

MANAGING PEOPLE

No People, No Business!

Our people, that is, ourselves, our families and our employees are the most important resource we have in our business. It is however, common practice in agricultural businesses to spend more time and energy on the likes of fertiliser rates and machinery maintenance than on the things that build strong relationships between people.

The one guarantee I can make is that if the area of 'relationships' is not looked after and invested in, the costs can be extremely high and I don't mean in just monetary terms. By this I refer to outcomes such as lost employees, partnership splits, family conflicts and divorce!

To be very simplistic about an incredibly complex area:

Strong relationships = Effective communications = Trust = Willing commitment

We all desire trust and commitment from those around us however we regularly forget to invest in these relationships and the level of communication it takes to make it work. When people do get it together and it works the energy level and commitment to common goals can be extraordinary both in personal terms as well as economic terms.

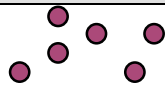
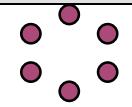

People Committing to Perform

Each of us has a choice, and it concerns the difference between **compliance** and **commitment**. This is not a new discovery however it is rarely acknowledged and is best explained by Monty Roberts in his book, "Horse Sense for People". He states that "when I work with horses, I ask them to make choices about cooperation: whether or not to be saddled and ridden, for example. When our work is finished, the horse is essentially free to be himself – he is free of the responsibilities and commitment I asked of him. But for a business or organisation to be successful, we depend on individuals or groups of people making the right choices even when they are on their own, just as we also depend on our children learning to make right choices when on their own.

As a person sits at their desk, or works in the paddock, it is his or her right to decide how much energy to put forth, how much brainpower to engage or how much attention to pay to detail. ***The difference between compliance and commitment is the difference between making the choice to do just enough to get by, and doing enough to excel.***

Basically, people will perform for two reasons - they are fearful of the consequences if they don't (being belittled or fired) or they perform because they want to and are committed to the greater outcome. As a society we have traditionally used a 'command and control' management style, however we know that a 'participatory style' has better outcomes.

This is easy to say but harder to implement, so where do you start. The first step is to identify from the table below (Table 1) at what stage your team development is in (this applies to family members as well as employees).

Table 1: Stages of Team Development		
Collection of individuals	A group of people	Team
		
<ul style="list-style-type: none"> ▪ Lack common purpose ▪ Do not share responsibility 	<ul style="list-style-type: none"> ▪ Recognition of common purpose ▪ Peoples skills are identified ▪ One way sharing of responsibility ▪ One person often dominates 	<ul style="list-style-type: none"> ▪ Uses common purpose to focus energy ▪ Responsibility is shared by all ▪ Individuals become responsible for own actions
Adapted from DPI Building Rural Leaders Manual		

For trust and commitment to be at it highest you need to be in the ‘team area’ and it is at this point that individuals will begin to excel rather than just getting the job done.

A change in management style requires a major change in philosophy and ingrained habits. New skills must be developed or there may need to be a change in the people at the top! Your family members or employees may also require further skills so there may need to be an investment made there as well.

The basic skills needed are in the areas of communication of which three main areas to be understand are:

Listening - Effective listening requires concentration. You need to focus exclusively on what the speaker is saying. This means setting your own thoughts aside while the other person is talking, stopping anything else you may be doing and looking at the speaker. Effective listening also requires tolerance. An openness and respect for what the other person is sharing

Expressing (Talking) - Expressing is the “flip side” of listening. You need to state your message as clearly, honestly and constructively as possible. You should not engage in destructive or unnecessary criticism or use family members as a dumping ground for your personal frustrations.

Non-verbal communication - It is estimated that no more than 30 to 35 percent, of the social meaning in face-to-face communications is carried through the verbal message. The remaining 65-70 percent is carried through nonverbal channels. Obviously, effective communication requires, sensitivity to nonverbal, as well as verbal, messages.

This concept is not a guaranteed recipe for success because dealing with people is a risky business. However doing nothing and not addressing issues with in the family or with employees is guaranteed to cause difficulties.

We must invest in the human capital even if it does not show on our balance sheet. It takes time, considerable patience and lots of energy!!

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