days every three weeks Two days every month Other, please describe									
		position how ma	any hours do you	expect to work	in an average	week? (please			
circle) Spring?		30-40 hours,	40-50 hours,	50-60 hours,	more than 60	hours			
Sur	nmer?	30-40 hours,	40-50 hours,	50-60 hours,	more than 60	hours			
Autumn?		30-40 hours,	40-50 hours,	50-60 hours,	more than 60	hours			
Winter?		30-40 hours,	40-50 hours,	50-60 hours,	more than 60	hours			
Are you provided with accommodation as part of your job? (please circle)  Yes/ no									
If y Poc		accommodation OK	provided how do Good	you rate the qu Excellent	ality? (please	circle)			

Is there any opportunity to advance your career while remaining with your curre (please circle)								
Are you able to save money or build your assets while in your current position?								
Are you living within 60 km of close family members?								
Do you prefer to work as a team member or on your own? Part of a team/								
Assuming that you are performing your job to the required standard, are you confident that your current position is a stable for as long as you want to stay with the job? Yes/no								
Have you received any formal training (eg. go to any courses or seminars) while current position?								
Have you received any informal training (eg. training by a work superior) while in your current position? Yes/no								
Do you enjoy your work? (pleas Hardly ever sometin		nearly always	always					
Do you have an employment agreement?								
Do you have a job description?								
Has your current employer ever praised you?								
Has your current employer ever yelled or lost his/her temper at you?								
When you first arrived to work in your current position, were you clear about whinvolved?								
Did you get any surprises about what your current job involves?								
How would you describe you're the communication skills of the person that you report to								
most frequently? (please circle) Poor OK	Good	Excellent						
Do you believe that your current employer would benefit from training in people skills?								
Do you intend to stay in your current position next season?								
f you intend to move on please indicate which of the following reasons apply:  To go to a more senior position  To go to a job that is better (ie better paid, or with better conditions)  To get out of the dairy industry  Other, please give details								
How long have you worked within the dairy industry?								
Is there anything that would make your present job better? Please describe								

Thank you for taking the time to fill out this survey.