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LABOR MANAGEMENT PRACTICES ON NEW YORK DAIRY FARMS

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Foreword

The Department of Agricultural Economics at Cornell University over time has conducted research on the labor management on New York farms. Studies have been made focusing on the nature of the regular hired labor force on farms, work methods used, the characteristics of career farm workers, and the labor management practices used by farmers. Publications from the Department have reported the results of these studies.

A study of the labor management practices on 48 New York dairy farms made in 1975 by David M. Kohl was published in A.E. Res. 77-10. An extension publication based on Kohl's findings was entitled "Improving the Labor Management on Dairy Farms," A.E. Ext. 76-43. The original plan was to extend the Kohl study to other phases as time and funds permitted. In 1977, Douglas Entz and Mark Chomyn, CETA employees of the Monroe County Extension Service, made a study of the labor management practices in Monroe County and the results were published in A.E. Ext. 78-24.

In 1982 as preparation for an indepth course on farm labor management held at Cornell University, seventeen agricultural extension agents collected information on labor management practices that were being used. The Kohl questionnaire was used by the agents who interviewed 29 farm employers and 24 farm employees. These interviews provided additional and more recent information on labor practices on dairy farms.

The CAMIS electronic farm account system is maintained by the Department of Agricultural Economics for research and teaching purposes. Information on wages paid, hours worked, and methods of paying workers was obtained from the CAMIS records for the year 1981 and for June 1982. Data were available from more than 100 dairy farm cooperators. These data were summarized and analyzed and are included as part of this study.

Information from the agent survey and the CAMIS records are included in this publication. This information can be used by farmers, extension workers, teachers, agribusiness persons and others concerned with the management of labor on dairy farms.

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C. A. Bratton and J. A. Kwiatkowski*

Introduction

Labor is one of the basic elements in the successful operation of a farm business. The farm labor force, whether hired workers or members of the farm family, must perform the many kinds of work that have to be done. This includes such things as crop and livestock care, maintenance and repair of buildings, machinery and equipment, the marketing of products, the keeping of records, and a host of other things.

Business management studies show that efficient use of labor is an important factor in making a farm business pay. This in turn means that labor management is important in managing a farm, yet in practice farmers often overlook or are uncomfortable with the labor management responsibilities that they have.

Labor management in a farm operation is somewhat different from that in most other kinds of businesses. The principles of labor management may be the same for all businesses but the practices on farms are different. Research information on farm labor management is relatively limited. Many earlier labor studies that were made tended to focus on seasonal or migrant labor because of the great social concern about the working conditions of migrants.

Farm management research at Cornell has included a few projects on labor management of "regular" farm workers. The study reported in this publication focuses on practices related to regular employees on dairy farms.

Objectives of Study

The five major objectives of this study were to:

1. Inventory the labor management practices in use on some New York dairy farms.

2. Provide information that farm employers and employees can use in comparing their situation with others.

3. Analyze the practices that are being used.

4. Identify labor problems confronting employers and employees.

5. Report on practices that have been used successfully.

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Methodology

This study was undertaken to update and expand on the work done by Kohl in 1975. The questionnaires prepared in 1975 were used for interviews by agents. Both dairy farm employers and employees were included to obtain both points of view.

Extension agents, in preparation for an inservice course, were asked to interview some typical dairy farmers and regular farm workers. The forms used by Kohl were provided to them. The agents chose persons to interview who were concerned with labor management practices. Employees interviewed were not from the same farms as the employers. The primary purpose of the interviews was to familiarize the agents with labor management situations but a secondary purpose was to provide up-to-date information which might be useful from a management standpoint.

Information obtained from the interviews was tabulated and summarized. It was prepared in tabular form similar to that used in the earlier study by Kohl. This provides information for the year 1982, or seven years later than the Kohl data.

The Department of Agricultural Economics operates CAMIS, an electronic farm records system, for research and educational purposes. This system provides information on the farm businesses. In the labor area, it was possible to obtain information on the hours worked, the wages paid, and the methods of paying. Individual records were examined and the information obtained for the year 1981 and for the month of June 1982. This was summarized and put in tabular form as a source of recent data on cash wages paid and hours worked.

Data presented here are not representative of all farms in New York. It is only the experience of a group who were selected to participate. It is considered to be typical of "better than average" dairy farm operators.

Table 1. COUNTIES REPRESENTED IN MARCH 1982 INTERVIEWS

County	Employers	Employees	County	Employers	Employees
Cattaraugus	2	3	Oneida	3	3
Chautauqua	3	4	Ontario	1	2
Chenango	4	5	Rensselaer	1	1
Erie	1	0	St. Lawrence	2	2
Essex	2	1	Schuyler	1	1
Genesee	3	0	Tioga	1	0
Jefferson	2	1	Tompkins	1	0
Niagara	2	1	Total	29	24

Results are presented in two parts in this publication. Information obtained from the agent interviews is presented first and the CAMIS data second.

Information on Farms of Employers

General information on the size of the farm business and the regular labor force was obtained from the employers. It gives an indication of the kinds of farms represented.

Table 2. HERD SIZE AND CROP ACRES OF FARMERS INTERVIEWED
29 New York Dairy Farm Employers, 1982

Number Cows in Herd	Farms		Number of Crop Acres	Farms	
	Number	Percent		Number	Percent
50 to 99	6	21%	100 to 199	3	10%
100 to 149	5	17	200 to 299	5	17
150 to 199	4	14	300 to 399	5	17
200 to 249	8	28	400 to 499	3	10
250 & over	2	6	500 & over	9	32
Not reported	4	14	Not reported	4	14
Total	29	100	Total	29	100

As would be expected, the farmers interviewed tended to have large herds since it is generally the larger farms that have hired workers and in turn are concerned with labor management. The average size of herd for the 29 farms was 157 cows and the average crop acres was 520.

Table 3. SIZE OF REGULAR HIRED FARM WORK FORCE
29 New York Dairy Farm Employers, 1982

Number of Full-time Employees	Farms		Number of Part-time Employees	Farms	
	Number	Percent		Number	Percent
One	10	34%	None	14	48%
Two	6	21	One	6	21
Three	4	14	Two	1	3
Four	7	24	Three	6	21
Five or more	2	7	Four or more	2	7
Total	29	100	Total	29	100

Regular farm workers can be employed on either a full-time or a part-time basis. For example, on some of the larger dairy farms milkers are women who work on a part-time basis but regularly. The average number of regular workers on the 29 farms was 2.6 full-time and 0.3 part-time, or about three hired workers per farm.

One-third of the farms hired one full-time worker. On the other hand, two of the farms hired five or more full-time workers. Only about half of the farms used part-time regular workers.

In addition to the hired workers, there is the labor provided by the operator and his family. This labor imput is not included in the above figures.

Characteristics of Employees

There were two sources of employee information. The 24 employees interviewed provided detailed information on their characteristics. The 29 employers interviewed provided some kinds of information on the employees working for them. The kinds of things reported by the two groups were not the same. For that reason they are reported separately.

Age and Education

Table 4. AGE AND EDUCATION OF EMPLOYEES
24 New York Dairy Employees, 1982

Age			Education		
Years	Number	Percent	Years Schooling	Number	Percent
Under 20	1	4%	8 or less	3	13%
20 - 24	6	26	9 - 11	2	8
25 - 29	5	22	12	11	48
30 - 34	5	22	13 - 14	5	22
35 - 39	3	13	15 - 16	2	9
40 & over	3	13			
Total	23*	100	Total	23*	100
Average all 30 years			Average all 12 years		

* One employee did not report these items.

This group was not intended to be representative of all employees. The average age was 30 with about even distribution in the twenties and the thirties. There were no older persons interviewed. The predominant years of education was 12 or high school graduates. There were, however, seven employees who had attended college.

Years of Farm Experience

Table 5. YEARS FARM EXPERIENCE OF EMPLOYEES
24 New York Dairy Employees, 1982

Years Farm Experience	Employees Reporting Number	Employees Reporting Percent
5 or less	9	43%
6 - 10	4	19
11 - 15	3	14
16 - 20	3	14
21 or more	2	10
Total	21*	100

* Three employees did not report years farm experience.

About half the employees reported having five years or less of farm experience. On the other hand, there were five with more than 15 years farm experience. The average for the 21 reporting was 10 years. This indicates that there are some farm workers on New York dairy farms with a reasonable amount of farm experience.

Years on Present Farm

Turnover of employees on farms is a common concern of employers. To determine the nature of this, both the employees and the employers were asked the time that the workers had been on the farm that they were on at the time of the interview. The employers reported for each of the regular workers they had at the time.

Table 6. YEARS EMPLOYEES HAVE SPENT ON PRESENT FARM
24 Employees and 29 Employer Interviews
New York Dairy Farms, 1982

Years Worker on Present Farm	Employees Reporting Number	Employees Reporting Percent	Employers Reporting Number Employees	Employers Reporting Percent
Under 1	5	21%	12	19%
1	4	17	11	18
2	3	12	11	18
3	4	17	5	8
4	2	8	5	8
5 to 9	5	21	15	25
10 & over	1	4	2	4
Total	24	100	61	100

A sizeable number of the employees had been on the present farm for one year or less as reported both by the employees interviewed and the employers who were reporting for all regular workers on their farm.

More than one-fourth of the workers had been on the present farm for five or more years. This indicates that some regular workers do stay on the same farm for a period of time. The average for all of the 85 workers reported upon was about four years.

It is not to be inferred that this is representative of all farms but it does indicate the situation on the farms where the agents had interviewed workers and employers in 1982.

Wages, Hours Worked, and Benefits on Survey Farms

In labor management discussions, a common question asked by farmers is "How do my weekly wages compare with others?" This is an indication that wage considerations are a concern of farm employers. Likewise, in talking with regular farm workers, questions are asked about wages paid and benefits provided other workers. Hours worked and the value of benefits provided are a part of the wage package but are often overlooked in discussion of earnings.

Information on cash wages paid was obtained only from the farmer employers interviewed. They were also asked to estimate the value of the fringe benefits provided their workers. It is difficult to arrive at the value of fringes but these employers did the best they could in a short time. In the interviews with regular workers, they were asked about the kinds of fringe benefits they received and what benefits they would provide if they were the boss. The findings from the interviews are reported here and give an indication of the practices that are currently in use on some farms.

Cash Wages Paid

Cash wages paid are probably the most exact part of compensation plans. Fringe benefits and related items are usually given less thought and in most cases it is difficult to determine the value of these earnings. For example, with fringes in kind such as milk and meat, should they be valued at retail or wholesale prices. The amount of cash wages paid depends in part on the kinds of fringes provided.

Table 7. WEEKLY CASH WAGES PAID TO EMPLOYEES
By 29 New York Dairy Farm Employers, 1982

Cash Wage Paid Weekly	Employees Receiving Number	Employees Receiving Percent
Under $125	3	5%
$125 to $149	8	13
150 to 174	10	16
175 to 199	6	10
200 to 224	9	14
225 to 249	7	11
250 to 274	11	18
275 to 299	6	10
300 or more	2	3
Total	62	100

Average weekly cash wage for 62 employees was $204

There was a wide range in the cash wages paid by these 29 employers. This would depend on the skills of the worker and the relative amount of benefits received as well as the pay level of the employer. Five percent of the employees received less than $125 per week while three percent were paid $300 or more per week. One-half of the employee wages fell between $150 and $250 per week. The average cash wage reported for the 62 employees on the 29 farms was $204 per week.

Hours Worked

Dairy farm work is known for its long hours. This is often given as one of the drawbacks to work on a dairy farm. It is not easy to determine the hours worked because of the informal arrangements so often used. In many cases neither the employer nor the employee ever carefully figure up the total hours actually worked. In this study, the agents asked the employers how many hours each employee worked per week. The responses have been tabulated for reporting.

Table 8. HOURS WORKED PER WEEK BY EMPLOYEES
As Reported by 29 New York Dairy Farm Employers, 1982

Hours Worked Per Week	Employees Reported Number	Employees Reported Percent
Less than 40	6	10%
40 to 49	4	7
50 to 59	15	24
60 to 69	20	32
70 to 79	15	24
80 or more	2	3
Total	62	100

Average hours worked per week by the 62 employees was 58

Average hours worked per week by the 56 employees was 62

The average hours worked by these 62 employees as reported by the employers was 58. It is interesting to note that 10 percent of the 62 workers were reported as working less than 40 hours per week. This was due to a few split shift arrangements where women or other persons come in for the milking periods but do not spend the entire day as is common for regular workers. The average hours worked by the 56 workers on regular shifts was 62 hours per week. This compares with 63 hours reported by Kohl in the study made in 1975.

About one-third of the employees worked from 60 to 69 hours per week. More than one-fourth were reported as working more than 70 hours per week. In general, the hours worked as reported are about 50 percent greater than the typical work week of nonfarm employees.

Time clocks or other devices for determining the exact times worked are not common on dairy farms. This along with the custom of paying by the week have encouraged long working hours for many employees. If the hours were measured more precisely, they likely would be less than those reported here.

With the long hours reported by many of the employers, the average cash wage per hour figures out to be rather modest. Using the average of $204 per week in cash wages reported by these employers and the average of 58 hours worked per week, this figures out to be about $3.50 per hour. This is modest when it is considered that these were better than average managers that were interviewed.

Time off arrangements posed a challenge since dairy operations must go on seven days a week. It is especially difficult for the farms with only one or two employees.

The Extension agents asked the employers interviewed what arrangements were used for time off for the regular employees. Replies varied and were somewhat difficult to classify for tabulation. Below are the general plans reported by the 29 employers for their 62 employees.

Table 9. ARRANGEMENTS FOR REGULAR EMPLOYEE TIME OFF
As Reported by 29 New York Dairy Farm Employers, 1982

Time-Off Arrangement Reported	Employees Using	
	Number	Percent
Saturday off	4	6%
Sunday off	3	5
One day per week	14	22
When needed	13	21
Every other Saturday	3	5
Every other Sunday	3	5
Every other weekend	15	24
Every third Saturday	1	2
Every third weekend	5	8
No fixed time	1	2
Total	62	100

The most common arrangement was for every other weekend off. A variation of this was every third weekend off. Of the 62 employees 20, or nearly one-third were getting a weekend off in contrast to only one day off. In the study made in 1975, the weekend concept seemed to be a new and innovative arrangement. Apparently it has come to be accepted as a desirable arrangement.

With the common pattern for industrial workers to work a five day week and have two-day weekends, there is a challenge to dairy farmers to find arrangements that are at least somewhat comparable with those of industrial workers. It appears that some dairy employers are achieving this in part.

In addition to the time off arrangements reported above, there are a few employers who are providing other times off for such things as shopping, personal leave time, or for other special activities. These are variations from the regular arrangements and help to reduce the total hours actually considered as work time. These can be an attraction to the employee and more importantly in some cases to his or her family.

Overtime work is another consideration for dairy farmers who are trying to improve their hours of work. There are times when it is essential that extra time be put in by the worker. These include such times as when an animal is sick or when weather has been a problem and it is crucial that the crops be harvested when the conditions are right.

In nonfarm employment, a standard work week of 40 hours is often the norm. In the wage arrangements, special provisions are made for any work done over the standard week. This is usually referred to as "overtime pay". In comparing farm and nonfarm employment, the question of pay for overtime work often arises. Therefore, this was included as part of this study.

Table 10. OVERTIME PAY PRACTICES
As Reported by 29 New York Dairy Farm Employers, 1982

Overtime pay practice	Employers Using	
	Number	Percent
No overtime paid	12	41%
Paid regular hourly rate	10	35
Paid time and half rate	2	7
Trade hours with worker	5	17
Total	29	100

Twelve of the 29 employers interviewed reported that they had no practice of paying for overtime work. This may be indicative of several factors related to the labor management on dairy farms. First there are no specified hours of work on many farms. The worker is hired by the week with no working hours and in turn there is no overtime work. The other may be that hours are specified but there is no plan for paying or reimbursing the worker in any way for this extra time.

It is of interest to observe that with this group of 29 employers who generally were selected for their interest in good labor management, some had developed plans for recognizing overtime work. Trading hours or giving compensatory time was one practice. This would not add to the cash cost of the work but would help in developing better worker attitudes and does recognize the worker for putting in additional time.

Pay or additional compensation for overtime work is in line with nonfarm practices. This may have a place on the farms that do pay on an hourly basis rather than by the week or the month. The time and half practice is in line with the nonfarm systems but in most farm labor contracts and other arrangements the time and half concept has generally been excluded.

Hours to be worked and overtime are interrelated. Specified hours of work are suggested as one of the practices to make for better working arrangements. If this becomes a part of good farm labor management, then it will be important to develop practices for handling the overtime that is put in by the workers. This is an area for some innovative work by the progressive labor managers.

Fringe Benefits Provided Employees

Fringe benefits or perquisites are a part of the compensation of employees. These are in addition to the cash wages paid and are sometimes overlooked when considering the earnings of an employee. Practices related to benefits of farm workers vary a great deal. In the interviews, an effort was made to obtain information on the fringe benefits provided employees on dairy farms.

The farm employees reported the fringe benefits they were receiving. These are reported below. Milk was the most common perquisite being reported by 96% of the employees. Paid vacations were next most common followed by housing with 83 and 74 percent respectively receiving them.

Table 11. FRINGE BENEFITS PROVIDED EMPLOYEES
24* New York Dairy Farm Employees, 1982

Fringe Benefits	Employees Receiving		% of Employees Who Would Give If "Boss"
	Number	Percent	
Paid vacation	19	83%	100%
1 week	14	61	50
2 weeks	5	22	50
No policy	4	17	--
Sick leave (paid)	12	52	78
Personal leave time	10	43	65
Housing	17	74	91
Fuel	15	65	87
Electricity	12	52	91
Blue Cross	14	61	83
Blue Shield	14	61	83
Other health insurance	5	22	35
Workers' Compensation	3	13	--
Dental insurance	0	0	22
Life insurance	6	26	39
Retirement plan	2	9	43
Milk	22	96	96
Meat	16	70	70
Garden	10	43	57
Loans	7	30	30
Gas	5	22	22

* One employee did not report benefits.

In the interviews, the agents asked the employees to indicate the fringes they would provide employees if they were the "boss". These are reported in table 11. It is of interest to note that no employees who were not now receiving them suggested making loans, providing gas, meat or milk. In contrast, a number who were not receiving them suggested such things as insurance, retirement plans, sick leave and personal leave time. This may be a clue to employers!!

Fringe benefits are an important part of most compensation systems. This is as true in farming as in other businesses. The value of the fringe benefits are difficult to determine precisely and in many cases are overlooked entirely.

Table 12. ESTIMATED VALUE OF FRINGE BENEFITS PROVIDED EMPLOYEES By 29 New York Dairy Farm Employers, 1982

Estimated Value of Benefits Per Week	Employees Receiving	
	Number	Percent
Under $25	7	11%
$25 to $49	1	2
50 to 74	9	14
75 to 99	13	21
100 & over	9	15
Value unknown	23	37
	62	100

Average estimated value of benefits per week for 39 employees was $80

The dairy farm employers were asked to report the cash wages paid and to estimate the value of the fringe benefits provided each of their employees. On the 29 farms there were 62 full-time employees. Cash wages were reported for all workers but the value of fringes was not estimated for 23 or 37 percent of the employees. This in itself is probably significant.

Putting a value on some fringe benefits is difficult. For nondirect cost items there arises a question of what value to use. For example, with milk it can be valued at either the wholesale or farm price or at the retail price, or what it would cost the employee if it were purchased at a store. Similarly, the rental value of a house provided a worker may be difficult to estimate. Some of the variation shown above is likely due to different methods used in estimating benefit values.

Estimated value of fringe benefits provided for the 39 employees averaged $80 per week. It was estimated that about half received benefits worth from $50 to $100 per week or $2,500 to $5,000 per year. In a study made by David Kohl in 1975, it was found that the value of fringe benefits accounted for 30% of the total wage package of regular full-time farm workers. In other kinds of employment, fringes usually account for from 25 to 35 percent of the total labor costs.

Incentive Plans

Bonuses and incentive payment plans are labor management "tools". Many dairy farmers try them as a way to improve their labor relations and in turn the farm productivity. The agents asked the employers interviewed about bonuses and incentives.

Table 13. BONUSES AND INCENTIVE PAYMENT PLANS
Used by 29 New York Dairy Farm Employers, 1982

Item	Number Employers Reporting Use	Percent of Employers
Bonus paid	20	69%
Incentive plan used	10	34
Kind of incentive program:		
Based on production	7	70%
Based on time worked	2	20
Profit sharing	2	20
Cows bred back	2	20
Quality of milk	3	30

Bonuses were reported by 20 or 69 percent of the dairy farm employers interviewed. The bonuses are often given at the end of the year or as a Christmas bonus. These ranged from $50 to $3,000 and averaged $633. The median bonus was $350. Amounts of bonuses given often depend on how profitable the business has been that year. In general, a "bonus" is entirely at the discretion of the employer.

An incentive payment plan is an agreement entered into by the employer and employee. In general, an incentive depends on the worker's performance. Ten of the 29 farmers reported having used some form of incentive payment plan. Incentive plans vary greatly. Seven of the 10 plans were based on production. Often a farmer may use two or three different kinds of incentives depending on what he wishes to accomplish.

Incentive plans are often considered as a way of increasing effective work. Incentive plans work for certain situations but fail in others. For more on incentive plans see Agricultural Economics Staff Paper 82-2 by C. A. Bratton.

Recruitment and Hiring

Labor management includes the use of many different practices. Farmers often do not think in terms of all the various tasks that must be performed in part because some of them are typically done very informally. Recruitment and hiring are likely to be in this category.

Recruitment involves the process of locating or finding potential employees. With this goes the matter of finding persons with the skills or abilities that are needed for the job that is to be done. If this is done effectively, it involves some innovative efforts in attracting the best persons for the job to be filled. An effort was made to determine what practices were being used by dairy farmers.

Recruitment Methods

During the interviews with farmer employers the Extension agents asked what methods they had used to recruit new employees. The methods reported were recorded. However, it must be kept in mind that for each method there may have been considerable variation in how it may have been used. For example, the differences in ads that are used varies from being catchy and effective to some that are lacking in appeal or information.

Table 14. RECRUITMENT PRACTICES
As Reported by 29 New York Dairy Farm Employers, 1982

Recruitment Method	Employers Reporting	
	Number	Percent
Word of mouth	21	72%
Newspaper or magazine ad	11	38
Personal contact	10	34
State Employment Service	5	17
College placement office	2	7

Word of mouth was the most commonly reported method used for recruiting. This may have had a number of uses such as that of talking to neighbors, technicians coming to the farm, or to others. At least it suggests a rather informal way of approaching recruitment.

Employment services are available to farmers. The State Employment System was reported by 5 or 17 percent of the 29 farmers. Two employers had used College placement offices. Some farmers find or develop and use some effective recruiting methods.

In recruiting, the employer is aiming to find the best possible person to perform the job to be done on his farm. It is a "matching" process. Therefore it needs to be done skillfully to be most effective.

Characteristics Desired and Evaluation

In the process of recruiting and hiring, the employer needs to have in mind certain characteristics that he would like to have in the worker. This means that the job to be done needs to be analyzed and then one needs to visualize the kind of worker that would be most desirable for the job. In addition there is the problem of trying to evaluate the characteristics of an applicant to see how he or she compares with those you are seeking. These are difficult things to do and it appears that they are often treated superficially.

Table 15. DESIRED EMPLOYEE CHARACTERISTICS
As Reported by 29 New York Dairy Farm Employers, 1982

Characteristic	Employers Reporting	
	Number	Percent
Willingness to work	27	93%
Dependability	26	90
Responsible	6	21
Married	6	21
Honest	5	17
Good personality	1	3
Have transportation	1	3

The characteristics reported by these farmer employers were those that came to mind in response to the questions. It is likely that most of these were given without having given the subject much thought before.

Willingness to work was reported by the most employers. This is an obvious characteristic if one is seeking workers. How to identify this characteristic would be somewhat of a challenge. Dependability was the second trait listed. This again is a desirable trait in any worker.

The methods used to evaluate prospective employees varied widely as shown in the following table. References and work experience ranked highest among the methods used. It is of interest to notice that only three reported an interview as a method used. In each of these, the real test is how one made use of the method.

Table 16. METHODS USED TO EVALUATE PROSPECTIVE EMPLOYEES
As Reported by 29 New York Dairy Farm Employers, 1982

Evaluation Method Used	Employers Reporting	
	Number	Percent
References	24	83%
Work experience	22	76
Appearance	17	59
Recommendations	16	55
Age	12	41
Education	11	38
Interview	3	10

Terms of Employment Agreements

The hiring process can involve several steps. If the recruitment has been effective, there will be more than one potential employee. This makes it necessary to make comparisons and to come to a decision as to which candidate to hire. This in itself can be a challenge.

Once the selection has been made then there is the problem of arriving at the terms of employment. In many cases for farm workers, the hiring may consist of a simple statement of "you are hired, be here for work Monday". However, good labor management practices dictate that there should be much more to the hiring process.

Table 17. TYPE OF EMPLOYMENT AGREEMENT USED
As Reported by 29 New York Dairy Farm Employers, 1982

Type of Agreement	Employers Reporting	
	Number	Percent
Verbal	24	83%
Written	5	17

In the agent interviews, they asked if the agreement was verbal or written. It is of interest to notice that 5 or 17 percent of these employers indicated that they used a written employment agreement. This at least suggests that some are turning to more formal types of hiring arrangements.

The terms of employment logically cover a number of items. Wages are the most common and in many cases may be the only one agreed upon. Along with the wages goes the hours of work, times off, vacations, and the entire facet of fringe benefits. If the agreement is written, it encourages the employer and employee to come to an understanding concerning each of these items.

In a study of career farm workers made nearly ten years ago, one of the common complaints made by the workers was the indefinite nature of the employment terms. They indicated that in most cases they did not know what was intended for such things as sick leave, vacations, etc. For persons who are interested in farm work as a career this seemed to be important.

In a home study course on farm labor management, there is a major section on the nature of employment agreements. This can be found in A.E. Ext. 82-36.

Wage Determination

One part of the recruitment and hiring procedure is to decide upon the wage to be paid. One needs to have some wage in mind when he sets out to recruit. It is often suggested that the general wage level should be included in any advertising for workers. This means that wage determination in the first phase comes even before any active recruiting is undertaken.

The farmer employers interviewed were asked how they determined the wage they would offer a new employee. A number of factors were reported. Again it must be kept in mind that these employers gave these as immediate responses and in many cases probably had not given much thought to this question previously.

Table 18. FACTORS USED IN DETERMINATION OF STARTING WAGE
As Reported by 29 New York Dairy Farm Employers, 1982

Determining Factor	Employers Reporting	
	Number	Percent
Better than other dairy farmers	13	45%
Competition in the area	10	34
Competition with nonfarm jobs	7	24
Minimum wage	6	21
Employee worth	5	17
Employee need	4	14

The factors reported above give an indication of the things that the employers had uppermost in mind. There are certainly others that are of importance such as the benefits provided, working hours, responsibility, and others.

In addition to the role of the employer, there is the matter of the employees and some of the things that they consider when seeking employment. This is one of the reasons for interviewing both employers and employees. One part of the interview with the employees dealt with their views of recruitment and hiring.

How Employees Seek Jobs

The employees were asked how they look for employment opportunities. Again their responses were those that occurred to them immediately. With longer time to think about it they might have suggested others.

Table 19. METHODS USED BY EMPLOYEES IN SEEKING EMPLOYMENT
As Reported by 24 New York Dairy Farm Employees, 1982

Method Used by Employee	Employees Reporting	
	Number	Percent
Personal contacts	13	54%
Newspaper ads	7	29
Recruited	1	4
Through a relative	1	4
Salesman	1	4
Friend	1	4
College placement	1	4

Good employees have alternatives and must make choices as to which farm they will select to work on. In view of this, the employees were asked what attracted them to the farm on which they are now working. The responses are reported below.

Table 20. EMPLOYEE'S ATTRACTION TO THE PRESENT FARM
As Reported by 24 New York Dairy Farm Employees, 1982

Attraction	Employees Reporting	
	Number	Percent
Needed employment	13	54%
Better working conditions	7	29
Size of operation	7	29
Outdoor work	6	25
Farm reputation	5	21
Wages paid	5	21
To gain experience	3	13
Liked the employer	3	13
Wanted a change	1	4
Full-time work available	1	4

Recruiting is a two-way process with both the employer and employee having a part. The concerns of both are helpful in trying to develop better recruitment and hiring procedures.

Employee Likes and Dislikes

A manager in any area must be familiar with the thing he is managing. This is true in labor management the same as for any other kind of management. This means that the employer manager needs to know the likes and dislikes of employees.

To approach this topic the employees were asked to indicate what they considered to be the advantages and disadvantages of farm work.

Table 21. ADVANTAGES OF FARM WORK
As Reported by 24 New York Dairy Farm Employees, 1982

Advantages	Employees Reporting Number	Employees Reporting Percent
Variety in work	14	58%
Outdoor work	13	54
Working with animals	12	50
Challenging	4	17
Steady employment	2	8
Opportunity to take over business	2	8
Flexible hours	1	4

An employer who is in the process of hiring a good prospect will do well to recognize what it is that appeals to farm workers. The advantages listed above may be an indication. These can be emphasized when talking with a prospective employee about a position on your farm.

Table 22. DISADVANTAGES OF FARM WORK
As Reported by 24 New York Dairy Farm Employees, 1982

Disadvantages	Employees Reporting Number	Employees Reporting Percent
Long hours of work	13	54%
Little time off	8	33
Poor wages	4	17
Small aggravating problems	2	8
Early work hours	1	4
Too much responsibility	1	4
None	2	8

A knowledge of the disadvantages of farm work from the eployees point of view may help the employer who is interested in improving his working conditions. The long hours and lack of scheduled time off show up repeatedly in studies. This points up the importance of employers trying to develop better work schedules as a way to improve their labor management.

Labor Force, Wages, and Hours Worked on CAMIS Farms

The Cornell Agricultural Management Information System (CAMIS) is operated by the Department of Agricultural Economics for research and teaching purposes. Cooperators participate in this electronic record system on a voluntary basis. Information from these records can be used for comparative purposes. Wages, hours worked, and pay periods were studied for 130 dairy cooperators for the 1981 year, and 111 farms were studied for the month of June 1982. Selected items from the study are presented below.

Labor Hired and Pay Periods

Of the 130 CAMIS farms studied, 96 or three-fourths hired regular "full-time" employees while 24 hired only part-time workers. The largest group was those hiring one full-time employee. In addition to the full-time workers, some dairymen also used part-time workers at certain periods of the year.

Table 23. KIND OF HIRED LABOR FORCE ON 130 DAIRY FARMS, 1981

Kind of Employees	Farms		Average
	Number	Percent	No. Cows
None	10	8%	45
Part-time only	24	18	57
One full-time	32	25	65
Two full-time	22	17	92
Three full-time	22	17	112
Four full-time	9	7	158
Five full-time	6	4	175
Six or more full-time (av. 8)	5	4	255

Pay periods as reported in the records were studied. These were summarized on the basis of number of workers paid on that basis. One-half of the workers were paid weekly and two-fifths were paid on a monthly basis. Some were paid twice a month.

Table 24. PAY PERIODS REPORTED BY 130 DAIRY FARMS, 1981

Pay Period	Number Employees	Percent
Weekly	117	50%
Bi-monthly	26	11
Monthly	92	39
Total	235	100

Cash Wages Paid

About half the employees were paid by the week while the other employees were paid by the month. Where this occurred it was assumed that there are 4.3 weeks per month (52 ÷ 12) and a weekly wage was computed.

Table 25. AVERAGE WEEKLY CASH WAGES PAID EMPLOYEES, 1981
130 CAMIS Dairy Farm Employers

Average Weekly Cash Wage	Employees Receiving	
	Number	Percent
Under $125	23	10%
$125 to $149	40	17
150 to 174	61	26
175 to 199	37	16
200 to 224	25	15
225 to 249	20	8
250 to 274	10	4
275 or more	9	4
Total	235	100%

Average weekly cash wage for 235 employees was $188

There was a wide range in wages paid as shown above. The average cash wage paid the 235 different employees who worked full-time for all or part of the year on these CAMIS farms in 1981 was $188 per week.

The 1981 data was taken from the year-end records of amounts paid each employee. For June 1982 there were fewer records since some farmers were not up-to-date when the June data were tabulated. The June wages are reported in table 26.

Table 26. AVERAGE WEEKLY CASH WAGES PAID
FULL-TIME EMPLOYEES, JUNE 1982
117 CAMIS Dairy Farm Employers

Average Weekly Cash Wage	Employees Receiving Number	Employees Receiving Percent
Under $125	24	14%
$125 to $149	27	15
150 to 174	38	21
175 to 199	26	15
200 to 224	26	15
225 to 249	14	8
250 to 274	5	3
275 or more	17	9
Total	177	100%

Average weekly cash wage for 177 employees was $183

Hours Worked Per Week

Hours worked per week is an important consideration to employees. Information on hours worked, however, is difficult to determine on a farm since the hours often vary depending on the work in progress at the time. For minimum wage purposes employers are expected to keep a record of the hours worked. In the CAMIS records, not all employers report hours but many do. The available information was summarized and is reported here.

Table 27. AVERAGE HOURS WORKED PER WEEK BY FULL-TIME EMPLOYEES
CAMIS Dairy Farm Employers, 1981 and June 1982

Hours Per Week	Employees 1981 Number	Employees 1981 Percent	Employees June 1982 Number	Employees June 1982 Percent
Under 40	7	4%	17	12%
40 to 44	21	12	8	6
45 to 49	25	14	13	10
50 to 54	34	19	21	16
55 to 59	35	20	23	17
60 to 64	26	15	26	19
65 to 69	13	7	12	9
70 to 74	7	4	2	1
75 & over	8	5	13	10
Total	176	100%	135	100%

Average hours per week 56

Reported hours are likely to be reasonably accurate for employers paying by the hour but less accurate for those paying by the week or month. The hours reported by some tended to be the same for all weeks which suggests that they are a general estimate only. Even recognizing the limitations on hours reported the figures still can be helpful in examining the labor practices in use.

The average work week as reported by the CAMIS farmers was 56 hours. This is 40 percent more than the standard 40 hour work week of most nonfarm employees. About one-third of the CAMIS employees worked less than 50 hours, one-third worked 50 to 60 hours, and one-third worked more than 60 hours per week. This variation suggests that shorter work weeks are possible on dairy farms.

One of the goals for good labor management practices on dairy farms is a work week of 50 hours or less. Attention might well be given to discovering how the one-third of the CAMIS cooperators have achieved this goal. Generally improvements in management practices come about by observing the methods used by the innovators. This applies to the improvement of labor management practices the same as to other kinds of management practices.

A Farm Labor Management Checklist

This checklist can be used to take a sensing on the labor management situation on your farm. Be frank in your answers. Check each item to get an indication of your labor management performance.

	Yes	No
1. Are regular employees paid $200 or more per week?	____	____
2. Do regular employees work 50 hours or less per week?	____	____
3. Are health insurance, retirement programs, and life insurance included in the fringe benefit package?	____	____
4. Do employees get one or more days off each week?	____	____
5. Is a wage statement that lists the value of fringe benefits given each pay period?	____	____
6. Are methods other than the newspaper and word of mouth used in looking for hired workers?	____	____
7. Do you remember to comment on jobs well done or progress made by employees?	____	____
8. Are employees encouraged to make suggestions on work methods or farm improvements?	____	____
9. In recruiting employees, do you emphasize the opportunities of working on a farm?	____	____
10. Are directions for doing a job outlined clearly and completely, with a chance for questions on points that may be unclear?	____	____
11. Do you have a written "Terms of Employment Agreement" which covers working hours, sick leave, time-off, vacation, and other benefits provided?	____	____
12. Did you sell over 450,000 pounds of milk per man last year?	____	____

If there are checks in the "NO" column, you may be a prime target for labor management problems. This you certainly want to avoid if possible. This publication provides information and suggestions which may help to improve the labor situation on your farm.