

GOOD, BETTER, BEST HR





BOOSTING PEOPLE TO BOOST BUSINESS

Hawke's Bay dairy farming corporate the BEL Group has boosted its bottom line by developing human resources systems that are good for both staff and the business.

And to make things even better, their efforts have been recognised with a Distinction Award and the national title from the Human Resource Institute of New Zealand (HRINZ) in their HR Initiative of the Year Award. They were one of three finalists for the national award, competing among New Zealand's best businesses for HR management at November's HRINZ Awards. The other two finalists were KPMG and SkyCity.

The BEL Group employs 50 staff on seven large dairy farms which together carry 7500 cows. Business manager Justine Dalton says people are critical to production and profitability.

"In my role with BEL Group my two focus areas are the business and financial performance and the people performance. I'm not so involved with milk production and on-farm performance - that's led by other people," says Justine.

"We've put a lot of resource into them in the last couple of years. We've found an HR consultant, Lee Astridge of No8HR, that we think is the best fit for our business and she's really been helping us at a leadership level as opposed to an operational level."

Central to people management at BEL Group is an initiative called 'good, better, best'. The aim is to make it clear to all staff what is expected of them and to give them a pathway to improve and progress.

Farm roles are divided into three levels – farm manager, manager's assistant and the herd manager's assistants.

"Within each of those levels we have good, better and best KPIs defined for 12 skillsets – things like milking management, animal health, machinery and maintenance, farm management, pasture management," says Justine. "We also have them for four behaviours which are people-orientated – like people, leadership, managing conflict and problem-solving.

^ BEL Group staff discuss pasture management.

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"Within each of the skill areas we have really clear KPIs which are all yes or no answers. So if you read the statement, it's either 'yes I did that or no I didn't'. The 'best' of one level flows into the 'good' of the next so it provides connected pathways from a relatively new entrant through to an elite farm manager."

There are job targets to progress between the levels - for example, someone at the 'best' level in an assistant herd manager role will be given the herd manager title, then go through to 'good' as a manager's assistant.

The system is the foundation of the formal performance review process but also feeds into all aspects of staff management, including training. "It helps people to say 'I need to tick this box to get from good to better'. They can ask their manager for help to learn new jobs or take on more responsibility so they can tick that box."

Transferring skills

Justine says the increasing size of dairy farm businesses is a real challenge for the New Zealand dairy industry.

"The people working on our farms are not working shoulder to shoulder with the business owner so they miss that transfer of skills and knowledge that comes from doing that. It's been a big thing for us to understand, how can we replicate that 'farm owner time'?"

As well as developing the 'good, better, best' system, BEL Group has taken some practical steps to look after their team, hoping to extend the two to three year timeframe in the industry towards a seven year timeframe.

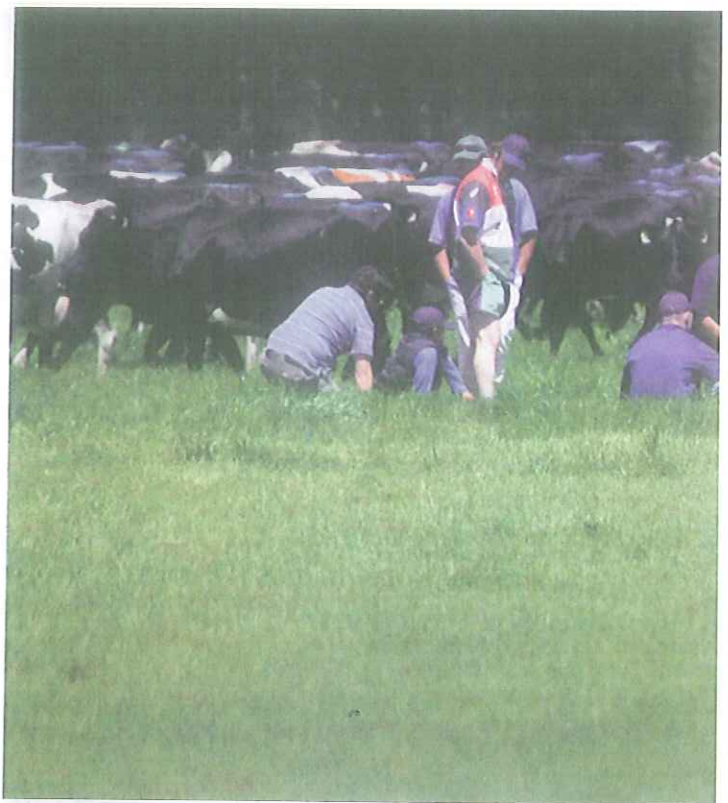
"We try to understand our team as individuals, what's going on for them and what they're trying to achieve themselves and for their family. We work with them to start to build a three or five year, or longer, picture of where they can go and what we can offer within BEL Group," says Justine.

"We sit down with our farm managers about three times a year, outside of any formal performance-type stuff, just one-on-one with a cup of coffee, talking about how they're seeing things, where they want to be, what's going on for them and their family."

Changing the culture within the business has been another challenge. "Its focus was probably on getting done what needed to be done every day. We needed to change that and say 'actually for BEL Group to achieve its vision we need everybody to lift their eyes a little higher'.

"We had to shift from focusing on the day-to-day to actually getting a culture focused on the future and what needed to be done to get there.

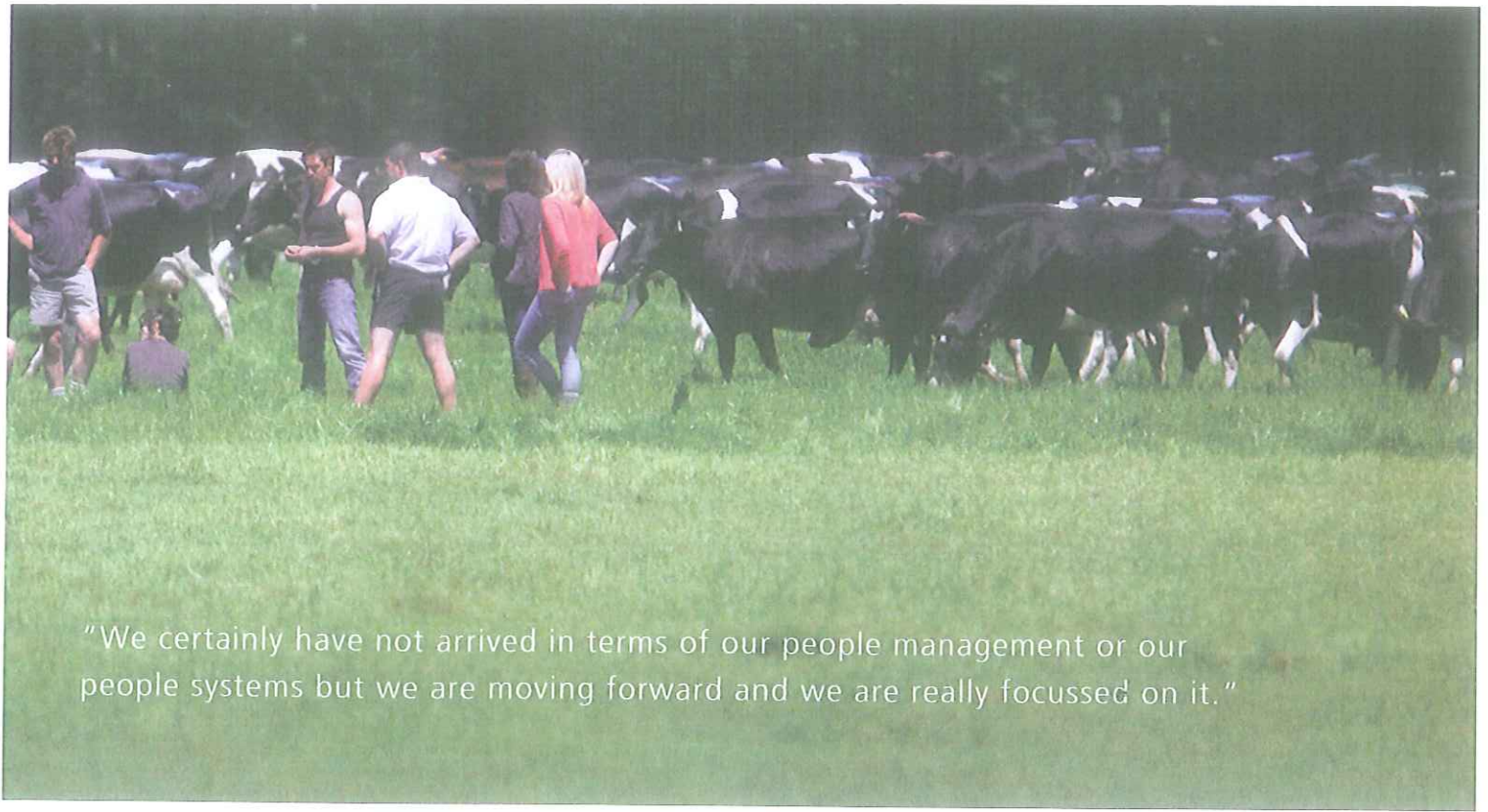
"That meant getting staff to understand it wasn't just a farm they were working on but that they were responsible for an asset that someone owned. A lot of effort has gone into fixing up fences, tidying up races, fixing gates that weren't swinging and cleaning up around dairies... we are still a work in progress."



^ The farm managers' meeting.



^ BEL Group farm manager - Hedley Farm, Renato Paulo (left), and general manager Campbell Chard.



“We certainly have not arrived in terms of our people management or our people systems but we are moving forward and we are really focussed on it.”

Farm infrastructure

BEL Group has tried to identify opportunities to better resource their team to help them achieve the performance targets set. A significant investment is being made into on-farm infrastructure.

“On one of our farms they have a 60 bale rotary and they’re peak milking up to 2300 cows – that’s an intense milking system and you also have to do your AB and treatment of mastitis and lame cows,” says Justine.

“So we invested in building a cattle handling facility out to the side of the dairy which means jobs can be done at the same time as milking. So for the person on that farm, their ability to do a better job just got a whole lot easier and the stresses and the frustrations just got a whole lot less.”

BEL Group staff have recently been through the DairyNZ Milksmart programme, held on their farm, to improve efficiency in all their sheds. Milksmart has helped them save 35-40 minutes off each milking. Healthy Udder, a DairyNZ mastitis management tool, has also been rolled out with their staff newsletter.

BEL Group took advantage of a recent numeracy and literacy in the workplace initiative through AgITO, helping staff to understand BEL Group policies, documentation and systems for record keeping and reporting.

“For those that completed the whole programme, they got the NCEA Level 2 in maths and English. For some of our staff, that was quite a big deal.

“We actively seek out those opportunities and AgITO is a great resource. We’ve got quite a bit of scale so we’re starting to move into some really practical in-house training, things like fencing and fixing water troughs, with the trainers being our more experienced guys.”

Social time

To help keep communication open between staff and management, monthly lunchtime barbecues are organised.

“The general manager Campbell Chard and I host the barbecue, we stand there and cook the patties and the sausages, and we do that so we can talk in a relaxed environment with all of the team – to help us understand our team better,” says Justine.

“As organisations get bigger, that connect is definitely harder to maintain.”

The emphasis on looking after staff and getting the best from them is paying dividends for the BEL Group business. “We’ve increased our staff retention from around 50 percent to around 80 percent and that’s been significant. The stability in the team is certainly a lot greater and that’s at all levels – management right through to casuals.

“The other measure that I keep an eye on is what we call internal compliance and that’s really within management – managers completing managers’ reports, turning up to managers’ meetings, is the training happening on farms? Are they completing performance reviews? And that has improved from under 30 percent to over 70 percent,” says Justine.

“We have implemented quite a few business initiatives over the past couple of years and bottom line performance has improved. If we benchmark it – how much does it cost to produce a kilo of milk solids? We’re definitely moving in the right direction.

“We certainly have not arrived in terms of our people management or our people systems but we are moving forward and we are really focussed on it.”