



# Finding, Hiring, Keeping High-Caliber

There is always work to be done, so hire the right person for the job.

by **Paige Nelson**, field editor

**F**inding employees is absolutely necessary if profitability, growth and excellence goals are to be reached by any ranch,” says Barry Dunn, dean of the College of Agriculture and Biological Sciences at South Dakota State University, in his August 2010 *Rangelands* article, “Human Resource Management: The Importance of Getting it Right.” The journal is published by the Society for Range Management.

Dunn explains that finding, hiring, motivating and keeping good employees — i.e., human resource management — is often neglected by small businesses and ranches alike, as these skills seem irrelevant amongst such a small payroll.

“However, the fewer employees an organization has, the more dependent it is on the employees it does have, arguably making human resource management even more important,” he counters.

Ryan Rhoades, an assistant professor at the King Ranch Institute, agrees and encourages ranch managers to hire the right person the first time.

“Research shows that to replace an employee, it costs about 50% to 150% of that position’s annual salary,” he says. “If we don’t get the right person up front and there’s turnover, it’s really expensive to keep replacing people.”

Rhoades charges that it’s worth some up-front costs to incorporate a well-developed hiring process that will take some of the risk out of employing the wrong person.

Rhoades and K.E. Jacobsen, *Deseret Cattle & Citrus*, co-authored “Getting People on the Job,” also published in *Rangelands* in August 2010, and outline six guidelines to follow when hiring.

## 35 Keys to Success Employee Management

### 1. Anticipate and assess ranch labor needs

Proactively assessing ranch standing by asking the following questions will help managers anticipate future labor needs:

- ▶ Where is the ranch going?
- ▶ How many people and what positions will be needed in the next several years?
- ▶ What will the ranch’s organizational structure look like, and how will the needs change over time?
- ▶ What does the ranch’s leadership pipeline need to contain today to ensure the development of leaders tomorrow?



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► **Left:** Ryan Speth has been Bruce Crapo’s cattle manager for 10 years. “He’s one who never stops as long as there’s something to do. He doesn’t complain about the extra hours, he doesn’t walk away from a calf that needs to be suckled or work that needs to be done,” says Crapo.

► **Below:** “I think you have to look at people’s abilities. You have to try to assess whether or not they’re worth the extra that it would cost you to hire them, over hiring someone that will do it for the price you want. Sometimes you get what you pay for,” says Crapo.

# Ranch Employees

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PHOTOS BY BRUCE CRAPO

Bruce Crapo of Parker, Idaho, and owner-manager of Crapo Farms, a diversified crop farming and commercial-Angus operation, employs 150 full-time employees, 75 seasonal employees for the farm and one full-time cattle manager. Ryan Speth has been Crapo’s cattle manager for 10 years.

Before he hires a new employee, says Crapo, he likes to monitor the workload of the current employees. When he can see that

there is too much pressure, he does his best to relieve it by bringing on more people.

“It starts to show on a person if they get overloaded,” he says.

## 2. Define the job

Defining the job based on the specific needs of the ranch starts with a good job description. A description should emphasize expectations, main functions and

compensation ranges, according to Rhoades and Jacobsen.

Rhoades further describes the job description as a contract between the ranch and the employee. It details in what areas the employee will be trained, and how he or she will be evaluated.

“I can’t emphasize enough how important it is to sit down and develop a really good job

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description,” he says. “Your job description is your advertisement, and that’s going to depict who you’re going to recruit.”

If the job has significant variation, describe it, he says. “Describe that variability that could exist, because employees will want to know about it. You can make [the job description] a little more broad, but the important thing is that you try to consider not only job duties, but expectations related to team dynamics and ranch culture.”

Crapo explains his job descriptions best by making clear his expectations. He expects his employees to be on time, honest and ask questions if they don’t understand a task. Because Crapo Farms is a family-owned and -operated business, Crapo expects employees to “be good ambassadors, for not only our industry as farmers and ranchers, but they represent us as a family, and, to me, that’s important,” he clarifies.

### 3. Develop the candidate pool

In “Getting People on the Job,” Rhoades and Jacobsen advise managers to cast a wide net, as it increases the likelihood of finding the right person. The article adds that the ranch’s reputation will greatly impact the response from potential employees. Obviously, a ranch with a great reputation will attract high-caliber applicants.

A solid reputation is built when managers can show their employees they play a critical



► Offering internships is a great way to test employees without the risk of a long-term commitment.

role in the overall success of the ranch and are willing to help individuals succeed.

In order to widen their reach, managers should consider four groups of potential employees.

*Insiders* – those who already work at the ranch and with whom the ranch is already familiar. Speth had been working as a mechanic for Crapo for five years

before taking on his current role as cattle manager.

*Inside-outsiders* – are also internal candidates who are perhaps located at distant or remote locations, not exposed to management regularly or for some reason, or to some degree, have been overlooked.

*Outside-insiders* – Those former employees, customers, suppliers, advisors



► Crapo expects his employees to be good ambassadors for the ranching industry and for his family name, as well.

or those who have worked closely with the ranch and its employees in the past.

*Outsiders* – those applicants unknown to the ranch.

“As a general rule we have a fair amount that come and apply; other than that, it’s word-of-mouth and friends that know we’re looking for help,” says Crapo of his hiring resources.

Rhoades strongly suggests offering internships.

“That gives you a test-run with some of these folks coming out of college, to get to know them, with very little risk involved,”

#### 4. Assess the candidates

Rhoades and Jacobsen give four steps to effectively narrow down the potential candidates.

**No. 1.** Choose the right people to conduct the interview. Interviewers should be very familiar with the job, self-confident enough in their own abilities to hire the best possible candidate, and they should be people who are not threatened by new talent.

**No. 2.** Have the right number of people conduct the interview. Three high-quality and independent interviewers should be sufficient.

**No. 3.** Use the right techniques during and after the interview. Ask behavioral event questions (tell me about a time when. . .). Rhoades explains that these are “questions that force the applicant to give very specific actions and reasoning for some things that they’ve done.” He says it is a great way to assess the candidate’s intellect, people and leadership skills and, in some cases, their management skills. “The behavioral questions seem to assess people better than some of the more traditional methods,” he notes.

Crapo says he likes to know the candidate’s expectations and/or limitations — schedule, allergies, etc. He also likes to discuss salary and whether or not he can meet the candidate’s needs that way. Another important point for Crapo is the candidate’s plans; are they long-term or short-term?

Be sure to check the candidate’s references.

“It is always good to call at least three,” says Rhoades. A good practice is to ask the candidate for permission to contact people outside of the reference list in case there is debate, he says.

After the interview, all interviewers should meet and have a thorough, disciplined discussion about the candidates.

**No. 4.** Have the correct organizational support in place. When decision time comes, the head manager should have “the right” to make the final decision.



► Four factors that can contribute to unsuccessful relationships between the ranch and the new employee include unrealistic expectations of the new employee, failure to grasp task completion around the ranch, poor communication with supervisor, and lack in understanding between the new hire and the ranch’s goals and objectives.

#### 5. Close the deal

According to “Getting People on the Job,” “At least one in five potential hires will be likely to turn down the job offer,” so managers should demonstrate the ranch’s commitment and interest in the chosen candidate. Managers should consider current market compensation rate within the ranching industry. The U.S. Bureau of Labor Statistics found in 2011 average hourly wages for farm and ranch workers was \$11.60.

From personal experience Crapo has had to re-evaluate his willingness to pay for quality. “We’ve limited ourselves a time or two by saying we can only pay so much. . . . Sometimes, down the road, you wish you had a chance to hire that person. I think you have to look at people’s abilities. You have to try to assess whether or not they’re worth the extra that it would cost you to hire them, over hiring someone that will do it for the price you want. Sometimes you get what you pay for,” he emphasizes.

“I think if you’re being fair with [your employees], if you’re compensating them as you should, then, I think, you can expect more performance from them, and if they’re good people, they’ll give it to you.”

According to Rhoades, some benefits ranches are providing include medical insurance, a vehicle, housing and, maybe, a freezer full of beef.

In addition to medical insurance and contributing to an IRA, Crapo offers end-of-the-year bonuses depending upon the individual’s performance.

#### 6. Integrate the new hire

“Getting People on the Job” references research that suggests one-third of employers lose between 10%-25% of their new hires within the first year on the job. It then lists four factors that can contribute to unsuccessful relationships between the ranch and the new employee — unrealistic expectations of the new employee, failure to grasp task completion around the ranch, poor communication with supervisor, lack in understanding between the new hire and the ranch’s goals and objectives. Using new-employee training programs and top-performing veterans as mentors can greatly reduce early turnover.

On Crapo Farms, “My personal philosophy is you hire good people, and you give them their head, and let them show what they can do. I don’t like to micromanage people. Ryan’s a perfect example of it. The more I leave him alone, the harder he works and the more responsibility he will take,” explains Crapo.

“At calving time I’m almost embarrassed at how hard we work Ryan,” admits Crapo, “and he’s one who never stops as long as there’s something to do. He doesn’t complain about the extra hours, he doesn’t walk away from a calf that needs to be suckled or work that needs to be done.”

Finding that type of employee isn’t easy, but creating a solid human resource management plan will help.



**Editor’s Note:** Paige Nelson is a field editor from Rigby, Idaho.