

FARM PERSONNEL MANAGEMENT

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The entire U.S. work force operates in a labor marketplace where employers are buyers and employees are sellers of labor. Because there are limited jobs and a limited number of people to fill them, employees must compete for the available jobs and employers must compete for the services of these people.

The bases on which employers compete for labor include working conditions, wages, fringe benefits, and hours of work. Given proper conditions of employment, a farmer or other person can attract sufficient and qualified labor. Furthermore, the employer who offers the best conditions of employment (as viewed by the employee) will have the least difficulty obtaining workers.

If you are having difficulty hiring or keeping good farm help, the conditions of employment in your business probably do not seem sufficiently attractive to potential employees for you to successfully compete with other farmers or nonfarm employers. The purpose of this publication is to provide you with background information which will help you in hiring and keeping good farm employees. It is divided into three sections:

- Part I—Manpower Planning—Hiring People
- Part II—Managing People Effectively
- Part III—Wages and Benefits; Labor Records and Regulations

PART I

MANPOWER PLANNING—HIRING PEOPLE

Hired labor, like other resources, will make your business more profitable only if it is needed, qualified, and managed effectively. Before hiring, decide what your personnel needs are and seek out employees that have the skills and personal characteristics that best meet those needs. Remember, at least 70 percent of your personnel management effort later on will be spent trying to improve less effective employees. So take your hiring task seriously, particularly if you are hiring relatively permanent employees. Also, when you hire labor you enter into a two-way contract with your employees. If you don't fulfill your part of the bargain, don't expect your employees to fulfill theirs. And, remember your part involves much more than providing a house and good wages.

The Manpower Planning Process—An Overview

First, some general observations. Jobs vary in duties and responsibilities. People differ in ability, learning, attitudes, behavior, experience, and training. Each specific job in your business must be filled by a specific person. If you try to fit a square peg in a round hole, all of your planning will have gone for naught. The following is a diagram of the manpower planning process.

Basically there are four steps in the process:

1. Assessment of personnel needs and working conditions
2. Development of job descriptions
3. Matching jobs to skills of present staff
4. Matching individuals to jobs—the hiring process

Step 1—Assessment of Personnel Needs and Conditions Offered

DETERMINE YOUR PERSONNEL NEEDS

How much labor do you need and when? How much do you need during the various seasons of the year? What can be done to reduce the amount of labor needed: custom hired or bigger machines; shifting enterprises or adopting labor-saving practices.

This analysis should result in a statement of the kind and amount of work to be done. Then divide the total work into jobs to be manned. Determine how many workers will be needed and what kind of workers they need to be: full or part time, skilled or unskilled, technically or management skilled?

WORKING CONDITIONS TO BE OFFERED

To attract good workers, your business must exhibit at least two advantages over your competitors. What are yours? Are the wages you are offering competitive? Are you offering some type of incentive program? Is there a good work environment: good people to work with, a good image as a place to work, etc? What potential does the job hold for the employee: role in business, chance for growth, responsibility?

Another factor that will affect your competitiveness as an

employer is your leadership role and style. For example, to effectively manage others, you must shift your role from that of a "doer" to that of helping others to do the job for you. You must become their leader and their helper. Farmers with a small labor force may have a difficult problem in this area since they tend to remain largely "doers" while trying to become a helper. If you are unwilling to make this shift, then you better think twice about building a business around hired labor.

Your leadership style will dictate the kind of workers you will be able to hire and keep. For example, if you are an *autocratic*, "my way," sort of manager, you will need to hire "followers" or possibly someone who can stand up to you and do the job even better than you can. At the other extreme is the manager who manages with a loose or *free rein*. If you are a free rein manager you need to hire self starters who have the ability to work with others. In the middle is the *participative* leader. Here you hire what the job requires and adapt your managerial style to workers' needs.

A related leadership topic is: who is going to be the boss? The biblical precept that a man cannot serve two masters still holds true today; it is the major reason workers leave. It must be dealt with, particularly in multi-management situations.

Step 2—Developing Job Descriptions

In the next step you will need to develop a series of job descriptions for each job or position (see example form A on page 8). First, you will need to spell out the objective or purpose of the job followed by a statement as to the duties and responsibilities of the person. It should also indicate the authority granted to that person and that person's accountability or results expected.

For each position you should also specify the kind of person desired to fill each position. It should make note of qualifications—work experience and personal characteristics. You should also note the wages and benefits to be offered. Compensation needs to be in line with responsibility and the market competition. What will be wages, hours, incentives? How about fringe benefits and incentive programs? Incentive programs are effective if set up right. Good managers generally use incentives.

Step 3—Matching Jobs and Individuals: Present Staff

The next step involves a matching of job descriptions with the present staff. To do this you should first appraise the talents of your present staff—their past experience and performance as well as their personalities, needs, and desires. Next compare your job descriptions in section III with your evaluation of your present staff. Four possible happenings are:

Option 1—Worker continues on present job—perfect match (or the job description is changed to fit the person)

Option 2—Worker shifts to newly described job

Option 3—Worker is retrained to better fit job
 Option 4—Worker doesn't fit new situation—let worker go
 The major difference between family and hired labor should be noted here. With family labor we have a given labor supply; the question is how do we use it? Who does what? After that is done,

the manager must look at his or her existing hired labor. Should there be a shift in job responsibilities or should they be retrained or let go? After all this is done, the remaining job responsibilities for new employees to be hired are the sum total of the remaining responsibilities.

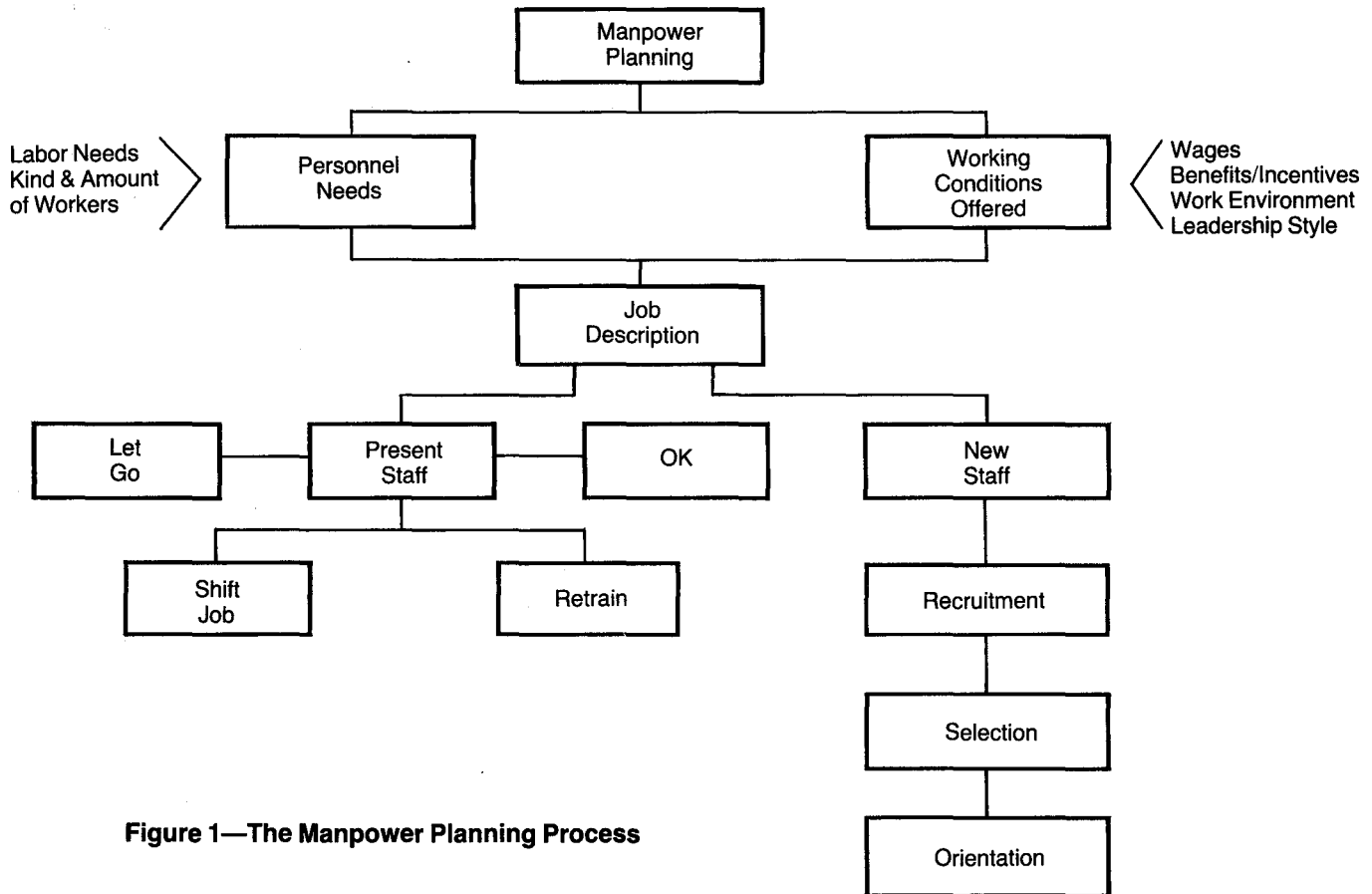


Figure 1—The Manpower Planning Process

Step 4—Matching Jobs and Individuals: The Hiring Process

The hiring process can be divided into four phases: recruitment, interviewing, selecting, and orientation.

RECRUITMENT

Recruitment involves searching for prospective employees and enticing them to apply. Any advertisement should include the content of your job description.

Where shall you look for recruits? Advertising involving one or two ads will draw the so-called “movers.” To be effective, ads need to appear on a continuing basis which may rule out the smaller business. Keeping a catalog of good workers you meet on a continuing basis, may be a source. Referrals, the grapevine,

the veterinarian, vo-ag, county agent, and local credit agency are other sources of candidates.

INTERVIEWING APPLICANTS

Setting and Procedure

Remember, the interview is a very emotional time for the applicant, so keep in mind the setting for the interview. If possible, interview on common ground—no desk or table between you. Avoid distractions, such as cameras, tape recorders, etc. If you take notes, tell the applicant that you can't remember things well enough to do otherwise. Also, the session should be private; do not receive phone calls. The interview should be a chance for the applicant to get to know you and vice-versa. It should be a one-to-one meeting if possible. Agri Careers, a farm and agri-business personnel firm,¹ suggests dividing a blank sheet of paper into three columns: profile, questions, and notes.

Profile	Questions	Notes

¹ Maas, Gary. *How To Be A Good Employer*. Agri Careers, Inc. Massena, Iowa 50853.

In the *profile* column, indicate what you want in the new employee. Under the question column have some open-ended questions that require discussion. Insert comments in the notes column as the interview proceeds. (Also see example interview form B on page 9.)

What to Look For

Appraise the personal characteristics of candidates carefully. Worker's values and attributes are more important and harder to change than present skills and knowledge. Look for a positive attitude, willingness to work, persistence, maturity, ability to get along with others, good judgment, and above all, honesty.

Asking the Right Questions

During the first portion of your session, tell the potential employee about your business, yourself, and the job. Establish a

rapport and try to relax the candidate. Also, the applicant may not take the job but might recommend someone for you to interview.

Present your job opportunity positively but do not over-sell it. Describe your business and its long-term goals. Outline duties and responsibilities of the job and those of the manager. Indicate what the wages will be and what other benefits are provided. Show the prospective employee around and be willing to spend some time. Also, remember the candidate's family—consider what's in the job for them and try to determine if they will be satisfied with what is being offered.

Then ask the candidate to tell about him or herself and past experience. Be ready with some open-ended questions: What are your strengths and weaknesses? What do you like or dislike about the job we're offering, etc? You may want to have your spouse or other employers also interview the candidate.

Closing Interview

When closing the interview, make no commitments and indicate that you have to check out some things first. Tell the applicant what date you plan to make the decision. Be sure to call by that date. Checking references may give you insights regarding this person. Keep trying until someone will square with you. Watch out for vindictive references—particularly from past employers. The question: "would you hire this person back" should give you some good insights.

SELECTING EMPLOYEES

As you go through the process of selecting an employee, keep in mind that you probably won't hire the best qualified applicant. This is due to personality quirks, and also your bias toward certain dress, hair styles, etc.

Proceed to select the candidate that best fits the job or change the job description to fit the worker. Also, don't hire an overqualified or underqualified worker. If you do, either you or the worker will be dissatisfied. Prepare a written agreement for skilled workers (see form C on page 11). Remember, you can train a potential employee, but you will find it next to impossible to change his or her personality. New employees must fit into the existing labor/management team.

ORIENTATION

When the new worker comes on board, spend some time with him or her regarding the position, but don't try to explain everything the first day. Introduce the new worker to the people he will be working with. Also, make the worker's family feel at home—part of the team and part of the community.

PART II

MANAGING PEOPLE EFFECTIVELY

Introduction

PUTTING THINGS IN PERSPECTIVE

After hiring good people, they must be managed effectively to make them productive. You must also remember that you have entered into a contract that "cuts" both ways. You expect

the employee to put in a full day's work, to grow and become more efficient, to be honest, cooperative, and loyal. However, the employee expects you to provide guidance, support, training, encouragement, trust, faith, and honesty as well as wages. If you don't fulfill your part of the bargain as an employer, you can't expect the worker to fulfill his. Conversely, the better you

do in meeting your obligations under the contract, the better the employee will do in meeting obligations to you. Note: Agri Careers has found that over 80 percent of the reasons that employees gave for quitting a job could have been prevented. Reasons given included lack of achievement (12.9%), lack of training (7.9%), lack of responsibility (12.8%), lack of recognition (9.9%), low salary (13.8%), limited time off (6.9%), and problems with the boss and his family (16.8%).

You must be able to train and motivate others to do the work that "you could do better yourself." This involves making the transition from being a "doer" to being a personnel manager. It must be recognized that each employee is different and requires different "strokes."

Finally, you can have an enormous impact on your employees' lives as well as the lives of their families. But remember, don't try to change their personal characteristics. Build on their present strengths. Accept them as they are; manage them as individuals. Remember, personality is easier to hire than to change.

Your management style will affect workers' productivity and turnover. As noted earlier, there are basically three styles of management: authoritative, participative, and free rein. Extremes in management are usually due to an erroneous self concept. For example:

	AUTHORITATIVE	FREE REIN
Own Image:	Overstates own strengths	Underrates own strengths
Image of Others:	Only person capable of making a decision	Workers can do as good a job as manager can
Result:	Frustrating to work for	Could be chaos

What distinguishes the *participative* manager from the other two types is a healthy self image of self and employees.

Again, you probably can't change your basic approach to management. But at times you will find it necessary to be somewhat authoritative and at other times given more to free rein. The most important thing is that your style be seen as predictable by the employees.

A PERSONNEL MANAGEMENT FRAMEWORK

As a manager, there are likely to be at least three things you want from your employees: 1) commitment to the goals of your operation, 2) adequate skills and knowledge for the job, and 3) the inner drive to use their skills to achieve personal and business goals. For this to come about you will need to fulfill your part of the contract. That is, you have to: 1) delegate responsibility to get the workers' commitment, 2) provide adequate training and counseling to make full use of the employees skills, and 3) use positive feedback and motivation to provide employees with extra drive.

Delegated Responsibility

Your goal is to give each employee a specific, challenging job to do which will help to achieve the farm business goals. But to get the job done, there must be a definite delegation of responsibility. Give the employee sufficient authority to make necessary decisions and hold the employee accountable. That is, they will get credit for good outcomes and will be held accountable

for bad ones. Therefore, you must be sure that business goals are clear before you start and that rewards and "punishments" are spelled out.

Providing Necessary Supervision

One of your tasks will be to develop employee's skills and knowledge so that they can do the job effectively. This will likely involve training, coaching, counseling, and feedback.

TRAINING AND COACHING

One of the biggest reasons farmers have been slow to delegate authority to their employees is that they tried to delegate authority in the past and found that costly errors were made. Thus, the delegation of authority must be accompanied by adequate doses of employee training. This is generally a four step process: 1) prepare the worker, 2) teach them the job, 3) let them do the job, and 4) follow up with suggestions if needed. View this training process as a continuous activity, not just something you do at the initial hiring. That is where good coaching comes in.

COUNSELING AND FEEDBACK

Counseling may relate to outside factors (family, etc.) affecting job performance. Remember, an employee may have a family too. They should know that the employer is sensitive to their needs also. These may range from scheduled meal times to advance notice of the Christmas time-off schedule. It may also relate to relationships with the manager or other workers.

There is also need for feedback or communication. Feedback should take place on an ongoing basis, not just once per year. It should focus on job performance, not personality. It should include positive as well as negative comments. Plan to have informal conferences at least four times per year. Most employees want to know where they stand with you and the business.

Motivation

Sometimes an employee who has been given a responsibility and the skills needed may still not get the job done. The question, then, is what makes people tick and how do you motivate them to do a good job? Studies show that certain needs have to be met in order for personnel to be satisfied and, in turn, motivated. These human needs can be broken into *maintenance needs* (physical, security, social, and esteem needs) and *motivational needs* (including growth, achievement, recognition, and responsibility).

MAINTENANCE NEEDS

In a job situation, the lowest order needs (or maintenance needs) can be called job dissatisfiers. That is, what unmet needs will cause an employee to be dissatisfied with the job? These include:

- *Physical needs:* Food, sleep, protection from the elements, exercise, etc. These needs can be met through work by means of competitive wage rates, good housing, reasonable working hours, etc.
- *Security needs:* Assurance of job continuance and fair treatment on the job are ways to meet security needs.
- *Social needs:* These can be met by fostering good crew morale, introducing your employees to your friends, including them in your social activities, and by encouraging them to

participate in community affairs.

- *Esteem needs:* Farm workers need to feel that who they are and what they do is important not only to themselves but to you. Treating them as just hired help will breed dissatisfaction.

As noted earlier, these maintenance needs must be met or an employee will be dissatisfied. However, there is a subtle difference between being dissatisfied and being satisfied. If an employee is not dissatisfied, his maintenance needs are being met but there is still something lacking. To truly be happy and satisfied in his job, the employee must be given a chance to satisfy his higher motivational needs.

MOTIVATIONAL NEEDS

“Higher order” motivational needs can be termed self development needs or the need for new experiences and to become what one is capable of becoming. Unlike the maintenance needs, motivational needs are rarely satisfied because there is really no limit to one’s potential. Job satisfiers include the following:

- *Growth needs:* Growing mentally in attitudes, knowledge and skills. You can help your employee to satisfy these growth needs through such things as continual on-the-job training. Increased responsibility for the employee may also be needed.
- *Achievement needs:* Having a feeling of accomplishment. Employees need to feel that they are doing something worthwhile. Goals need to be set—goals that are visible, attainable, challenging, and meaningful.

- *Recognition needs:* Acknowledgment of outstanding performance. A word of praise, a promotion, and monetary bonuses are ways to help reinforce your employee’s sense of achievement.
- *Responsibility needs:* Opportunities to take on responsibility in matters that are within their capability.

MOTIVATING EMPLOYEES—ALTERING AND REINFORCING BEHAVIOR

As indicated, each employee has needs to be met. Since every person’s needs are different, the job of the employer is to help workers select desired behaviors. Thus, the worker must be provided opportunities for desirable behavior (i.e., to do more work or a better quality of work or to do work better suited to his abilities). The manager must also reinforce desired behavior with positive reinforcement. Of course, if the employee’s behavior is undesirable, then there must be negative feedback.

It is up to you as the employer to establish what range of performance will be termed acceptable. You must decide on the nature of feedback or what the consequences will be if performance is above or below this normal or acceptable range. A wide range of factors must be considered when deciding on the level of feedback: the extent of the deviation, the employee’s awareness of deviation, the effect on the rest of the organization, and the consistency of your feedback over time.

Believe it or not, most employees want to do a good job. Therefore, you must give them a job to do, the training to do it well, and positive feedback for a job well done—and do it often.

Part III

WAGES AND BENEFITS; LABOR RECORDS AND REGULATIONS

Wages and Benefits

SOME BASICS ON WAGES—A REVIEW

Wages are often thought of as the prime motivational tool in a business and can elicit negative as well as positive reactions from workers. Care must be used in establishing wage rates. First, the rate of pay should reflect the difficulty of the job—unskilled, semi-skilled, supervisory, etc. Therefore, your wage structure should be thought of as the job description with \$ signs attached. The wages paid should also reflect the going wage rates in the area, including proper accounting for fringe benefits.

Likewise, make merit increases and incentive plans consistent with attainment of business goals. They should reflect rewards for positive or desired behavior, not something that happens at Christmas time.

ESTABLISHING WAGES/INCENTIVE PLANS (SEE FORM D)

First establish a base wage for various types of workers. To get a worker who has considerable ability and experience, you may have to make adjustments to the base wage. You can use bonus plans for beginning or semi-skilled workers. Pay a fair wage plus fringe benefits. A year-end bonus or bonuses used at selective times can be used. Incentive plans may be used in selected cases.

With more skilled workers, plan to establish incentive plans. Start with a salary plus fringe benefits and a bonus. If incentives are used, keep them simple. Use them for things the employee has control over, and allow benefits that both you and the employee can live with. Put agreements in writing and make payments promptly. However, incentive plans should not be a substitute for a good wage.

A supervisory position should probably involve a wage-share or enterprise agreement. Here, the employee is getting a piece of the action.

Labor Records and Regulations

LABOR RECORDS FOR MANAGEMENT PURPOSES

A complete labor record system keeps track of the total labor used by enterprise, including seasonal labor as well as the time required for a particular activity.

It is probably best to first decide what records are needed for tax and other purposes and then add only records that will permit you to do a better job of managing.

LABOR REGULATIONS AND RECORDS NEEDED TO COMPLY

Income Tax And Social Security

Withholding of an employee’s federal and state income taxes

by the employer is voluntary. If both parties agree, the employer may withhold taxes for the employee.

An employee may request withholding by completing a federal form W-4 and a state form MW4. If the employer withholds for an employee, he will need to acquire a federal and state identification number. It should be noted that both *cash and non-cash wages* are subject to withholding.

Social security tax must be withheld and paid for agricultural workers if *cash wages* are more than \$150 per year or if the employee earns less than \$150 but works more than 20 days during the year. Only cash wages are taxable; wages paid a spouse or child under 21 years of age are not taxable in a sole proprietorship. If the amount of undeposited taxes at the end of the month are \$200 or more, a deposit must be made within 15 days. If taxes are below \$200, carry the amount over to the next month. Tax return form 943 must be filed each year if you are required to withhold social security taxes.

Records needed for income tax and social security tax include the employee's name and social security number, the amount of wages paid in cash, the amount of tax withheld, the number of days worked, the amount of non-cash wages paid (if income taxes are withheld) and the W-2 form which must be provided to each employee by January 31.

Unemployment Insurance

The federal unemployment tax applies only to agricultural employers who pay cash wages of \$20,000 or more in a calendar quarter of the current or preceding year or employ *10 or more* workers during some time in 20 different weeks or more would be required to pay the tax. Minnesota law provides that covered employment starts when *four* or more agricultural employees are used for some portion of a day in each of 20 different weeks during the current or preceding calendar year or when \$20,000 or more is paid in any quarter of the current or preceding calendar year.

Both cash and non-cash wages are taxable. The tax applies to the first \$6,000 in wages paid to each worker. The rate varies according to the balance in the state's unemployment fund and the employer's experience rating.

You need to keep records of the number of workers you have on a weekly basis as well as the amount of their wages.

Minimum Wage and Child Labor Laws

Under federal laws, most farm workers are not covered by

minimum wage laws. Any employer that used more than 500 worker days in any quarter of the preceding year is required to pay minimum wage. Again, Minnesota laws are more inclusive. The law applies to farms that have two full-time workers and on any given day employs more than four workers. A full-time worker is one who works 40 weeks or more per year. Minimum wages are \$3.25 per hour for persons 18 and over, and \$3.02 for those below that age. Time and one-half must be paid those who work over 48 hours per week.

Keep records needed for minimum wage purposes for three years and include the following: name, address, occupation, rate of pay, amount paid each pay period, and the hours worked each day and week, including beginning and ending hours each day.

A minor under 14 years of age may not be employed in agriculture except as follows: 1) 12- and 13-year-olds may work with a parent's consent, 2) 10- and 11-year-olds may be employed for certain harvest duties, provided they get authorization from the Secretary of Labor (this can occur from June 1 to October 15, outside of school hours).

A minor under 16: 1) may not work before 7:00 a.m. or after 9:30 p.m., 2) may not work more than 40 hours per week nor more than 8 hours in a 24-hour period without a parent's or guardian's permission, 3) may not work on school days, unless an employment certificate is provided by the school, and 4) must be prohibited from selected hazardous farm activities such as the operation of a corn picker, combine, forage harvester, or hay baler.

A minor under age 18 may not be employed where chemicals or other toxic substances are present; to drive motor vehicles, except as provided by Public Safety Department laws and regulations; or do oxy-acetylene or oxy-hydrogen welding. An exception to the above is where one or both parents totally own and supervise the daily operation.

Worker's Compensation

An employer must carry worker's compensation insurance for all employees except those on "family farms." A family farm is defined as paying less than \$8,000 in wages last year. Exclusions include a parent, spouse, or child of an employer and officers of a family corporation plus other categories.

The preceding discussion of labor regulations is fairly general. Since ignorance of the law does not make you innocent, you should check with your accountant, attorney, or appropriate state office for additional information.

JOB DESCRIPTION

- I. Job Title _____
- II. Work Duties and Responsibilities: _____

- III. Job Qualifications:
 - A. Formal training: _____
 - B. Special training: _____
 - C. Experience: _____

 - D. Job knowledge: _____

 - E. Personal characteristics: _____

 - F. Physical requirements: _____

 - G. Other: _____

- IV. Supervision:
 - A. Amount: None _____, Average _____, Close _____
 - B. Supervisor: _____

- V. Job Advancement or Promotion Possibilities: _____

EMPLOYEE INTERVIEW FORM

I. Personal Information:

Date: _____ 19____

Name _____

Address _____

Social security no. _____ Date of birth _____ / _____ / _____ Age _____

Marital status _____ Children, no. _____ & ages _____

Educational level _____

Health status _____

Hobbies or special interests _____

Religion _____ Do you use tobacco? _____

Use of alcohol None _____ Moderate _____ Heavy _____

Why are you applying for this job? _____

II. Work History (Beginning with Present Employer)

A. Employer _____

Address _____

Length of employment _____ Starting wage _____

Nature of work at start of employment _____

Present responsibilities _____

Reason for leaving _____

B. Employer _____

Address _____

Length of employment _____ Starting wage _____

Nature of work at start of employment _____

Responsibilities when you left that position _____

Reason for leaving _____

C. Other Employer References (names and addresses):

III. Evaluation of Applicant

1. Favorable observations: _____

2. Unfavorable observations: _____

3. Reference check comments: _____

4. Overall rating: Excellent _____, Very good _____, Average _____, Fair _____, Poor _____

5. Salary agreed upon: \$ _____

Fringe benefits: _____

EMPLOYMENT AGREEMENT

Farm Employer—Employee Agreement of Employment

I, _____, agree to employ _____
_____ to work on my farm at _____
beginning (date) _____ and continuing until such time as either wishes to terminate this
agreement by a 30-day notice to the other party.

Mr. _____, the employer, and Mr. _____
the employee, agree to comply with the following conditions and actions:

1. To pay Mr. _____ \$ _____ per week from which the
employee's Social Security will be withheld. Payment will be made on _____
of each week.
2. To provide a house with utilities including heat and electricity. The maintenance is to be done by
Mr. _____ and paid for by Mr. _____.
Any other agreements pertaining to the tenant house will be noted on the back of this page.
3. The normal working hours are from _____ A.M. to _____ P.M. with
one hour off for breakfast and one hour off for lunch. Overtime will be paid for any work done after 7:00 P.M. at the
rate of 1½ times normal wage rate. Overtime will be paid after _____ hours are put in each week.
4. Time off shall be every other Sunday and holidays. The holidays for purposes of this agreement are New Year's Day,
Easter, Memorial Day, Labor Day, Thanksgiving Day, and Christmas Day. On Sundays and holidays only the chore
work will be done. The employer, _____, shall notify the employee,
_____, at least 45 days before the holiday of what the time-off
arrangements will be.
5. The employee is entitled to _____ weeks vacation with pay annually which shall be taken during the
non-heavy work season.
6. The employee is entitled to _____ weeks sick leave with pay annually for the time off due to actual illness.
7. The employee is entitled to _____ quarts of milk per day.
8. The employee is entitled to _____ beef and _____ pork per year.
9. The employee is entitled to a 15-minute break in mid-morning and mid-afternoon.
10. If hospitalization insurance, accident insurance, life insurance, or workmen's compensation insurance are provided,
indicate below.
11. If a bonus or incentive plan is included, indicate the details below or on a separate page.
12. Other provisions not included above.

Employer Signature

Date

Employee Signature

BONUS/INCENTIVE/SHARE GUIDE

The following examples of incentive programs should be used only as guides and be adapted to your situation. They should be tied to work responsibilities carried out by the employee and over which he or she has some control.

Suggested Incentives	TYPE OF EMPLOYEE STATUS		
	Semi-Skilled	Skilled	Supervisory/Management
Normal Incentive Should Equal to:	2%-5% of cash wages	4%-10% of cash wages	5%-15% of cash wages
General Farm	End of year bonus = \$100-\$400 per year plus \$50 for each year of service	End of year bonus = \$200-\$600 per year plus \$75 for each year of service	End of year bonus = \$300-\$1,000 per year plus \$100 for each year of service
Small Farm	Weekly bonus of 1½ times cash wage rate for each hour worked over 60 hours per week		2%-5% of net cash income
Large Farm	Weekly bonus of 1½ times cash wage rate for each hour worked over 48 hours per week		1%-4% of net cash income
Crop Farm	\$1-\$2/hour tractor driven after 7:00 p.m. (paid weekly)	\$1-\$3/hour tractor and/or combine driven after 7:00 p.m. (paid weekly)	2-6 cents per bushel of corn produced over county average
	\$2-\$3/hour tractor driven after 11:00 p.m. (paid weekly)	\$2-\$5/hour tractor and/or combine driven after 11:00 p.m. (paid weekly)	5-15 cents per bushel of soybeans produced over county average
Dairy	\$1-\$3 for each cow detected in heat	<u>Calving interval</u> \$ 50 = 14 months \$150 = 13.5 months \$300 = 13 months \$500 = 12.5 months	<u>Herd milk production avg.</u> 12,000# = \$100/year 14,000# = \$400/year 16,000# = \$800/year 18,000# = \$1,600/year
		\$3-\$5 per calf weaned if death loss kept below 15%	
Hogs	\$0.50-\$1.00 for each sow detected in heat	<u>Pigs saved per litter</u> 6.5 = \$ 50 7.0 = \$150 7.5 = \$300 8.0 = \$500 8.5 = \$900	<u>Feed conversion farrow to finish</u> 450# = \$100/year 400# = \$200/year 350# = \$400/year 300# = \$700/year 250# = \$1,100/year
Beef	\$5-\$10 for each feeder detected sick, treated and recovered	<u>Calf crop sold</u> 80% = \$100 85% = \$200 90% = \$400 95% = \$700 100% = \$1,100	Same as other two categories