

## Incentive Driven Tasks at Prides Corner Farms<sup>©</sup>

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The challenge for a large wholesale nursery with a limited growing area is to perform all the necessary tasks required to produce the best quality plants in the timeliest manner.

### INCENTIVE DRIVEN TASKS AT PRIDES CORNER FARMES

- Fertilizing: Measured per spoon application with 4 to 5 individuals in a fertilizing crew.
- Potting: Measured in number of plants potted per day with approximately 12 to 14 people in a potting crew.
- Covering houses in the fall: Measured in amount linear feet covered per day; approximately 12 individuals in a covering crew.
- Spacing: Measured in number of plants spaced per day, made up of 3 person crews.
- Consolidation: Measured in number of plants put away each day, made up of 3 person crews.

Space at Prides Corner Farms is always at a premium and requires careful planning so that everything gets done as quickly as possible in a way that the plants are never compromised.

### Example of How the Spacing Incentive Works

Because of our limited space plants are moved often. Plants are moved when they are first potted, usually pot to pot the 1<sup>st</sup> year, than spaced out the 2<sup>nd</sup> year followed by consolidating these same plants in the fall so that they can be covered prior to winter. All of these tasks require that the job is done quickly but professionally. This is where group incentives play a major role to accomplish all that needs to be done.

In the spring, usually late April, plants are spaced out in the nursery (Fig. 1). It is necessary to wait until this time because space needs to, first be made, by shipping saleable plant material. Three-person crews will space out these plants on an incentive driven basis. Over the years a "Reasonable Expectation" (R.E.) for this and all incentive driven tasks was developed. The crews must space out a minimum required amount of plant material before they break even. From this point on any plant that they space out is accumulated towards their incentive. When tabulated any incentive money earned is split 3-ways so that all 3 crew members earn an equal share. The formula for spacing is as follows:

Number of employees × total hours worked × a set rate

On the other side of the equation is:

Number of plants spaced × amount paid per plant.

Different rates are paid depending on the size of the container spaced and the distance those plants are moved. The crew leader has a field sheet that he or she is required to fill in at the end of each day. The crew leader inserts into the proper column the following:

- Number of plants moved,
- Hours that were worked spacing these plants,
- Names of the employees doing the work.

The following is an example of how the formula might work: If three employees worked 8 h and spaced out 4,000 #2 containers and those containers paid \$0.066 each to move, the formula would look like this.

$$3 \times 8 \times \$7.75 \text{ (set rate)} - 4,000 \times 0.066 = \$186.00 - \$264.00 = \$78.00$$

In this case the three individuals made a positive \$78.00 or \$26.00 each for that day's work. If the total was a negative, or they did not at least make \$186.00, the formula would produce a "0" meaning that no incentive would get paid for that day's work.

When plants are consolidated in the fall the formula would look very similar except that the rate that is paid per plant would change (Fig. 2).



Fig. 1. Spaced out plants.



Fig. 2. Consolidated plants at the end of the growing season.

### **Example of How the Polyhouses Are Covered in the Fall and Incentive**

Covering houses in the fall is also on a group incentive driven basis. Prides Corner Farms has to cover in excess of 60-linear miles of houses with over-wintering film each and every year. Our goal is to always have these houses covered by Thanksgiving. We insist on this because the weather after this date can be often unpredictable. The formula is the same as plant movement except instead of number of plants moved it would consist of number of linear feet of houses covered. Again, there would be a R.E. that has to be met before the group would begin to make a positive incentive.

### **Example of How the Fertilizing Incentive Works**

Fertilizing plant material is based on number of measured scoops applied each day by the total crew.

$$(\text{Number of people} \times \text{hours worked} \times \text{pre-set rate}) - (\text{number of plants fertilized} \times \text{rate per plant})$$

Example: Three people worked 8 h and fertilized 25,000 plants at \$0.01 per scoop

$$(3 \times 8 \times \$7.75) - (25,000 \times 0.01) \\ (\$186) - (\$250) = \$64.00$$

The three employees would split \$64.00 for that day or \$21.33 each.

### **Example for Potting**

Potting plant material is based on the number of plants potted. Variables to this would be size of the plant, (liner, bare-root plant, step-up) as well as the container size the plants are going into.

### **WHEN STARTING AN INCENTIVE PROGRAM, WHAT NEEDS TO BE CONSIDERED?**

The following factors need to be taken into consideration when developing a group incentive program:

- 1) It needs to be long term. You are encouraging individuals to work at a high degree of productivity over a long period of time. Incentives are geared towards jobs that are repetitious, long lasting and possibly physically demanding. Incentives help to maintain that level of productivity over a period of time.
- 2) Needs to be a win-win for both the employee and the company . Reasonable expectations (R.E.) are critical for determining the minimum requirement expected of any employee. By determining these R.E.'s a better incentive program can be developed. The incentives can't be so demanding that it is almost impossible for the employees to make any extra money and can actually create a disincentive, which could cause the employees to work less productively. If the incentives are balanced it creates a positive work environment for the employees and allows the employer to hire less people to do the work.
- 3) Needs to be self-policing. Any individual in a crew who does not want to make an effort will hold the others back from making this extra money. Self-policing of the crews will either weed out poor performers or encourage those who are not motivated to pick up the pace.
- 4) Quality can't suffer. There is always an inherent risk when group incentives are offered for the overall quality to suffer. Productivity is monitored and work is inspected by team leaders overseeing the work. If the job is not up to standard the crew is made to re-do the work, which will negate any incentive they may or may not have made. All field sheets need to be signed off by a "senior team leader" before being turned in and the final copies are inspected again to make sure that there was no data entry mistakes made during this process.

## **CONCLUSION**

At Prides Corner Farms we have found that group incentives are a valuable tool to help get large tasks done quickly and professionally. When monitored and critiqued they offer a way to increase productivity, hire less people and offer a monetary reward for those who maintain a high level of production. If anyone would like to have more information regarding our group incentives at Prides Corner Farms, please contact us.