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Farm employee management: Getting the new employee off to a good start on day one

Melissa O'Rourke
Iowa State University, morourke@iastate.edu

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Fall harvest prices & indemnity payments, continued from page 1

work with the grain merchandiser on a strategy to make up the shortfall in bushels or pay the replacement value of those bushels.

To illustrate how indemnity payments are determined, an example of Revenue Protection (RP) coverage for corn is featured.

**2012 Revenue Protection (RP) Example:**
A loss occurs when the bushels of corn produced for the unit fall below the production guarantee as a result of damage from a covered cause loss. This example assumes 175 bushels per acre APH yield, 75 percent coverage level and basic unit coverage.

175 bushels per acre X .75 = 131.3 bushel guarantee*

100 bushels per acre actually produced

131.3 bushels – 100 bushels = 31.3 per acre loss

31.3 per acre loss X $7.50 per bushel (harvest price determined in October) = $234.75 net indemnity*

* Figures shown on a per acre basis. Guarantees and losses are paid are on a unit basis. See individual policy provisions.

**Summary**
As long as the farmer did not commit to delivery of more than the 131.3 bushels per acre, he or she should have adequate fund to make up the shortfall in bushels or pay the replacement value of those bushels.

Delaying settlement beyond early November leaves farmers in a speculative position for those bushels that they were unable to deliver. Should the futures price move even higher beyond this time frame, the replacement cost would increase. Regardless, the need to work with the grain merchandiser is critical should you fall short on contracted bushels.

Adapted from USDA RMA's 2012 COMMODITY INSURANCE FACT SHEET, Corn—Crop Revenue Coverage, January 2012.

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**Farm employee management: Getting the new employee off to a good start on day one**

by Melissa O’Rourke, extension farm and agribusiness management specialist, 712-737-4230, morourke@iastate.edu

Farm employers spend a good deal of time carefully recruiting candidates, interviewing, checking references, evaluating and selecting a new employee.

All that effort can quickly go down the drain if an effort isn't made to get that new employee off to a good start on the very first day.

When the employment offer has been accepted, a start date should be agreed upon as soon as possible. Inform the employee of what will happen on the first day of work. Clearly communicate when he or she is expected to arrive.

While it may seem fundamental to the employer, help the new employee by providing the answers to some basic questions common among new employees. Send the employee a letter by U.S. mail or an e-mail with the answers to what might seem like basic questions to the employer:

(1) What should I wear? Provide guidelines on footwear, gloves or other appropriate attire. More and more, new farm employees do not have farm backgrounds and need guidance so that they arrive for the first day of work appropriately attired. Particularly in dairy and other livestock operations, there are biosecurity
guidelines and some attire may be provided. Inform the new employee that they will be trained on these biosecurity procedures. Do not assume that new employees know what they should wear to work.

(2) Should I bring my lunch or snacks and beverages? Some farm work sites provide a noon meal or snacks and beverages. Others do not. Some groups of farm workers stop in town for lunch each day. Let that new employee know what the practice is at your farm and what he or she should bring to work.

(3) Vehicles and parking questions: If the new employee is expected to have a vehicle to use in the position, this should have been communicated during the pre-employment process. Employees may wonder something as basic as where they are expected to park (or not park) at the farm site. Provide this information.

(4) What documents should I bring on my first day of work? The new employee will complete a Form I-9, as well as other basic forms on the first day of work. Inform the new employee of what documents should be brought to work on the first day to assist in completing forms necessary for compliance with state and federal law. See the Checklist for Iowa Agricultural Employers on the Ag Decision Maker website for a list of those forms and links to instructions.

(5) What should I not bring to work? If the employee is expected to have a cell phone, that should be communicated. Some employees may need to be instructed that electronic music devices cannot be used on the job. Likewise, if the farm is tobacco or smoke free, the new employee should be so instructed.

(6) What will I do on my first day of work? Tell the new employee what he or she will do on the first day (or week) of work. Make sure that work hours (including break policies) have been clearly communicated. Provide a general outline of initial orientation and training activities. This will decrease the new employee’s apprehension or confusion and help to get the new employee off to a good start with a planned orientation program, as well as initial and ongoing training opportunities.

The new employee should be promptly greeted on the first day of work. Introduce the employee to other workers and family members. Nametags can be helpful to the new person, as it can be very confusing when meeting multiple people in the early days of employment. Immediately show the new worker the location of the restrooms and other break areas. Until the farm employer is certain that the new employee has been thoroughly trained in farm safety practices and procedures, the new employee should be accompanied by another person who is properly trained.

At the end of the first day, the new employee should be asked if there are any questions or concerns. Offer the new employee assurances about how the first day went and again offer information about what will happen in those early days on the new job. A future article will discuss guidelines for orientation and training programs.

Surveys show that employees find job satisfaction when they feel they are being treated with respect. Treat that new employee with respect from the very beginning, and the employment relationship will be off to a good start.

As always, feel free to contact me with any of your farm employee management questions.