FAQ 17

How Can I Be More Successful Hiring and Managing Employees?

Prepared by: Alan Miller, Farm Business Management Specialist
Reviewed by: Kimberly Moore, Craig Dobbins, & Gerry Harrison

Farm labor management involves:
• Determining personnel needs (job analysis),
• Writing job descriptions that will ensure that employees are only hired to do productive work,
• Creating a desirable working environment,
• Designing appropriate compensation and benefits,
• Recruiting job applicants,
• Interviewing qualified applicants,
• Selecting the best applicants,
• Training employees and setting expectations for employee performance,
• Providing supervision,
• Appraising performance,
• Disciplining employees when necessary,
• Complying with labor laws and regulations, and
• Documenting compliance.

To do them well, all of these tasks require attention and skill.

Because farm managers typically do some of these farm labor management tasks infrequently, they can benefit greatly from developing policies and procedures that will help them to be thorough and consistent in their application of their labor management skills and knowledge over time. Adoption of tools, such as checklists, employee manuals, and forms that guide (as well as document) farm labor management activities is highly recommended.

Resources for Farm Labor Management

<table>
<thead>
<tr>
<th>Resources</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm Labor Report, National Agricultural Statistics Service publication (PFL-BB)</td>
<td><a href="http://usda.mannlib.cornell.edu/reports/nassr/other/pfl-bb/">http://usda.mannlib.cornell.edu/reports/nassr/other/pfl-bb/</a></td>
</tr>
<tr>
<td>Farm labor and human resource management articles on various topics in PDF files, Ohio State University</td>
<td><a href="http://www-agecon.ag.ohio-state.edu/people/erven.1/HRM/">http://www-agecon.ag.ohio-state.edu/people/erven.1/HRM/</a></td>
</tr>
<tr>
<td>Agricultural Personnel Management Program Web site, University of California</td>
<td><a href="http://are.berkeley.edu/APMP/">http://are.berkeley.edu/APMP/</a></td>
</tr>
<tr>
<td>HR-Guide.com Web site</td>
<td><a href="http://www.hr-guide.com">http://www.hr-guide.com</a></td>
</tr>
<tr>
<td>Ag Help Wanted: Guidelines for Managing Agricultural Labor, published by the Western Farm Management Extension Committee, book on CD ROM = $10</td>
<td>to order: <a href="http://www.aghelpwanted.org">http://www.aghelpwanted.org</a></td>
</tr>
</tbody>
</table>

**Date Prepared:** April 2004
Hiring Farm Laborers Takes Workmanlike Effort

By Steve Leer

Reprinted from Ag Answers <http://www2.agriculture.purdue.edu/agcomm/aganswers/index.asp>

Wanted: Experienced, responsible farm hand willing to work long, hard hours at fast-food wages.

Whether they realize it or not, many farmers are sending a message like the one above when they look to hire help, said a Purdue University agricultural economist.

Farmers often expect qualified people to jump at a chance to work on a farm, regardless of the pay, said Robert Taylor, a farm management specialist. Economic reality and a changing job market indicate otherwise, he said.

“On the farm we have to be experts at a lot of things, and it’s hard to be experts in human relations issues,” Taylor said. “We dream we’re going to find totally responsible, brilliant people who’ll be leaping for joy to work at the minimum wage. You can guess that’s not going to happen.”

Hiring farm workers is itself a job, Taylor said. Farmers should take the time to do it right. “It’s not easy to find laborers. One of the huge advantages farmers have is that people do want to farm,” he said. “There are people out there and it’s a matter of finding them, but you can’t start at 9 a.m. on Monday and expect to have somebody hired by noon.

“In this business you have to think through very carefully what it is that you want from the person you’ll hire. Do you want them to have a certain set of skills? Do you want them to work a specific amount of time? Then you should think through what you’re ready to pay for them.”

Taylor recommends farmers prepare a short statement or advertisement announcing the job they hope to fill, the skills that are needed and other pertinent information. The announcement should be placed in farm publications, on job listing bulletin boards at local colleges and on church bulletin boards.

“Also, tell the county Extension educator, ask your friends whom they know and talk to the local ag teacher,” he said. “Get the word out a month in advance of when you expect to hire.”

Despite a lukewarm economy, farm employment remains relatively steady, according to the U.S. Department of Agriculture. In mid-January, 884,000 people were employed on the nation’s farms and ranches, down 1 percent from January 2002. Of those employed, 724,000 were hired directly by farm operators.

Hired hands worked an average of 37.8 hours per week in January, compared to 38.5 hours a week in January 2002, according to the USDA. The average January 2003 wage was $9.32 per hour, up 35 cents an hour from the previous year.
Farm laborers in Indiana and other Eastern Corn Belt states worked an average of four hours less per week than the national average, the USDA reported. Eastern Corn Belt farm workers were paid 40 cents more per hour, however.

Farm wages are low, in part, because the hired hands themselves are less skilled, Taylor said. “The only way that farmers can afford to pay very much for farm labor is to have those workers be remarkably productive,” he said. “Being remarkably productive involves being motivated, knowing what to do, doing it right and doing it efficiently. When we look at wage rates on the farm that are just above the minimum wage, that means these workers are not being very productive.

“If we want somebody that can run the farrowing house or the combine and they can’t, then we are putting ourselves at tremendous risk by hiring somebody who has never had that kind of experience.”

While higher pay might attract better employees, they won’t make a less-skilled worker more efficient, Taylor said. “Taking a minimum wage person and paying them $45,000 a year does not solve the problem,” he said. “There’s powerful economics that says people ought to be paid on the farm roughly what they could earn somewhere else. And when you stop to think about it, why should you pay somebody 50 percent more than they could earn at the next-best job?

“On the other hand, why should a person work for you at half of what they could work for somewhere else? If a person is a skilled welder in a good machine shop, then they’ve got alternatives. If you want that kind of skill at your place, then you’ve got to pay for it.”

May 20, 2003