

Background Information for the Education and Workforce Subcommittee

Wisconsin Dairy Task Force 2.0

By Dr. Bob Milligan

Hypothesis: Dairy and agriculture are changing at an unprecedented and increasing rate.

- Most dairy farms have recognized and accepted this hypothesis for production, financial management, and marketing.
- Most, however, have not recognized or accepted this hypothesis regarding their workforce.

Dr. Bob's Hypothesis: Hiring and retaining a great workforce has forces changing at least as rapidly as other areas impacting dairy farm businesses.

- The need for professional recruiting and selection practices is reaching the point where it is essentially a necessity for business success.
- The importance and effectiveness of great supervision is dramatically increasing as we learn more about motivation, the size of the workforce increases, and the competition for skilled labor intensifies.
- The importance of leadership is the newest and perhaps greatest challenge in the evolution of farm owner responsibilities.
- Our educational system at all levels must rapidly change to meet the needs of agriculture and other careers.

The need for professional recruiting and selection practices is reaching the point where it is essentially a necessity for business success.

- The terrible image of agriculture as an employer must be improved.
- Individual farm businesses must become preferred employers to overcome this industry image.
- The low unemployment rate and uncertainty about immigration regulations make recruiting extremely challenging. This must be treated as a reason to dramatically improve hiring practices rather than an excuse or a reason to whine.
- Networking is becoming increasingly important in hiring excellent employees.
- Farm managers can develop professional looking recruitment materials. (see P. 4)
- Effective distribution of recruitment materials has become less expensive but more time consuming with the evolution of the internet.
- A structured, professional selection process with common questions reduces the probability of a mis-hire.

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The importance and effectiveness of great supervision is dramatically increasing as we learn more about motivation, the size of the workforce increases, and the competition for skilled labor intensifies.

- Research in organizational behavior, psychology, and neuropsychology has greatly increased our understanding of motivation meaning great supervision is more important. (see P. 5)
- Generational changes are also increasing the importance of great supervision.
 - Employees regardless of generation desire a great job with a great supervisor.
 - Each succeeding generation – mature, baby boomers, Xers, millennials, Z generation – has increasing expectations for a great job and a great supervisor and is willing to take greater steps when their job does not meet these expectations.
- The role of working managers is a challenging one. The two roles – operations manager/worker and supervisor – have very different requirements for success. (see P. 5)
- Supervisor training – motivation, roles of a working manager, active listening, feedback (positive, redirection, and negative), and performance improvement – are increasingly crucial to productivity and retention. I have this unusual suggestion for a farm or business policy: No employee should be supervised by a supervisor without training in supervisory skills. (Would anyone let someone without training do anything else on the farm?).

The importance of leadership is the newest and perhaps greatest challenge in the evolution of farm owner responsibilities.

- For generations the key success item for farm owners was hard work. Beginning in the mid-twentieth century, the need to be a great operations manager was added to the responsibilities. The current evolution is to add leadership to the responsibilities.
- Strategic leadership – vision, strategy, farm culture – is increasingly important to farm success due to our changing business environment. (see p. 6)
- Leading a farm business with a team of owners – a partnership – is dramatically different from leading a sole proprietorship.
- Leadership is different from management – we manage things; we lead people. (see P. 7)

Our educational system at all levels must rapidly change to meet the needs of agriculture and other careers.

- The changes must recognize the changing skill needs and the increasing importance of critical thinking skills.
- The current renewed interest in CTE (career and technical education) including FFA is a step in the right direction.
- Parents who own a farm (or other family business) must recognize that sons or daughters joining the family business must have the passion and skill to enable the farm to continue to thrive.

Writing Recruitment Materials

1. Lead with a positive statement or job characteristic that attracts attention.
2. Give the job title and the major responsibilities.
3. Portray positives of the farm and the position.
4. Explain the competencies required and any essential qualifications for success in the position.
5. Highlight positive attributes of the compensation package.
6. Be clear about how to apply for the job including what is required – resume, cover letter, standard application.

Recruitment Worksheet

List words and phrases that describe the positive attributes of your business:

List words and phrases that describe the positive attributes of this position:

Describe the position:

¹

What are the qualifications required for success in the position?

What are great candidates for this position doing now (be creative):

How should candidates apply for the job?

¹ Worksheet developed by Dr. Bib Milligan (rmilligan@trsmith.com; 651 343-6065). Permission to copy granted.

Human Psychological Needs

Extrinsic motivation – carrots and sticks – and intrinsic motivation are both required.

Autonomy: Our human need to perceive we have choices. It is our need to feel that what we are doing is of our own volition. It is our perception that we are the source of our own actions².

- The need to have influence on decisions that affect one’s own life.
- Have choices.
- Perception we are the source of our actions.

Relatedness: Our need to care about and be cared about. It is our need to feel connected to others without concerns about ulterior motives. It is our need to feel that we are contributing to something greater than ourselves¹.

- Care about and be cared about.
- Connected to others.
- Contributing to something greater than ourselves.

Competence: Our need to feel effective at meeting everyday challenges and opportunities. It is demonstrating skill over time. It is feeling a sense of growth and flourishing¹.

- The need to have confidence that one can excel in what he or she is doing.
- Demonstrating skill.
- Feeling of progress and personal growth.

The Challenge of a Working Manager

Non-supervisory positions/roles	Supervisory Roles
Great decision-maker	Leads and coaches others to make great decision
Task oriented	Trust – relationship oriented
Measures performance of livestock & crops	Assists employee set and reset their own performance expectations
Observe performance of livestock & crops and make changes	Provides quality feedback
Well trained	Often little or no training. Training requires
Proactive	Often reactive but should be proactive

² Susan Fowler in Why Motivating People Doesn’t Work and What Does.

Our Agricultural Culture in Today's Business Climate

Strategic Leadership Responsibilities

- Strategic Leadership team – my term for the owners – partners – in a multi-owner small or family business = a ranch
- Leading a leadership team is very different from running a sole proprietorship – a very difficult transition for many

Traditional	Today's Business Climate
Product of our traditional agrarian culture	Expanded beyond our traditional agrarian culture
Narrow perspective	Broad perspective
Reactive, tend to view change as loss	Proactive, tend to view change as opportunity
Suspicious of differences; differences in people are threats, problems	Energized by differences; differences in people create strength, opportunity
Power is zero-sum	Power is infinite
Focused on individual decisions	Values team collaboration, synergy and decision-making
Children are expected to farm; they have a right to a position in the farm	Children are encouraged to seek careers that fit their interests and talents; they must earn their position in the farm business; advancement in responsibility and position is like career advancement in any business
Farming is a way of life	A farm is a family business
Consumers are a threat; we must "educate" consumers	Consumers buy our products; we must listen to consumers
The farm is my life and my identity	The farm is a business and career by which I support myself and my family
Financial records are primarily for taxes and lenders	Financial records are the lifeblood for decision-making in today's business environment
"OK is OK "	Excellence is required for success
First line workers can be unskilled	Everyone must be skilled

Leadership

Great leaders rally people to a better future (Marcus Buckingham).

Leadership is different from management – our traditional focus.

Management	Leadership
Great managers excel at turning one person's talents into perfection	Great leaders rally people to a better future
Management is efficiency in climbing the ladder	Leadership determines whether the ladder is leaning against the right wall
<u>Accelerate: Building Strategic Agility for a Faster-Moving World</u> By John P. Kotter	
Planning Budgeting Organizing Staffing Measuring Problem solving Doing what we know how to do exceptionally well Constantly producing reusable, dependable results	Establishing direction Aligning people Motivating people Inspiring Mobilizing people to achieve astonishing results Propelling us into the future