

Staffing in a Competitive Environment – Our Experience

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■ Introduction

Puratone would be similar to many agri-businesses operating in today's market place. A company that, in order to stay competitive and sustainable, has had to self-evaluate and evolve many times over. The challenges we face today are numerous and require vision and creativeness to overcome.

One of today's leaders of the pack, of tough challenges, is staffing. Where in the past we have had the luxury of numerous qualified applicants for a job, we now sometimes find ourselves with not only no one qualified applying, but no one applying at all. You can drive through many a prairie town or city and find more businesses than not advertising for employees.

The title of this presentation, at first glance, would suggest the discussion of the competitive environment between companies to hire and retain employees. I would argue that this discussion should also include the idea of how a company, in this case Puratone, can use the competitive nature of the hog industry (competitiveness to remain profitable and be an industry leader) to motivate and engage employees.

■ The Past

The past is important because it is the starting point for the evolution of the company. A company starting today that has not faced the same challenges, successes and growth could very well have a different philosophy on employee and staffing issues.

Puratone's beginnings go back to 1973. Initially the company operated exclusively in feed sales, but quickly built a mill to satisfy an increasing customer base. The original mill in its first year produced 15,000 tonnes of feed and employed 10 people. In 1978, a mill in Winkler, MB was purchased followed by a mill in Arborg, MB in 1987. Bassano Feeds was added later to round out the current four mills owned by Puratone.

The company has diversified over the past two decades, into many other agricultural enterprises. In 1979 Puratone acquired a commercial egg farm. In 1982 the company began contracting pig production, and in the early 1990's, Puratone began partnership farming.

■ The Present

Officially named The Puratone Corporation in 1982, the company today is vastly different from the small Niverville, MB operation of 1973. The company now produces over 250,000 tonnes of feed annually and employs over 360 people in various agricultural sectors. Puratone currently has approximately 45,000 sows, 2 boar studs, 3 multipliers and finishes over 600,000 of its own hogs both in Canada and the United States.

The competitive environment of the feed mill and hog industry that Puratone has operated in for the last 3 decades, has significantly impacted the evolution of human resource strategies within the company. To be profitable and sustainable in the hog industry, where market hog price is out of our control, low cost production becomes paramount. The staffing challenge is how to use this environment to create a culture that employees can flourish in. We have had Puratone employees solving both large and small production issues in the recent past. Through employee innovation Puratone has become an industry leader in BioVator design as well as industry acceptance of hip injections.

Rather than protect our employees from the reality of the competitiveness of our industry or stick our head in the sand and pretend it isn't so, we have chosen to engage the employees in the business of producing pork. The shift to employee focused leadership is a change of culture and does not come without challenges and a learning curve.

Some examples of Puratone's attempt to change our culture to employee focused leadership are:

- Where in the past the annual budget was prepared by one accountant who understood the business, now all employees up to and including individual farm managers have direct input to the budgetary process.

- Every employee belongs to a team. SMART goals must be established, by each team, that align with the corporate goals of the company. To encourage the team members to be engaged in the setting of goals and the accomplishment of goals a significant portion of the annual employee review is based on the accomplishment of team goals.
- A culture of Continuous Improvement is being promoted. All employees are encouraged to champion “Continuous Improvement” projects. Resources, both monetary and human, are supplied for these projects. One criteria of management advancement, within the company, will be to have championed at least 2 successful CI projects.
- All employees are involved in regular “standup meetings around the dashboard”. Relevant and leading dashboard indicators are recorded, discussed and analyzed to discover reasons for success or reasons for failure.
- Puratone has a goal of being the supplier of choice for market hogs in North America. Aligned with this goal each farm also has a goal of being the supplier of choice to the next customer within our company (e.g., Boar studs supply semen to sow farms, sow farms supply piglets to nursery, nursery supplies weanlings to finishing farms, and finishing farms supply finish hogs to packers). Understanding how each team can affect the customer is a critical component in creating the culture of continuous improvement.

Through some of the above initiatives the employees become engaged in the business of the company. Resources are supplied for each employee to have a measurable contribution to the success of the company in today’s competitive environment. Employees are rewarded both for contributing to low cost production as well as for showing leadership to achieve goals within their teams.

■ Conclusion

Puratone has faced and overcome many challenges over the past 3 decades. The lessons learned from these experiences promote the desire to be prepared for what the future may hold. The challenge of staffing is real and felt in everyday operations. Puratone’s goal is that by educating and engaging our employees, who are our greatest assets in the business of swine production, our employees will realize that the everyday tasks they perform contribute to the profitability of the company. The company must supply resources and be willing to have leadership come from all areas of the company.

We operate in a competitive hog industry. We compete for employees not only with other hog companies but also other businesses. Puratone strives to

provide the same employment standards as other businesses (non-agri) that we are competing against for employees. Hopefully employees will make the connection that Puratone goes above and beyond to be an industry leader and we encourage the same leadership in each employee. The industry needs to find ways of encouraging and engaging people in our business. To make our business an attractive option for the people who are unaware of the potential value, they can add to a successful team, and the potential value each person can personally gain by being part of a successful team.