




HOW TO GET THE BEST ROI WHEN HIRING FARM WORKERS

Ever wondered why no one really talks about the ROI of hiring farm workers? While this can be difficult to quantify, it can easily be improved and we explain how.

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Do you consider hiring farm workers as an investment?

Well, you should. And we're going to discuss why.

Like all the other investments that you make in your business, like purchasing new equipment or buying seed for your next crop, you would be wise to consider the ROI ([Return on Investment](#)) of hiring farm workers.

For example, let's say that you just purchased a new-beaut header that cost you a small fortune. You then go out and buy a shed to house your header. This way you ensure that your investment is protected and will return a positive ROI for many years to come.

But, what about your workers?

How do you protect the investment that you make every time you pay wages and other associated expenses?

The ROI of hiring labour is not often talked about because it's not something that's easily quantifiable. Sure, you'll have a record of the costs involved with hiring your workers, but how do you quantify their output?

Labour output is often referred to as productivity. You've probably heard a lot about this being discussed in the news lately. In fact, here's a [report published by Treasury](#) late last year titled 'Reigniting productivity growth' that you might find interesting.

While productivity can be difficult to measure accurately, it's something that can be improved and that's what we're going to discuss in this article.

What Factors Can Affect Farm Labour Productivity?

There are a number of factors that can affect the productivity of your staff or the workers you engage. Some of these will be out of your control, but others are factors that you can do something about.

Let's look at these individually.

Weather Conditions

Unfortunately, none of us have any control over the weather.

But, it can have a huge impact on productivity.

Sometimes, it's just too wet to put the machinery out into the field while at other times, when it's hot, your workers will need more breaks to stay hydrated and work at their best.

So, the weather is just something you have to contend with and our Aussie farmers are pretty good at this. Where do you think the phrase "make hay while the sun shines" comes from?

Farm Infrastructure

The infrastructure that you provide for your farm workers can make a difference in how productive they are.

For example, do you provide on-site accommodation? Do you have decent facilities for breaks that are shaded and cool for those hot summer days?

What about sanitation? Are there toilets for both male and female staff and do you have shower facilities for when the work gets dirty or your workers just need to cool off?

It's no secret that workers who have access to the right facilities without having to go too far, will be happier in their work and thus, more productive.

Training Or Lack Of

While not all your workers will be good at everything, you might be surprised at what each one can do if you give them the chance. Some will have a knack for certain tasks but you won't know this unless you give them the opportunity.

So, do you have a training plan in place?

Have you asked your workers whether there are other tasks that they're interested in learning that you could teach them?

Being asked whether they want to learn additional tasks is a great performance booster for your employees. It shows that you care about the work that they do and want them to excel.

You might even be surprised that your bookkeeper has an aptitude for driving your harvester if given the chance.

Who would've thought!

We'll talk more about the importance of training later on.

The Compensation Your Workers Receive

Believe it or not, being fairly compensated for the work they do can have a huge impact on your workers' productivity. It goes back to the old union mantra of "a fair day's work for a fair day's pay" (or something like that).

Employees who feel that they're being fairly paid for the work that they do will not only be loyal but they will also put in their best effort each and every day.

And, it's not just about the wages that you pay.

Are there other benefits that you provide your workers?

For example, do you reward them with bonuses for finishing the harvest in record time or do you provide them with onsite accommodation?

All these things matter and will influence how productive your workers are.

The Work Culture

A good work culture is all about clear communication so that everyone knows what's expected of them. It's also important to have an open channel of communication so if a worker stuffs up, they're not too scared to come and talk to you about it.

Let's face it, we're all human and anyone can make a mistake.

Team building activities such as Friday night barbecues can also have a positive effect on your workers.

It makes them feel like they're part of the family and this, in turn, will increase their productivity.

Health And Safety Measures

Do you have someone who's responsible for the health and safety of your workers?

Don't assume that everyone who works on your farm is aware of the relevant safety measures that they should stick to. This is especially relevant if you hire seasonal workers or even those who are on a working holiday.

Knowing that you care about their safety while they're working on your farm means that they'll put in their best efforts whenever possible.

What about fatigue?

Is this something that you've thought about? Or, have you noticed that some of your workers seem a little lack lustre when they turn up?

It could be because they're just not getting enough sleep.

Maybe, they have to get up really early so they can drive for an hour to get to the farm. This might mean that they're already tired before they even start work.

Or, perhaps they're holed up in a room above the pub because that's the only available accommodation around.

You could see how this makes it difficult for your workers to get a good night's sleep.

How much better would it be if they actually stayed on the farm and could get that extra hour of sleep each night? Do you think this would make a difference to their productivity?

Now that you know all the factors that can affect the productivity of your farm workers, let's have a look at some of the things that you can do to increase this.



Strategies You Can Use To Increase Farm Worker Productivity

If you're keen to increase the productivity of your workers and, in turn, increase your return on the investment that you make into your workforce, here are some key strategies that you might want to consider.

But, why should you do this?

Think about it this way:

If you hire 10 workers and each one produces an ROI of around \$50,000 per year, that's \$500,000 a year return on the investment of your labour force.

But, what about if you could increase their productivity by just 25%?

That's an extra ROI of \$12,500 per worker or a total of \$125,000 per annum.

While this is just a very simplified mathematical equation, it does show you how valuable it could be to increase the productivity of your staff.

Ok, now that you understand the value, let's look at some things you can do.

Embrace New Technology To Make Tasks Easier

Let's face it. Technology has been a huge boost when it comes to increasing productivity. And, there's always something new out there that can help to make certain tasks easier.

Some of the ways that farmers are increasing the productivity of their farm workers include:

- Using drones for crop and stock monitoring. This saves a lot of time and fuel as your staff don't have to physically drive around your property. Investing in GPS-guided tractors. Most farm machinery these days virtually drives itself. This takes the pressure off your workers as they just have to push a few buttons and enjoy the ride.
- Using mobile apps for scheduling tasks and tracking their progress. This allows every employee to know what they need to do and also allows easy communication between all the workers on your farm.

With every new piece of technology that you invest in, you make the tasks on your farm easier for your workers. This means that each and every person you employ can get more done in a day.

Make Every Worker Feel That They're Part Of The Team

Being part of a productive team is empowering but also means that everyone will aim to do their best so that they don't let the team down. And, it makes your workers feel valued because they're part of your team.

One way that you can make your workers feel valued is by involving them in the daily, weekly or monthly decision-making processes. After all, they're on the ground and have a fairly clear picture of what's happening and what needs to be done.

Empower Your Workers With On-going Training Opportunities

Remember we talked about training earlier? This is such an important aspect of any business operation and ensures that all your tasks get done in a timely manner.

Let's say, for example, that there's only you and one employee who are capable of operating the new harvester that you just purchased. What happens if that worker gets sick, injured or has a family emergency right in the middle of harvest time?

You guessed it!

You're going to have to do all the work yourself.

But, what about if you had trained an additional two workers in the safe operation of your harvester? This means that there's always someone ready to take over in the event of something unforeseen happening.

Plus, providing ongoing training for your workers makes them feel appreciated because you're trusting them with new tasks that they may not have carried out before. It also helps to keep them interested in the various facets of everyday farm life.

Provide On-Farm Accommodation To Increase The ROI Of Hiring Farm Workers

You knew this was coming, right? After all, it's what we're known for here at Aruva.

But, look at it this way – do you think your workers will feel fresher and ready to get going if they can just hop in the ute and drive 5 minutes to the shed rather than driving from the nearest town which is 100 km or more away?

And, what about the issues you face when you just can't find a new worker because there's nowhere for them to live that's within reasonable distance from your farm?

It's no secret that there's a shortage of labour in the regional areas of the country.

Here's a [report published by the Department of Agriculture](#) back in 2018 about the increasing demand for farm workers with a strong focus on the horticultural industry that employs countless numbers of overseas workers during its prime harvesting season.

While this is a viable solution, what about if there's just nowhere for these workers to live?

Similarly, there are probably countless people living in the suburbs who would jump at a chance to move to the country and try their hand at working on a farm.

But, the lack of accommodation means that they won't even allow themselves to entertain that thought.

Plus, what about seasonal workers?

Not everyone has the means to buy a caravan and a vehicle large enough to tow one.

However, many who would jump at the chance to try their hand at fruit picking or driving a large piece of machinery to harvest wheat.

Don't you think that you would be able to entice some of these workers onto your farm if you could provide them with suitable, clean and comfortable accommodation?

And, as a bonus, if you only employ seasonal labour, you could get into the agritourism industry as a sideline in the off-season.

That's another way that you could increase your bottom line even more.


Summing Up

If you've never considered the ROI of hiring farm workers, hopefully, this has given you something to think about.

By looking after your workers and providing them with both job satisfaction and the tools and amenities they need, you're far more likely to get a much better return on your investment.

This means greater profits for your business and a better future for your family.



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