

# The Next Generation— Hiring and Retaining Quality People in the Agriculture Industry

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## Changes in the Market Structure

There have been drastic changes in the market structure and organization of business serving agriculture in recent years, and many of the changes have gone unnoticed. Some of the factors affecting and changing the market structure today include additional competition, new quality concepts, new technology, changes in consumer needs, new quality requirements of various products, and a stronger degree of specification in products. More and more agriculture has gone global. Many companies have moved or extended their operations to Europe, Canada, Central and South America, and even the Pacific Rim to serve clients better. The life-blood of our business today is innovation. Innovation simply means introducing new ideas into the going business at a rate faster than the old products can become obsolete.

## Innovation

We must not only think in terms of progress, but we must gear our thinking to seek out ways of changing and making things better tomorrow than they are today. If an organization does not have innovation as a prime target, it is certain to level off and die. Whether we like it or not, agribusiness is part of a very complex network of policies, actions, and tensions that are constantly changing throughout the world. Agriculture has never been an easy activity and more than any other field, it has been very vulnerable. It really doesn't matter whether it is a large or small company...its people, and particularly its management people, must make things happen and have the ability to identify what changes must be made to make things happen. Companies today demand increased productivity from everyone. The ability to make things happen is often the difference between the mediocre company and the excellent company.

## People—Your Most Important Asset—Make the Difference

It is the people who make or break a company and who perform the services and produce and handle the product. A company may have the finest appearing office, best computer equipment, and most modern plant, but may not have the skills and personalities by its people needed to survive and prosper.

Employing the right people is the essential first step required to develop an organization's human resources. If unqualified or incompetent people are selected and employed by a company, the best planned employee programs will not compensate for the inadequacies of the employees involved. The wrong person in the wrong job is harmful to the health of the entire corporation. Skills are necessary by management to create and develop a team of people who can get the job done. It simply means to hire the right people in the first place. If a manager does not hire the right people, he/she cannot manage appropriately and ultimately will not get his/her job done. Our company uses a good motto in advertisements: "People are you most important asset—are you finding them by chance?"

## Know What You Need

We've all heard it said many times, "If a business is to be successful, the people at all levels of management and supervision must have a thorough understanding of their responsibility and their matching authority." Know what you need.

A precise job description of all positions needs to be completed if there is none. They need to be updated if they are old descriptions. The job description should include 1) responsibilities; 2) experience; 3) education; 4) special skills; 5) who position reports to; and 5) compensation. It should also identify other reporting relationships and the growth potential of the job. If a job description is in place, it should be reviewed frequently for updates. Department heads need to develop their own job descriptions. If a job description needs to be changed, this might be the right opportunity to also upgrade the position or improve the caliber of people for the position. If a position has been a problem area, you could hire another mistake and have the same old problems using an old job description.

Marginal qualification is a problem which employers must cope with and attempt to eliminate during the interviewing process. Marginal qualifications can be difficult to recognize by the employee if a candidate makes a good personal presentation. These problems and difficulties become apparent after the new employee starts employment. Once employed, it could be difficult for the employer to terminate employment. On the other hand, by correctly selecting candidates, they can start making positive contributions to the department and company.

## Recruiting Techniques Start at Home

To successfully attract qualified people, an ambitious and comprehensive recruiting program is essential. It can start at the office by searching from within the depths of the departments and company for suitable candidates. They're familiar with the company's objectives and culture, they have a shorter learning curve, and they've already developed a relationship with others in the company. However, just because it is easy and free, you can inherit someone else's problems. Networking for people can continue through personal contacts and business acquaintances, referrals, colleges, conventions, trade associations, and advertising. Advertising usually generates several unwanted applicants. Other sources available include recruiting firms, search firms, and employment agencies. What is the difference between these firms? A local employment agency is most generally used for administration, clerical and local needs. If you hire someone through them, they will charge either the employee or employer a fee. An executive search firm will recruit candidates that meet your specifications at a cost of usually around 30% of the annual salary, of which part is paid up front. The personal expenses incurred for the search are also added to the fee. The contingency recruiting firm recruits people for your needs for a fee of usually 25-30% of the annual salary, and is payable only upon successfully finding and employing a candidate. The contingency recruiting firm is by far the most popular today.

Is there a "perfect candidate?" Unfortunately no. If a candidate fits most of your criteria, and perhaps lacks one or two qualities you are looking for, don't discount him if he brings most of your needs to the table. If he is a solid candidate, he can be trained in the areas he lacks. Many times employers pass up good candidates while waiting for the "perfect candidate." In the meantime, good candidates will go elsewhere for employment.

## Recruiting a Trainee

I am jealous of young people coming into the ag industry today. If they are ambitious, flexible, willing to change with new technology, and accept responsibility and challenges, the future is tremendous. The U.S. Department of Agriculture says 96% of rural American income comes from non-farming related occupations. Industries emerging in the farm belt regions include energy development, tourism, recreation, and broadband communications. For generations young Americans fled their rural roots as soon as they could. However, by the USDA dispensing millions in loans and grants in some rural areas, they say they have turned the corner in many areas today and are starting to see growth in population, quality of life, and economic opportunity. Some ag organizations, such as the AFA and FFA are growing. The FFA now has a record of 490,000 student members.

We, in the ag industry, are accustomed to working weekends and late hours, and especially those facilities that are running 24/7. If we want to compete with other industries, we need to give our present employees a break. Most employees are willing to work late hours and weekends especially during peak times, but not non-stop.

Hourly employees can earn more money in over-time, but management people aren't usually compensated for all the extra time they put in. Even if they are, all employees need to have time off to spend with their families. What is the answer? Simply, additional people. It will cost companies more money to hire additional people to rotate weekend work, but in the long run, it may be a blessing in disguise. Replacing good experienced people is difficult, time consuming, and costly. It may be less costly to hire extra people. The bottom line is, "take care of what you have."

## Retaining a New Employee—School Is Never Over

Once a good employee is hired, employers need to know how to retain them. A new employee needs to know: his job duties; who is relying on him and for what; what decisions he can make; what authority and responsibility he has; and of course he needs to know what is expected of him. This last point is probably the most important because the new employee needs to know what is expected of him and what constitutes good performance and what constitutes poor performance. This means that the supervisor or manager must spell this out.

The most suitable and best qualified candidate will not develop if he/she is not given proper encouragement and motivation. This is the responsibility of the employer, and sometimes the supervisors or managers refuse to accept the fact that they are often the cause of the employee's incompetence. If the supervisor is neglecting to provide adequate job descriptions, establishing goals and objectives, and keeping communication open with the employee, they are only hurting themselves. On the other hand, the most thorough selecting process and evaluation do not guarantee that every person employed will develop into a successful employee. Nobody that is responsible for the hiring and evaluation of an employee can expect to not make an error in judgment, and we see this quite often. You just have to do the very best job you can in evaluating and selecting a candidate.

## Training

A continual training program for new employees is necessary today. We cannot complete our training, put it in a bottle, and put it on the shelf. The average person must be retrained at least three times in her lifetime, regardless of the field of endeavor.

Sometimes it is discouraging to find that just as we learn one rule in life, we are called upon to plan an entirely new one. Management should be constantly studying and sharpening professional management skills. Management should be making things happen, such as developing new products, increasing sales, improving profits, and developing new ventures. We cannot grow within as a result of a continuous training program and remain static without. What was right yesterday is questionable today and might even be wrong tomorrow.

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## Recognition and Incentives

Recognition is probably the greatest stimulus to job satisfaction. People work harder and longer when they get credit for doing well. Recognition prevents the same mistakes from happening over and over. Recognition gives people a sense of belonging. People grow through recognition. One of the most used and best methods of communicating satisfaction with an employee is direct communications between the employee and the supervisor in reviewing overall performance. During direct contact, there is opportunity to discuss good as well as poor performance. All employees need to learn of their strengths and weaknesses. Every manager or supervisor in a corporate structure should have planned interviews with their associates as part of their communication program.

## Growth Opportunities

Consideration must be given to an employee's ability based on performance record. Management must take the responsibility of making employees available for transfer upon good performance and not withhold recognition leading to detriment of the employee. The need for rapid, instructive growth of employees for management must be recognized. A very sizeable extent of a company's success depends on giving consistent attention to recognition of employees' growth potential.

## Financial Recognition

Most companies, large and small, have certain salary administration procedures and policies as a guide for salary reviews. However, prompt recognition of merit in the form of compensation is one of the best incentives an employee recognizes. The employee realizes that his particular contribution to the company has been recognized by management and offers a team spirit throughout the company. Above-average performance should definitely be given financial recognition. Above-average performance means that financial recognition at an accelerated rate must be applied. This sometimes requires judicious handling.

## Conclusion

Each new employee wants to know that they are accepted as a member of the team and want to feel their work is important to the entire company. They also should feel that their manager is interested in their performance and in them as a person. An employer will never find the perfect employee. The goal of an employer should be to hire the best possible candidate to fill the open position and then keep the employee happy. The biggest problem is to hire the wrong employee for the wrong job. By using good judgment, good interviewing skills, and incentives for the employee, the stability of an employee can be accomplished. The care in which an employer selects a good employee is important and should leave nothing to whim or chance. Remember that people are attracted to good management.

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