

# Better Employees, Better Business

*Beef Northwest's Kirk Jacobson shares the importance of investing in employees.*

by **KINDRA GORDON**, *field editor*

When you think of the variables that affect your beef operation's profitability, the first things that come to mind are likely feed costs, animal health, and fuel or trucking. Kirk Jacobson suggests there is another big one — employee management.

"To me it is one of the key variables that impacts profitability," says Jacobson, human resource director for Beef Northwest, a diversified agribusiness operation in Washington and Oregon. The company has 190 employees at four feedlots that have a 90,000-head capacity, three ranches and a trucking company.

"We spend a lot of resources on employees," says Jacobson, who oversees the hiring and training of those employees. He reports Beef Northwest's focus is on employee sustainability, which he describes as "hiring the best, not settling, and having the right people engaged in jobs with vision and a succession plan."

Ultimately, Jacobson says, "We should all strive to be hiring our replacement."

The result of hiring, training and fostering dedicated employees, suggests Jacobson, can be seen in improved net profit, better family time, less stress and worry, better job satisfaction and a great reputation for the business.

## Train and mentor

Jacobson says a common mistake managers make is being a "control freak." He says, "It makes us good, but it also makes us bad. ... Managers must learn to delegate, communicate and train. You can't grow people if you don't delegate."

Thus, he is adamant about having a training plan for employees.

"It doesn't need to be complex; it can be bullet points with a timeline. Know what you want them to know after two weeks, two months, two years on the job. With the development of this training plan, you are helping communicate your vision for them and their role," Jacobson says.

Jacobson even suggests, "Have the mentality that you plan on every new hire retiring with you — invest in them."

Along with training, Jacobson advises holding a formal bi-weekly follow-up with the new employee. He suggests using a one-page form to score them and share comments.

"The ability to provide feedback is important, and I'm told by many that they love it," he says. "We don't give employees enough feedback. It's simple communication that makes them feel welcome. You get to know them and they get to know more about what is expected in their job."

At Beef Northwest, Jacobson reports that formation of a mentoring program

has been beneficial to their new employee training effort. He explains that it engages a current employee as the mentor. A list of what work practices should be covered is developed, and the mentorship pairing helps build a relationship.

"We've found it's as valuable to the existing employee as it is to the new employee," says Jacobson.

## How to hire

Before you can train new employees, Jacobson acknowledges that first you must find qualified candidates to apply. He notes that advertising the position with a simple bullet-point job description is important so that qualified candidates can learn more about the job.

Jacobson says the Internet has been useful in getting job postings advertised.

Additionally, he says when people apply it is important to move quickly in getting back to them. He prefers to contact them within 48 hours.

Another caveat in the hiring process today: Jacobson says, "Be on watch for animal welfare people posing as a potential employee trying to infiltrate your organization."

To truly assess the applicant, he advises getting several people's opinion and checking references. He also says, "Ask the hard questions in both the interview and when checking references," such as why did you leave or get terminated from a previous position.

Most importantly, Jacobson says in the hiring process, "Be clear on job expectations; details matter."

Additionally, Jacobson promotes offering internships.

"Offering internships helps grow the pipeline of future employees for your business," he explains. "Interns challenge you and make you better. They see the business [and industry] through different eyes."

When the right person is found for a position, Jacobson stresses, "Start people right." Provide a written job offer with details of the offer, including compensation and benefits. Share your vision of where you would like to see them in their role with the business two weeks, three months and even a year or two from the start date.

## Set goals

To keep employees — and the business — progressing, Jacobson says, "People need goals so they can strive forward and so they can grow in their work."

He suggests setting annual goals tied to the business's strategic plan and offering an annual bonus based on goal achievement. Performance metrics that might be related to goals could include an achieved average weaning weight, average daily gain or cost of gain. Additionally, Jacobson says incentives should be offered for devoting time to personal growth and

training through participation in seminars, conferences, ranch tours, etc.

To ensure goals are being pursued, Jacobson suggests conducting a quarterly review of goals with employees. He notes, "Goals may change based on priorities, weather, etc. Annually, a performance and wage review should be conducted."

Jacobson adds, "Include a total compensation summary to remind employees of any perks they receive throughout the year."

Regarding bonuses, Jacobson likes to use a formula that allows for 50% based on goal achievement and 50% discretionary. He notes that sometimes outside factors may prevent goal achievement, which makes it nice to be able to offer a discretionary bonus. However, he emphasizes that bonuses should never be automatic, they must be earned.

In situations where an employee doesn't seem to be working out, Jacobson stresses that early communication is essential.

"Verbally discuss the gap between expectations and performance. Put the concerns in writing as well. Then give them an opportunity to meet the expectations that have been set," he says.

Jacobson adds, "If you don't have the guts to have a conversation, there is no opportunity to improve. So address issues while they are small."

If the situation does not improve, he says, "Give them an exit strategy and keep it professional." In the event of a termination, he says, "Do it right." Have legal counsel on what you must provide with regard to workers compensation, unemployment wages and/or liability.

From his experience Jacobson adds, "If there is a bad apple [employee], don't keep them. Good builds on good; and your culture can pick up steam."

Lastly, Jacobson says, "Managing people in your work force is very similar to low-stress cattle handling. Every employee has a different background, and we have to identify that as leaders. Some have been chased by wolves and brow beat and just need a different manager."

He concludes, "All employees have some issues. Your challenge is to take the rough edges out."



**Editor's Note:** Kindra Gordon is a freelance writer and cattlemaster from Whitewood, S.D.