

RIGHT RISK NEWS

Planning to Have Employees

Effective personnel management creates a work environment where workers can fulfill their needs while meeting the objectives of the business. This social, personal, creative, and financial environment doesn't happen by chance—it requires planning. An employer can increase productivity, enhance employee job satisfaction, and reduce potential problems by taking personnel planning seriously and giving the process the time and effort it requires.

Self-Assessment

It is important for the employer to complete an assessment of his/her personal characteristics. Self-analysis isn't easy, but it needs to be accurate. An employer can begin self-assessment by asking a series of questions. It is important that a spouse, friend, and/or other person be available to review and discuss the self-assessment.

- What are my strengths and weaknesses?
- Am I a good teacher?
- Do I have patience to work with people having little or no experience?
- Am I a good listener?
- Do I trust my employees?
- What biases do I have that could get in the way of developing a good relationship with my employee(s)?



DATES TO REMEMBER

Spring premium billing deadline date
- August 15, 2015

Fall crops sales closing date
- September 30, 2015

Margin Protection Policy for corn, soybeans, and spring wheat sales closing date
- September 30, 2015

Pasture, Rangeland, Forage (PRF) sales closing date.
- November 15, 2015

For more information see:
<http://www.rma.usda.gov>
<http://www.fsa.usda.gov>

- Am I a perfectionist?
- Do I tend to be a pessimist or an optimist?
- Do I delegate well?

Assess Labor Needs

How much labor is needed and when is it needed? A worksheet can be developed listing the enterprise, activities, hours of necessary labor during various seasons, and the number of people required to complete the activities. Those activities that are currently, or could be, completed with custom operators should be included.

Once the labor requirements are determined, the current labor component can be evaluated. The job of each person in the work force should be described with consideration given to the duties, necessary qualifications, and level of responsibility of each person. Any and all actively involved family members should be included in the assessment.

Assess the Working Environment

To attract good employees, the working environment must be attractive to the worker. Efforts should be taken to create an environment where employees are appreciated and recognized. Employers must be able to offer advantages in order to hire and keep good employees. Competitive wages, flexible work schedule, training opportunities, incentives, good work environment, good people to work with, safe equipment, and opportunities for growth and responsibility are a few features to incorporate into the business.

Complying With Regulations

Employers are required to comply with certain regulations concerning payroll, insurance, safety standards, record keeping, etc.

RISK MANAGEMENT PROFILE

Paul was home from college on break and was talking to his parents about a class he had just completed. He told his parents that he learned about a powerful management tool called benchmarking that is becoming popular for agricultural producers to use. He pointed out how benchmarks allow producers to measure both their financial and production performance compared to previous years and/or other producers and agricultural businesses. Paul's dad, Jack, said he had just read about benchmarks in a recent farm magazine. Jack said the magazine article identified several financial benchmarks or industry guidelines that have been established for agricultural businesses to use to help them identify strengths and weaknesses in their business.

To read more see: RightRisk.org > Resources > Risk Management Profiles.



PLANNING TO HAVE EMPLOYEES CONTINUED FROM PG. 1

Compliance with such regulations helps the employer provide a safe, satisfying, productive, and legal work environment.

- *EIN*: all employers must have an "employer identification number." It can be obtained by completing Form SS-4 which is available at the Internal Revenue Service web site (www.irs.gov).
- *Form W-4*: each employee must complete a "Form W-4" which serves as the employee's income tax withholding certificate. The employer maintains a record of these forms and withholds income taxes from workers according to the information provided on the form.
- *Form I-9*: each employee must complete a "Form I-9" to verify that he/she is eligible to work in the United States. Employers are required to check documents establishing employees' identity and eligibility to work; properly complete the employer's part of the form; retain the Form for three years or a minimum of one year after the person leaves employment; and present the Form for inspection upon request.

Worker's Compensation

It is also important that employers have Worker's Compensation. This type of insurance covers injuries and diseases which are work related, and the full cost is paid by the employer. Specific requirements and regulations of Worker's Compensation vary by state.

Having employees is a complex issue. Employers, and potential employers, should seek professional advice concerning the various forms that must be completed and regulations concerning labor laws. Furthermore, managers must give personnel management adequate time and energies in order to enjoy the benefits of having employees.

For more information or to order a copy of *Ag Help Wanted*, an educational guidebook designed to assist every person who currently manages or expects to manage human resources on farms, ranches, nurseries, dairies, and other agricultural operations see: AgHelpWanted.org.

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RightRisk News is brought to you by the RightRisk Team

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How much risk is right for you and your operation?

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