DAIRY FARMERS

AS EMPLOYERS

IN CANTERBURY

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and
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Farm and Horticultural Management Group

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CHAPTER 1 INTRODUCTION

1.1 Background to the study

This report was written for dairy farmers, not as an academic document. Therefore, in the interest of fluency and readibility, very little reference is made to other authorities and writers in the field. However, the reference list at the end of the document contains some suggestions for further reading.

In this first chapter a description of the general background to the study and its aim against the strategic background of dairy farming in Canterbury and New Zealand is provided. Some terms used in the text which may be unfamiliar to readers are also defined.

Some dairy farms in Canterbury have existed for many years, but many Canterbury farmers have recently converted, or are busy converting, to dairy farming. Many have had to shift from family-based nuclear management to being formal employers, sometimes for the first time in their lives. Because dairy farming is more labour-intensive than most other traditional types of farming, employing staff has become a fact of life for dairy farmers.

Anecdotal evidence suggests that employer-employee difficulties seem to be absorbing an inordinate amount of time and energy without effective staff management always being achieved. Labour mobility is high. Some employers report conflict with and among staff, high absenteeism, lack of commitment of staff, unacceptable and uncontracted demands for time off or wage increases, high levels of equipment breakages and even active sabotage, and other signs of low staff morale, low job satisfaction and high stress levels all round.

If this is a general problem, farm productivity is being negatively affected which, given the strategic importance of dairy farming in New Zealand, will impact adversely on national productivity and income. When the enabling value of good staff is considered, and also the disabling potential of incompetent staff, staff management becomes a vital element of running a successful dairy farm.

No comprehensive system of "best practice" in staff management has yet been formulated for the dairy industry although considerable work has been done by Dexcel, farming consultants, AgITO, Federated Farmers, Agriculture New Zealand, ADEG and others. However, it is unclear to what extent farmers have, in fact, taken these inputs on board and integrated them with their staff management practices.

At present dairy farming incorporates a great many traditional practices, e.g., gypsy day (the last day in May when farms change hands), perceptions about "annual" contracts, non-financial work benefits for staff, and others. It is not clear which of these traditions still exist because they are, in fact, useful, and which continue to be adhered to simply because changing them entails a major effort.

However, no accurate or reliable information on the staffing position in the dairy industry is available at present, and without such information any program of facilitation is likely to be tentative and haphazard. Hence this study.

1.2 Aim of the study

This study establishes base data and determines the actual staff management practices followed by a sample of dairy farmers in Canterbury. A person-centred approach was followed in which respondents were simply asked what they were doing and why, so as to find out what is actually happening on farms in terms of managing staff and the management tools used. At the same time, an effort was made to understand the farmer as a person: a unique individual who makes choices based on his personality, values and circumstances.

1.3 Strategic importance of dairy farming

Dairy farming is of strategic importance to the New Zealand economy. The New Zealand dairy farming industry "has approximately 14000 farms with 3.45 million cows, producing 13 billion litres of milk per year of which 95% is exported, and providing New Zealand $7.5 billion in exports" (Fonterra, 2002). In Canterbury, conversion to dairy farming has slowed down but not ceased, and most existing farms are still expanding. This means that the strategic importance of Canterbury dairy farming will increase further, but it also means that finding competent staff will increase in importance, as will employers' ability to optimise staff productivity and therefore their competitive advantage.

According to the Livestock Improvement Corporation the South Island has about 15%, or 2100, of the dairy farms in New Zealand, and 4% of the national number (or 560) are located in Canterbury (Dairy Statistics 2000-2001, p.11).

1.4 Definition of terms

Dairy farmer

The main operating structures found on New Zealand dairy farms are owner-operator, sharemilker and contract milker. In this study, "dairy farmer" or "employer" refers to an owner-operator, a sharemilker, a contract milker or a corporate manager of a dairy farm who employs at least *two* workers and who *pays out wages.*

Owner-operators are farmers who either own and operate their own farms, or who employ a manager to operate the farm for a fixed wage. Owner-operators receive all the farm income, although they may then have to pay wages." (Livestock Improvement Corporation, p.40)

A Sharemilker is a person "who operates a farm on behalf of the farm owner for an agreed share of the farm receipts." (ibid, p.40).

Contract milkers are contracted to milk a herd at a set price per kilogram of milk solids produced". (ibid, p.40).

In 2000/2001 61.8% of New Zealand farms were owner-operated, 37.3% were sharemilked, and .8% were milked on contract. (ibid, p. 42).

Task and process

The word **task** is used to describe actions and performance that can be readily observed, measured or identified. Milking, planning, advertising are all tasks. Farming itself is a complex network of tasks to be planned, performed and evaluated. During communication, there is a task (or social) level of words spoken and information shared, work gets done, decisions are taken and some understanding is achieved.

The word **process** is used as a shorthand term for *interactional and intrapsychic processes-* that is, the things that happen "under the surface" inside and between people. This includes thoughts, feelings, intuition or "gut feelings", body language and all sorts of non-verbal communication. A great deal of energy goes into this communication with self and others, and task communication really represents only a carefully censored and selected portion of process communication.

Tasks and processes can happen simultaneously. Task is usually clearly observable; process can only be deduced from behaviour and verbal communication. Task is overt, process is covert. To understand what is happening between and inside people, it is vital to understand that both levels of functioning exist and impact on decision making.

CHAPTER 2: RESEARCH MODEL USED

2.1 General

In this chapter the scientific base for the study is described. This includes the theoretical background which determined the choice of procedure, the sample used on which generalisations are based, the choice of respondents, and circumstantial factors such as time frame, place, and use of language.

Because very little base data about the subject is available this is exploratory research for which no research questions are formulated. A combination of a questionnaire with stuctured questions with collatable answers, and open-ended probing questions were used. This combination of empirical and grounded research therefore combines the advantages of obtaining structured information which can readily be generalised and grounded research, which enables the researcher to identify themes, issues and patterns.

2.2 Source materials

Empirical source materials are scarce and are either of a statistical nature (e.g., Dairy Statistics, 2000-2001) or case studies (e.g., Martin, 2002) or special-topic papers (SIDE Conference contributions) and publications (e.g., Tipples, Hoogeveen and Gould, 2000). Recent studies by students include Edkins (2003), and Lucock (2003). Work done outside New Zealand has been read but has not been found to be particularly relevant with the notable exception of Nettle, Paine and Petheram (2003).

For the design of the study the theoretical backgrounds of general Human Resources Theory, Transactional Analysis, Systems Theory, and Small Business Management Theory were used.

However, the information contained in this report came from dairy farmers themselves. The task of the researcher was simply to ask questions, record the answers, and then probe and listen very carefully to what respondents were saying to gain an understanding of what was really happening on a particular farm. This involved trying to recognise patterns, values, drivers, and very often challenging answers until the dynamics were clear.

2.3 Procedure

- Firstly, a great deal of background study was done and relevant books, articles, conference papers, press articles and research papers were studied.

- Then an interview schedule was designed and tested.

- The press office of Lincoln University sent out a press release inviting dairy farmers in Canterbury who employ at least 2 staff to take part in the study (See Appendix 1).

- Every farmer in Canterbury who responded to this invitation was included in the study.

- Preliminary contact with respondents was usually by telephone, followed by a written confirmation which also explained the purpose of the study (Appendix 2).

- Every respondent signed a written agreement referring to the use which would be made of information (Appendix 3).

- Interviews usually took place on farm and lasted, on average, 1¾ hours.

- Interviews were completed between March 2003 and May 2003.

- Afterwards, respondents were thanked in writing and promised a copy of this report (Appendix 4).

- The interview schedule is attached as Appendix 5.

- This report is based on the results obtained from interviews.

2.4 Validity of the sample

There are about 560 dairy farmers in Canterbury and this study used a 3.57 percent sample, i.e., 20 respondents. This is arguably the biggest study of its kind done so far in Canterbury even if the sample is quite small. In the event, the repeating nature and marked convergence of much of the information supplied suggests that a larger sample would not have yielded much more, or better, information.

However, care should be taken when generalising these results for areas other than Canterbury as it has not been established whether, and how, Canterbury differs from other dairy farming areas. Furthermore, the sample, being self-selected, was not random. This may have led to bias. The method of inviting dairy farmers to come forward possibly did not yield a really representative sample of views as it could be that respondents represented those farmers who were actually interested in employment matters and were confident enough in

their role as employers to discuss the issues involved. They may therefore represent a more positive group than average.

2.5   Time frame

The interviews were done from March to May in 2003. Because staff normally start new jobs at the beginning of June this period was, from a staffing point of view, a relatively quiet and settled period on most farms.

2.6   Non-judgemental approach

This study did not set out to discern between "good" employers and "bad" employers or "good" farmers and "bad" farmers- whatever the criteria for these might be. No effort was made to be critical, but simply to listen and to try to understand.

2.7   Place

The study was restricted to Canterbury for mainly financial reasons. See the map of Canterbury on page 13 for the distribution of respondents.
(Source: http://www.christchurchnz.net/index.cfm/explorer).

2.8   Respondents

Respondents were a self-presenting group of dairy farmers who employ at least two staff and who came forward in response to a request for volunteer respondents published by Lincoln University in local and community newspapers. Twenty-one responses were received, but one respondent had to withdraw halfway through the interview due to an incident on the farm, and his information was discarded.

Of the 20 respondents 18 were men (in some cases together with their wives or partners) and two were women who are owner-operators in their own right.

2.9   Gender references

Continually referring to respondents and staff members as *her/she* or, worse, *he and/or she* becomes irritating in the text. Because the vast majority of respondents and staff in the dairy industry are men, and in common with normal English usage, the term *he* is used even when it

is clear that the person concerned could be of either sex. In the case of the two female respondents, this also further serves to protect their anonymity.

2.10 The authors

Nona Verwoerd has a Masters degree in social work (community development) and qualifications in Transactional Analysis. Her particular area of interest is Organisational Development as it applies to Farm Management.

Rupert Tipples is Senior Lecturer in Employment Relationships in the Applied Management and Computing Division at Lincoln University. He is coordinating the work of a number of students and research associates in dairy farming and related fields.

MAP OF CANTERBURY SHOWING LOCATION AND DISTRIBUTION OF RESPONDENTS

KAIKOURA DISTRICT

■ KAIKOURA

HANMER SPRINGS

WAIAU

CHEVIOT

CULVERDEN

HURUNUI DISTRICT

HAWARDEN

WAIKARI

WAIPARA

AMBERLEY

WAIMAKARIRI DISTRICT

SEFTON

WOODEND

RANGIORA

OXFORD

CUST

KAIAPOI

SELWYN DISTRICT

CHRISTCHURCH CITY

SPRINGFIELD

BELFAST

SHEFFIELD

DARFIELD

KIRWEE

GLENTUNNEL

ROLLESTON

CHRISTCHURCH

PREBBLETON

HORORATA

BURNHAM

LINCOLN

ASHBURTON DISTRICT

AKAROA

METHVEN

LEESTON

RAKAIA

SOUTHBRIDGE

TAUMUTU

BANKS PENINSULA DISTRICT

TIMARU DISTRICT

ASHBURTON

MACKENZIE DISTRICT

GERALDINE

FAIRLIE

TEMUKA

PLEASANT POINT

TIMARU

PAREORA

TWIZEL

⊕ Farms of respondents

WAIMATE DISTRICT

WAIMATE

OTEMATATA

KUROW

DUNTROON

WAITAKI DISTRICT

Legend

■ Metropolitan Area

■ Town

▪ Population Centre

⋀⋁ Major Road

0   20   40   80   120   160 Kilometres

CHAPTER 3: THEORETICAL FRAMEWORK

3.1 Dual realities of employer and employee

The Employment Relations Act 2000 requires that all employees have a written employment agreement which is signed by both parties prior to commencing employment. Employment is therefore a legal relationship as well as a human encounter.

The employment situation implies at least two key players: an employer who has decided to offer employment, and an employee who is looking for employment. Under certain circumstances, these two parties may be on a converging course. For both of them, certain objective and subjective criteria may have to be met before they will even meet, and certainly, before they enter into a contract of employment. Even after such a legal agreement is signed, the process of reaching mutual understanding will continue to either maintain or terminate the formal contract. It is, therefore, not a case of one fixed party waiting for the other to approach, and then deciding whether or not to accept the approach. There is movement on both sides. There are also, on both sides, a continuous series of large and small decisions on whether to maintain or change direction, perhaps back off a little, or to leave the arena. Good communication, an awareness of own needs and goals and some empathic understanding of where the other party is coming from, will be instrumental in determining the eventual "fit" and success of the employment relationship.

3.2 Task and process

Communication has both task and process levels. On the task level words are used which carry content and information. On a process level there is an inner meaning which is conveyed by tone of voice, body language, pauses and context.

In the interview schedule, the task level of information gathering is represented by simply asking clear, unambiguous questions and noting the answers. The answers can readily be collated and they provide a good first level of understanding of the subject researched.

Process information is unique to the respondent in his time and place. However, collective patterns of attitudes do exist and can be distinguished, and when they are identified they enrich our understanding of the factors that underpin decisions and behaviours.

3.3   The conceptual model used

The following diagram (Figure 1) illustrates the conceptual model, developed by the authors, used to illustrate the human system on a dairy farm. By studying the diagram it will be noted that:

- Initially, the pathways of employer and employee start far apart. Both parties go through a series a steps which will either move them nearer to each other or stop the movement.

- Only the employer's steps are detailed in this report, but some assumptions are made about the simultaneous movement in the employee.

- If certain conditions are met the parties converge at the point where an understanding is reached and a legal employment contract is signed by both parties.

- Shortly thereafter, the (new) employee enters the human system on the farm. From this point onwards the employee is part of the team and influences events on both task and process levels.

- The employee remains part of the system until something happens to terminate this, initiated by either the employer or the employee. Then the employee exits the system.

- The employer, however, cannot usually leave without breaking up the system. As he is in a position of power, this means that he represents the central norming and executive mechanism.

In the diagram, the employment pathway is indicated in black. The employer's tasks are shown in blue; processes are shown in green. Combinations of task and process are shown in yellow.

Figure 1.
The Human System on the Farm

Figure 1.
The Human System on the Farm

Job Analysis
People/system
Analysis

Job Description
Person
Description

Recruitment
"Selling" the job

Awareness and
Decision to find
Employment

Approach

Yes   No

Yes

Selection
Finding a "fit"

Interview
Encounter

No

Yes

Celebrate/grieve

Measure results
Evaluate staff

Production
Motivate

Planning and setting
goals
Communicate

Orientation
Build esteem

Legal contract
Psychological
contract

No

Yes

Start work
Enter the system

Extended system includes supporting
professionals eg; bank manager, lawyer,
consultants, and also significant peers

Satisfactory

Not
satisfactory

Discipline
Conflict
Management

Not
satisfactory

Exit
interview
Separate

Exit

- - - - - System boundaries

Task

Process

Decisions & phases: Yes - carry on
No - go back

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CHAPTER 4: THE FARMER AS A PERSON

4.1 General

The personality of the farmer determines several key issues and decisions relating to employment. Employment is after all essentially an encounter between human beings. Their attitudes, drivers, traits and foibles determine the content and quality of the interaction between them. In this study the employee was not included- this still needs to be researched- but some attempt was made to understand the farmer.

A probe around whether respondents tended to clone themselves (that is, to select staff as nearly like themselves as possible) met with a great deal of interest from respondents. Most respondents said that that choice was a luxury they did not have. They simply took the best that was available. One respondent said, quite definitely, that he actively tried to find staff different to himself "to provide a balance". Three respondents indicated that they would not consider employing anybody who would not accept their authority- it was important to them to be "on top". One response was unfortunately unprintable but can be summarised as "one of us on the farm is plenty!"

4.2 The farmer as a person, and the person as a farmer: his reason for farming

Farming is a multi-dimensional activity with many areas of interest and focus. A person who is primarily interested in animal health and breeding issues is likely to have a different approach to dealing with staff from a person whose main interest is in running a business, someone for whom farming brings forward his ability to manage a complex system as manager and leader, or someone who inherited the farm and simply carried on providing for the family.

A large variety of reasons for farming were cited, including

- a love of nature,
- family tradition and background,
- lifestyle,
- enjoyment of running a *large* concern,
- running a successful business,
- managing a complex system, and
- making a good income.

However, some respondents also expressed frustration at pressure to manage staff and be businesslike when they really just want to be farmers, or having to incorporate modern ideas of dealing with staff when they really prefer the more relaxed, well-tried traditional ways of doing things.

4.3 The role of the family

Many farms have moved away from being a family-centred enterprise. There is now a large spectrum of involvement of family (ranging from a completely family-run affair, through family-plus-other employees) to the other extreme of corporately-owned farms. The operating structure of the farm would clearly impact on the role of the family.

Of the 20 respondents
- 10 were owner-operated,
- 5 were family trusts or family-owned companies,
- 1 was corporately-owned,
- 1 was owner and sharemilker (he ran 2 farms) and
- 3 were 50/50 sharemilkers.

Family involvement, therefore, stills plays a huge role in farming and 9 of the respondents could remember occasions where they took important decisions that were good for the family but perhaps not ideal from a business point of view.

The (often unconscious) strategic decisions taken around the role and welfare of the family could, and sometimes did, influence decisions, particularly on process level, on interaction and treatment of staff. Children, even if they are formally "junior" staff, do have the ear of their parents. This could influence issues of communication lines, authority, and promotion.

4.4 Farmers as a functional community

Not all communities are identified by geographical proximity. Functional communities are identified by the fact that they have some non-geographical factor in common. Thus, dentists (profession), gardeners (hobby) or paraplegics (disability) are all functional communities. Clearly, what makes dairy farmers a functional community is the fact that they earn an

income by milking cows. However, they share much more than that simple fact. They share common knowledge, experience, problems, insights, jokes, values and a sense of linkage:

- Dairy farming represents a source of identity and pride;
- Other dairy farmers act as peers;
- Peer pressure becomes a norming factor;
- Peer respect acts as primary support system and stabiliser;
- Peer pressure can act as change agent, but a sense of power in numbers can help farmers resist unwanted or imposed change;
- Interdependency (networking) can create inclusiveness as well as exclusiveness;
- Closed social boundaries create safety but can alienate incomers;
- Stability and change are contained within the community. Any incomer upsets the status quo and when there is change in the structure of the community old patterns of interdependence need to be renegotiated and re-established until a new balance is achieved. This can cause stress even when it is acknowleged that there is a need for renewal.

4.5 Managing the farming system

Respondents were asked to draw the human system on the farm- in any way that made sense to them. The women were much better at this than the men and in three cases the spouse took over the job from her husband.

- 3 respondents drew a constellation with themselves in the centre (sometimes together with their spouses/partners) with staff orbiting at various distances and tangents around them. Senior staff were nearer, juniors further away from the centre;
- 4 drew a bureaucracy-type structure with lines of authority delineated;
- 3 drew a project-group type structure with leadership passing from one member to another according to what a situation demanded. Authority tended to go with experience and expertise in differing circumstances;
- 5 wrote a simple list of staff;
- 5 produced a drawing that can only be described as "mixed" or "confused".

Why was this considered important? Because the way the person with the most power places himself in the system also determines the way he governs the system. This involves issues of control, authority and democracy. It was also noticeable that respondents had trouble placing

family members (e.g., children) within a system. Because of the relationship, therefore, in terms of communication and power, they were "near" even when they were functionally among the juniors.

4.6   Style of management

Question 25 asked: "In describing your style of management, do you use mainly :
Strong authority.....a coaching style......a participative style.... A mixture of style.. ..."
To this question,

- 8 respondents recognised themselves in the first style - meaning, giving orders (often politely) and expecting them to be obeyed;

- 4 marked the second option, i.e., a coaching style. However, asked to explain what this meant, hardly anybody could. Most often, an analogy to rugby coaching was used but it was also readily admitted that the staff on a dairy farm in no way resemble a sports team. However, getting alongside staff and leading by example could probably be classified as a coaching style;

- 2 respondents used a participative style in which staff are involved in and given a great deal responsibility for decision-making, usually by way of weekly staff meetings and daily mini-meetings;

- 4 respondents gave the technically correct answer, which is that best practice involves a mix of styles, depending on the situation, the time frame and experience level of the worker;

- 2 respondents admitted to a "confused" style which involved mixed messages, bad communication and a general dislike of dealing with staff.

4.7   Expansion plans

Respondents were asked whether they planned to expand their operations.
- 4 said no, they were happy with what they had
- 11 were planning expansion
- 1 was planning to downsize
- 4 were not sure.

4.8 The role of the partner or spouse

This was not formally codified but the respondent was asked about her role on the farm. Some of the comments made:

- "She supports me"
- "I use her as a sounding board (bouncing block)"
- "She takes care of me and I take care of the farm"
- "She is the driving force around here"
- "She is my total mate - my partner in every way"
- "She is my business partner - she is involved in every aspect of the farm"
- "She is absolutely versatile -she can do anything on the farm and I can totally rely on her"
- "She is the pace-setter"
- "She handles the finances, takes care of all of us and keeps things real"
- "Her financial skills are very valuable"
- "She is my other half"
- "She does the administration and acts as lightning conductor"
- "I value her for her loyalty and business planning"
- "She puts life into the system- likes to have some fun, organises outings, Christmas baskets"
- "She is a supportive friend to the staff; a helper but not the boss".

4.9 Placing the dairy farmer as manager and as leader of the human system on the farm.

It is possible to differentiate between being a manager and a leader.

The task of a manager is to initiate and maintain a satisfactory level of production by using tasks of staff recruitment, training, planning, production, quality control, and other management tasks.

Leadership process, also called process management, of a group entails the softer skills of enabling people to be workers. Motivating staff, fostering and modelling straight communication, turning conflict into a communication opportunity, empowering and enabling- all these "soft" skills have a place in the management of the dairy farm. Very few

people are born with this knowledge. Like any other useful tool, one has to learn how to use it. Until now, traditional knowledge seldom gave farmers access to these skills and therefore this is most often a new toolbox that has yet to be unwrapped.

On a task level, a certain amount of work from the employee is exchanged for a certain amount of money from the employer.

On a process level, the employer shares of himself: his experience, attitudes, goodwill, and encouragement from a belief that this stimulates human growth and that developing the potential of his employees is to the advantage of his farm, the industry and the wider community – and to the employer himself.

4.10 The implications of a centralised approach

The current system of staff management on dairy farms is highly centralised. The authority, decision-making, and executive power and responsibility rests squarely on the shoulders of one person or the core senior staff . It is the exception rather than the rule to involve other than senior staff in decision-making, planning or communication processes.

This (traditional) approach rew out of the historic facts of being a farmer in New Zealand: isolation, being a family venture, large tracts of land with low population density – all this boiled down to a great deal of individual responsibility and a demand for a versatile, practical, independent personality. To some extent this is still true but circumstances are changing.

Reality is that dairy farms cannot be run without staff and that even a very dedicated, energetic and competent dairy farmer has a limit to how much he can do. Expansion of the dairy industry (more farms, more cows) is placing staff in a position where they can choose where they want to work. It is also making it imperative for farmers to use staff to full potential.

CHAPTER 5: RESEARCH RESULTS

5.1 Job analysis and/or job description

5.1.1 General description

Doing a job analysis gives the employer an opportunity and framework to look at the functioning of the work situation as a whole and is the basis of a possible decision on whether or not to employ more staff, replace departing staff, or re-arrange the current system. The **task** of a job analysis entails making a list of all the main jobs or categories of jobs to be done on the farm (taking expansion into account) and deciding on who is going to do what. This decision is then negotiated with existing staff and, if agreed on, written into job descriptions. If no new staff are needed the next phase in the process is **production.** If the decision is to employ or replace staff, the next phase is **recruitment.**

It is a legal requirement (in terms of the Employment Relations Act of 2000) to supply staff with a job description but the Act does not stipulate how comprehensive it should be. Ideally, a job description is accompanied by measurable performance levels. On farms with small staff numbers, where staff tend to be generalists, such a description may be the same for all staff and get done only once, but in situations where

- the work is expanding, or
- there are more than one level of staff employed, or
- where staff specialise to some degree, or
- where staff with special needs are employed,

such a description needs to be individualised.

The **process** underpinning this task implies that the employer needs to reflect on his own and the skills and personalities of his workers. He needs to decide whether to "clone" himself or staff members in taking on future staff (in other words, to try to duplicate himself or other staff as nearly as possible) or whether to specifically recruit for abilities and skills not yet present in the worker group. He needs to decide what jobs to keep for himself, and what and how he will delegate. This could lead to matching employees to jobs keeping in mind special abilities, need for extension or experience, and expansions planned in the work. This analysis

can highlight gaps in the skills available from the workers, and lead to decisions around providing training or recruiting staff to provide specific skills.

The process aspect of job analysis also means thinking about the relationship between workers, and between various levels of workers, and evaluating the functioning of the system as a whole. This may lead to insights around recruiting for balance in the system, or future leadership, or special abilities and attitudes.

5.1.2 Responses

The respondents were asked whether they used job descriptions.
- 7 said they used a short, general job description;
- 8 said a (short) job description was included in the employment contract;
- 1 didn't know because this was a delegated function;
- 4 respondents had comprehensive, clear job descriptions with measurable goals and explicit levels of expected performance available for each staff member.

In 2 cases staff from "outside" had job descriptions, but not family members who were working (and being paid) on the farm. Respondents admitted that this had caused problems.

This means that all the respondents were aware that job descriptions exist, but only 4 were making full use of this facility. These farmers commented that using them was
- "fair on the staff" or
- "led staff to taking ownership of their jobs" or
- "it facilitates communication".

Resistance to using job descriptions came out in comments such as
- "don't like them" or
- "titles are dangerous" or
- "they just do what I tell them to do".

Probes seemed to indicate that these farmers felt that committing themselves to a particular job description and levels of performance could result in staff working "to the book" rather than flexibly just doing what needs to be done and being told if it wasn't good enough. The fact that this would tend to centralise control was seen as an advantage by some and as a disadvantage by others.

5.2 Recruitment

The task of recruitment is to fill staff vacancies with suitable staff. This involves actions around making needs known, and attracting suitable applications; it also implies evaluating past successes and failures in recruitment, and taking decisions about methods of recruitment. This follows on decisions taken in the job analysis phase.

The process aspect of this phase lies in involving staff in plans to recruit, getting their input into the profile of the person needed (if required) and starting to prepare them for the insertion of a newcomer into the system. Issues of alienation need to be addressed at this point. These are processes because the actions are based on a decision to share power and also to acknowledge the psycho-social impact of a stranger entering the system.

Respondents were asked about methods of recruitment they used. Table 1 reflects their answers.

Table 1: Methods of recruitment

Number of responses in each category

Method	Managerial	Full-time staff	Part-time staff
Word of mouth	15	14	16
Local news boards		2	2
Newspapers-local	3	5	7
Newspapers-Canterbury	9	9	4
Newspapers-South Island	6	10	3
Newspapers-New Zealand	1		
Newspapers-International			
Specialist publications	1		
Internet or own website	3	6	
Employment agency	6	3	
Referral by consultant	2		
Internal promotion	1		
Head-hunting	1	1	1
Lincoln University Notice Board	1		
ADEG employment Service	4	4	4

The above table shows that, although farmers are using a variety of different methods of recruitment, "word of mouth" is still by far the most often used. Four respondents relied completely on word of mouth to fill recruitment needs. This is interesting because these farmers have no control at all over who comes in the gate and offers to be employed and are basically relying on the reputation of the farm to bring in suitable employees. In these cases, it could be argued that the prospective employee, in fact, makes the decision on which farm he wishes to be employed, and the employer simply has to accept the best from what is offered. However, 16 respondents were more pro-active in their recruitment efforts.

5.3   Selection of staff.

Given that suitable applicants have presented themselves, the next step is to select. Table 2 shows methods used to select staff.

Table 2 Methods of selection of staff

Number of responses in each category

Method	Managerial	Full-time milkers	Full-time juniors	Part-time workers
Telephone interview	12	11	12	9
Application form	1	2	3	
Reference checks	14	12	13	6
Interview by employer	16	15	14	9
Interview by consultant	4	2		
Interview by other	4	4	4	4
On-the-job-tests	5	7	5	1
Psychometric tests				
Intuition	10	9	8	6
e-mail correspondence		1	2	1
Farm walk	1			
Go visit current place of employment	2			
CV	1	1		
Trial period	1			
Other staff involved	2	2		

- A telephone interview is not simply a telephonic conversation but an interview which leads to a decision. 12 Respondents, mainly in remote areas, used the telephone as a significant selection tool, but they were all agreed that this was not an ideal situation.

- Only 3 respondents used a custom–made application form; in two cases this form had been compiled by a consultant. They all stressed the value of such a form, saying that it saved time, enabled them to find the specific information they were looking for (rather than relying on a cv).

- Reference checks were used by 14 respondents. This is a surprisingly low number as a reference check is commonly regarded as part of best practice selection. Also, the respondents who did not believe in doing reference checks all marked certain desirable traits in employees (see below) but could not really explain how they were able to use an interview or their intuition to select for those traits. They were, in fact, simply hoping for the best.

- Interviews, in one form or another, were used by all employers before employing staff if it were at all practically possible. However, several employers confessed that conducting the interview was difficult for them and that they seldom felt really confident about the outcome; 8 employers used a consultant or other outsider to sit in or conduct part of the interview.

- On-the-job tests were used by 7 employers. They were not formal examinations but rather casual questions or requests for on-the-spot help during farm walks.

- Nobody used psychometric (or "paper") tests and the notion was generally rejected out of hand. However, nobody could really explain how they judged intelligence, social skills, aptitude, or potentially destructive behaviour other than by "intuition".

- Use of the computer (e-mail) was limited to senior staff because junior staff have limited access to facilities, but this will probably increase.

- Use of trial periods, involving other staff (as referees) and visiting the current place of employment were seldom used but, when appropriately used, seem to give good results.

Of relevance here are questions 19 ("Do you experience difficulty in getting staff?") and question 20 ("Generally speaking, have your expectations been met?"). To question 19, 13 respondents said "No"; six respondents said "Yes"; one declined to answer; one said it was getting easier, and one said it was getting more difficult.

To question 20, 5 respondents said "no", they are very often dissatisfied or disappointed, the rest said "yes". The overall impression was that employers who are experienced and confident of their ability to manage and retain staff use a much bigger range of options in selecting staff than others. They seem to believe that thorough selection is time and energy well spent. They would rather not appoint at all than compromise on quality. The group of employers who clearly had trouble finding and retaining staff also tended to take "pot-luck" and, if it didn't work out, go for constructive dismissal. (Constuctive dismissal happens when an employer makes it impossible for an employee to remain but does not dismiss him. The employee then resigns).

5.4   Personal attributes

Respondents were also asked about the personal attributes they were looking for in prospective employees, and to rate attributes according to level of desirability:

1. **Very desirable**   2. **Desirable**   3. **Neutral**

4. **Not desirable**   5. **Most undesirable**

The following two graphs show the strength of positive or negative values given to various traits or attributes that farmers said they selected on. The first graph is for managing or senior staff, the second one for junior or medium-level staff. Positive importance is shown by the bars to the right, negative (unwanted) points to the left.

Graph 1: Importance of personal attributes- Management

Importance of Attributes - Management

Attribute	Score
Able to work in a team	1.8
Motivated, keen	1.8
Reliable	1.9
Honest, open	2.0
Specialist skills	0.9
Potential to develop	1.3
Formal training	0.8
International affiliation	0.0
Smoker	-1.1
Uses drugs	-1.9
Criminal convictions	-1.5
Weak English	-1.3
Lack of experience	-1.3

Score: -2.0, -1.0, 0.0, 1.0, 2.0
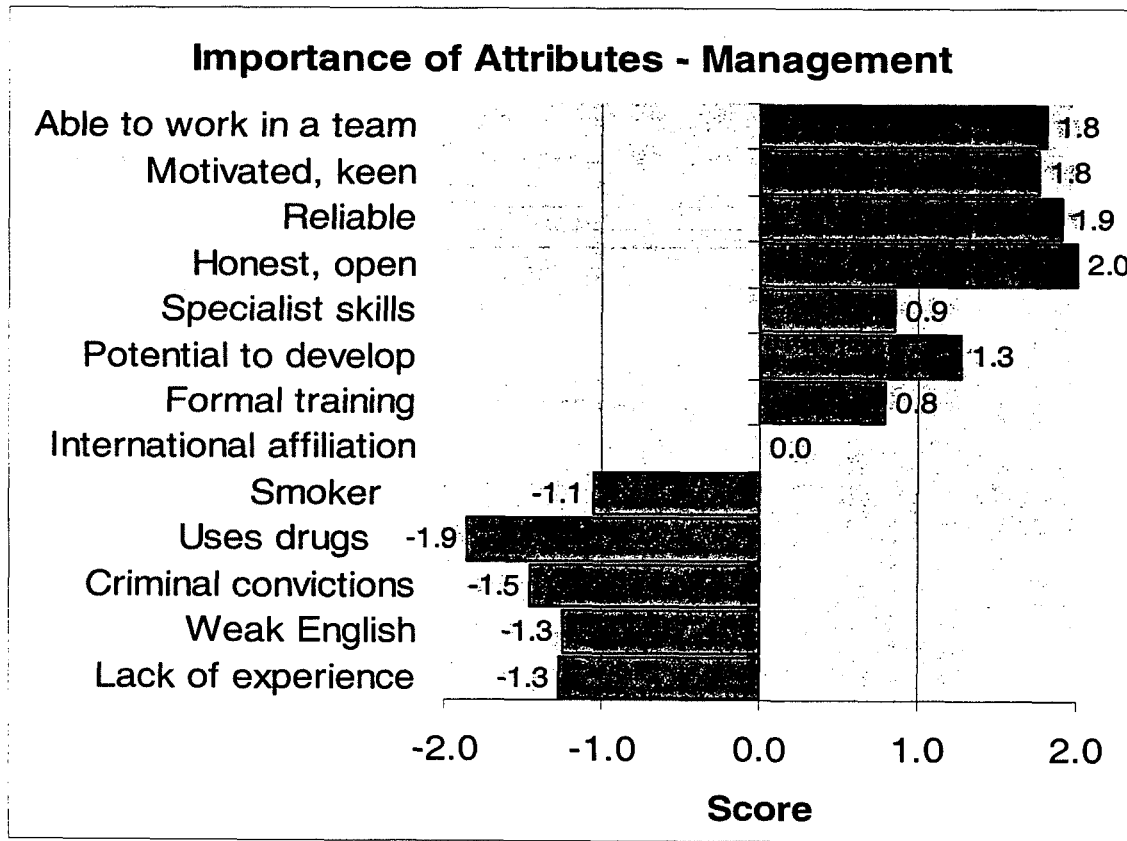
The graph above shows how different attributes were scored, with scores ranging from –2 (most undesirable) on the left through neutral or no opinion, to highly desirable at +2 on the right.

The ability to work in a team is clearly highly valued, as indicated in the table. However, on probing two significant insights emerged:

- Respondents tended to refer to "teamwork" when they really meant simple cooperation. Probes revealed that, irrespective of the number of staff employed, it was highly exceptional for all the staff to work together on one job – they tended to work in shifts or alone or in small groups. (See also par. 5.10 on staff meetings)

- Probes also made it clear that staff were connected to the owner or manager as individuals, not as a group.

The next graph, below, shows the same evaluation for non-management or more junior staff.

- The first four attributes are clearly desirable in any employee. The catch was that virtually nobody could explain how this trait was evaluated or established. Not one respondent could point out particular interview questions established these traits; it all boiled down to "intuition" or "gut feeling". Success in evaluation of personality traits was therefore largely dependent on the interviewer's skill and experience in human interaction.

- Specialist skills are clearly more highly valued in senior staff than in juniors. It will be interesting to see, as farms continue to expand, whether generalists continue to be as highly valued, or whether the market will increasingly demand specialist skills.

Graph 2:Importance of personal attributes- Non-management

Importance of Attributes - Non-management

Attribute	Score
Able to work in a team	1.7
Motivated, keen	1.6
Reliable	1.9
Honest, open	1.8
Specialist skills	0.4
Potential to develop	1.4
Formal training	0.4
International affiliation	-0.1
Smoker	-0.9
Uses drugs	-1.8
Criminal convictions	-1.4
Weak English	-0.9
Lack of experience	-0.1

Score: -2.0, -1.0, 0.0, 1.0, 2.0
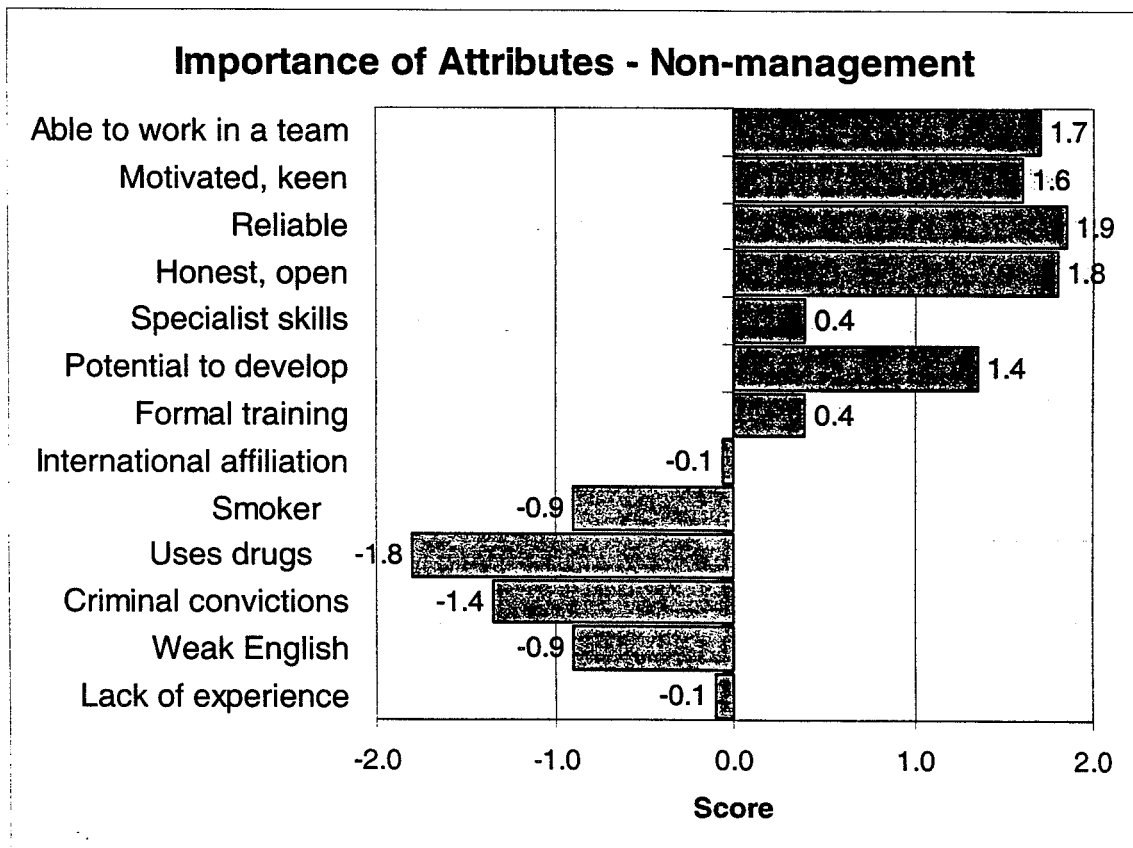
- "Potential to develop" was generally highly valued, but again this trait is really impossible to establish using the selection methods that farmers preferred.

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- During probing several respondents expressed discomfort with employees who "outgrow" their jobs, stating that this caused arguments about contracts, conflict with other staff and upset the dependable routine. This is probably why, when a staff member wants to move on and up, the employer is happy to facilitate this. In particular, two respondents explicitly stated that they felt uncomfortable with employees who challenged their authority.

- Likewise, "formal training" was regarded with some suspicion by some respondents, although 13 respondents rated it as "desirable" or "highly desirable" for senior staff, and 8 rated it as such for junior staff.

- "International affiliations" was a purposefully ambiguous term aimed at eliciting prejudice or bad experiences with other nationalities. It elicited very little - the vast majority of respondents were quite indifferent to where a worker came from as long as he could do the job.

- Smoking tobacco was not generally a big issue although a general preference for non-smokers was expressed.

Using drugs and having had criminal convictions were clearly unwanted, particularly in senior staff. This was mainly because of the security and financial risks this entailed, but many respondents pointed out that drug-taking was endemic among young people and really impossible to predict or control.

- Likewise, a person (particularly a youngster) who had got into trouble with the law probably deserved a second chance – but not a third or fourth one!

- Weak English was evaluated in conjunction with "international affiliations" but much more rigidly judged. Not being able to understand or be understood is clearly not acceptable, particularly where the health of animals or security issues were at stake.

Comments on selection

- "This is an isolated, pioneer farm so I have to take what I can get"
- "I select very carefully as I am aware that it takes a particular sort of person to get on with me"
- "I need somebody who will accept my authority"

- "I select staff who will get on with my (very valuable but rather eccentric) manager"
- "I take care to evaluate the spouse or partner as well. I will not tolerate interference"
- "I don't trust reference checks- people give good ones to get rid of bad staff"
- "I refuse to head-hunt staff but everyone seems to do it"
- "Managing is all about boundaries. Boundaries give comfort"
- "Finding staff is getting easier - there are fewer drongos because conversions have slowed down"
- "Finding staff is getting more difficult - there are more farms and dairy farming has a bad name - we get the leftovers".

5.5 Contracting

The negotiation of a legal contract forms the task level of contracting. The process level of contracting is usually called the process or psychological contract (Tipples, Hoogeveen, & Gould, E., 2000).

The completion and signing of a formal employment contract is a legal requirement. All respondents complied with this. The Federated Farmers Contract was used by at least 12 respondents; the others used a short, standard contract form. A common practice seems to be to start with the Federated Farmers contract and then to add or change paragraphs according to need such as items about OSH areas, personal presentation, and standards of housekeeping.

Several respondents acknowledged that using an employment contract was useful in that it gave both parties a written agreement to fall back on in case of dispute, and a firm point at which employment commences. Ideally, a contract would be fair both ways.
However, also included were comments such as
- "The contract is more binding on them (employees) than on me".
- "It is a time-consuming bother".
- "The legal contract is not entirely realistic- does not protect either party".
- "No advantage except clarity; it is not a substitute for careful employment practice".
- "Not one standard contract is really good - we've combined six different ones".

One employer admitted that he was "slapdash" about contracts for family members, and another said he preferred to trust good communication and a "gentleman's agreement" and conformed to having a legal contract only to stay within the law.

The process level of contracting is called the psychological contract. "To achieve successful psychological contracts the aim is to match expectations and priorities." (Tipples, Hoogeveen and Gould, 2000 p. 26). This deeper level of understanding is achieved through communication, working together, being open to differing points of view, and maintaining space and opportunity for personal growth. It is hindered by autocratic management, playing psychological games, and lack of commitment to the job.

Although all respondents recognised the substance of the term "psychological contract", if not the formal term itself, not one used a formal communication exercise to get this process started. It seems that farmers prefer to let a relationship develop slowly and gradually, but they also acknowledge that when the hard work starts, communication of expectations tends to be limited to the job in hand and that a satisfactory (deeper) level of mutual understanding is often not achieved.

It also seems to be unusual for potential staff to be introduced to the other staff members before a formal contract is signed; i.e., the employer tends to take the decision to employ without reference to existing staff.

This practice does seem to make the (above) insistence on teamwork a chancy affair if selection is based solely on the employers' judgement of whether a new staff member will fit in. Clearly, the fact that this often seems to give satisfactory results can be attributed to the relative homogeneity and integration of practices and values of the dairy industry in Canterbury. People know each other and reference checks give adequate results. However, Lucock (2003) has pointed out that increasing numbers of migrants (both from overseas and the North Island) are moving into Canterbury and onto dairy farms, which will dilute this mechanism.

At this point the new staff member usually receives a job description which is most often part of his employment contract. He has crossed the boundary between "inside" and "outside" and is now part of the farming system. He now has to get his bearings.

5.6   Orientation

The task of orientation is to help the newcomer to become familiar with the farm, the job, and to become independently productive as soon as possible.

On a process level staff need to become linked into the staff and people network on the farm, to feel accepted and to feel emotionally safe enough to concentrate on the job rather than on themselves. This does happen naturally, given a reasonably positive environment, but it can take a long time.

Respondents were asked about the ways in which they get this done. Of the answers to the question "Do you normally use Induction/Orientation files?" seven respondents replied "yes" and 12 said "no". One respondent did not know – this was a delegated job on his farm. Asked how incoming staff were inducted, answers ranged from "they just find their way around" and "they learn by their mistakes" to the owner or manager or most experienced staff member keeping the newcomer with him/her until it was clear that the newcomer could manage on his own.

Other strategies were:

- Newcomers were "brothered" or "buddied" with different staff members to establish personal and working relationships;
- Newcomers were mentored by the manager or senior staff members;
- Paperwork (e.g., maps, routes, safety procedures, TQM and other manuals, rosters etc) was made available in sheds, houses or individually;
- In the Amuri district ADEG (Amuri Dairy Employers Group) has compiled a comprehensive folder of farm-specific information as well as information about the district that is available for dissemination by employers;
- In only one case did the manager carefully evaluate the skill and developmental level of each newcomer and create an individually tailored orientation and information package.

5.7   Safety procedures

This is dealt with as a contracting issue because employers have a legal obligation to provide a safe work environment for staff. Generally, the question "what safety procedures and emergency procedures do you normally use?" was met with some surprise by respondents as they felt that one cannot really prepare for emergencies - you deal with them as they come.

- 2 respondents had really well-planned and rehearsed safety and emergency procedures in hand with a labeled, regularly inspected cupboard of equipment, manuals and posters;

- 7 respondents had various items of safety, first aid and emergency equipment available and knew where to find them, and of these 7+2 respondents:

- 5 respondents had taken training of some sort in dealing with medical emergencies or fire; and

- 7 respondents had OSH manuals, had attended OSH meetings;

- 1 respondent had done an ACC course;

- 1 respondent had done an ADEG safety course;

- 1 respondent had a wife or partner who was a trained nurse;

- 11 respondents were unprepared for any sort of emergency and would try to deal with them as they came.

5.8   Managing for production

5.8.1 Introduction

Managing staff for optimal production (performance management) involves many techniques and approaches which could not be researched in this small study and which, in any case, would seldom be used on a typical dairy farm.

On a task level, production boils down to planning, doing the work as fast, accurately and safely as possible, and exercising some sort of quality control.

The processes of production include motivation of staff, developing their potential, and encouraging them to take ownership of their jobs.

5.8.2 Interaction with staff

Question 22 deals with these issues: " In your dealings with staff what do you basically try to achieve", re

- becoming aware of mutual expectations
- needs of workers
- growing each staff member
- building a team
- optimising productivity. "

All these issues were dealt with free-style, i.e., through discussion rather than structured questions.

There seems to be some overlap between growing staff and being parental or exercising authority. Needs of workers were acknowledged, but here the dairy industry has to deal with a most unusual employment situation, in that dairy workers are often quite young (from 16 years up) and usually live on the farm, sometimes in the same house as the employer. Several respondents expressed discomfort at the "parental" aspects of employing young staff, and dealing with issues of hygiene, behaviour, relationships and housekeeping. Very often these issues were "delegated" to the wife or female partner.

The expectations employers have of staff vary greatly. About half of the respondents had high expectations and enforced them, taking care to appoint only staff they could respect and deferring appointment when such staff were not available. Typically, these employers then also expected staff to be ambitious and outgrow their current jobs and move on to more senior positions. Others had low expectations, more or less took what they could get and hope for the best – which could mean that they got stuck with staff who were too passive to move on and up.

Clearly, in a centralised working environment the employer's value system will be very significant. Two of the respondents were explicit in having a Christian-based value system, in one case including certain values, such as prohibiting swearing, in the employment contract. They tried to deal fairly with others, and expected others to deal fairly by them. In all cases the employers' and employees' values, whether conscious and verbalised or not, would go far

to determine the "fit" between them. However, it generally seems to be unusual for either party to explore this aspect before signing a contract.

Comments on optimising productivity

- "We do that by encouraging, training, supporting, praising"
- "I have a clear idea in my head how this farm should function and when it falls short, I pull them (staff) up"
- We have contractual CPA's (Critical Performance Areas) that are measurable and enforced .
- "I grew up on this farm and I know how it should be run. I carry a picture in my head"

5.9   Training of staff

Given that staff often enter employment in the dairy industry at a very young age and with the minimum of schooling behind them, the issue of training of staff seems to be important.

5.9.1 On-farm training

On-farm teaching and training seems to be accepted as part of the employer's job and, indeed, making sure that staff know how to do their jobs would be a rather basic part of risk control.

Of the 20 respondents, only one (a relatively large employer) conducted structured on-farm training of his staff. Often he did the training, but he would also import trainers as the occasion demanded. Several employers said that they enjoyed teaching staff but that they could and would do much more if time allowed. On the other hand, one large and very experienced employer was adamant that he took only mature staff, who were fully trained and experienced.

Some comments:

- "I teach them all they need to know- they can learn everything they need right here, there's no need to move on";
- "I really enjoy teaching youngsters - would like to do much more";
- "It is good to watch them grow";

- "It is a waste of time trying to teach them more than the basics - they'll only get poached";
- "I don't need staff to think, I need staff to do as I tell them";
- "I see such potential in these youngsters! Some of them have had a raw deal but spending time and effort on them is a good investment".

The overall impression was that most employers saw training as an enjoyable part of their role but that pressure of work tended to limit that training to practical, here-and-now tasks with little opportunity for theoretical or wider extension. This has to happen off the farm.

5.9.2 Off-the-farm training

Off-the-farm training opportunities seem to be available in most areas of Canterbury. None of the respondents actively discouraged or refused staff opportunities for training. By far the bulk of employers see the value in encouraging staff training, but also expressed realistic scepticism because staff very often start courses but fail to complete them. Also, the work on the farm still needs to get done!

Strategies for dealing with requests for off-the-farm training included
- staff need to initiate the process and pay up front;
- staff donate the time, the employer refunds the course fee if they pass;
- employers pay for half the course fee;
- staff get paid time off and reimbursement of fees if they pass;
- it is expected (or even contracted) that staff will accept ongoing training.

5.10 Staff or team meetings.

Question 29 asked: "Do you use staff (team) meetings? For what purpose?"
- 5 respondents used staff meetings regularly;
- 5 used them occasionally or when there was a particular need ;
- 6 did not have staff meetings;
- 4 had informal social occasions when staff would sit round with a beer and discuss what has been happening.

The general impression was that staff meetings are difficult to organise because of rosters and other practical factors, and that when they did happen it tended to be a one-way (employer to

employee) conversation on a task level. There were, however, 2 notable exceptions who used staff meetings as a powerful tool towards creating group morale, for planning and quality control, and to actively grow the staff.

Comments on staff meetings:

- "They (meetings) are a major management tool to build the team, plan together and take decisions together" (Note: this respondent was a large and successful farmer who had probably the least centralised system of all the respondents)
- "We used to have them but they turned into gripe sessions so we stopped it"
- "Attendance at meetings is optional but expected"
- "Staff find an excuse not to turn up"
- "I can't get them all together at the same time"
- "It turns into a party so we have it after work"
- "Staff got out of control"
- "I wouldn't know what to say"
- "My consultant says I should have them but I have no idea how to set about it and I'm scared of making a fool of myself".

5.11 Performance measurement (Evaluation)

Performance measurement is used to establish whether staff are doing a good job, and is ideally contracted by establishing measurable goals at the start of each employment year. There are formal, paper-driven performance measurement systems available, but the two respondents who used formal appraisals had developed their own. Most often the production of the group is evaluated since it is usually impossible to separate out individual contributions.

Evaluation is the process level of performance measurement where it is not so much output or work that is measured, but rather the way in which the individual as a person enhances or upsets the functioning of the system.

- In two cases performance appraisals, if any, were a delegated function that the respondent knew nothing about.
- Of the remaining 18 respondents, two carried out formal, annual performance appraisals linked to some bonus or incentive scheme with all staff. In one of these

cases, performance appraisal was directly linked to an (excellent) job description and the staff carried out their own performance appraisal based on standards set in the job description. They then calculated and claimed their own bonuses- and they loved doing it.

- 13 respondents said they carried out some sort of appraisal in their heads - they knew when things were satisfactory and would let staff know how they were doing.
- In no instance was a personal evaluation carried out unless a worker created trouble or got into trouble.

Other comments included:
- I don't do appraisals because I cannot afford bonuses
- I don't reward, rather penalise non-performance
- My staff aren't into reading and writing- I tell them what they need to know
- I don't use them yet but I am aware that this is a need.

5.12 Celebrations

The second part of question 29 was "What happens when someone has a birthday?" The purpose of this question was to find out something about the level of individualisation of staff members.

Answers ranged from "nothing" or "I have no idea when they have birthdays" through to "he gets time off" or "we have a party" or "he has to shout ". Most employers (16 respondents) did something meaningful to make this a special day for staff.

Most employers had a sense that team building includes opportunities to break away, or to celebrate achievements. This is indeed important because celebrating achievement completes the production cycle and re-energises staff for the next effort. Ways of doing this differ, but 14 out of the 20 respondents made a point of breaking the routine and having some fun.

5.13 When things go wrong

When goals are not achieved, staff
- need the opportunity to be sad and disappointed and acknowledge failure or shortfall;
- need the opportunity to re-plan and improve skills, plans and procedures.

The common task-centred approach generally meant that this important human dynamic was ignored, and that the usual response to failure or disappointing results was be to take control, tell the staff what went wrong and why and how to fix it, and effectively depower staff at precisely the point where there is most to learn and they are most receptive to this learning. However, not all respondents fell into this trap- several were aware of the learning opportunities of failure, but it was also pointed out that nobody got it right all the time – stress does take its toll!

5.14 Discipline

The most common reasons for staff leaving, from the respondents' point of view, were:

- not accepting discipline
- breaking the rules
- a negative attitude to work
- lack of commitment
- not accepting authority
- lying
- inadequate performance
- using drugs
- being late, unreliable
- mental illness or intellectual incompetence
- bad personal hygiene

These problems are usually dealt with by either not renewing a contract at the end of an employment year, terminating a contract after going through the necessary legal procedure, or encouraging the employee to leave on his own initiative, which might be considered constructive dismissal. Of these options the second is considered to be least desirable because it is time-consuming and could leave the employer open to legal consequences. Instant termination is only used in extreme cases, with legal advice.

Several respondents stressed that careful, thorough recruitment was time well spent because it could prevent hiring an unsatisfactory employee. Terminating such an employee's employment was costly, painful and time-consuming.

Only one respondent had a confident and problem-solving approach to dealing with staff who don't deliver. This employer really tried to find out why staff experienced difficulties, and he invested a great deal of time where necessary. He stated that he had had some success but also many failures.

On the other hand, two of the most experienced (and largest) employers stated emphatically that when it is clear that things aren't working, trying to improve matters just prolongs the agony for all concerned. It is better to terminate things, in the proper way, as soon as possible.

5.15 Conflict with and among staff

This is handled in much the same way as disciplinary issues. It is interesting, however, that employers seem to consider discipline and grievances a one-way procedure, i.e., the employer having trouble with the employee. The norm seems to be that an employee who has a grievance against an employer can either deal with it through leaving the farm, or trying to get legal redress. A conflict-handling, mediating or communicating approach does not seem to be common. Only four respondents have used or would consider using such approaches.

5.16 Separation issues

In accordance with a task-centred approach, feelings of loss and separation are simply not dealt with. Even in cases where a staff member left the group in a fairly dramatic manner (including suicide, mental illness, or after serious injury) the staff were simply informed of the facts. The imperative seems to be that the work must go on, and emotional needs come a distant second.

5.17 Exit interviews

An exit interview is a reasonably well-known technique of dealing with departing staff in such a way that outstanding issues are dealt with, recognition is given to things that went well, and things that did not go well are explained and recognised (from both sides). No employer should choose to send a disgruntled person out the gate, particularly not in a situation where staff are getting harder to find.

Not many dairy farmers recognised the term "exit interview" but, interestingly,

- 2 employers did commonly conduct formal exit interviews
- a further 8 achieved the same result, one way or another, by having an informal talk, or involving their wife or partner as peace agent or lightning conductor
- one employer delegated all staff matters to his manager
- 9 employers did not consider such an approach necessary
- in two cases a consultant sat in or conducted the interview

The employers who did use exit interviews (formally or informally) commented

- "it achieved a balance of views"
- "it is useful to find out what went wrong"
- "it is an opportunity to restore a kid's self-respect"
- "I was able to explain exactly what the problem was"
- "we gave him a farewell present"
- "it is an opportunity to give him a written reference"
- "it restored the relationship".

5.18 Norms and codes of practice

Peer pressure and the influence of farming consultants are probably the strongest change agents in dairy farming today. However, respondents were also asked about codes of practice and other formal normative information they have used or at least taken note of.

The answers (shown below) made it clear that most employers had access to a raft of information about employment matters and had, to some extent, taken it on board.

Codes of practice used

ADEG (Amuri Dairy Employers Group)	6
Agriculture ITO	11
Federated Farmers	13
AgricultureNZ	12
Own formulation (not written)	3
Own formulation (written)	1
Other (compiled by consultant)	1
None	3
South Island Dairy Event	1

CHAPTER 6: CONCLUSION

In the preceding chapters dairy farmers explained themselves as people: what drives them to succeed, how they place themselves in the human system on the farm, and how they relate to staff. They have also noted some of the ways in which they manage their staff and their farms.

What, then, of the future of staff management on dairy farms?

From what the respondents in this study reported, there does not seem to be any desperate need to change practices. Most dairy farmers seem to be doing well financially, and are reasonably happy in what they are doing. They are working hard but the rewards, they say, are good.

Dairy farmers are competing on an international playing field. In order to remain competitive they must be pro-active in planning ahead for predicted changes in the employment market, as in other areas of dairy farming.

All over the world, the employment situation and the content of the employer-employee situation is changing. New Zealand farmers have not yet been affected by what has been called a war for talent, but there is no reason to think it will stay away for ever. A situation is developing where workers can choose whether they want to work at all, and if a job is not perceived to be self-fulfilling and an opportunity for personal growth they will leave.

Locally, the number of workers available does not yet seem to be declining, and there are many as yet unexploited sources of workers such as migrants, locals looking for a change of direction, and workers who have not traditionally been involved in dairy farming.

However, staffing is very much an issue of getting the right person for a particular job in a particular system. Changing, replacing and training staff is a costly, risky and time-consuming exercise. Putting measures in place to meet the needs of staff to such an extent that staff turnover is limited to a functional minimum could turn out to be a very cost-effective exercise.

In this regard, the particular needs and issues of staff still have to be explored before any recommendations can be made. Hopefully, this task will be addressed in the near future.

As far as the farmers themselves are concerned, at least two mayor themes can be discerned in this study:

- dairy farmers' strong emphasis of completing tasks rather than concerning themselves with subjective process; and
- a general lack of enthusiasm for paperwork associated with commercial models of staff management.

6.1 Emphasising task to the exclusion of process

Throughout the interviews, a recurring theme was of a practical, task-centred approach to staff and the job at hand. Certainly such an approach is generally appropriate and useful. However, an ability to create loyalty to the team, to develop and reward commitment, to celebrate the human nature and potential of staff members, presupposes a willingness to engage with staff on more than simply a superficial level. This does *not* mean, as one respondent put it, to "become a bl.... psychologist" but to learn how to manage and lead staff on an holistic level. This is a legitimate challenge for every modern employer.

Many dairy farmers are already leading and developing their staff very successfully, and reaping the benefits of staff feeling trusted, valued and responsible, and therefore willing to give to the job much more than the bare minimum often grudgingly given. These employers are creating a strategic advantage for themselves.

6.2 Finding a useful management model

The dairy farmers who took part in this study showed a clear lack of interest in the paper-driven management procedures often recommended as being helpful in managing staff. Where such paperwork is a legal requirement (e.g., employment contracts) they tend to conform and then file away the document and forget about it.

Now clearly, on a dairy farm paperwork has no use in itself. The value of writing job descriptions and other similar exercises lies in

- reflecting, verbalising and recording the systematic thought that went into producing such a document
- recording the resultant communication, agreement and understanding with other parties; and
- recording the decisions that flow from it

If the procedures making up the currently recommended management models are not being accepted and found useful, a better and more useful model of thinking and doing around staff management needs to be found.

Finding and describing such a model is the exciting challenge awaiting future consultants and researchers.

6.3 Conclusion

Now it is time for dairy farmers themselves to take over. This study has indicated many, possibly controversial, topics and angles for debate. That was the authors' intention. Hopefully, such a debate will in fact be stimulated, and it is our sincere wish that this debate may prove to be constructive, interesting and useful.

Appendix 1: Letter to potential respondents

AMAC Division
Lincoln University.

DATE

Address of respondent
****

Dear

Thank you very much for agreeing to talk to me on (date). I very much appreciate your help.

The title of the research program is "Dairy Farmers as Employers" and the study covers dairy farmers in Canterbury. It is being undertaken by the Farm Management Group in the Applied Management and Computing Division of Lincoln University. This is, as far as we know, the largest study of its kind to be undertaken in Canterbury.

The main purpose of the study is to establish what management tools are being used by dairy farmers in dealing with staff, and what their needs are. Resources need to be made available by the Dairy Industry to help farmers cope with the expected huge increases in cow numbers and therefore staff numbers. These expansions have to be planned for, and good information now would help the industry to be prepared to help farmers when they need it.

As I mentioned during our telephone conversation, all information will be treated in strict confidence. The report(s) we generate will contain only collated information and nothing that will identify you or the information you share. If there is any question you choose not to answer just say so – no need to explain why. You will receive a copy of the final report to thank you for your cooperation.

I look forward to meeting you. If you have any questions or comments, please feel free to contact me on telephone ****

Yours sincerely,

Nona Verwoerd
Researcher

Appendix 2: Consent form

CONSENT FORM

"DAIRY FARMERS AS EMPLOYERS"

I have read and understood the description of the above-named project. On this basis I agree to participate as a respondent in the project, and I consent to publication of the results of the project with the understanding that anonymity will be preserved. I understand also that I may at any time withdraw from the project, including withdrawal of any information I have provided.

Signed...

Date..

Appendix 3: Post-interview letter

M***

Address******

Dear **

Thank you very much for the time you spent in discussing and answering my research questions. You gave me some really valuable information and insights and I really appreciate your help.

I'll be posting you a copy of the research report towards the end of the year.

Yours faithfully,

Nona Verwoerd (Researcher)

Appendix 4: Interview schedule

<div align="right">Code...............</div>

DAIRY FARMERS AS EMPLOYERS

Name of respondent(s)...

Position ....

Name of Farm ....

Postal address...

Intro letter posted...

Telephone follow –up.....................Tel.no....................

Date, time of interview...

Distance:.........km from.............................

Travel instructions..

....

....

....

....

INTERVIEW SCHEDULE: DAIRY FARMERS AS EMPLOYERS

Preamble: Thank you, time available, confidentiality, answer by choice

Structural information

1. Farm size..............2. Herd size..............3. Other production.........................

4. Operating structure ....

5. Staff structure (Description and organigram on separate sheet **1**.)

6. Decision-making procedure..

....

....

7. Brief history of this farmer on this farm..

....

....

8. Topographical complicating factors...

....

....

9. How long has respondent been an employer?...

Formal (task) procedures

10. Which of these written management resources do you normally use:

Employment contracts Yes [ ] No(Why not)...................................

....

....

Informational paperwork eg

Job descriptions Yes [ ] No [ ] Why

(not)...

....

Induction/Orientation files Yes [ ] No [ ] Why (not)..........................

....

Safety procedures and emergency procedures Yes [ ] No [ ] Why (not)...

....

Performance appraisals Yes [ ] No [ ] Why (not)......................................

....

Termination procedures Yes [ ] No [ ] Why (not) ....

....

Formal planning aids concerning integration of staff into farm systems (Pls describe)

....

....

11. Have you had formal training in staff management? ....

....

Recruitment **(Show sheet 2)**

12. Which of these methods of recruitment have you used?

13. Please rate these methods according to **your** preference

14. Please tell me how you came to prefer...

....

....

(Show sheet 3)

15. When selecting staff, which of these methods have you used?

16. Please rate these methods according to **your** preference

(Show sheet 4)

17. This is a list of personal attributes. Please rank them in order of their importance in selecting a new staff member.

18. Please tell me how you came to prefer....(.Probe diversity, pre-planning and conscious

....

....

....

19. Do you experience difficulty in getting staff? (probe)......................................

....

20. Generally speaking, have your expectations been met?....................................

....

21. When and how do you discuss career path, promotion and increases in remuneration?...

22. In your dealings with staff, what do you basically try to achieve re becoming aware of mutual expectations...

....

....

needs of workers...

....

growing each staff member...

....

building a team ....

....

optimising productivity ....

....

Ongoing management practices

23. What would you say is your most significant stressor on the farm? ....

....

24. How do you deal with this?...

25. In describing your style of management, do you use mainly:

Strong authority.....a coaching style......a participative style.... A mixture of style.. ...

26. How do you deal with induction/orientation of a new worker?...........................

....27.

What is your policy on on-farm training opportunities for staff?...........................

....

28. What is your policy on off-farm training opportunities for staff?...........................

....

29. Do you use staff (team) meetings? For what purpose? What happens when someone has

a birthday? PTO

30. What role does your wife/partner/spouse play? What is her best contribution?

....

....

....

Termination of employment

31. In your experience, what has been the most frequent reason, from **staff** point of view, for

them leaving?...

32. What has been the most frequent reason for your terminating a staff member's

employment?...

33 Do you normally use a **formal**, contracted *grievance/ disciplinary/conflict* procedure?

Why (not)..

....

34. Do you use exit interviews? Yes [ ] No [ ]   If yes, who conducts them?.................

....

In what way are they beneficial.................... ....

35. Do you use any particular one of these codes of practice (Show sheet 5)

Thank respondent. Re-iterate confidentiality. Note postal address. Tell about feedback.

SHEET 2: METHODS OF RECRUITMENT

Rating	Method	Managerial	Full-time staff	Part-time staff
	Word of mouth			
	Local news boards			
	Newspapers - local			
	Newspapers - Canterbury			
	Newspapers - South Island			
	Newspapers - New Zealand			
	Newspapers - International			
	Specialist publications			
	Internet/own website			
	Agency			

SHEET 3: SELECTION OF STAFF

Which of these methods of selection have you used

Method	Managerial	Full-time milker	Full-time junior	Part-time worker
Telephone interview				
Application form				
Reference checks				
Interview employer				
Interview consultant				
Interview other				
On-the-job tests				
Paper tests				

SHEET 4: PERSONAL ATTRIBUTES

	MANAGEMENT	NON-Management
Attribute	Level of desirability	Level of desirability
Able to work in a team		
Motivated, keen		
Reliable		
Honest, open, likeable		
Specialist skills		
Potential to develop		
Formal training		
International affiliations		
Smoker		
Uses drugs		
Criminal convictions		
Weak English		
Lack of experience		

CODES OF HUMAN RESOURCES MANAGEMENT PRACTICE

CODE OF PRACTICE	USED?
Amuri Dairy Employment Group	
Ag ITO (Agricultural Industry Training Organisation)	
Federated Farmers	
Agriculture NZ	
Own formulation	
Other	

Appendix 5: Press release for local publications

February 2003

ATTENTION: **Editor/Chief Reporter/Agricultural Editor**

(Note: This story also available electronically. Contact name at end.)

Dairy farm staff management research - *participants needed*

Calling all dairy farmers in Canterbury who employ two people or more in their operation and who would like to help their industry by taking part in a Lincoln University research project about farm staffing issues.

Human Relations Specialist Nona Verwoerd is carrying out research in Lincoln University's Applied Management and Computing Division on the management practices Canterbury dairy farmers use concerning staff management and she would like to make contact with farmers who are willing to share their experiences.

Nona's emphasis is on listening to what farmers have to say.

"I would like to hear about their experiences, successes, disappointments, problems and solutions," she says, "their unique and creative ways of managing staff under complex, difficult circumstances in which easy answers don't exist.

"Dairy farmers are showered with advice of all sorts but very little research has been done to find out out what they are actually doing in the area of staff management. Hopefully our research will correct this imbalance."

Nona points out that while staff these days are referred to as a "resource" as in "human resources", staff is a resource that is able to reason, make decisions and solve problems. And if things go wrong it is a resource that can do a great deal of damage.

If you would like to be a contributor to this research project please phone Nona on (03) 3242468 or email nonav@bigfoot.com to make an appointment to meet.

All information will be treated as confidential and participants will receive a copy of the research report when the project is completed.   **End**

FOR FURTHER INFORMATION CONTACT

Ian Collins, Journalist, Lincoln University, Canterbury

Tel: (03) 3252811 ext 8549. Email: collinsi@lincoln.ac.nz

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