# From the desk of the DairyDoc

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# What is the Biggest Challenge in Animal Agriculture? The Answer Might Surprise You

The following is a reprint of an article written by Karen Bohnert for Dairy Herd Magazine on Feb 2, 2024

The list of challenges facing animal agriculture is complex and multifaceted. This is what Dr. Robert Hagevoort from New Mexico State University Dairy Extension shared at the 2023 Milk Business Conference in Las Vegas. Hagevoort summarized that the top concerns of leading dairy processors include price volatility, disparate sustainability initiatives, emission accounting methodology, aligning supply and demand to include the world demand and labor availability. Although he discussed several other more persistent and emerging challenges for animal agriculture.

- Sustainability "I think the [dairy] industry is doing a really nice job in terms of coming to grips with sustainability
  and moving forward and looking from a self-motivated reason in terms of efficiency. Anything we can do to
  reduce our carbon footprint and make sure carbon doesn't go into the atmosphere is a good thing."
- Animal Welfare "As an industry, we're looking at cows very differently. Animal Welfare does not live in a vacuum. It's something that we do with our employees. The result of us working with our employees, making sure those animals are fed well, treated well and all those different things. Yes, it's a challenge, but it's something we're well aware of and moving in the right direction."
- **Global Food Security** "Global Food Security is a challenge. If you look at the amount of food that is currently being wasted (around 40%) and we find answers to infrastructural problems...then we're working in the right direction."
- Antibiotic Resistance "The way the industry is working, and the way we are now treating our cows, we are doing our due diligence to do the right thing. I think we're also moving in the right direction. It's not to say that we don't have challenges or issues."
- Consumer Preferences and Awareness "We're certainly dealing with the new influx and the challenges associated with all these plant-based and fake protein foods that are out there. But I think at the end of the day, the need for animal proteins is going to prevail in that department."
- **Technological Advances** "There's a tremendous amount of advancement and trends of technology that we're implementing, and we're moving more and more in that direction."
- Regulatory and Trade Issues "There's no doubt that we currently have a challenge with regulatory and trade issues. We'll always deal with those."

Hagevoort also highlights rising input costs and labor shortage as worries that not only keep producers up at night, but as real concerns impacting the industry. "Just look at the last year as an example with extreme feed prices, high labor costs, and very high cost of production," he says. "And then the labor shortage is a serious threat to an industry from a sustainability perspective. If you're not economically sustainable, you won't be around to do all the other ones. So, economic sustainability is the first pillar for sustainability."

### **Producers say Labor Management is Their Biggest Issue**

Aside from feed and milk prices, Hagevoort says labor is a producer's biggest issue. He shared a September 2023 Wall Street Journal article which stated, "Work experts have warned for years that the combination of baby boomer retirements, low birthrates, shifting immigration policies and changing worker preferences is leaving U.S. employers with too few workers to fill job openings. While the labor market is softening, none of those factors are expected to change dramatically in the coming years."

Hagevoort says this magnifies the importance of talent management and ultimately looking within to develop talent. "We need to change from what is referred to as the hunter and gatherer environment where we hired a guy with the right talent to maybe home-grown philosophy," he says.

"How much money are we leaving on the table by not taking advantage of talent either undetected or underdeveloped in your operation?" Hagevoort says there isn't much producers can do about labor availability. "The question is how much money are you leaving on the table by not getting 100% on your employees," he asks. "We

want to make sure they are willing to give you their 100% because that is the best ROI you can create in your business." The shift the dairy industry has seen means owners and managers are now managing people, not cows. "Yet, they were raised to be cow managers," Hagevoort says. "They went to school to learn about dairy and farm management. They did not learn how to manage people."

# **Training Challenges**

The challenges producers face training employees on dairies have increased because of several factors, including low literacy, a non-English speaking workforce, a high employee turnover rate, limited to no internet connectivity and limited computer/IT resources. Hagevoort says his general observations and findings is that the employee workforce has drastically changed over the last decade.

- A large majority no longer come from an ag-background.
- The large majority have no experience working with large animals or equipment.
- 60% of employees are at a 5th-grade level education or below.
- High level of illiteracy or low reading comprehension level.
- Very high level of labor turnover on dairies, especially in the first 6-12 months.
- Shift in typical workforce make-up to more Central Americans.
- Different culture indigenous (Mayan) vs. Hispanic.
- Different language (K'iche vs. Spanish).
- Different body stature/build.

Hagevoort encourages you to ask yourself, 'What does all of this mean for productivity, results and performance metrics?' He reminds producers that labor is not only the main challenge, but that managing people is far more difficult than managing cows. "Most owners and managers are at a total disadvantage," he says. "They are great cow managers." Two things Hagevoort shares successful owners do is get out of their comfort zone and purposely focus more on leading people. "If that is not in your personality, then hire somebody excellent to help do that".

2024 High Plains Dairy Conference presents:



# Middle Managers Training Workshop

Presented in English & Spanish
Thursday, March 7, 10am-3pm (regisitration at 9am)
Embassy Suites, Amarillo, TX

## Why attend this workshop?

To comprehend and master the tools available to Middle Managers and Frontline Supervisors in the dairy industry, brought to you by leadership development and training experts.

# Specific topics covered during the training:

- · Self-awareness: the key to sustainable leadership
- Transitioning effectively from Colleague to Supervisor: daily practices that work
- Developing productive teams: Teamwork Synergies
  - Understanding and managing team dynamics on dairies
  - · Developing and empowering teams
- · Working with your boss: trust, problem-solving and decision making
- Productive conversations: effective communication skills for dairy leaders
- Effective Training and Empowering: building self-reliance

Registration for this workshop is limited: Click here to Register or scan the QR Code.

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