

MANAGEMENT STRATEGIES FOR DAIRY SYSTEMS

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There are as many strategies for management as there are situations that require them. For anyone, including myself, to claim to have the answer for every situation would be quite presumptuous, maybe even bordering on ridiculous. In my years of practicing management in a wide variety of settings across this great land of ours, if there is one thing that I have learned, it is that good management, by definition, is a dynamic thing. In its highest form, it is ever changing.... Adjusting.... Realigning.

Change is an interesting thing. The very word strikes fear in the hearts and minds of most people. Most people simply do not like change. It seems that I have in the past and continue to spend an inordinate amount of my time trying to make people feel better about change.

If we are afraid of change, we cannot improve. To declare that change is not necessary is to say that improvement is not needed. Not many people would consciously make a statement of that nature, but more often than not, that is exactly what we say with our actions and reactions in the heat of battle.

Someone once said, "...the only thing that is constant is the fact that things are always changing". I have heard that statement a lot over the past 20 years. Most of the time, it is tendered in a sarcastic fashion. I have learned to ignore or overlook the sarcasm for the most part. The fact is, that is a true statement. One of the things that separates good management from poor management is how change is dealt with... How it is originated, orchestrated, presented, implemented, and executed. All of these factors will together determine the reaction to and results of change.

Some years ago, I learned that change was not a bad thing. Moreover, I learned that change is a fact of life. When we are born, the process of change begins immediately, and we will never be the same again. As youngsters, we embrace change. We even thrive on it.... A funny thing happens as we "grow up". We become entrenched, regimented, and rigid. What once was a "challenge" or "something new" is now a threat.

As I said earlier, most people don't like change. In fact, they may be highly intimidated or even frightened. I believe that that the difficulty in dealing with and/or the inability to change is the single most frustrating facet of management. I would even venture to say that change, or rather the lack of dealing with it properly, is one of the leading factors in why many management systems have breakdowns, disappointments and failures.

We are here today at this wonderful conference to learn new and better ways to approach various aspects of our businesses. That almost sounds like a definition for the word

“change”... We are here because we want to change. Your presence here is a testimony to that fact. If you thought you had it all figured out, you would probably be somewhere else today. I commend you for stepping out and embracing the need for change. The reality is that we all need change. It is the lifeblood of management.

Now, with that backdrop, let's talk about management itself. Having already described the process as “dynamic and ever changing”, you might get the idea that good management is elusive to the point of being unattainable. Nothing could be further from the truth. I believe that good management, again in its highest form, is relatively simple. True enough, it is a moving target that requires that constant adjustment that I made reference to earlier, but that doesn't mean that it has to be complicated.

While a good management system is dynamic and flexible, it should not be confusing. Within all good management systems that I have observed, I believe that there are some common threads that exist that are worth discussing. More importantly, I think they should be adopted and integrated into the management plan at all levels, regardless of the enterprise that might be involved. I believe them to be sound, basic principles that produce the same results every time they are applied, personally or professionally, individually or jointly.

Personnel

I believe that the most important resource that any business has is its people. Certainly, we can't function without the necessary capital, land, facilities, and cattle. However, the most often overlooked area in our business has been and continues to be people. Sadly, this may be a bigger problem in the agricultural industry than in most other types of business. Part of this lies in the fact that due to a variety of factors, farms are being forced to become larger. Labor forces are expanding, and in many cases, owners are being faced for the first time with the various tasks associated with management, maybe for the first time outside of family ties.

Venturing into the world of labor management is an awesome responsibility. In the family setting, relations are simply different. If there is a difference of opinion, there is usually some basis of relationship that allows for some common ground, and the resolution of the problem. Certainly there are exceptions. With outside labor, the rules are basically the same, but the penalties are much stiffer. Say or do the wrong thing in the family setting, and it makes conversation at the dinner table a little dry that evening. Say or do the same wrong thing with outside labor, and you will be milking during dinner that evening, not to mention the possibility of developing a more meaningful relationship with your attorney.

I believe that great care should be taken with this most important resource. I think that the time and resources you devote to your people is the best investment you can make. You can throw money at problems until you are out of money, and still not solve the problem. The fact of the matter is that every problem I can think of when traced to its origin, has a first and a last name. In many cases, we ask for it.... We set ourselves up to fail.

Experience has taught me that there are several things that can preclude disaster with personnel. Obviously, no system is perfect and there will always be shortcomings. Remember, we are talking about a system of people. There will always be breakdowns and disappointments. The trick is to have a system that deals with it rather than being consumed by it.

I believe there are four very distinct areas that if tended to properly will reap you big rewards. First, we must be able to locate the right kind of people. This is easier said than done. As an employer, it is our responsibility to know what we are looking for, and to clearly define the role that this new employee will fill. There is a phrase that says "Location is everything..." It is true in the people business as well. Know what you want, decide what it is worth, and don't settle for less. You are better off doing the job yourself.

Once we have located the right person, we become liable for a number of other things relative to this employee's personal success on the job and our happiness with that performance. Probably the most overlooked area of personnel management on the farm today is education. We simply must do a better job of informing and training our workers. How can you expect an employee to do what you want, the way you want it done, and on your time schedule when you will not even take the time to tell them what it is you want done? Don't laugh.... It happens every day in parlors all across this country. A formal training program is fundamental to good performance and consistency of operation. In a dairy setting, this is critical. A solid training program that clearly defines the role of the employee, and that teaches them in detail what is to be done in an environment that makes them comfortable to ask why is critically important. We have a responsibility to educate our people.

One of the more complicated facets of people management is employee motivation. Even the best of employees will from time to time need help in this area. As an employer, we must be cognizant of that fact. We must be familiar enough with our employees to recognize their needs, and to know how to reach them where they are, and in the way they need. This can be one of the most interesting and fulfilling parts of management. It is one of those areas that allows for the personal interaction between the employer and the employee that I believe allows us to be all that we can be. Some of the most gratifying moments of my career are wrapped up in opportunities that I have had to impact another person's life simply by recognizing their needs and making myself available to help. It may be nothing more than a willing ear or a ride home from work. The point is there is no motivation without participation. We must motivate.

Assume with me for the moment that we have accomplished the three previously discussed tasks. We have located the right person, we have educated them properly, and we are doing all the right things to insure that they stay properly motivated. What's left? A very important process.... We must come up with a method of feedback for ourselves and the employee that affords us every opportunity for improvement. An employee evaluation system is critical. While describing the training process earlier, I asked how we could expect someone to do the job properly without first telling them what you want to have done and how it is to be done. In defense of the evaluation process, I would ask you a similar question.... How can you expect

an employee to know that you are happy or unhappy unless you tell them so? Further, how can you know if they are happy or unhappy unless you provide them with a safe forum to express their feelings? Two critical words here..... "Safe forum". By "safe" I mean that the employee is made to feel comfortable to just talk to you. Put them at ease up front. Never hold what an employee tells you in the evaluation process against them. That is unfair and hypocritical. The word "forum" implies an open session of learning. That means, in most cases, that everybody who participates has the opportunity to learn something. That includes you, Mr./Mrs. Employer. Listen more than you talk. It will open your mind, sharpen your management skills, revolutionize your outlook on your business, and change forever the way that you approach and treat your employees. Evaluation should take two forms. Ongoing and formal. Ongoing is a day-to-day process.... It's that kind word, that understanding look that says to the employee, "Att'a boy!". The formal evaluation process is providing the opportunity for the employee to come in and sit down in a face-to-face setting with "the boss". During this time, they get to feel like they are the most important thing you have to take care of. You know what? They are! Formal evaluations should be held at least every six months, and more often in the case of a troubled employee.

So, to summarize my discussion of personnel, as employers we have the responsibility to carry out four vital functions:

- Locate
- Educate
- Motivate
- Evaluate

Purpose

A second and important principle of any management system is purpose. That's a pretty basic concept. You know, without purpose, most everything is meaningless. Have you ever stopped in the middle of something and asked yourself what it is that you are doing and why you are really doing it? Be honest. In the pace that we are forced to keep these days, sometimes we lose continuity of purpose. When this happens, confusion sets in, which will always give rise to frustration. As frustration grows, motivation deteriorates, and if left unattended, will result in utter despair. Employees will look for a quick fix to this situation, and that usually expresses itself first in reduced performance, and later in employee turnover.

It is very important to continually examine purpose. This should be done at all levels and within all disciplines of the organization. What is it that we are really doing? Why are we doing it? Is there a clear purpose for all that you are doing? Has it been effectively communicated to employees at all levels? Good management continually restates and reaffirms purpose. Employees will seldom fail to perform when they know what to do, how to do it, and why it is important to be done.

Planning

Good planning is fundamental to success. It requires vision and foresight on the part of management personnel. The planning process involves the evaluation and coordination of all resources in a manner that is continuous with the purpose of the organization. It incorporates the effective use of all assets, especially personnel in a manner that moves the organization/department toward its goal.

Planning should not be done in secret. If employees are to give themselves to the purpose, they must know the plan. More importantly, employees should be a part of the planning process itself. This insures employee involvement at all levels, and will always result in a deeper level of commitment on the part of every involved employee. In short, employees will take “ownership” of a plan that they help to produce.

Planning is looking at several factors:

- The job(s) to be done.
- The sequence and/or timing of the job(s) to be done.
- The resources needed for the job (s) to be done.
 1. Personnel
 2. Facilities and/or tools
 3. Capital
- Real or potential shortfalls of resources
- The goal or satisfactory end result of the job(s).

After a careful examination and open discussion of these factors, a plan should be developed that best accomplishes the job, making certain that all resources are being employed at their best and highest use level. If employees are involved in meaningful planning sessions similar to this, they will in fact take ownership of the task, and give themselves to it in such a way as to insure its success.

If this type of planning is employed at all levels within the organization, the whole becomes greater than the sum of its parts. In other words, there is an additive effect to good planning. For example, if good planning is executed in the maternity lot, then the job in the calfyard just got easier. However, the converse is also true. If you have poor planning in the maternity program, calf raising will be more difficult, no matter how good the planning is in the calfyard.

Good planning is essential at all levels. The phrase “...plan your work, and work your plan...” is certainly good advice.

Protocol

No good cook lights the oven without a recipe. A recipe is simply a protocol. It is a detailed description of the step-by-step procedures necessary to accomplish the desired result of the cooking or baking experience.

I believe that the major disciplines of the dairy farm should have a written protocol. That is, we should provide a recipe to our employees, describing in detail how they are to accomplish their jobs.

This is not a job description. This is a detailed “recipe”, if you will, for how to handle specific functions of their job description. For example, herd health is one of the major disciplines in a dairy enterprise. I believe everyone involved in the herd health program should have a written protocol that details how to handle the major and commonly-occurring herd health problems and/or practices. It should clearly spell out what management expects to be done, and when and how it is to be done.

Protocols, properly done, can eliminate confusion and remove doubt or indecision for an employee when faced with a circumstance that requires action. A written protocol “levels the playing field” for all employees. Employees should be keenly familiar with the protocol for their department. They should be given a written copy, and should have it read and discussed in a group setting, allowing for as much discussion as necessary to insure a good understanding on the part of all involved.

Protocols should be circumspect in their detail. They should involve experts where necessary. For example, a herd health protocol should involve your veterinarian in its development from beginning to end. Ideally, your veterinarian will become actively involved in the process, and will become an active evaluator of the protocol. The same is true of your nutritionist and a feeding protocol. A milking routine protocol should incorporate professional recommendations, and so forth.

Practice

Practice is where as they say, “...the rubber meets the road...” Practice can be defined as the execution of details. It is the day-to-day grind of the chores that make up the job. It is where the fruits of our labors relative to personnel, purpose, planning, and protocols will be evidenced. If we have in fact done a good job of those things, a good “practice” will follow.

Employees are continually examining the practices that are performed by their fellow workers. They are also examining the practices of the manager or management team. There is another old saying that says, “practice what you preach...”. Management must always remember to do just that. In other words, it is unfair to expect extensive attention to detail, but fail to give the same yourself. Employees will identify this immediately, and will appropriately discount management’s influence from that point forward.

It is management's responsibility to "walk their talk" at all times, and to require the same of all employees, especially those in supervisory positions. Anything less will eat away at the very heart of the organization, and left unattended, will consume it.

Performance

Performance is the crowning dividend of our efforts. It is important to insure that performance at all levels is being measured. This is how we can evaluate the previously discussed elements of our management. If there are specific, measurable goals incorporated into the system at all levels, employees at all levels can measure their own effectiveness.

This system brings its own rewards. If things are going well, employees will be able to see that, and will take great pride in the work they have done, and the process that produced those results. If results fall short of the goal, employees are completely informed, and can be a part of the process in correcting shortfalls that may have caused the goal to not be reached. Often times, this process becomes a self-policing one. Employees become "hungry" for success. They will create an unbelievable amount of peer pressure on their co-workers to improve. Employees doing sub-standard work will feel the pressure and will either change their work ethic/quality, or will be dealt with by their peers. This is the ultimate form of employee discipline.

Good management is a proper combination and balance of each of these six factors. It requires that we as managers become students of the human race. We must learn all that we can about human nature. We should seize every opportunity to study people. A lot of what we must learn can only be attained by experience. This makes it extremely important for management to become a "good listener". We must remember that we cannot hear clearly when we are speaking....

Management is no different from other roles. It is an extension of our attitude. I believe that attitude is the single most important factor in our work, our relationships, and for that matter our lives. It affects everything we do or say, and it controls the impression that results in everyone with whom we come in contact. Our accomplishments will fade long before the result of our attitude. Attitude, I believe, is more important to success than anything.

In my 25 years of cow and people management, I have learned a couple of things. By and large, most of it, as the saying goes, I learned from a cow. The older I get, the more I believe that these are indisputable truths:

- Cows are easy; people are tough.
- On the average, our biggest "problems" are caused by making something simple complicated.
- Your "problem" is not your problem.
- The simpler a thing is, the more repeatable it is.
- Success (at anything) is more directly proportional to attitude than anything else.