

GROWING FOR TOMORROW Managing through a Labor Shortage



FARM CREDIT EAST

Erin S. Pirro, CAC, Farm Business Catalyst

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Meanwhile, back home...




SEPE FARM, LLC
Local, Natural Connecticut Grown Lamb and Woolen Products

 @SepeFarm
 @MorehouseFarm

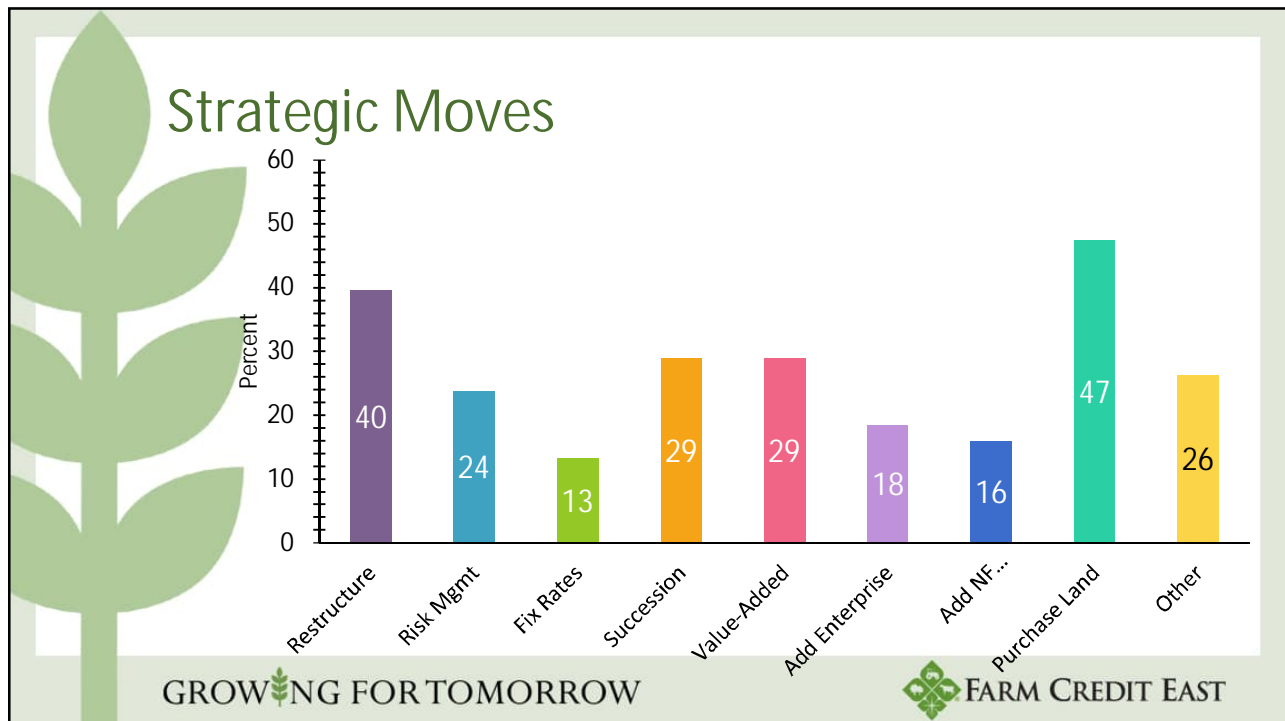



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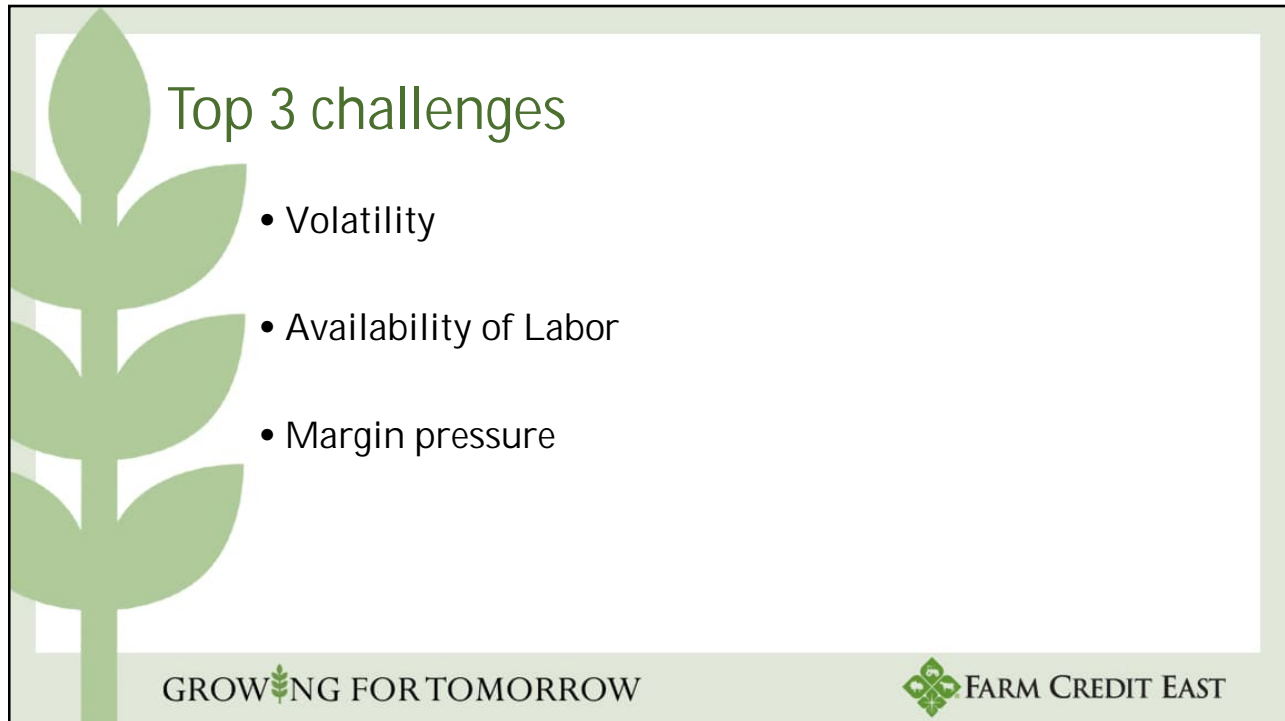
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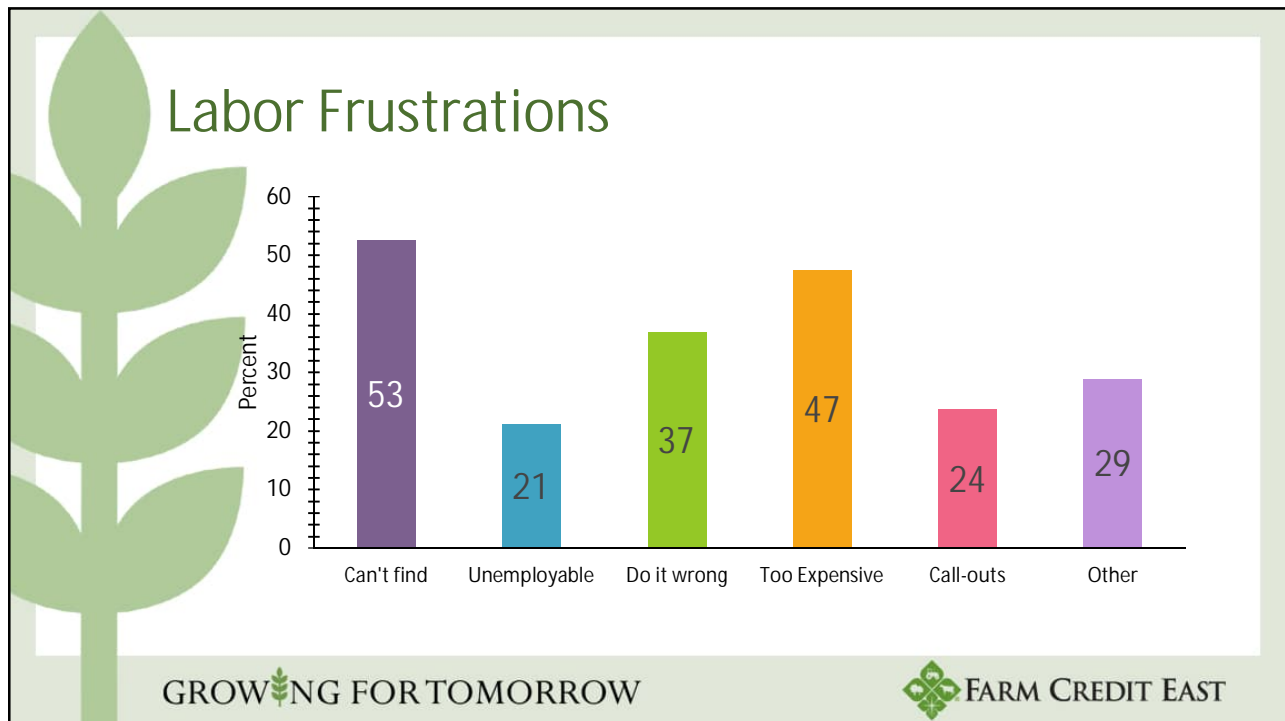
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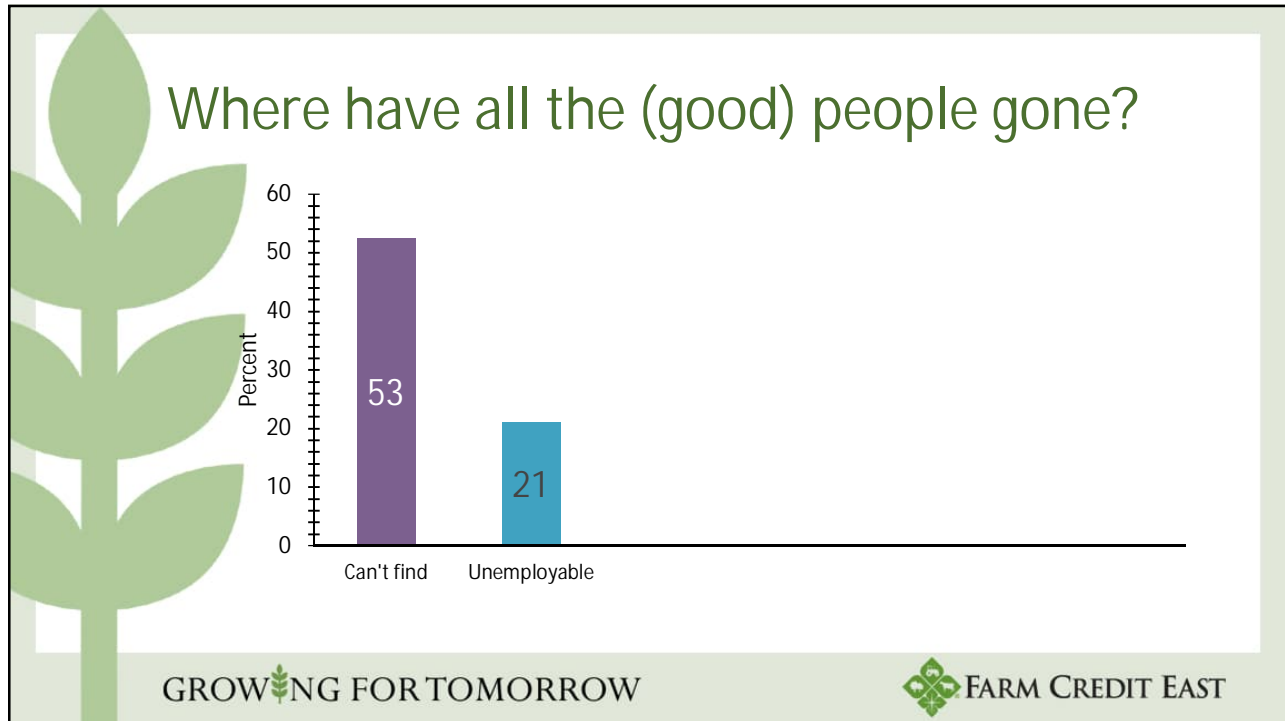
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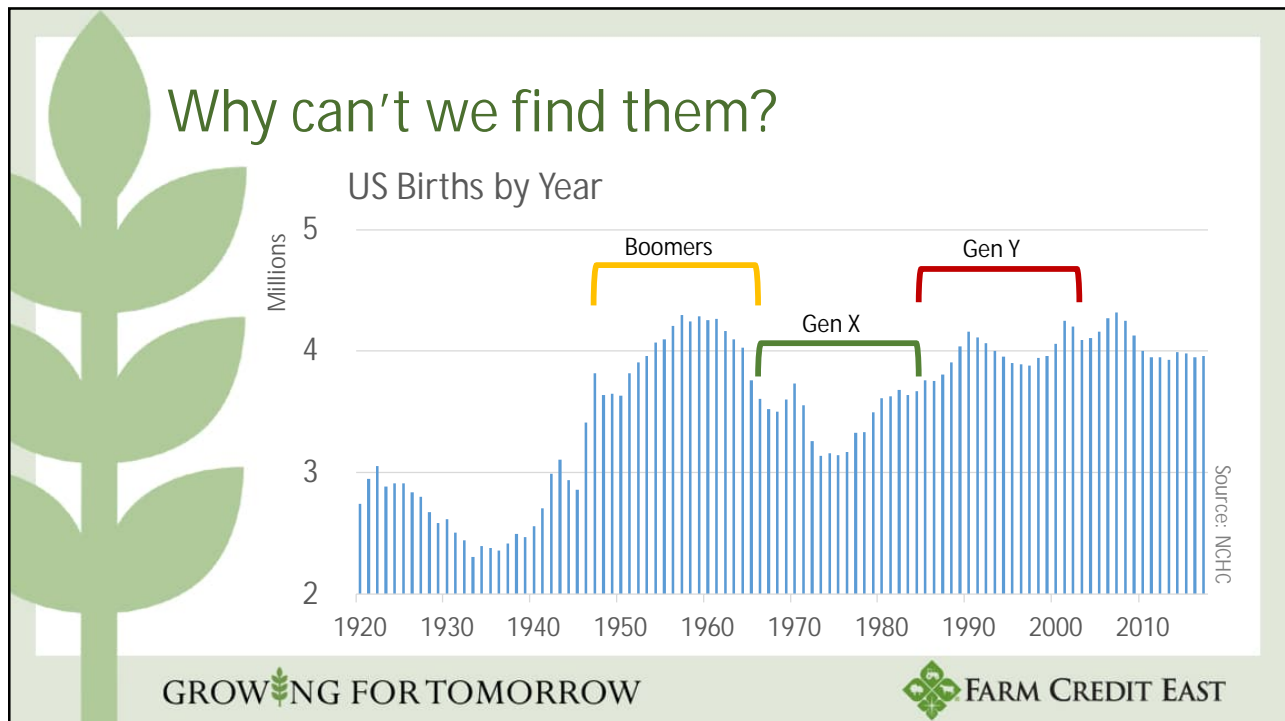
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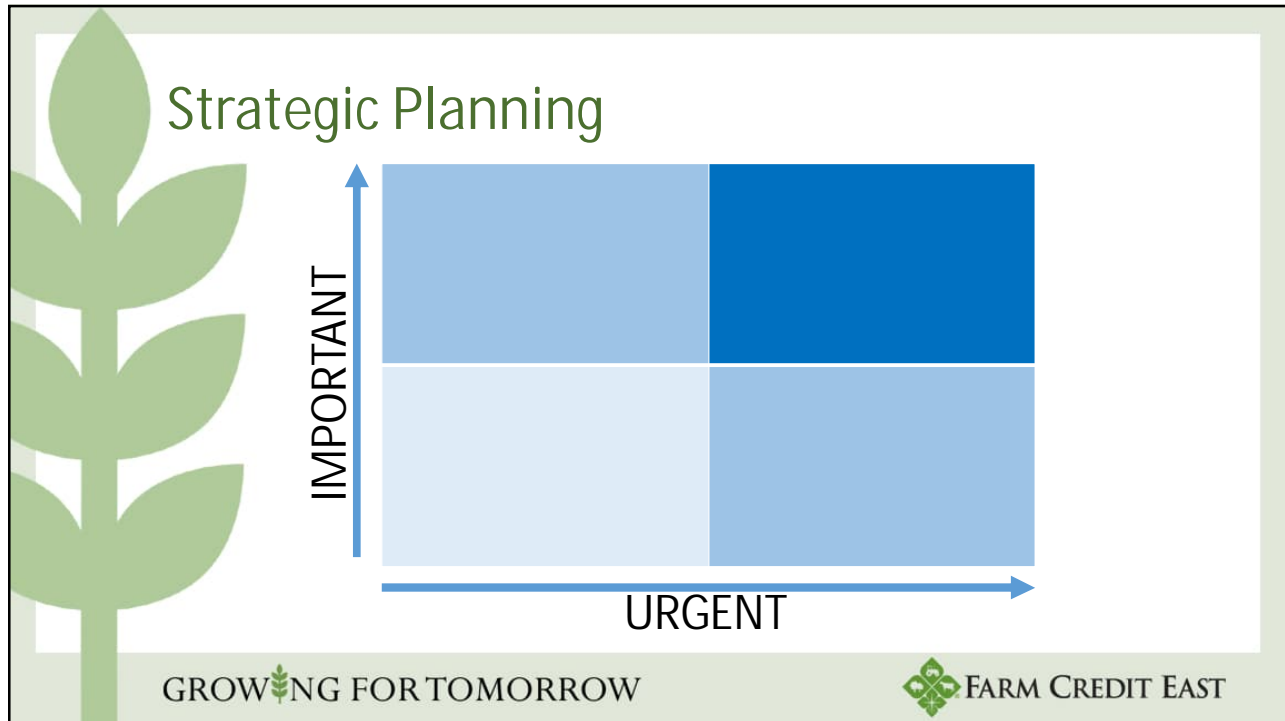
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What...

- Is imperative to get done?
- Would be nice to get done?
- What could we have someone else do?
- What could we cut out?

- Are our options?

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Mechanize



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Mechanize



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Identify items that will ...


Is this worth it?

- Identify project
- Identify assumptions
- Create a partial budget



Increase Revenue <small>(what)</small>	\$ (how much)	Decrease Revenue <small>(what)</small>	\$ (how much)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL	0	TOTAL	0
Decrease Cost <small>(what)</small>		Increase Cost <small>(what)</small>	
_____		_____	
_____		_____	
_____		_____	
_____		_____	
TOTAL		TOTAL	
0		0	
TOTAL "GAINS"		TOTAL "LOSSES"	
0		0	
Net Effect of Investment:		\$	-

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Strategic Partnerships vs Outsourcing

- Custom tags with pricing
- Fueling service
- Fractional controller/CFO
 - When you'd rather do anything but paperwork
 - Want to know the numbers but not have to DO the numbers
 - Stay in charge of where your money is spent and when
- GUSS is next door to a CNC shop for all the outside metal fabricating – faster, repeatable, reliable

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What about tools you already have?

- QuickBooks Online
 - OCR saves 80% of data entry time
 - coupled with A/P check run

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Life in an ag business...

- The work is...
- The days are...
- The pay is...

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What made you sign on?

- Purpose
- Flexibility
- Opportunity

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Why would someone else?

- little/no chance at ownership
- for \$15 an hour
- What's that really turn out to be?

$$\begin{aligned} & \$15 - 15\% \text{ (taxes)} = \$12.75 \\ & \quad \times 40 \text{ hours/week} \times 52 \text{ weeks/year} = \$26,520 \end{aligned}$$

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This \$15 minimum wage...

- Has happened
- Mechanizing has its own challenges
- Who makes \$15/hour now?
and
What makes them worth it?

-> How can I get everyone there as quickly as possible?


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What's a bad job?

- No purpose
- Poorly managed
- Poorly scheduled
- No support
- Always putting out fires
- Dealing with broken things - > unhappy customers/bosses
- Can't make ends meet
- Slackers for co-workers

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So what's a good job?

- Engaging
- Meaningful
- Respected
- Can do my job well
- Can make contributions for improvement
- Earn a decent living
- Stability
- Has a bigger purpose, and how I play a part

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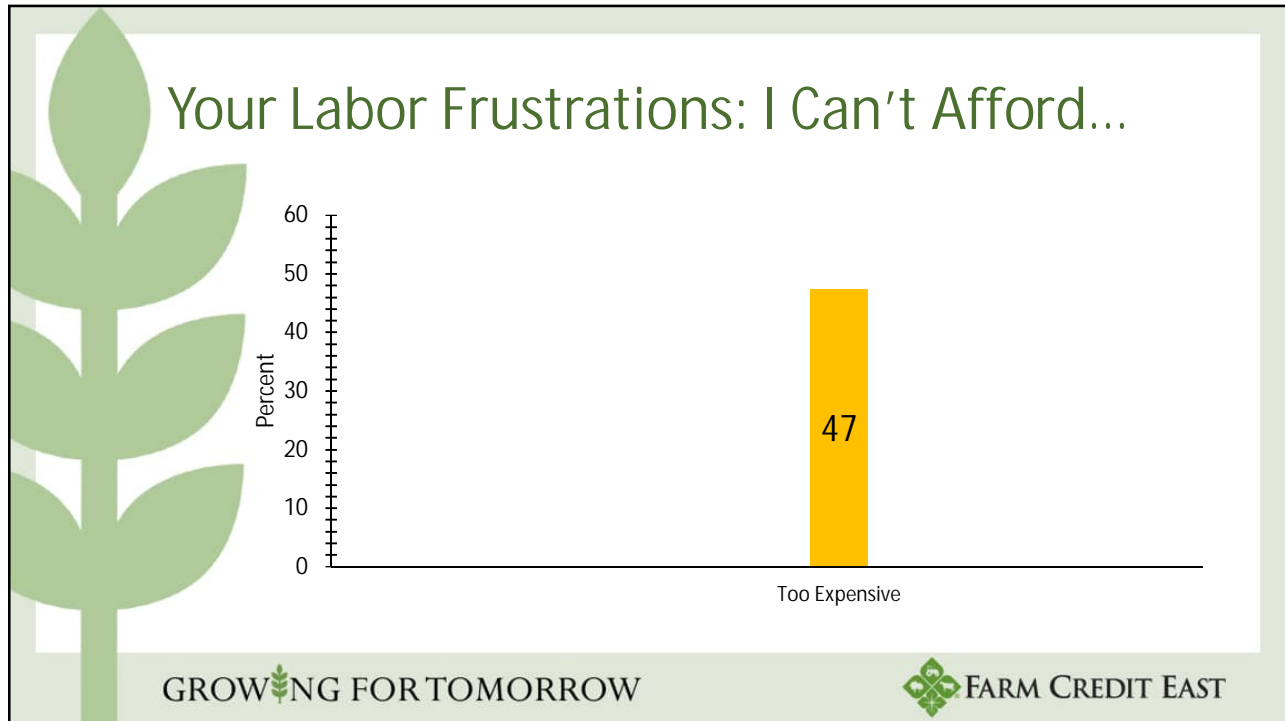
Do you have... A clearly-defined, written vision, mission and/or value statement for your business?



Response	Percentage
In place now	26%
Have but don't use	16%
Working on it	26%
Need it	28%
Don't need it	3%

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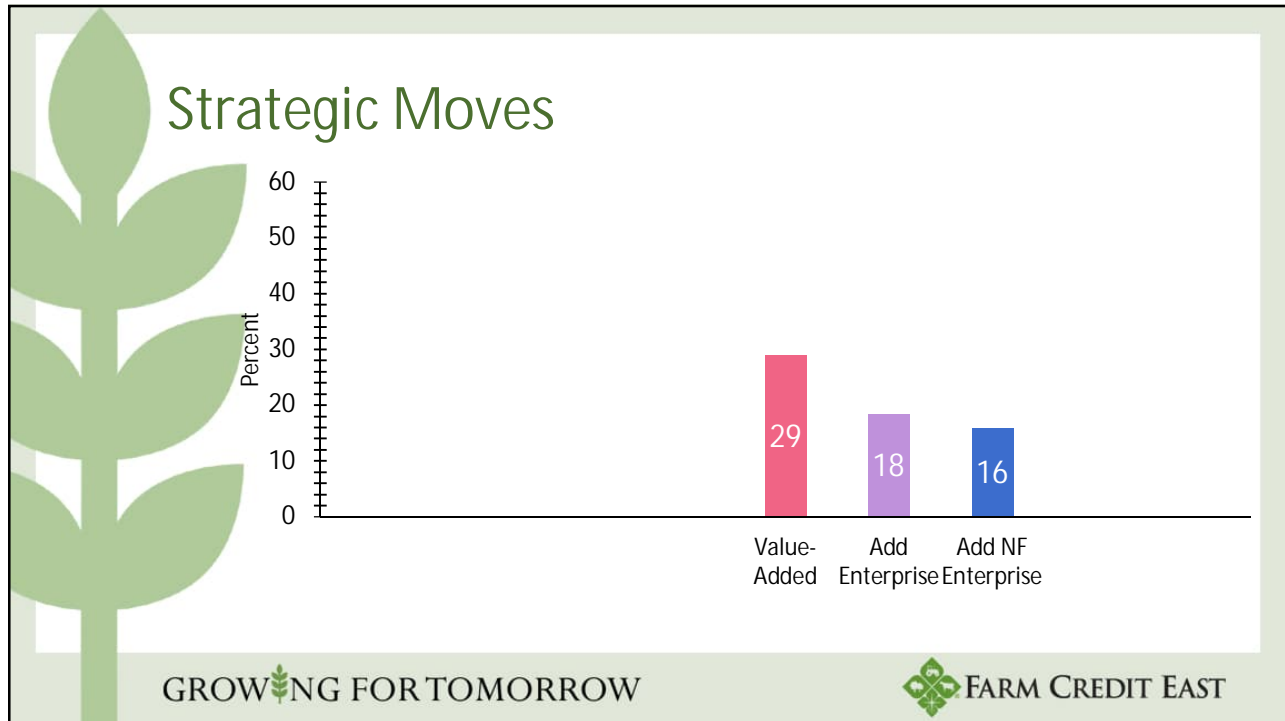
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Which are you?

Entrepreneur
or
CEO

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Operational Strategies of Model Retailers

#1: Fewer Choices

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Operational Strategies of Model Retailers

#2: Standardize and Empower


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Operational Strategies of Model Retailers

#3: Cross-train


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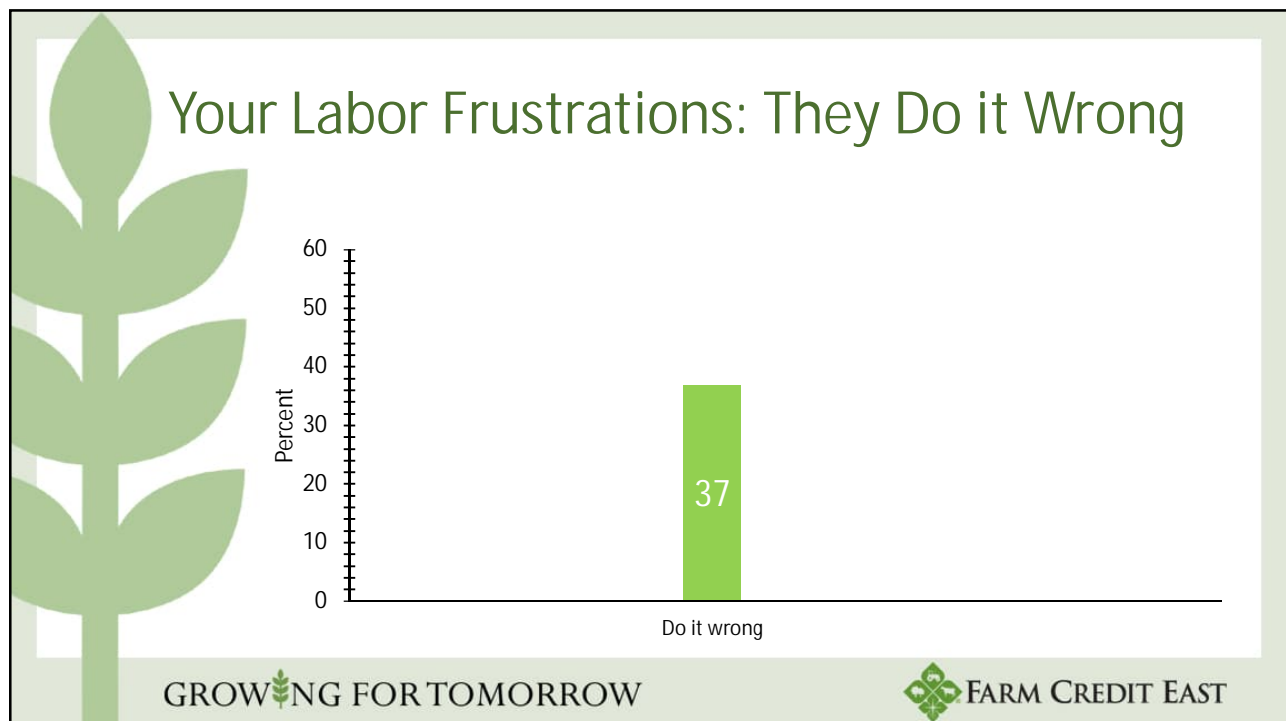


Operational Strategies of Model Retailers


#4: Reduce shrink, but operate with slack

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Are you kidding me?!?

I still have to do jobs I hired people for!

It's my way or....

If you want something done right...

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Do you have...

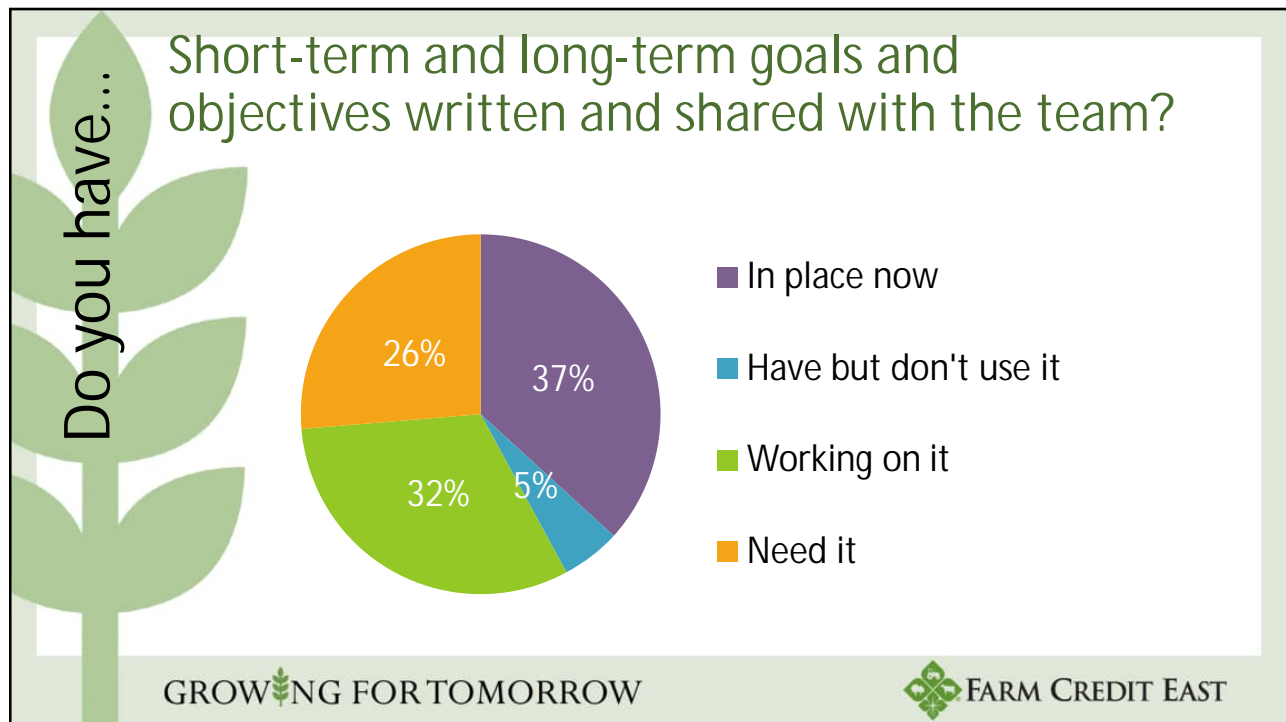
Job responsibilities clearly divided among employees (including managers)?



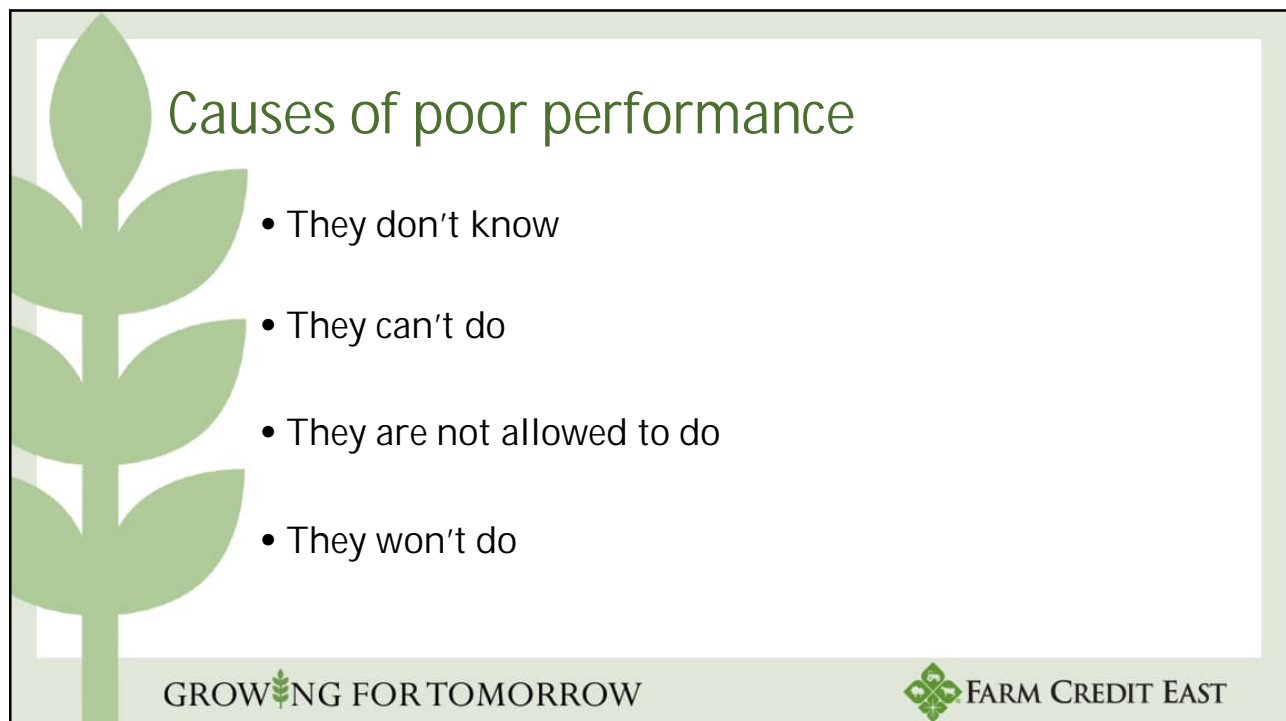
Response	Percentage
In place now	50%
Have but don't use	8%
Working on it	29%
Need it	8%
Don't need it	5%

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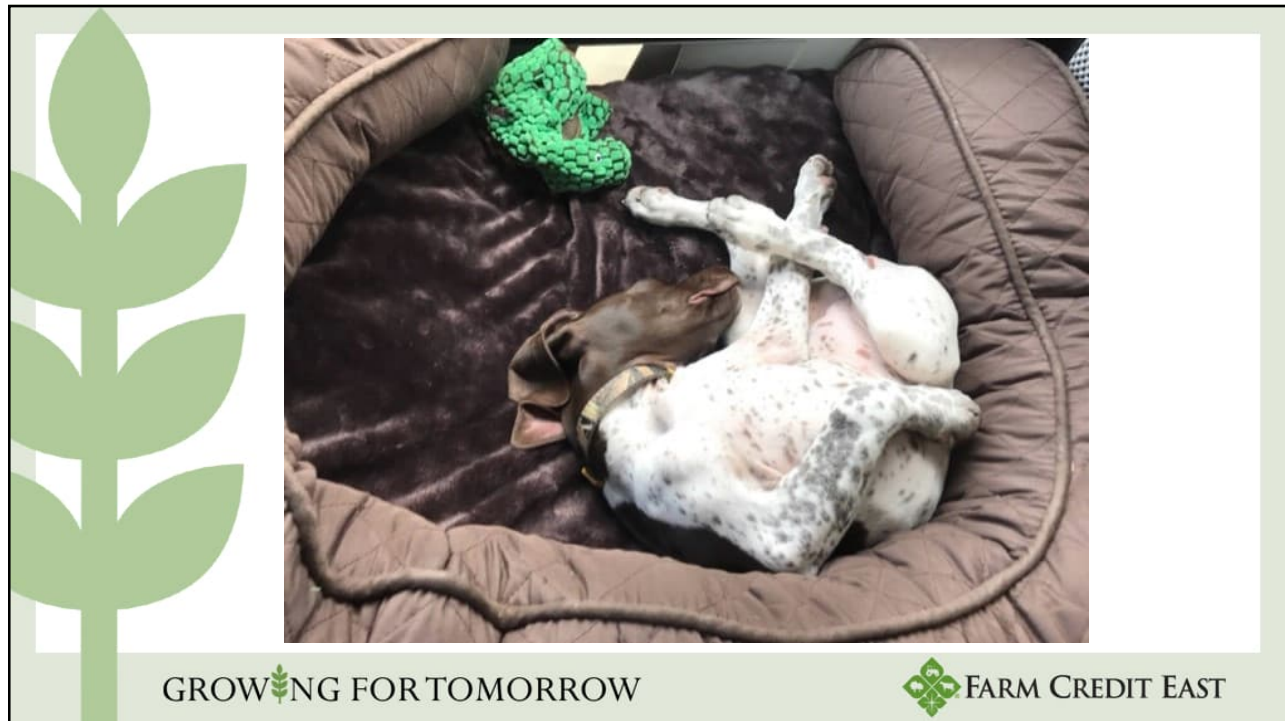
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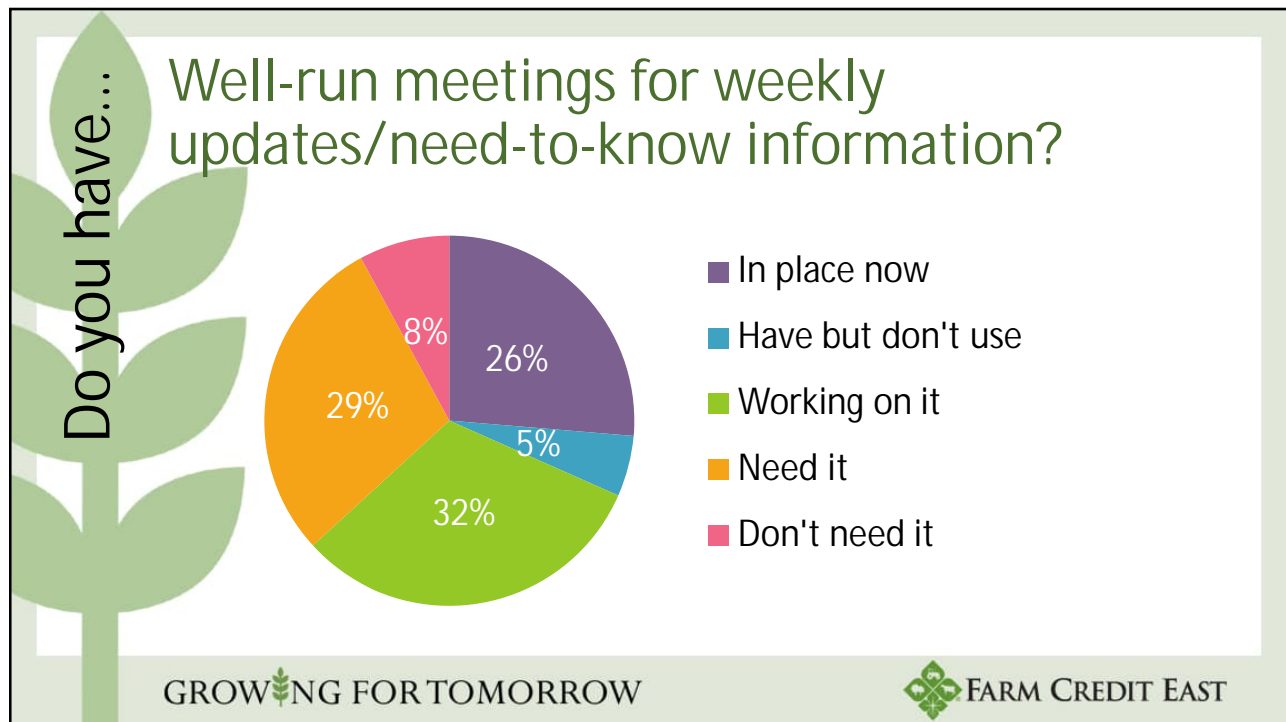
Causes of poor performance...and what to do

- They don't know
Poor direction / training
- They can't do
Ability lacking
- They are not allowed to do
System problem / poor communication
- They won't do
Attitude issue

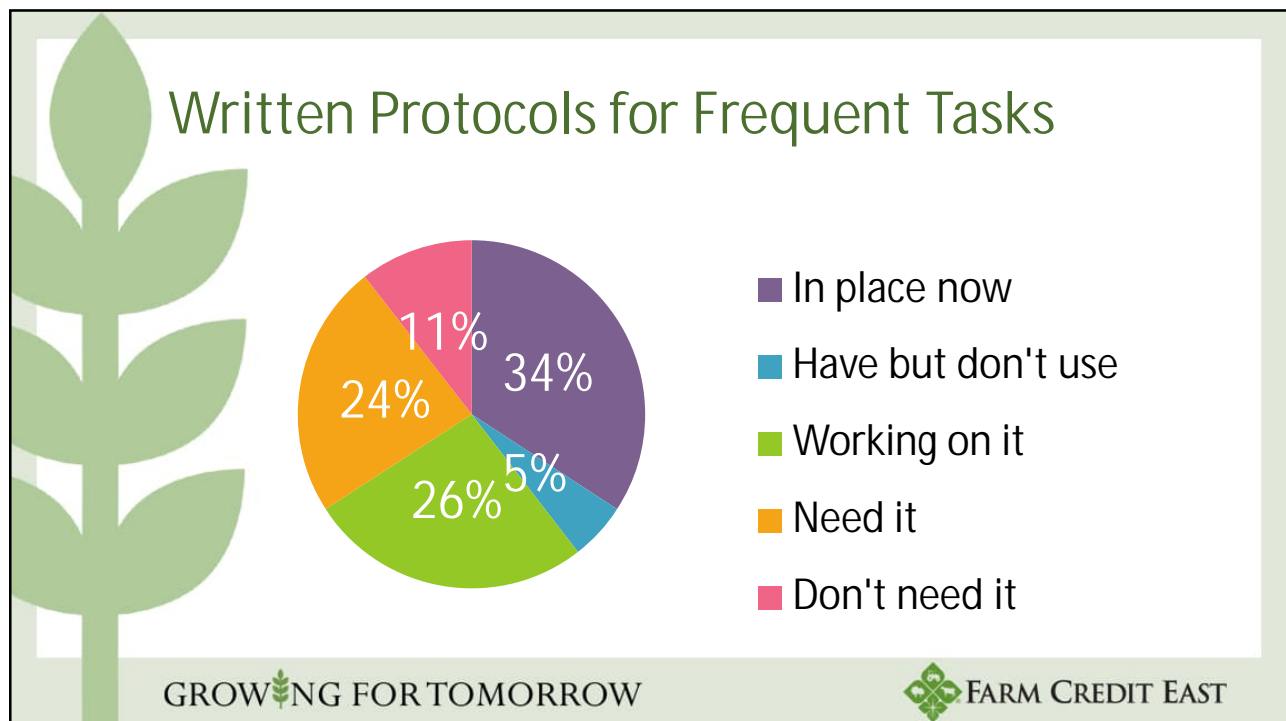
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Training: Get the right tool for the job

PROTOCOLS

- Avoid repetition
- Standardize processes
- Training tool
- I don't have to ask you again either
- Accountability


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Your Turn!


Write a protocol
for making
a Fluffernutter sandwich.

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What's important?

- It's unkind to be unclear
- Specific steps
- The time it takes
- Paint done for me.

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Questions welcome! And... write down your next step

General
Get this book.
Read it and do the things.



Not sure where to start?
Use the business management proficiency assessment



You mean business:
One on one strategic coaching

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