

By the book

Putting standard operating procedures for routine tasks in writing keeps employees on track

When a cow looks sick on Todd and Monica Hanten's dairy farm, employees know exactly what to do, even when they don't.

Instead of guessing at the next step to follow, written standard operating procedures outline specific steps to take — in this case, taking the animal's temperature.

While that may seem second nature to an experienced hand, farmers today can't count on having employees who know what to do — or even grew up on farms. Standardizing procedures can improve quality and efficiency, allowing managers to delegate tasks without hovering over employees to make sure the chore gets done properly.

"SOPs provide a key tool for management to put disciplines in place that will assure routine functions are carried out with quality assurance as the underlying standard of performance," says farmer and management consultant Dick Wittman.

While doing things "by the book" is commonplace in other industries, standard operating procedures are one of the most neglected areas of farm personnel management, according to *Farm Futures* surveys. Our research shows just one in 10 farms writes down

Examples of standard operating procedures

Equipment operation

- ✎ servicing and periodic maintenance guidelines
- ✎ driving and operating guidelines

Office functions

- ✎ year-end accounting procedures for special transactions and unusual entries peculiar to the farm
- ✎ bank account reconciliation processes
- ✎ process for submitting requests for reimbursement of personal outlays for farm-related expenses

Crops and agronomy

- ✎ procedures for handling grain tickets and other harvest activities
- ✎ seed treating procedures
- ✎ field recordkeeping requirements for key inputs (chemical, fertilizer)

Shop, maintenance and supply restocking

- ✎ routine jobs that can be performed in cleaning, organizing and maintaining a clean and efficient work area in shop
- ✎ preferred practices on use of special tools, what can be removed from shop and policies for returning items to proper locations
- ✎ procedures for identifying shop inventory replacement, ordering and delivery
- ✎ disposal of waste products and recyclable items, like oil, anti-freeze, garbage and plastics

Livestock

- ✎ herd health routine to be followed
- ✎ feeding procedures
- ✎ procedures for shipping livestock, arranging for brand inspectors, etc.

From "Building Effective Farm Management Systems," by Dick Wittman, www.wittmanconsulting.com

these "how-to-do-it" guidelines. But those that do are more likely to be high-profit farms with above-average earnings.

TRIAL BY ERROR

Todd Hanten began using standard operating procedures a decade ago

on his Goodwin, S.D., dairy. He keeps the documents on his computer in a word processor file — a good idea, he says, because they need regular revision to improve clarity. "It takes some time because you have to revise them if you realize they're not clear to the employee," says Hanten. "It took

several years to get them fine-tuned."

These procedures aren't the only personnel expectations he puts in writing. Dairy workers also must sign off on written job descriptions and policies when they're hired, so they know what's expected of them.

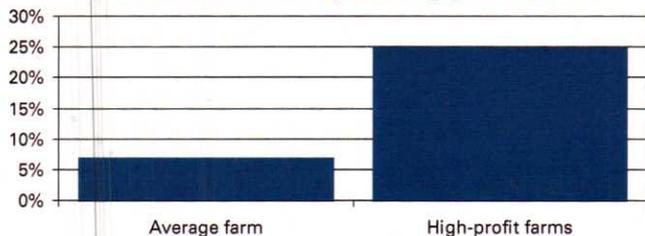
Having SOPs is especially important on the dairy side of the farm, which also includes row crops and cattle feeding. "Those are the people that come and go more often," Hanten says. Workers typically stay for a year or two, and might not have much farming background.

The key is to make the procedures short, clear and easily accessible, Hanten says. So he sticks to a list of bullet points explaining how to perform a task, then laminates the sheets and posts them in a relevant place, say on the refrigerator where colostrum is kept.

DECISION TREE

Many of the procedures are protocols that outline how to deal with animal health issues, and Hanten credits Pfizer for ideas he uses in his flowcharts. The protocols use a decision-tree format to

High-profit farms are more likely to use standard operating procedures



ask a series of yes/no questions that lead to specific actions.

But having procedures is more than an efficiency move. It's also a safety measure that can protect workers' health and avoid liability exposure. That's important for farms that have to hire workers who don't have much of a farm background.

Glen Leduc, for example, farms just 35 miles from St. Louis, near Edwardsville, Ill., and often hires young workers to bale hay on his crop and registered Angus cattle farm. From showing them how to use a bale hook to where fire extinguishers are located, "safety is the No. 1 issue," he says.

SERVICE MANUALS

Experts say standardizing procedures can benefit farms that rely on family help, too. Children who come home

from school during the summer to work on the farm tend to forget how things are done when they're away. Even younger family members who work year-round on a part-time basis may need the reinforcement that standard procedures provide.

"We often assume people employed in family farm businesses know more than is realistic to expect," says Wittman.

Owner-operators also can find it helpful to write down the specific steps needed to perform chores that aren't done very often — like a job on the computer that may be done only once a year.

Most farms do some of this already. Manuals for servicing equipment provide ready-made SOPs. Like Hanten, look for best management practice policies that suppliers and commodity groups have published. After that, consider tasks that are done again and again, and are likely to benefit from clear documentation.

"SOP's don't have to be lengthy or burdensome," says Wittman. "The key is to identify critical areas and communicate them on a regular basis."

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