

Managing the farm business around people

KEY POINTS

NEVILLE AND RUTH KYDD
Finley, NSW
Dairy Business of Year Awards
Southern NSW winner



Intellect Australia manager Neil Lane with winner of the Southern NSW award Ruth Kydd (at right) and her son Daniel who also works on the farm. Ruth's husband, Neville, was unable to be at the presentation.

NEVILLE and Ruth Kydd have a 1050-cow irrigated dairy farm at Finley, New South Wales. Their farm business is well-known for its productivity, not only in physical and financial terms but also in people measures.

In the recent Dairy Business of the Year competition, the Kydds took home the award for the Southern NSW region. People productivity and efficiency for the Kydd farm (see table page 64) are at the high end and it is easy to see why.

Mr Kydd is a strong believer in the 'keep it simple' rule and has made sure that everything done on the farm adheres to that rule. They have a 50-unit rotary dairy with

flood wash that, although being small for the herd size, is operated by two staff.

They run just one herd and have a tight seasonal calving pattern.

They have introduced crossbreeding into the herd to improve fertility performance and now have a mating period of 12 weeks that results in only 3% to 5% empty each year. The artificial insemination program is synchronised throughout four to five weeks and technicians are used.

Their feeding program is simple with a well-laid out farm and tracks, for ease of grazing management and irrigation. They make pit silage and have well-maintained machinery. Most paddock work is per-

formed by contractors. "This allows us to concentrate on milking and feeding cows," Mr Kydd said.

The Kydds have two sons, Daniel, 22, and Steven, 19. Daniel is on the farm and Mr Kydd is nurturing him into the man-

DAIRY BUSINESS OF THE YEAR



Key performance indicators for award year (2005-06)

Effective milking area (ha):	364
Cows:	1050
Production (kg MS/ha):	1415
Production (kg MS/cow):	470
Return on assets:	12.9%
Operating profit margin:	28%
Cost/kg milk solids:	\$2.98
Pasture harvest (t DM/ha):	12.1
Labour efficiency (cows/labour unit):	161
Core per cow costs:	\$386



Table 1: People Productivity Snapshot - Kydds

Name of staff member	Neville	Ruth	Daniel	Jason	Milkers	Total
Title/Position	Owner/manager	Owner/admin	Farm hand	Farm hand	Farm hands	
Hours worked per week	60	50	60	55		
No weeks per year	48	44	50	48		
No hours per year	2880	2200	3000	2640	4612	15332
Salary package	\$70,000	\$45,000	\$65,000	\$70,296	\$74,144	\$324,440

Production	Kydd farm	Range estimate
Cows	1050	
Total ms	493,789	
Full-time equivalents (FTE)	5.9	
People costs per kg milk solids	\$0.66	\$0.60 to \$1.20
People costs per cow	\$309	300-600
Cows per FTE (50 hour week)	178	50-200
Kg ms/hour	32.2	15-35



The People in Dairy

Outstanding people productivity on the Kydd property is achieved through efficient work practices and an organised and devoted team.

For many years they have employed school and university students and found that they have continued to come back for work in holidays. The efficiency of work practices is evident by the ratio of staff to cows, measured at 178 cows per full-time equivalent for the Kydd property.

They are producing 32 kilogram milk solids per hour of total work time. The people cost of production at 66 cents per kg milk solids or \$309 per cow is also

agement of the whole operation. Mr Kydd sees his own role as strategic and a "spare hand", and of course there for when things go wrong. Mrs Kydd takes care of the accounts and is in charge of the dairy.

Last year they employed Jason Gardner full time as well as a number of part-time and casual milkers. Mr Gardner has since moved on to run his parents' farm, and Mathew Tubb has taken on his position.