

Fostering change in people management – the DairyNZ ‘People Lift’ Project

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Abstract. The opportunities to build their own business, work with livestock and be in the outdoors, are major drivers for people to enter the New Zealand dairy industry. The industry wants their experiences to be positive and to lead onto satisfying careers. In 2015, a two-year project ‘People Lift’ was begun by DairyNZ working with a small group of certified People Management Consultants to build increased capability: in work place compliance, staff management processes and team leadership on-farms. One farmer participant said, ‘We are doing the project because it’s all about giving [people] a voice ...’. As the pilot project is completed in 2017, the People Management Consultants are preparing to continue its results with new groups of farmers.

Keywords: dairy, increasing capability, compliance, leadership.

Introduction

The purpose of the DairyNZ People Lift Project is to demonstrate the value of People Management Consultancy services, supported by DairyNZ workshops and target setting, in achieving significant change in farmers’ people management practices and outcomes. The project contributes towards the New Zealand Dairy Industry goals, the DairyNZ goals and the Dairy Industry Primary Growth Partnership with the New Zealand Government.

Methods

Dairy farmers from 12 properties in the Waikato (Upper North Island, NZ) and from another 12 in Southland (Lower South Island, NZ) were invited by DairyNZ staff in 2015 to take part in a project focussing on improving people management in the dairy industry. The costs of participating in the project were shared between DairyNZ and the participating farms. Over the following two years, each farm had access to a People Management Consultant (PMC) certified by the New Zealand Institute of Primary Industry Management to assist them in making changes in personnel management and staff productivity. Workshops for the participating farmers and their partners were also held on specialist topics to support the work of the PMCs.

Two project reviews have been held so far, involving the farming teams, PMCs and the Project Advisory Committee.

People management consultants

Through the dairy industry’s certification scheme, people-management specialist consultants were made available to the farms. The consultants could provide up to eight hours of their time every three months. This included providing advice, coaching and facilitation, in order to assist their clients, develop new capabilities and apply skills and processes for better managing people. The eight hours could be used flexibly as required to provide timely interventions including through: on-farm contact, telephone, on-line contact (emails and skype) and meeting together with other farm teams as a cluster.

The consultants generally began their work on each farm by addressing the immediate problems that had already been identified by the farmers. This initial work provided the consultants with an opportunity to raise more strategic opportunities for their clients. The focus then moved to making more long-term changes in people management on the farms and for their clients to aspire to become people management ‘champions’ in the industry.

DairyNZ workshops

Workshops in Waikato and Southland were organised by DairyNZ and held every four months through the life of the project for the farming participants. Each workshop had topics selected by the PMCs and DairyNZ that reflected their clients’ needs and featured key note speakers and practical exercises. Farmers also discussed progress and problems they had encountered.

Topics included: communication, people management plans, leadership, staff engagement, lessons from rural CEOs, Dairy Base analysis and key performance indicators.

Project reviews

The project was independently monitored and reviewed by the senior author three times over the two years with a final review to be completed in June 2017. The purpose of the review was to measure changes in farm productivity, team performance, individual work satisfaction and changes in the farm working environments. A mixed-method approach was selected for the reviews combining quantitative measures with narrative analyses. The first review used the Gallup Q12 as the quantitative measure along with individual interviews and the Most Significant Change (MSC) method. The second review again used the Gallop Q12 but this time replaced the MSC method with workshops and building Concept Pyramids. This change reduced the cost for this stage in the project. The third review went back to a quantitative but subjective questionnaire to be used alongside collecting the MSC.

Combining these methods in a mixed-method approach was considered by the authors to provide a number of advantages for the review. The Gallup Q12 measured work satisfaction results that could be directly related to gains in business productivity and that were well attested internationally and across many industries. The Concept Pyramids provided a way of understanding how peoples' behaviour was being influenced by patterns of leadership, management, organisation, and training. The MSC provided insight into people's learning within the context that formed it. Each method is outlined below.

Gallup Q12 is a quantitative but subjective approach for measuring organisational staff commitment and performance. Based on over seven million staff assessments it uses 12 questions that are highly correlated with business or work unit profitability, productivity, employee retention, customer satisfaction and loyalty, reduced absenteeism, and decreased merchandise loss (Harter et al. 2008).

Most Significant Change (MSC) is a qualitative approach to the collection of self-reported data about changes that occur within the context of implementing projects such as the People Lift Project. The narrative process was slightly adapted from the original design of the method in order that it might have the flow of a conversation while retaining enough consistency in its structure for further analyses. People were interviewed individually on their farms. The narrative process of recalling, reflecting on and articulating significant events was itself intended to encourage further consolidation of changes in behaviour (Dart & Davies 2005). The MSC results were specific to each farm, each business team, and each person, and these were gathered in the language of the interviewee to describe their learning and how that had been consolidated in behaviour change.

Four PMCs were involved in the project and three were interviewed in similar MSC discussions as those held with the farmer participants.

The Concept Pyramid method (CPM) is based on a clinical psychology theory of personal constructs. It represents an association of meanings and the relationships between meanings and behaviour as they are identified by the participants present. The words that people use to convey their personal constructs are those that are most relevant to them and represent the underlying beliefs that influence their behaviour (Parminster & Perkins 1996).

Data Analyses were carried out using NVivo® to code both the quantitative and qualitative data. Analysis of the MSC narratives was first done using open coding and then further coding was carried out using selective coding to focus on the main themes identified in the previous step (Glaser & Strauss 2009). In the results section of this paper the paragraphs of commentary by the authors is followed by quotes from participants to illustrate the points being raised.

Results and discussion

On-farm interviews

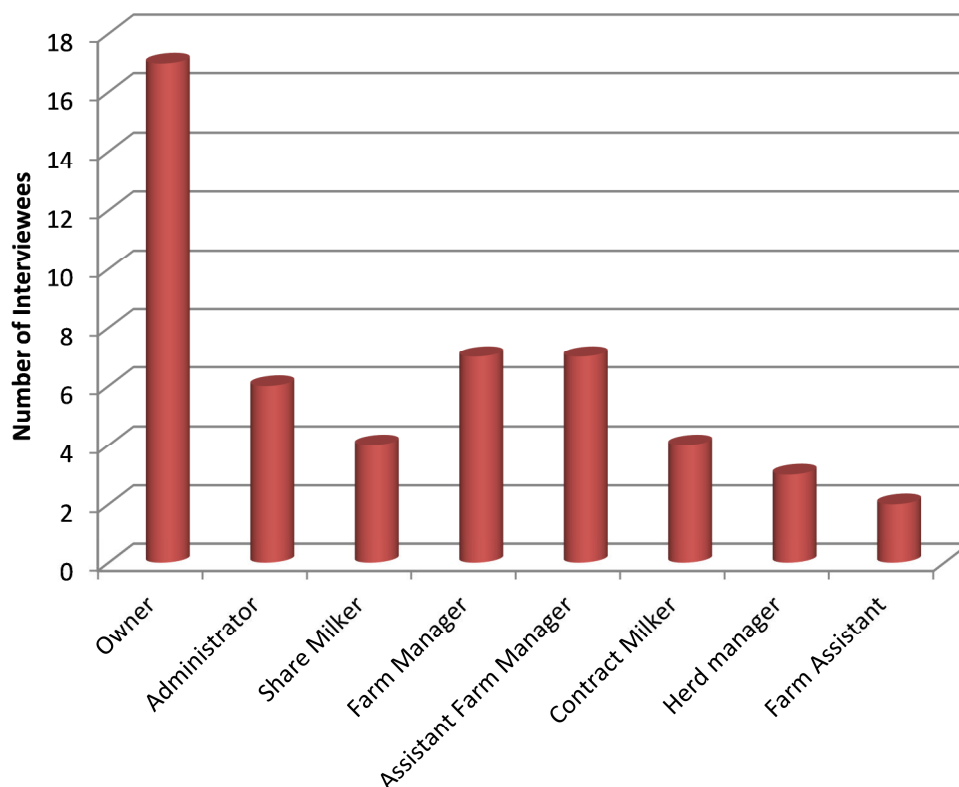
In the on-farm interviews that were included with the MSC, the participants described their personal and professional backgrounds, and their expectations for the project.

Interviewee Backgrounds The average age of the interviewees was 36-40 years; about half of them were male (57%) and almost all had Kiwi and European ethnicity (86%). Over half the interviewees came from the Waikato (63%) and the rest from Southland. About half the interviewees were owners, or administrators (Figure 1).

Expectations of People Lift Most people became part of the People Lift project through being invited to join by a DairyNZ Consulting Officer. People were motivated to participate by their desire for more experience in staff management, in order to resolve staffing problems, or to become more compliant with employer statutory obligations, as one participant stated:

We realise that we weren't perfect, that we hadn't communicated our expectations of the contracts properly, which lead to issues with accountability. In the past we've been taking people willy nilly into the business, now we realise that we need to get the right people into the business (Farm owner).

Figure 1. The role on farms of the review interviewees



Other participants wanted a learning challenge:

We want to be as good employers as we can be. We want to go from good to great. We want people to work here. It's satisfying to watch people grow and develop (Farm owner).

After 15 months of involvement in the project, some managers and staff were still feeling obligated to continue to participate:

Because [the boss and his partner] told me to be involved. They are part of it. I do my bit (Assistant Farm Manager).

Most people felt that People Lift had met or exceeded their expectations (60% overall). A third of those people also described some negative experiences in People Lift. Participants reported that the project had provided them with learning opportunities, built up their confidence, and given them access to consultant problem solving.

It's exceeded my expectations. It's got us on the right track to go forwards. It's teaching us how to deal with staff, and teaching us the right way to interview staff – the right questions to ask. It's taught us the procedures to put in place (Owner).

[The People Consultant is] our HR lady. She was here yesterday, and the staff all had a one-on-one with her. Her involvement has been excellent. The value we get from [the People Consultant] is the empowering to do the hiring. She doesn't just focus on getting the right staff. It's more in depth than that for us; it's about managing the staff. She's a good sounding board (Farm owner).

Many people had some positive things to say about the People Lift project (73% overall). Over a quarter had mainly been disappointed by People Lift (27% overall). And some people (50%) provided mixed feedback about how well the People Lift project met their expectations. The people feeling disappointed, described the project as lacking in focus, with insufficient practical content and the programme as unbalanced:

I've been a bit disappointed. I would give the concept 10 out of 10 but give the execution three out of 10. There have been two tiers of people in this project: those that are starting out and those that are more advanced. The second group have not had their needs met. They should have broken this into two groups so everyone had their needs met (Farm owner).

In our industry, we get people straight out of school and we expect them to be leaders or bosses and know how to work with staff. No one tells them how to do this. If you sit down with staff and ask them, what's going to make their employers happy? What makes a good worker? They aren't sure ... (Farm manager).

Feedback about consultants

The project required farmers and PMCs to work together in order to understand their staff management style, address problem areas and realise management opportunities. Generally, these relationships went well as noted by two farmers below, but not for another farmer:

We want to keep [the People Management Consultant] on after the project. [We] talked about it yesterday after they had been, but we haven't talked to them about it yet (Farm owner).

It's just right for us. We can email or phone and [the People Management Consultant] is there. They don't hound us (Sharemilker).

We've never had consultants on the farm before. We usually just talk to other farmers. It didn't work out for us. Our opinion of consultants is low. It hasn't added value or added to our bottom line (Farm Manager).

Feedback about workshops

Most of the farmers and partners attended all workshops:

It's reinforced what I already knew. The most valuable thing has been the interactions with the like-minded people, the friendships I've made, the contacts and the information I've got from them. ... I haven't been bored. It's been well managed (Farm owner).

We've changed everything and we want more workshops. The best part is talking to the other farmers as we're all in the same boat and the motivational speakers. We've changed our approach with people. We thought we were good before. Now we've learnt to think before you speak. We're dealing with staff differently. We're passing on people skills to the unit managers ... one of our unit managers needs to grow in people skills. It's hard to teach an old dog new tricks. He finds it hard to communicate with staff – to explain and to talk to them. To keep good staff, we need to train [him] up (Administrator).

I only went to the first workshop. It was a refresher sort of thing. I had already done an HR course with my previous employer (Manager).

Project review

During their review interviews the interviewees reflected on the last few months on the farm and considered what one of the most significant changes had been. These changes were not restricted to People Lift, but in most examples, they were related to peoples' involvement in the project. The following response is just one of those experiences. In this example, the narrative is centred on 'staff ownership' and their growing sense of responsibility towards the farming business. This narrative was scored very highly by the interviewee for how much it affected the farming business and how much it reflected the change in their own ability to contribute more towards the farm business.

The dairy farm's burning money – it's losing more dollars every day that we are milking cows. ... Initially I was [annoyed]. Then I was concerned, but being concerned made me motivated to find other ways to make money. I've employed another staff member in the drystock business, so he's driving the tractor rather than me. I'm making the business decisions and out talking to people rather than being on the tractor. Now I feel motivated. I'm still [annoyed], but motivated.

We're now more focussed on staff management. If they all got unhappy and left, I couldn't do it all myself. I look for ways to find out what's important for each person, personal growth for each person. Those are HR buzzwords. This year everyone's staying. No-one's leaving. That's the first time that's happened for me. It's given me more flexibility. I don't need to be around. There's nothing that we can't sort out over the phone. It's given me the opportunity to diversify and to look for opportunities.

I've given people ownership to try. I'm more hands off day-to-day and I've given people more responsibility. Our cow production is way up. I've given the two herd managers more ownership over their own herds, and they might be out at 8 o'clock at night checking their herds. Before I had more of a supervisor role, but now I leave them to it and they ring me if they have a problem (Farm owner).

People Management Consultants' interviews

For the consultants, participating in the project provided them with opportunities to expand their client base and work with farmers that hadn't previously put much priority on developing their people management skills. Participation in the project also required the PMCs to work collaboratively with each other and with dairy industry leaders. In their narrative interview one of the PMCs said:

I got involved because it has been an opportunity to work with my rural peers and with DairyNZ. It is a way of supporting the industry and DairyNZ. We had our group of clients and we pretty much stuck to them. I would have liked to build up a more sharing culture with other consultants, but it didn't happen, although more support was achieved than I thought might have been possible at the start. It has helped me to grow my soft skills. We could have supported each other more but needed a deliberate effort to overcome the competitive nature of the (consultancy) industry.

Participating in People Lift has made me more sensitive to meeting the needs of my clients. I had to think about and analyse more about how to meet their needs. Level One seemed to be developing employment agreements, orientation, training and career development. Level Two was more about coaching, mentoring and developing soft skills (Consultant).

Advisory Committee feedback about the project

The Committee considered the MSC stories when they met in July 2016. At the meeting, the committee shared with the others those narratives that particularly stood out for them. These included the farmer story presented earlier in this paper. *"The dairy farm's burning money every day we are milking cows ... I was [annoyed] ... now we're more focussed on staff management ... people have more responsibility .. our cow production is way up."*

About that story the committee said:

This story describes how participating in the project increased the resilience of the farmer and the farm business when they were both in a very difficult situation. It fits the core purpose of the project. In the story the farmer turns from being initially upset and [annoyed] about money concerns into a new focus on staff management so that people were taking more responsibility for their work. Production even went up.

This story highlights that often a catalyst for change is needed. People can know what to do but not do it. In this case the dairy downturn provided the catalyst. In other situations it may be being let down by a staff member or being challenged by a spouse or family member. The farm owner in this story is forced to consider other options because his existing farming system is not profitable.

After participating for 15 months in this project the committee expected that it should have been possible for people to start to see significant change from their involvement and see the value from their participation. However, the committee felt that the 50% fall in milk price in 2016 to a 10 year low changed the whole shape of the project and made it harder for the project leaders to be drivers for change.

The farm teams in this project were self-selected. They were not screened to ensure that they came from particular situations or to ensure that they had expectations that the project could have easily met. The committee considered that maybe the project leaders had been unrealistic about the capabilities of the farmer participants in the project to absorb all the new information that they were being presented with and then to put it into practice.

From the information that they had, the committee felt that there were three areas where farmers and their staff needed to grow in responsibility – land, livestock and people. In all three areas, the industry had to develop a culture of 'duty of care' that meant much more than just satisfying the need for compliance.

From the committee's perspective, developing a duty-of-care culture across all three areas at once could be quite a hurdle. Overcoming the hurdle was made more difficult for farmers because it was felt that they were not generally trained in business management. Therefore, expecting them to learn these skills along with changing staff management over a two-year period was a big step – maybe it was too big a step for some participants. The industry might be more effective if it designed a long term programme capable of achieving a generational change rather than expecting a short-term response. The emphasis has been on the rewards that people can expect but it isn't just 'milk and money'. Introducing a new culture with changed staff management could initially result in higher staff turn-over as people found out that they didn't want to, or couldn't, adapt and preferred to leave.

Project conclusions

This paper describes a pilot project to increase people management skills across the dairy industry. The final evaluation of the project will provide 'value propositions' and lessons for future people management extension projects. The results obtained so far have highlighted some of the opportunities for future projects addressing this topic.

Farmers have a range of expectations about what might be included in people management. Market segmentation might have assisted the project to direct its resources towards the farming teams best able to respond to interventions by certified PMCs. There seemed to be a 'bimodal' population of farmers in the review results. Some farmers primarily wanted to be involved in the project to develop their own skills in staff management. These farmers did not really involve their staff in the project. Other farmers wanted the project to develop the capability of the team of people on their farm. The staff in this second group of farms were aware of the project and may have participated more in on-farm discussions and workshops with their PMC. Developing a segmented approach to project design and delivery may have assisted with meeting the differences in these needs of farmers.

There is an opportunity to grow farmer people management skills through a more staged process than was achieved in this project and so avoid overloading participant expectations. These stages could involve:

- The first stage can work with farmers to ensure they are compliant with the relevant rules and regulations in order that they then have 'freedom to operate' and manage their own farming systems. People Lift provided these farmers with the systems and processes that they needed to be compliant. In their relationships with those farmers, the PMCs could be quite directive and prescriptive about what needed to be done.
- In the second stage of their people management development, farmers wanted skills to assist them in leading their teams from 'out front'. People Lift provided these farmers with skills in interviewing, communication, performance evaluation, feedback, discipline, and career development. To support these farmers, the PMCs role was more facilitation and mentoring.
- In the third stage, the emphasis was on working together as a farm business team. The farmer may have had less technical ability than some of the staff being employed and may not have even led the team in some situations. People Lift provided these farmers with skills in forming a team, problem solving, experiential learning, project management, and conflict management. The PMCs were advisors to these farm business teams for inquiry, reflection and sense-making.

During the project the participants developed, with their consultant, a People Management Plan for their farm and then presented it at the second workshop. It would have been helpful for the project if the plan had been clearer about the people management skills already being observed on farms and the stages (from one to three above) that the farmers wanted to reach. These People Management Plans should have been included in each consultant's own work plans as something that they then needed to implement. The workshops could then have kept everyone focussed on farm system change in people management instead of allowing the farmers to reach a plateau after their first few easy gains. Even then, some farmers may still have been satisfied with reaching stages one or two and not progressing further.

Acknowledgements

The authors appreciate the support and enthusiasm of the participating farmers and farm staff. We hope that for everybody involved, that these results provide opportunities for further learning.

This project was funded by the Transforming the Dairy Value Chain (TVDC), Primary Growth Partnership programme, a seven year, \$170 million innovation programme led by commercial partners, including DairyNZ and Fonterra, and partnered by the Ministry for Primary Industries.

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