

Report on Northern Colorado Ag Labor Focus Group Meeting

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May 2, 2012



Anecdotal information indicates that Colorado agricultural producers, especially growers of fruits, vegetables and other labor intensive crops, are having increasing challenges recruiting and retaining qualified and dependable farm workers. Labor is a major expense in agricultural operations, and maintaining a reliable and skilled labor force at a reasonable cost is a notable business risk for Colorado produce growers.

CSU Extension convened a meeting of vegetable growers on January 20, 2012 in Longmont, Colorado at 10:00 and concluded over lunch at 1:00 pm. Seven producers attended representing vegetable farms in Northern Colorado from 5 – 3000 acres. The discussion was framed in by the following questions and facilitated by the staff from the CSU Center for Public Deliberation and from CSU Extension. Remarks from producers were captured on flip charts and in a Word document by a note taker. After the discussion the CPD created a series of additional questions based on the discussion (answers summarized in charts below, one producer left prior to lunch). These questions allowed for anonymous responses through an electronic response system where each respondent entered his/her response to the question with a remote response unit with no personal identifier.

1. What are the main issues that you face with farm labor?
2. What are the challenges you currently have recruiting (advertising, interviewing, hiring, etc.) qualified farm laborers? What sort of information would be helpful for you regarding planning for labor needs?
3. What are some best practices you would share with other producers regarding recruiting qualified farm laborers?
4. What are the challenges you currently have retaining (during the season, returning for next season, and/or year round employees) qualified farm laborers?
5. What are some best practices you would share with other producers regarding retention of qualified farm laborers?
6. What are other issues related to farm labor that are of concern for you?
7. How would you like for CSU Extension to help you better manage these challenges and issues?
8. Do you feel like you have a better understanding of the labor issues your peers are facing?
9. Is training a barrier to retention with your workers? If so, what training areas would you need to provide for your workers?
10. What training areas would it be helpful for you as a manager regarding labor?

These vegetable growers span the range of labor required to operate their farms:

How many workers do you typically need to run your farm?						
Responses						
(percent)						
(count)						
<30						33.33%
31 to 100						50%
>100						16.67%
					Totals	100%
						6

Main issues produce growers face regarding farm labor

There were several central themes that emerged in the discussion. These are described here in no particular order of importance, as all seem to weave together to form a fabric of risk to the vegetable growers present at this meeting.

The first main issue is that of competition in the job market. Workers prefer year round employment and the possibility of work that may be less physically demanding than farm work. These competitors, which include construction and landscaping employers, can pay higher wages and generally offer year round employment, as opposed to the seasonal nature of farm work. Recruiting workers in a competitive job market poses a risk to the ability of a farm to cultivate a vegetable crop and bring that vegetable crop to market.

Second, the labor pool for qualified farm workers is declining. Qualified workers means both having the work ethic and the skill set to effectively and efficiently complete farm tasks. It also refers to temporary farm workers hired through the H2A guest worker program. Participants noted that many laborers are dreamy about what agricultural work entails or lack any interest to work in agriculture (they have a theoretical interest in being involved in agriculture that does not translate into an ability to work in agriculture). They lack the experience to understand the physically demanding nature of the work, they have not established a strong work ethic, and they lack the basic skills to complete the task, often in a team setting, so that they are an asset to the farm. Many don't understand the urgency of harvesting a vegetable crop when it is ripe before it spoils and is unmarketable. Regarding availability of legal temporary farm workers (not US citizens), large farms need many laborers and cannot be too choosy. These farmers noted that there is a shortage of H2A workers who also embody the work ethic and skill set to effectively and efficiently complete farm tasks. Several participants feel the availability of qualified farm workers is declining over time.

Lastly, retaining qualified workers and managers is increasingly difficult. As stated previously, current job market competition often requires vegetable farm managers to offer incentives that ultimately increase payroll costs, thereby reducing farm profits. When unqualified mid-managers/crew leaders remain in the operation, they pose a risk to production viability of the vegetable farm.

Labor is a clear business risk to vegetable farms. When asked how they would characterize the business risk regarding recruiting and retaining quality farm workers, more than half of them described it as an “extremely high risk”. No one described it as “low” or “no” risk.

How would you characterize the level of business risk regarding recruiting and retaining quality farm workers?							
						Responses	
						(percent)	(count)
Extremely high risk						50%	3
High risk						33.33%	2
Moderate risk						16.67%	1
Low risk						0%	0
No risk						0%	0
					Totals	100%	6

There were particular nuances within these main issues that will be explored below. Additionally, producers offered some of their own best management practices with labor and suggested topics they would like CSU to engage with to increase their capacity to succeed.

Recruitment of farm workers

In addition to the main issues of labor market competition and finding qualified workers when recruiting, sorting through those interested in agriculture but dreamy and ungrounded in the nature of the work poses a challenge to all producers in our focus group. Small vegetable farm operations can be more discerning and select those most likely to be qualified workers where large vegetable farms need hundreds of employees and cannot take the time to interview and screen all applicants to determine their specific abilities as a farm employee.

Large vegetable farm producers noted that the H2A guest worker program is unworkable, citing:

- the paperwork burden,
- time required to advertise, train and see if local workers will fulfill labor requirements, when local workers may work less than a week and then quit,
- forecasting the number of H2A workers needed,
- the time lag from making a request for workers to having them on farm,
- paying H2A wages of \$10.50 to \$11.00,
- providing housing for H2A workers (they cited frequent housing inspections as examples of how this federal program to provide for non-citizen farm workers is inadequate to bridge the seasonal vegetable farm labor gap).

In addition, growers noted the burden of providing training in Worker Protection Standards, food safety, and other legally required practices.

What are the main issues that you face in recruiting farm labor? (choose top 3 in order)								
							Responses	
							(percent)	(count)
Increased competition from other industries							16.67%	3
Workers over-romanticize farm work							11.11%	2
H2A advertising requirements							0%	0
Lack of experience with real, physical work							16.67%	3
US workers won't do the work							16.67%	3
Lack of skill with tools, avoiding injury							5.56%	1
More and more training needs due to regulations							16.67%	3
Seasonal nature of the work							16.67%	3
						Totals	100%	18

Note: Respondents chose more than one response so the total count exceeds the number of respondents.

Best management practices for recruitment of farm workers

A trial period of two weeks on the job was suggested by several growers, regardless of scale as a best management practice (BMP).

For smaller scale growers, BMPs included:

- Hosting a website that explains expectations and opportunities

- Requiring a written application, a phone interview, plus an in-person interview
- Using Craigslist to advertise for workers and managers
- Require a resume for all applicants to be used as a screening tool for dreaminess/ungroundedness (a tool to help flag those applicants who are still theoretical in their thoughts, experiences and skills in agriculture)

Larger scale growers suggested the following BMPs:

- Advertising in farm areas (especially for those using the H2A program to meet requirement of local advertising before hiring guest workers)
- Radio ads on Latino stations and in Spanish
- Viral marketing: tap other networks through best workers to find new workers
- Post a sign at farm for workers needed

And one larger scale grower suggested a fix for H2A – offer higher wages to workers and have them provide their own housing.

What works well to recruit new employees? (choose top 3)							
						Responses	
						(percent)	(count)
Sign at the farm						5.88%	1
Worker to worker, snowball						35.29%	6
Website with opportunities and expectations						5.88%	1
Process with several layers (applications, interviews, etc.)						11.76%	2
Craigslist						5.88%	1
Trial period						11.76%	2
Stricter guidelines						11.76%	2
Target older workers (over 30)						5.88%	1
Avoid “mother Earthers” and back to earthers						0%	0
Radio advertising on Latino stations						5.88%	1
						Totals	100%
							17

Note: Respondents chose more than one response so the total count exceeds the number of respondents.

Retention of farm workers

Once hired, retaining qualified farm workers remains a challenge for vegetable growers. One participant remarked that “some only stay on the job for one to seven days and then quit”. Several of the reasons retention is problematic are very similar to recruitment. These include:

- The availability of better jobs (more pay, year round work, and easier work)
- The hard work is too challenging for US workers
- The seasonal nature of work is a competitive disadvantage in the labor market

Participants discussed at length the challenges of retaining workers from a management perspective. These worker related issues include:

- Current workers have a low work ethic and want more time off
- Younger Anglo workers also want to have more time off
- Younger workers (less than 30 years of age) have low work ethic, often want instant gratification
- Younger workers are not on task during the work day and feel entitled to more pay/benefits
- Latino workers want to work year round just to have work to do
- Latino foreign workers want annual raise (\$1/year) regardless of work performance or role in organization
- Local workers want a variety of work, not the same daily task
- Many workers, regardless of ethnicity or background lack focus on the task (almost like attention deficit disorder)
- In last two years the migrant population has increasingly has demonstrated a low work ethic but still wants more pay and benefits
- Some workers want housing but regulations require on-farm housing with only one person per room
- Some crew leaders are poor managers and they jeopardize all workers’ tenure at the farm
- Some crews have personality conflicts and dysfunctional team dynamics that lead to decreased work effectiveness and efficiency
- Workers want benefits and mileage offered by other employers
- Some workers had unemployment benefits extended from termination at another job and then quit their farm job to get unemployment benefits
- Allure of contract jobs (construction, etc.) is direct competition to farm worker retention
- Management staff on the farm are hard to pay enough to retain even with year round employment
- Cultural difference among workers and management cause misunderstandings, employers frequently cannot understand worker dynamics

While some of these may be beyond the control of any individual farm, there may be opportunities for worker trainings that could improve worker performance and provide managers with retention strategies, especially as it relates to cross-cultural communications.

What are the most important reasons you lose workers? (choose top 3)									
Responses									
(percent)									
(count)									
The work is too hard								27.78%	5
Work too repetitive, boring								16.67%	3
Prefer year round work								11.11%	2
Salary too low								27.78%	5
Lack of raises year to year								5.56%	1
Better benefits elsewhere								11.11%	2
More flexible schedules elsewhere								0%	0
Unemployment benefits								0%	0
Cultural differences								0%	0
								Totals	100%
									18

Best Management Practices for Retention

While it was useful for both growers and CSU Extension to hear the many retention challenges, when the growers shared some retention practices that had proven to be successful in their operation they engaged in a solutions based conversation.

For small and large scale growers:

- Offer a bonus at end of the season for workers who perform well for the entire season.
- Provide for no cap on hourly wage by creating “piece work” with a fixed dollar value for the completed task, worker team (crew) can get paid for as many “piece work” tasks as can be completed. This begins to incentivize efficient and effective work crews and rewards them for the volume of work they can complete.
- Rewards for completed tasks and roles. These could be any number of job perks, but likely are promotions and other monetary incentives.
- Crew leader training and selection. By focusing on finding the best crew leaders and building their capacity to succeed, these crew leaders would likely find a “home” in the business and be rewarded with greater pay.
- Family/team approach as employer. This creates a deeper rapport with employees and fosters a stronger “buy in” to the mission and goals of the farm business.

- Build bond and trust with employees. Similar to the family/team approach, this allows employees to feel a sense of job security and understanding that their employer is considering their best interest in business decisions.
- Owner/manager works with employees. Workers want to know that the owner/manager understands their realities and, as one participant remarked, will come into the field and cut and pack cabbage with them.

For small scale growers:

- Pay workers a higher wage. This is easier when a farm has fewer employees and lower payroll expenses. Paying hundreds of workers more is not feasible for larger growers.

What works well to retain good employees? (choose top 3)							
						Responses	
						(percent)	(count)
Incentives/bonuses for completing season						29.41%	5
Utilize piece work (pay flat fee by project not hour)						0%	0
Sparking competition						0%	0
High quality management/supervisors						11.76%	2
Work closer/be more flexible/family approach						17.65%	3
Work alongside them, make it clear we respect the work nature						17.65%	3
Help farm workers families in other ways (e.g. health care)						5.88%	1
Higher pay						17.65%	3
					Totals	100%	17

Other Issues that emerged during the meeting

Several issues surfaced during the discussion as growers considered deeper layers of business risk associated with farm labor.

Future labor supply

- New local ag workers don't have the skills previous local workers had. As described in the retention section, many current workers are not as skilled, do not have the same work ethic, nor have the same ability to work efficiently as a team. If this trend continues the quality of labor on farms is in jeopardy.
- Transitioning farm workers/finding the next generation of farm workers. With competition from construction, landscaping, etc. in the labor market who will want to take farm jobs?
- Projected labor availability is declining. Larger scale growers agreed with this statement given their view of the labor market and need for higher numbers of farm workers during the growing season.

Regulatory risk

- Workers compensation claims. This poses both a legal risk to manage claims and staff time to handle claims.
- Time with inspectors (H2A, WPS, food safety, INS, Wage and Hour Division of Colorado Department of Labor, etc.). Time corresponding with and meeting with inspectors on site creates an opportunity cost for growers.

Income outlook

- Increasing food cost may not result in increased grower income; rather may result in less grower income. Several speculated that with rising food costs in the wake of the Great Recession that the marginal increases in dollars spent on food would be held by the processing, distribution and retail sectors of the food system.

Grower Outcomes and requests for CSU Extension

What did you learn today?

- As smaller grower I am learning more about H2A
- We are not alone [in labor and management challenges]
- Labor is a moderate to high risk for all farmers attending
- Need to change management strategies to adapt to risks

Information needed by growers

- What are regional labor rates?
- How can we use prison labor as workers (referring to a work release program in Pueblo where the State of Colorado is paid \$9.60 per hour for workers on farms)

CSU Extension action requested

- Can CSU get involved in changing the H2A program or creating some other workable guest worker program?
- Facilitate periodic grower meetings for problem solving and to share information
- Help producers understand and implement regulations
- Verify, screen, and approve labor pool for qualified workers (include skill building for workers)
- Vegetable variety breeding program
- Training videos for workers (food safety, worker protection standard, etc.)
- Spanish for all outreach and engagement
- Training for management on paperwork systems (I-9, etc.)
- Webinars for managers (food safety, wash stations, etc.)

CSU Extension additional programming potentials

- How to advertise for local labor sources
- How to write job description
- Training for work skills
- Training for crew managers and other middle managers on farms
- Advising on ag worker policy (housing, H2A, etc.)
- Recordkeeping systems for managing personnel (I9, payroll, etc.)
- Trainings for management and workers on: Food Safety, Worker Protection Standard, etc

Respond to this statement: I would be interested in participating in a vegetable grower meeting and/or tour group							
						Responses	
						(percent)	(count)
Strongly Agree						66.67%	4
Agree						16.67%	1
Neutral						16.67%	1
Disagree						0%	0
Strongly Disagree						0%	0
					Totals	100%	6

What would you like for CSU Extension to do to help you better manage these challenges? (choose top 3)

							Responses		
							(percent)	(count)	
							Help with cultural differences	0%	0
							More meetings like this, sharing of info	11.76%	2
							Better information concerning wages	11.76%	2
							Help us understand all the regulations	23.53%	4
							Help workers understand regulations	5.88%	1
							Help workers understand available social services	0%	0
							Classes/programs to increase worker skills	5.88%	1
							Standardized video training programs for workers	11.76%	2
							Create farm labor pool/screening	23.53%	4
							Continue to provide better breeding program	5.88%	1
							Totals	100%	17

Note: Respondents chose more than one response so the total count exceeds the number of respondents.