

Strategies for Employee Retention: A Ranch Manager's Perspective

Management of people is integral to the management of rangelands

By Jennifer Johnson and Wayne Fahsholtz

On a ranch, as in any organization, employee retention is a vital component of a successful human resource management program. A stable workforce is good for morale, productivity, and profit. High turnover disrupts the remaining team of employees while increasing their workload. The cost of training a new employee can be up to 150% of that position's salary, and in industries with long production cycles, such as agriculture, training can last many months.¹ Finding qualified replacements can be difficult, especially in rural areas. Achieving high rates of employee retention is clearly important, but it is not easy, and salary should never be the only consideration. A manager must cultivate and maintain a culture in which employees understand the values of the company and also feel valued themselves. Good communication is imperative not only for attracting good employees, but also, especially when individualized, for ensuring that they remain satisfied. An introduction and training program eases transition into the organization. Frequent and thoughtful feedback is beneficial, as is recognizing the importance of individual motivation and incentives. The combination of these tools creates an environment conducive to high employee retention and organizational success.

Cultivating the Right Culture

An organization's culture defines how employees are valued. If people are viewed as the foundation for success, rather than necessary liabilities, their attitudes and actions will reflect those values. A Purpose Statement is an excellent way to define core beliefs and goals for a business. See Table 1 for the Purpose Statement of the Padlock Ranch, a large cattle ranch near Sheridan, Wyoming. The Padlock Ranch further defines people as a foundation for success with this statement:

The greatest strength of the Padlock Ranch, as an organization, lies with its people. The talented and creative team of employees, managers, directors, and owners provide a foundation to the successful enterprise. They enable the enterprise to adapt to changing conditions, solve problems, and recognize opportunity. A culture of integrity, whereby the people and the organization maintain ethical and professional standards, sustains this strength.

By clearly stating core values, the owners and managers of the Padlock Ranch hope to provide understanding and unity around those values.

In addition to a purpose statement, the Padlock Ranch outlines the personal values expected of employees, which include integrity, loyalty, pride, professional conduct, a positive attitude toward work, and desire for self-improvement. Each organization will have a unique list of personal values, but recognizing these values facilitates commitment to common goals among both supervisors and the employees they manage.

Communication Prior to Hiring

Communication is important even before an employee is hired. Position openings can and should be announced through a variety of methods, including word of mouth,

Table 1. Padlock Ranch purpose statement

- | |
|---|
| 1. Financial excellence |
| 2. People as the foundation for success |
| 3. Natural resource sustainability |
| 4. Positive member of community |
| 5. Scott family emblem |



Wayne and Judi Fahsholtz at a Padlock Ranch BBQ.

print or Web site advertisements, head hunters, and networking. Advertising a position opening in a manner that attracts the most qualified candidates takes creativity. See Table 2 for an example of how Padlock Ranch modified a position announcement. The original announcement ran for some time, but the modified announcement quickly resulted in a successful hiring.

Thoughtful communication prior to hiring also increases the likelihood of finding the right person for the position the first time. Résumés and job applications are the first step but may not be enough to fully understand who a person is. Personality profiles assist in determining how a person will fit into an organization.

Additionally, in contexts where employees' spouses will be involved, as is true on many ranches, interviewing the spouses together is a good way to manage expectations and minimize misunderstandings. Effectively and honestly explaining salaries and benefits is crucial to attracting the best candidates. On ranches, a position's true salary is rarely reflected in monetary compensation and can include housing, horses, utilities, insurance, and the use of ranch vehicles. Carefully reviewing a list of benefits can greatly increase the likelihood a good candidate will consider the position.

On-Boarding

On-boarding is the transition of an accepted applicant to a productive employee. Ninety percent of new employees decide whether to stay in the first six months on the job, and the average employee does not reach full productivity

for 45 days or more, so on-boarding is imperative for employee retention.¹ A well-designed on-boarding process provides a consistent experience, message, and exposure for all new employees, as well as greater efficiencies for the organization. On-boarding should help new employees understand how their role fits into the organization, articulate the vision and strategy of the organization, solidify responsibilities and performance expectations, and help them meet other employees.

Effective on-boarding has five steps.¹ It begins with making a good first impression. On the Padlock Ranch, employees are moved into clean houses and given clean vehicles, impressing upon them the importance of taking care of the ranch's assets. The next step involves getting acquainted, particularly by defining goals, expectations, and roles. A well-written job description is extremely helpful in this step because it provides a base for accountability as well as clarity for other employees. Third is settling in, which is accomplished through training and getting to work. The fourth step is adjusting through performance feedback. The fifth and final step is full engagement, when an employee is an engaged and productive member of the organization.

Understanding Employees

No two employees have the same personalities or interact with other people in the same way. Utilizing personality profiling is useful for discovering how an employee views and reacts to situations. The Padlock Ranch uses personality profiles for all employees, so that supervisors know how to most effectively work with employees and so that employees more effectively work with one another. It is important to note that, while personality profiles such as the Myers-Briggs Type Indicator® can be very useful tools, they should not be viewed as the "answer" to solving personal issues in the workplace.

Another tool useful for better understanding individuals is a strengths assessment. In the book *Now, Discover Your Strengths*, authors Marcus Buckingham and Donald Clifton argue that a great organization must not only accommodate the fact that each employee is different, it must capitalize on these differences.² The authors conclude that good managers work to enhance a person's strength and manage around weaknesses, rather than focusing on fixing weaknesses. The best managers recognize that each person's talents are unique and that each person's greatest room for growth is in the area of that person's greatest strength. Identifying employee strengths and helping them build on

Table 2. Padlock Ranch mechanic position announcements

Original	Modified
Wanted: experienced mechanic. Must know John Deere equipment and be willing to work long hours during harvest. Five years' experience.	Tired of shift work, inflexible hours, and/or no job appreciation? Then consider joining the Padlock team. We need an experienced mechanic who enjoys working independently. We offer a competitive salary, 401K, two weeks' vacation along with health and life insurance.



Horses on the Padlock Ranch.

those strengths is beneficial to those individuals and the organization overall.

Feedback

Feedback, if used correctly, can be a very beneficial tool for employee retention. Valuable feedback is used as an opportunity for development or to solve a performance problem. If given regularly and in a timely manner, the benefits of both influencing change of unacceptable behavior and reinforcing positive behavior accumulate over time. Feedback sessions should be scheduled regularly, treated with importance, held in a private setting, and designed with sensitivity to the imbalance of power. If feedback is treated as an opportunity for development, managers can make employees aware of potential opportunities and how to set goals, as well as indicate interest in their personal success.

Of course, it is sometimes necessary to use feedback to address performance problems, and the manner in which this type of feedback is delivered is crucial. It should be structured, focused, and private. One way to structure feedback is the Situation-Behavior-Impact (SBI) System, in which a manager describes the situation, behavior observed,

and that behavior's impact on others. Balancing negative feedback with positive feedback is key to maintaining a relationship built upon trust.

Feedback to managers from employees should also be encouraged. At the Padlock Ranch, employee surveys are used to gauge if employees know what is expected of them, if they have the tools they need to be successful, if they feel appreciated, and if they feel they have the opportunity to do what they do best every day. Employees who feel that they have the chance to do what they do best have fewer sick days, file fewer worker compensation claims, and have fewer accidents on the job.³

Motivation and Incentives

Just as no two employees have the same personality, each employee responds to motivation and supervision differently. People are motivated when they feel valued. In *The Three Signs of a Miserable Job*, author Patrick Lencioni outlines reasons for employee dissatisfaction.⁴ The first is anonymity: employees who are not known and individually appreciated by managers will not feel fulfilled. Second is irrelevance: employees who do not know how their work impacts the lives of others will not be satisfied. Finally, immeasurability, or the inability of employees to assess their own level of performance and success, is a significant cause of dissatisfaction.

Focusing on building good teams is also a tool to increase motivation among employees. Good teams trust one another, engage in unfiltered conflict around ideas, commit to decisions and plans of action, hold one another accountable, and focus on achievement of collective results.

Incentive programs, both fixed and spontaneous, play a substantial role in employee motivation. Incentive packages can be based upon the accomplishment of stated organization goals, personal achievement within the organization, company profit, or a combination of these factors.

Conclusion

Achieving high rates of employee retention takes effort but is well worth a manager's time and consideration. By creating a culture around valuing people, maintaining clear, individualized communication, on-boarding new employees, fostering healthy and constructive feedback, and understanding the importance of motivation and incentives, a manager can increase employee retention. A good leader can use these tools to attract and develop the best workforce possible.

References

1. AGCAREERS.COM. 2009. Available at: <http://agcareers.com>. Accessed 26 October 2009.
2. BUCKINGHAM, M., AND D. O. CLIFTON. 2007. Now, discover your strengths. New York, NY, USA: The Free Press. 272 p.



Padlock Ranch employees.

3. BUCKINGHAM, M., AND C. COFFMAN. 2001. First, break all the rules: what the world's greatest managers do differently. New York, NY, USA: Simon & Schuster. 255 p.
4. LENCIONI, P. 2007. The three signs of a miserable job: a fable for managers (and their employees). San Francisco, CA, USA: Jossey-Bass. 272 p.

Authors are Graduate Assistant, King Ranch Institute for Ranch Management, Texas A&M University-Kingsville, Kingsville, TX 78363, USA, jjohnson@students.tamuk.edu (Johnson); and CEO and President of Padlock Ranch, Ranchester, WY 82839, USA (Fahsholtz).