

# Turnover: Symptom or Disease

Sarah L. Fogleman  
Kansas State Research and Extension

## INTRODUCTION

Ask a few dozen agricultural managers what their largest human resource management issue is and chances are a good many of them are going to say, “Turnover!”

However, it’s important to consider whether or not turnover is an issue in and of itself. Doctors frequently run tests and perform lengthy examinations when patients present with very common complaints for the simple reason that symptoms and diseases are two very different things.

That’s exactly the case with turnover.

Turnover itself is not a diagnosis. To truly understand why a business is having difficulty retaining a qualified workforce one has to go deeper—beyond the symptom to the disease itself.

## THE ROOTS AND FRUITS OF AGRICULTURAL RISK

According to Bitsch, Stup, and Fogleman, “The fruits, or results, of poor human resource management practices may be understood as risks to the business. Potential risks are as follows:

- Turnover
- High operational costs
- Low productivity
- Penalties and fines for non-compliance with labor laws
- Interpersonal conflicts
- Legal actions by employees & advocacy groups

- Workplace accidents and injuries”

Every aspect of human resource risk stems from a root of some deeper issue. As evidenced by Figure 1, the source is usually the absence or neglect of one or more human resource management practices.

## THE TURNOVER CYCLE

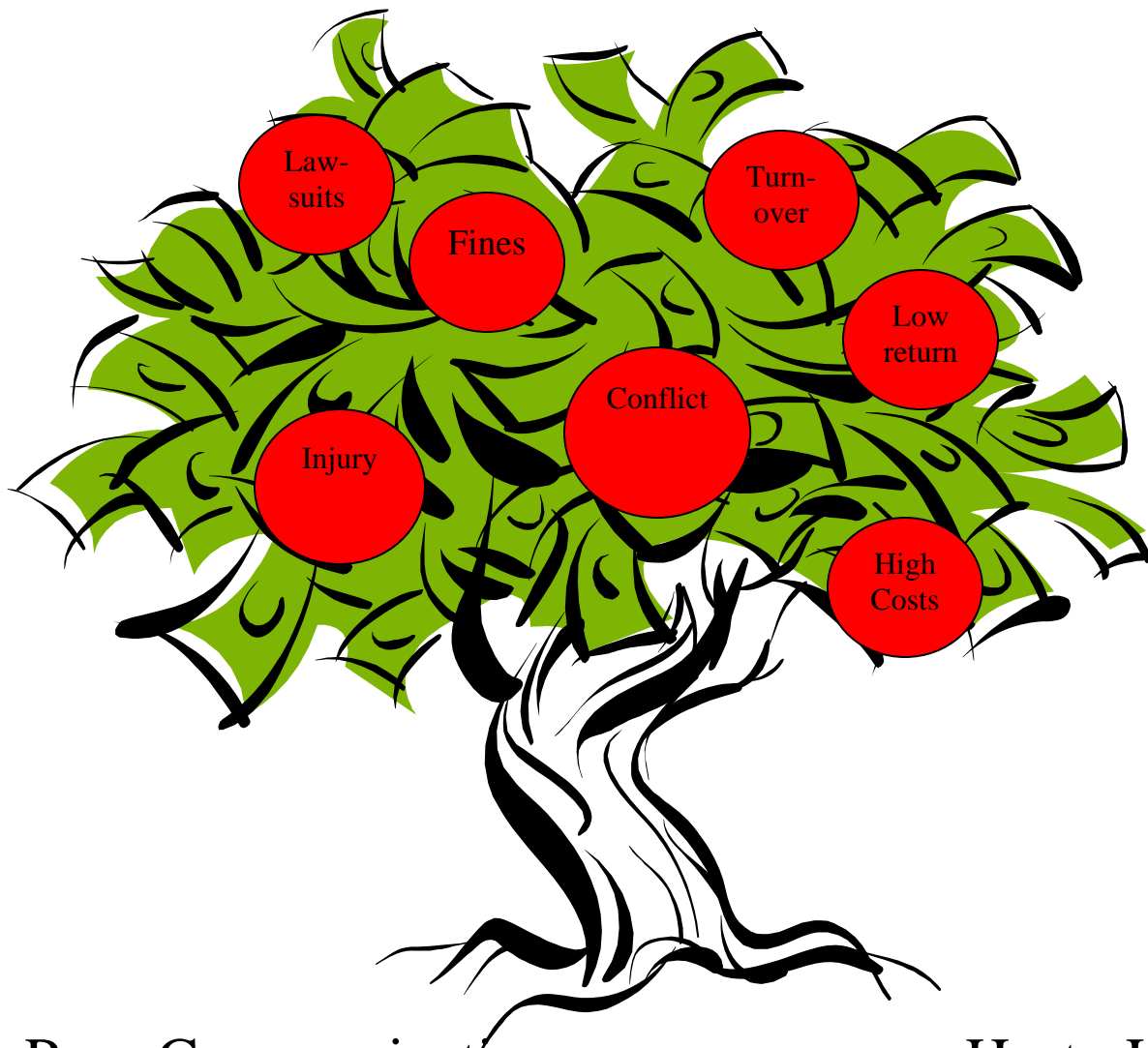
When we look at turnover itself, it’s easy to see that turnover can often take on a very cyclical pattern. For whatever reason, an employee leaves, forcing the remaining employees to work harder and take up the slack. This will continue, typically, until the manager fills the vacancy.

Unfortunately, in this model, none of the current employees have the time or energy to successfully train the new hire and that person is faced with an uphill battle of learning the job.

All too often this means that the relief that is supposed to come with filling the position doesn’t happen, and—eventually—the turnover cycle begins again as someone leaves (Figure 2).

Of course, this isn’t always the case. New employees are hired successfully every day. The turnover cycle is frequently stopped before it even gets started.

The question is: “How does that happen?” To truly understand that, I think we need to address the core issues that cause employees to leave, and that begins with understanding what makes them satisfied.



Poor Communication  
 Inadequate Training  
 Working Conditions

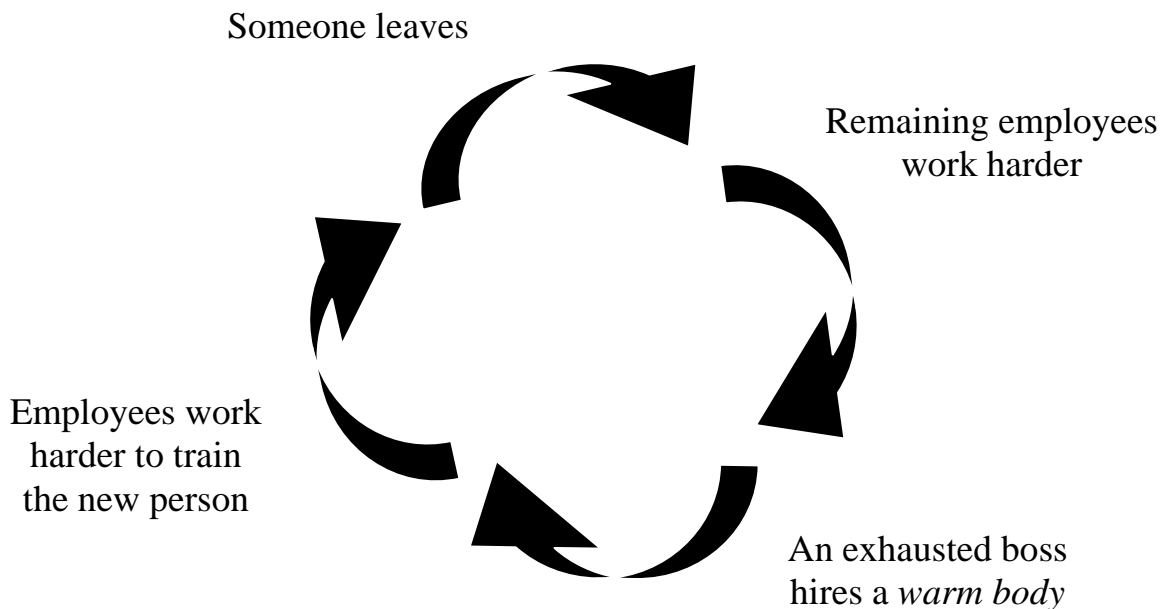
Hasty Hiring  
 Inequitable Pay

**Figure 1.** Human resource risks stem from dysfunctional human resource management risks. (Source: HRM Risks and Strategies by V. Bitsch, R. Stup, and S. Fogleman.)

**Satisfaction**

Almost all managers want satisfied employees. Unfortunately, not every manager really understands what satisfaction is all about.

A number of factors probably influence a person’s satisfaction with his or her job. According to research by Hackman and Lawler, satisfaction hinges on 4 core dimensions—Feedback, Autonomy, Variety, and Task Identity (Lawler).



**Figure 2.** The human turnover cycle.

Feedback satisfaction hinges on the quantity and quality of job evaluation given to the employee by the owner or manager. It is also a function of the employee's access to job performance mechanisms (such as mortality rates or feed conversions) that have employee evaluation intrinsic in them (Lawler).

According to Lawler, "The job must allow a worker to feel personally responsible for a meaningful portion of his work." This sense of *autonomy* is measured by asking questions of the employees about their ownership of their work and the degree of authority they have over how they perform their tasks (Lawler).

*Task identity* is defined as, "a very clear cycle of perceived closure and high visibility of the finished product." Task identity relates to how employees perceive where the

employee fits into the larger farm scheme (Lawler).

According to the Lawler literature, "High variety jobs typically tap a number of different skills that may be important to the employee." It is important to stress the element of challenge, not just difference, when evaluating *variety*. If an employee performs different tasks that use the same skill sets and none of those tasks challenge the employee, that job, for that employee, is low on variety (Lawler).

Not every job can be high in every area of employee satisfaction; but the more managers are aware that these core areas exist, the more they can study their operations.

## Where do employees go?

A major question that employers suffering from rapid turnover should ask is where the employees who leave them are going.

Is there a big employer in town where most of your former employees are now working? If so, then a key question should be, “What are my people getting there that they aren’t getting here?”

Frequently agricultural producers consider their neighbors and fellow farmers and ranchers to be their main competitors for agricultural labor. This isn’t necessarily the case. Agricultural employees may have had previous agricultural experience or an interest in farm or ranch work, but that doesn’t necessarily limit them to employment within that one industry. Qualified agricultural employees would typically be desirable in a number of industries that utilize the same sets of skills. To be competitive, an agricultural business must consider all the options that employees have available to them and then compete with those businesses, regardless of the industries they represent.

### **How employers compete: compensation, reputation, situation**

There are many factors that put employees and employers together, and other factors that keep them together. Each of those factors may be classified into one of the following groups: compensation, reputation, or situation.

Certainly *compensation* is the item that comes to mind first when most people think about recruiting and retaining employees. If an employer’s compensation package is severely below what competitors are paying,

that employer is likely to have a difficult time recruiting and retaining employees.

But compensation is far from the only factor when it comes to competing for potential employees. A business’s *reputation* is going to carry considerable weight in most agricultural communities. In almost every community, there are businesses that are considered the best places to work. Sometimes compensation plays a role in that, but it is seldom the only factor. Ultimately, the best competitors are the best employers and that’s a distinction that goes far beyond compensation.

The other factor that will bring employers and employees together, or pull them apart, is the *situation*. People do not exist solely within the confines of the business. They have families, personal interests, and needs. Understanding these situations and how to use them to your advantage will give your business a huge competitive advantage.

## **RETURN TO THE ROOTS**

Ultimately, there are many reasons why different people choose to leave a job. When managers should be incredibly concerned; therefore, is when rapid turnover is happening, because the chances are good that they may be leaving for a combination of the same reasons.

So what should a manager do in those instances? Return to the roots.

Recruit and hire the right people for the positions—labor-related problems have been created by hiring the first *warm body* that comes through the door. This is an important cycle to stop. If you have a feeling that an applicant will not work out, but you’re desperate for help and want to extend an offer anyway, don’t. Be patient, if

at all possible. It's better to be short-handed than to have an unqualified, untrainable person on the payroll.

**Provide proper training**—Don't let turnover or a hectic schedule stop you from training new employees and providing learning experiences for existing employees. The time you take to train an employee will come back to reward you 10 times over if it's done well.

**Compensation**—Not every business can afford to pay top dollar for labor, but luckily, successful compensation packages are not always about money....Many times they're about meeting the needs of your employees.

**Reputation**—In every community there are employers with excellent reputations who seem to have a never-ending supply of qualified applicants. These are commonly referred to as "The Employers of Choice." They are not necessarily employers who got ahead simply by paying more. They are employers who got ahead by being better employers, a distinction that goes far beyond compensation. In short, they are employers who have managed to treat employees as they, themselves, would like to be treated. While there is no medicine or vaccine that can enable an employer to master this skill, there are 4 basic steps that potential "Employers of Choice" would do well to follow.

**Communication**—The vast majority of all labor problems stem from a lack of communication. If every person within your business can honestly make the following 4 statements, then the majority of your labor headaches will go away.

I know what to expect.  
I know what's going on.  
I know how I am doing.

I know how we are doing.

**Use job descriptions**—These are the most basic tools available for human resource managers; however they are the tools that managers are least likely to use. A job description is a simple document that helps an employee to know what is expected of him/her. They don't have to be any more complex than that.

**Lay out the ground rules**—In other words, employees should know, without a doubt, what they can expect from you and what you will be expecting of them.

**Be sensitive to situations**—Situations that bring employers and employees together, or pull them apart, are sometimes largely out of the control of the participating parties.

An employee has a wonderful job that makes him very happy and then a change in his personal life forces him to move, thus leaving that great job behind.

A business has a group of very capable employees until the business decides, or is forced, to change, modifying the skills and competencies that are expected of its people and, suddenly, those employees can't perform their jobs.

Those are just a couple of examples of the situations that change a business or a person and; therefore, change the employee/employer relationship. It is very difficult to compete against factors that are out of your control. The best any business or employee can hope for in this situation is to examine the situation and create new alternatives. Perhaps that new parent, who would like to stay at home, would actually be interested in doing some part-time work. Perhaps an existing employee would be

willing and able to learn a new technology. But no matter how flexible employers and employees try to be, there are certain limitations. After all, it's very hard to telecommute to a farm.

Just as situations can come between employers and employees, they can also bring people and jobs together. When competing for agricultural labor, it's important to make sure that your business is put forward in the best possible situation.

### CONCLUSION

Turnover will always—and *should* always—be present within any business. Boredom, stale ideas, and general fatigue are just a few of the downfalls that can occur within businesses that have no turnover whatsoever. So like with most things, turnover is an area where balance is key.

Successful companies will always be facing some degree of turnover in the long run. But in those instances when turnover is rapid and wide-spread, managers would do well to think of it not as a problem—but as a symptom—and then spend some time trying to diagnose the actual disease.

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