

UNIT FOUR: HUMAN RESOURCE MANAGEMENT IN AGRIBUSINESS

PART ONE: FUNCTIONS OF HUMAN RESOURCE MANAGEMENT

1.0 INTRODUCTION

Managing The Human Resource: Human Resource Management is that part of management that specializes in the management of people in the work place. Individuals become 'human resources' by virtue of the roles they assume in the organizations they work in. Some examples of specific roles taken on in an agribusiness are;

- People set overall strategies and goals (strategic management);
- Design work systems, produce goods and services and monitor quality (operations/production management);
- Allocate and control financial resources (financial management); and
- Market the products and services (marketing management).

Distinction between human resources and other types of resources

- Human beings are potentially creative and complex resources whose behaviour is influenced by many diverse factors originating from
 - the individual (personality, gender, and role perception),
 - their surrounding environment,
 - experiences, motivation and commitment,
 - aptitudes/natural ability,
 - skills, knowledge etc.
- Human beings have the ability to evaluate and question management actions
- The fact that their commitment and co-operation must always be won, employees have the capacity to form groups and trade unions to defend or further their economic interests.

The above distinction makes the human resource management function complex and difficult, but mastering it can yield a high dividend in productivity and financial success.

2.0 THE FUNCTIONS OF HUMAN RESOURCE MANAGEMENT

Human Resource Management covers the following functional areas: -

- Staffing,
- Design and Administration of Reward Systems,
- Employee Development,
- Employee Maintenance and
- Employee Relations.

2.1 STAFFING

Staffing is the process of obtaining people with appropriate skills, abilities, knowledge and experiences to fill up certain positions in an organization. This function involves:

- (i) Determining the firm's personnel needs (carrying out a job analysis);
- (ii) Recruitment and Selection; and
- (iii) Orienting people to their jobs.

A. Job Analysis

- Job analysis defines a job within the organization and the employee behaviour necessary to perform the job.
- It is important not to assume that, because last time a job was filled in it demanded a particular person with specific knowledge, skills and experience, the same type of person will be needed the next time the job has to be filled in.
- It is important not to make such an assumption because:-
 - (i) Most jobs tend to evolve and change according to new demands from the organization;
 - (ii) Depending on the areas of skill, knowledge and interest on part of the job occupants, they tend to expand their jobs in the areas of interest, and minimize areas, which do no interest them (their areas of interest complement the job they do);
 - (iii) People tend to take on increased responsibility overtime, so the longer one stays in a job, the more he/she changes it.

Therefore, it is important to analyze each staff vacancy as it arises to see whether the needs of the job have changed, whether different skills are needed for the job, whether the job is better split or combined with others, or whether it be part-time rather than full-time.

Job Analysis: The Importance of a Job analysis

- (i) It investigates the activities and components which make up a job, allowing one to identify and understand each task, and provide documentation for human resource management;
- (ii) It is the basis on which recruitment and selection can take place;
- (iii) It provides an essential document, which can be used to develop and evaluate training programs;
- (iv) It is used as a bench mark for performance appraisals: it is difficult to tell people how well or badly they are performing when you are not entirely sure what it is they are meant to do. Information collected from a job analysis is often used to address this.

Job Analysis: Approaches Used To Develop A Job Analysis

Two approaches are used to develop a job analysis, these are: Job description and Job specification (Personal Analysis).

a. Job description

A job description defines the duties and responsibilities of a job. The basic framework of a job description covers the following features:

- job title,
- overall purpose/goals it intends to achieve,
- a list of duties/responsibilities,
- a statement defining lines of authority,
- immediate supervisor,
- relationships with other jobs,
- location,
- approximate time employees spend on each activity,
- an indication of how and when job performance and standards will be evaluated,
- resources available to the job holder,
- evaluation; when it will be carried out, by whom, how and why it will be carried out.

Methods of collecting information for a job description

- Observation
- Individual interviews
- Group Interviews
- Structured questionnaires

How to conduct a job description

(i) Establish whether the organization still needs this position.

(ii) Gather accurate information on the tasks related to the position.

- Interview the person who carries out the tasks, or holds the position being analyzed;
- Estimate how much time is spent on each of these tasks and how frequently they are undertaken;
- Estimate the amount of time spent on important weekly or monthly tasks. These tasks may not be completed on a daily basis, but are still essential for a job e.g. weekly accounts, time sheets, report etc;
- Turn the time estimate into a percentage to have an idea of the percentage time consumed by each task daily; and
- Prioritize the tasks i.e. in order of importance.

(iii) Interview supervisors about responsibilities, tasks and priorities of the position because they have a wider view point and look at the whole group i.e. linkages with other employees, how each job affects and is affected by others.

b. Job Specification (Personal Analysis)

A job specification (also called personal analysis) describes the person needed to fill in the job. Some of the features of a job specification/personal analysis include: -

- Requirements of the job: educational level, experience, special skills, physical strength or condition, emotional or personality factors, licenses required by law or for registration purposes to carry out the job etc.
- Special requirements/considerations e.g. willing to work hard in dirty conditions, and working over time during harvesting season etc.

NB: While the specifications of the job description should be exact to provide guidance for the employees and the supervisor, they should also be flexible enough to allow for special situations, emergencies or changes.

B. Recruitment

Recruitment or hiring is a drain on organizational resources. It takes time and money to get the best person for the job. It is therefore important to recruit the right person for the right job and to know your job market i.e. where you can get potential employees.

Acquisition of manpower depends on the following:

- Characteristics of the agribusiness: size, type and what people think of it in terms of job prospects;
- Salaries and benefits;
- The type of job determines how easy recruitment will be. An unattractive/ low status job, recruitment might be difficult as compared to a high status job;
- Location of the agribusiness;
- Organizations which are declining will find little need to recruit, while those that are expanding and growing will carry out a number of recruitments;
- Internal organizational policies e.g. promotional and job security policies. People want to grow in an organization and they inquire before they apply;
- Union/ professional association requirement. In some organizations before you are recruited you must be a union/association member;
- Job image: in order to address this issue some organizations have changed the titles of jobs to more respectable ones. This acts as a motivator e.g. a Clerical officer vs. Executive officer, Rubbish collector vs. Sanitary officer *N:B You should not have titles which are embarrassing to employees to the point where they are afraid to mention them in public*

Recruitment - Sources of Recruitment: The major sources of recruitment are internally from within the organization and externally from outside the organization.

a. Internal Recruitment

This involves filling in a job position by selecting/choosing from current employees. An advert is placed on bulletin boards and then employees from within the organization apply for the job.

Importance of internal recruitment

- It motivates and encourages effective and gifted staff to stay with an organization; new staff continually being brought into the organization to fill higher-level positions has a demotivating effect on the existing employees.
- It demonstrates confidence in existing staff;
- It is less costly (Cheaper);
- It decreases the learning curve;

b. External recruitment

External recruitment involves sourcing employees from suitable applicants from outside an organization. Promoting existing staff tends to perpetuate the same ideas within an organization, therefore bringing in new staff brings in new ideas.

Some sources of external applicants are as follows;

- **Unsolicited applicants:** Agribusinesses receive many unsolicited applications from qualified and unqualified individuals. These should always be kept on file for future reference in case there is a job opening.
- **Training Institutions:** High schools, trade schools, vocational schools, colleges and universities are sources of certain types of employees, especially if prior work experience is not a major factor in the job specification. However, this avenue can be particularly helpful if you are looking for particular skills and the institution in question has courses in those skills.
- **Private employment agencies:** These firms provide a service for employers and applicants by matching people to jobs in exchange for a fee. The applicant pays some fees and there is no cost to the employer. For hiring qualified applicants in short supply, the employer sometimes pays the fee.
- **Advertisement:** At its simplest, advertising may take the form of a 'help wanted' sign at the gate. More sophisticated methods involve using the local media e.g. daily and weekly newspapers, radio, television, the internet etc. It is important that you know how to write an advertisement: -
 - Lay it out attractively;
 - Think about the size of advertisement you can afford;
 - Will you need to include the company logo or not?

- Think about the amount of white space in your advert. White space captures the eye more than a big square full of writing; and
- Issues to include – job description, job specification, referees, and inclusion of a company logo is optional.
- **Family/Friends:** - a practice called ‘nepotism’ unless your friends and relatives have the required skills, knowledge and abilities and are the best people for the job, this can be a recipe for disaster.

NB: Organizational recruitment at all levels should attempt to mix internal and external sources of staff.

Recruitment – Screening

After receiving applications for a particular job you wish to be filled, create three piles of these applications according to how they fit the essential and desirable characteristics of the job.

- (i) Those who fit both the essential and desirable criteria should definitely proceed to the next stage of interviews (should be considered);
- (ii) Those who fit only the essential criteria (may be considered);
- (iii) Those who do not fit the criteria (should not be considered).

Recruitment - Interviews

An interview is normally defined as ‘a conversation with a purpose’. In order for your interviews to be effective, it is necessary to develop an interview plan. An example of a basic format of interview plan is given below:

Table 1: Showing Basic Format of an Interview Plan

PURPOSE	EXAMPLE
1. Build Rapport: <i>Provide introductions and ask rapport-building questions to put the candidate at ease.</i>	“Hi Kari, thanks for coming in today. I am Gary Crowley, the Public Works Director at Spring Water. This is Karen Branch, our City Administrator. Did you find the place OK? What do you think of the construction projects around here? Can I get you some coffee or water?”
2. Establish Structure: <i>Establish the interviewer as in control and lets the candidate know what to expect.</i>	“During the next half hour or so, Karen and I will be asking you questions related to the skills necessary for the position. I will be jotting down some notes to help me remember what we discussed. We also want to give you the opportunity to ask any questions you have about the position so that you can find out if this is a good fit for you as well.”
3. Provide Job Preview: <i>Ensure the candidate has a good understanding of the job.</i>	“Before we get started, we would like to make sure you have a good understanding of the position we are hiring for...” <i>(Explain the primary responsibilities of the job, organizational structure, and other general information.)</i>

<p>4. Ask Interview Questions: <i>Gather information through planned and probing questions.</i></p>	<p>“OK, Karen has the first question for you.” <i>(Ask the planned information gathering questions as well as follow-up probing questions.)</i></p>
<p>5. Encourage Questions: <i>Allow the candidate to ask questions about the job.</i></p>	<p>“We want to make sure to give you an opportunity to ask any questions that you have about the position or the organization. What questions do you have for us?”</p>
<p>6. Close the Interview: <i>Explain the next steps in the process and end on a positive note.</i></p>	<p>“Thanks for coming in. We really appreciate your interest in this position. We are planning to conduct final interviews the week of _____. We will get back to everyone by Wednesday of next week. If you have questions in the meantime, please feel free to contact _____.”</p>

Recruitment - Selection of Interview Panel

An interview panel is essentially a group of individuals who will interview/judge a job applicant. They are considered to improve the selection process. Problems of bias and stereotyping are minimized when using an interview panel.

Guidelines for selecting an interviewing panel

The panel of interviewers needs to consist of an odd number of people so that votes cannot be deadlocked. A large panel of interviewers is often avoided as it is intimidating for applicants.

- i. The ideal size for a panel of interviewers is three. In certain instances, panels of five are used for more senior appointments;
- ii. At least one, and preferably all, of the members should be trained in selection and interviewing techniques;
- iii. At least one member of the panel should be female. If the organization employs member of minority groups, it is helpful if a representative is on the panel but only if they meet the other criteria (i and ii above);
- iv. Involve the direct supervisor of the position being selected for in the selection process, and preferably on the interview panel; and
- v. Include one panel member who is not directly involved with the position being selected and is often drawn from the HR section, and if female, can satisfy several criteria at once.

Recruitment - Preparation of a Scoring Sheet

A scoring sheet is often used to rate specific aspects of an applicant. Each person in the panel of interviewers will have a copy and rate the different applicants that are interviewed. At the end of the process the total scores from all the interviewed applicants are compared.

Table 2: Example of a Scoring sheet**Job Candidate Interview Scoring Sheet (a)**

Date:

Applicant Name:

Position Requested:

Salary Requested:

Attribute\Score	Excellent (4)	Good (3)	Fair (2)	Poor (1)
Work Experience				
Applicable Skills				
Appearance				
Attitude				
Education				
Enthusiasm				
Cumulative Rating/Score				

Job Candidate Interview Scoring Sheet (b)

Date:

Applicant Name:

Position Requested:

Salary Requested:

Category	Score	Total
Leadership	100 95 90 85 80 75 70 60 65 50	
Problem Identification	100 95 90 85 80 75 70 60 65 50	
Knowledge of Policies	100 95 90 85 80 75 70 60 65 50	
Communication Skills	100 95 90 85 80 75 70 60 65 50	
Interpersonal Communication	100 95 90 85 80 75 70 60 65 50	
Understands Discipline	100 95 90 85 80 75 70 60 65 50	
Final Score	Final Score	

Recruitment - Styles/Format of Interviews

- i. *Structured*: each interview must be exactly the same. It ensures that all relevant information on the candidate is systematically covered. Research shows that it yields more accurate results because it is consistent.
- ii. *Unstructured format*: non-directive interviews. These require professional training and demand more time.
- iii. *Semi-structured*: combination of structured and unstructured types of interviews. It is more successful for work related interviews. All candidates are asked the same questions but allow the interviewer the freedom to explore areas raised by the applicant and to rephrase or report questions for applicants.

Recruitment - Guidelines to Effective Interviewing

- i. Know the job: the information should then be used to develop interview questions as well as evaluate the applicant's answers.
- ii. Know the personal attributes, experience, skills and qualifications;
- iii. Set up objectives;

- iv. Prepare a proper setting for the interview. The room should be quiet/sound proof. If possible there should be two exits i.e. enter from one side and exit through another. Those waiting should be in a comfortable room and provided with a snack if possible;
- v. Review the application form or resume i.e. to get acquainted with applicant's interests and history. It also enables the interviewer to prepare their questions adequately e.g. frequent job changes, time gaps in employment, inconsistencies, inflated job titles etc.
- vi. Beware of prejudices (Interviewer prejudices)
- vii. Do not make snap decisions
- viii. Avoid indicating to the interviewee whether he is right/wrong, criticizing and arguing with the candidate.
- ix. Ask more of open-ended questions/leading questions, which make the candidate, talk more.
- x. Put the applicant at ease: Break the ice by talking about neutral topics/mutual interests. If you act in a superior way i.e. overly formal you will fail to get all the facts.
- xi. Watch the body language: the art of seeing what others are thinking. Because it comes from the subconscious it is a more accurate indicator of feeling than carefully chosen words. Be aware of cultural differences.
- xii. Encourage the applicant to do most of the talking. While the interviewer is talking, he/she is not learning about the applicant. On the other hand the more the applicant talks the more the interviewer learns about the applicant. This will require (a) active listening and (b) Keep an eye contact and lean forward to show interest.
- xiii. Keep control of the interview – Do not ignore information that needs to be explored, probe into relevant topics raised by the applicant and pursue additional topics you have planned to cover. Explain the job – interviewer should explain the key aspects of the job, without overselling the job, the organization, employment conditions etc. Ask the candidates if they need any more information. The interviewer is buying candidates expertise and selling a performance capability (both are making a decision).
- xiv. Check references
- xv. Close the interview: should be done in a friendly way; tell him when to expect results, never offer an applicant a job at the interview.
- xvi. Write up the interview: accuracy is increased if facts and impressions are recorded as soon as possible.
- xvii. Do not let the interviewers call out the scores. Results should be handed in secrecy, as there is a tendency of people to go with the majority.
- xviii. Evaluate the interview: whether information that was required was got; interview objectives achieved and interview techniques are also evaluated.

Recruitment - Tests

Employment tests attempt to assess the match between the applicant and the job requirements. Employment tests because they are job related, tend to be accurate and objective predictors of particular skills that are needed on the job. Many problems involving unsatisfactory job performance and dismissal could be avoided by the use of employment tests.

Types of tests

- i. **Performance test:** Candidate is asked for his ability to do a job e.g. accountant is given a trial balance etc. Note that there are certain jobs where it is not easy to use a performance test;
- ii. **Intelligence test:** These are designed to measure an applicant's intelligence or 'IQ'. Specific tests measuring ability to reason with numbers, words and abstract items are given. Such tests are good indicators of a candidate's ability to learn quickly those jobs that involve conceptual thinking and problem solving. *Interestingly, studies of leadership ability indicate that 'too high' a level of intelligence may be a negative, rather than a positive factor. Intelligence scores rise with managerial levels, but executives with unusually high scores are less likely to be successful in managerial positions.*
- iii. **Personal tests:** personality/temperament tests are designed to measure basic aspects of an applicant's personality such as level of introversion/extroversion, emotional stability and motivation. These are the most difficult tests to evaluate and use in employee selection. This is because the concept of personality itself is hazy and the relations between performance on the job and personality are often vague or non-existent. In addition the applicant can easily fabricate answers.
- iv. **Aptitude test:** these are tests of special abilities that are required in specific jobs. The use of aptitude tests can be of value in situations where an applicant has had little or no experience related to the job requirements. According to Schneider and Schmitt, an identification of the job family to which a job belongs should adequately identify the appropriate aptitude tests suitable for predictors of job performance.
- v. **Medical test:** after going through the above tests, the candidate may be asked to undergo a medical check up in order to get his/her health report.

Testing is most appropriately conducted after short-listing candidates, particularly if failure in the tests means that the candidate is definitely unsuitable for the job. This saves applicants from sitting for the interview when they will be denied the job by reason of test results. Alternatively tests can be conducted after the final interview and only used with the first choice candidate. This is most likely to happen when tests are time consuming or require special equipment and training.

C. Orientation (Placement or Induction)

When the manager has selected the best potential employees, they should be introduced to their new jobs. The right start, quick adjustment and future productivity depend on job orientation. Besides, at the start, the new employee is more receptive than any other time to the attitudes necessary to produce a long lasting successful career.

Orientation - Importance of Job Orientation/Induction

- i. It reduces the amount of anxiety (fear/failure on the job). This anxiety can be made worse when old employees make fun of new employees;

- ii. Reduces employee turnover: if employees perceive themselves as ineffective, unwanted, etc, they may react to these feelings by quitting;
- iii. Saves time for the supervisor and co-workers. Improperly oriented employees must still get the job done and to do so they need help. The most likely people to provide this help are the co-workers and supervisors who will have to spend time briefing the new employees;
- iv. To develop realistic job expectations, positive attitude towards the employer and job satisfaction. New employees must learn realistically what the organization expects of them. Their own expectations of the job must neither be too high nor too low.

Orientation – Steps of a Job Orientation

A job orientation involves four major steps: -

- (i) Introducing the company to the employee;
- (ii) Establishing job relationships and encouraging familiarity with the facilities;
- (iii) Helping the employee to begin the job; and
- (iv) Following up and evaluating the employee's adjustment.

Introducing the company to the employee

- When an individual comes to report to the job, introduce him/her the HR manager who should make the new employee aware of information about the company and the job.
- The information to be communicated includes: history, nature and scope of the organization, hours of reporting and work, pay rules/restrictions, company policies, regulations, overtime, special programs and facilities.
- A tour of the entire facility will help to foster an overview of the organization and an understanding of where the employee fits in.

Establishing job relationships

- Supervisory responsibility should be outlined.
- Introduce the new employee to his/her new supervisors, fellow workers and union steward if any; physical layout; parking space, washrooms, lunchroom etc.
- The immediate supervisor should review work-related matters, such as safety regulations, breaks, job expectations etc.
- Introduce the new employees to good workers with good records to avoid a person from quickly picking bad habits in an organization.
- It is also helpful to introduce the new employee to a person who will get him/her acquainted and feel at home in the new job.

Helping the employee to begin the job

- Supplies, safety devices, equipment operation, work accessories etc should be pointed out to the new employee, even if he/she had previous experience.

- The supervisor should stress the work habits and the norms and expectations of job performance.
- Note that: Much of what the new employee learns about how to do the job and work habits and attitudes will come from fellow workers. The supervisor should not try to push too much at the new employees at once, but should let learning occur step by step.

Follow up

- Good HR managers should not assume that things are going well; they should make sure they are.
- Follow up is useful in making sure that things are going as they should, allows for corrective action, affords an opportunity to encourage new employees and assures them of management's continuing interest.
- The routine follow up is usually done in an informal on the job situation.

PERFORMANCE APPRAISAL

- People are employed in order to give good results to the company. Their rates of success are intrinsically linked to how they are directed, reviewed, rewarded and trusted by management.
- Modern approach to performance appraisal not only evaluates the workers and makes them aware of their contribution, but also focuses on goals and results of the workers efforts.
- Both managers and subordinate often view evaluation with apprehension; however, as a manager you should remember that evaluation is a tool aimed at improving performance, not a weapon to punish employees.

Basically evaluation measures three things;

- (i) Work habits;
- (ii) Success at reaching job goals;
- (iii) Personal traits/attributes: it is important to understand what personal attributes go with successful work behaviour, if your judgment and suggestions at appraisals are to contribute more effectively to success. Given below is a list of both negative and positive attributes, which have an effect on performance.

Purpose of performance appraisal

Performance appraisal is aimed achieving the following;

- (1) Improving future performance;
- (2) Identifying employees with untapped potential in order to increase their challenges;
- (3) Provide employees with a benchmark of their achievements;
- (4) Provide information relating to decisions about promotions, pay, training and development;
- (5) Provide the manager with guides for helping employees in the future.

- When choosing methods of assessing your staffs' performance; always make sure that the end result has a positive effect on performance levels, motivation and increases people's sense of self worth.
- As with any tool, the effective use of performance appraisal depends on the skill of the operator as well as the quality of the tool. The evaluation instrument should be as objective and clear as possible
- Letting the subordinate use the document for self-evaluation prior to the session is helpful. A comparison of the management and employee rating opens the way for a good communication flow.

Conducting the Appraisal

- The evaluation should be conducted in a private, quiet place where it will be uninterrupted;
- The manager should be informal and should put the employee at ease as quickly as possible;
- Begin an appraisal by concentrating on what a person has done well or employee achievements and unique skills and offer guidance on ways in which his/her performance could be improved;
- Try to avoid using these meetings negatively to criticize and dwell on faults, although do not avoid giving constructive criticism if necessary.

Frequency of Conducting Performance Appraisals

- An annual check up is not sufficient to catch and change work habits or productivity factors that need improvement.
- It is therefore necessary to carry out regular one on one assessments with your staff.
- These provide an efficient two-way forum in which to set and review realistic achievement targets, provide feedback on performance, listen to and consider any problems that employees have.
- It is therefore necessary to evaluate new employees more frequently; whilst established employees should be evaluated at least semi annually to ensure that work performance is progressing satisfactorily.
- However, formal evaluation does not replace the need for the day-to-day evaluation by the manager. Employees want and need on the spot feedback if they are to enjoy satisfaction from their jobs.
- Follow up procedures should be put in place particularly when a subordinates rating is substandard. This allows the manager to:
 - Offer recommendations/suggestions
 - Encourage improvement if and when it is needed
 - Keep updated on changes in performance
 - If necessary, to exercise disciplinary practices to improve performance.

Improving performance

- There is usually a good reason why an employee is not performing well. Think before you give up on people or plans – giving up is irreversible. However, at all times consider cutting your losses rather than carrying on in vague hope.
- It is important to discuss problems at source i.e. discuss the failure with employees in detail e.g. the failures could be due to lack of sufficient information, made false assumptions, bad execution (identify the mistakes and find out why they are made).
- If objectives are not achieved ask yourself three questions and avoid accepting excuses for the answers. You want to find out exactly why the person failed to meet the objectives to prevent it happening again.
 - Was the situation understood but the objective too difficult?
 - Was the situation misunderstood or was the objective inappropriate?
 - Was the failure to meet the objective entirely due to causes within the person's control?

Table 4: Dealing With Poor Performance

FAILURE FACTORS	REMEDIAL ACTIONS
De-motivation Lack of motivation and energy to improve	<ul style="list-style-type: none"> • Tackle the problem immediately • Find out possible reasons for drop in motivation • Base the improvement plan on schedule of achievement
Lack of Skills Cannot cope with the technical demands of the job	<ul style="list-style-type: none"> • Find out exactly which skills the employee is lacking • Arrange training sessions as soon as possible. • Assign a person with more appropriate skills to the task.
Procrastination Finds excuses for not getting on with work	<ul style="list-style-type: none"> • Break down the job into more manageable stages. • Do not let the procrastinator overestimate the time required. • If necessary, provide hands on help to get the job started.
Absenteeism Avoids work and dodges responsibility	<ul style="list-style-type: none"> • Sternly emphasize the negative effects of absenteeism • Ensure that the employee feels an important part of the team • Consider if more flexible hours would reduce the problem
Habitual lateness Is invariably late and always has an excuse	<ul style="list-style-type: none"> • Let it be known that you are not interested in excuses • Try a counselling approach before disciplining the employee. • See if peer pressure from other team members helps.
Personal problems Lets personal worries affect work	<ul style="list-style-type: none"> • Concentrate on a person's performance, not their problems • Consider giving sick leave or reassigning duties • If necessary, advise the employee to seek professional help

PROMOTION AND ADVANCEMENT

- A promotion is the upgrading of an employee's position in the work place from a lower level to a higher level.
- Giving people new or better jobs shows that you recognize their achievements and encourages them to achieve further success (It is a motivating factor).

- Rewarding exceptional performance also inspires colleagues to improve their contribution in the work place.
- However, management must be careful that the firm does not become too inbred, in order to allow new ideas, approaches and methods to be introduced from time to time.

Criteria for promotion

- Job description : prepare a clear job description and specification;
- Promote the person who best fits the job description regardless of age. However, in a unionized operation, seniority or length of service becomes a primary consideration;

Other factors to consider when considering someone for a promotion include:

- i. Merit or contribution of employee in the past;
 - ii. Employee's attitude and personality (in particular, the ability to function with the new team);
 - iii. Employees potential for growth;
 - iv. Ability and willingness to do the work/job. There are four possible combinations of staff attitude and ability.
 - (i) Will do- can do: Employee who shows the standard of behaviour that you should always expect, is a perfect candidate for promotion.
 - (ii) Will do – can't do: the willing employee who experiences difficulties should respond positively to training and encouragement.
 - (iii) Won't do – can do: The unmotivated person is in danger of losing her/his job unless motivation can be raised. Motivating an unmotivated person is far more difficult than training a willing individual to perform better. The prospect of promotion, however, may push the unwilling person to try harder.
 - (iv) Won't do – can't do: The incompetent employee who is unwilling to improve should obviously not be retained
- Seek to promote an employee with a “will do- can do” attitude. The individual employee must want the promotion and feel able to handle the new assignment.
 - Do not assume that everyone wants to be promoted, because some employees may lack the confidence needed to handle this step.
 - For such employees seek other ways of recognizing and rewarding the employee besides promotions e.g. offering added responsibility and pay, without increased stature in the organizational hierarchy; this might be the better way in some cases.
 - If there were other candidates up for promotion but did not get it, let them know why they were unsuccessful.
 - Ensure that other staff members know the reasons why an employee was promoted.

NB: Avoid making promotions just because a person was successful in one job; they may not be suited to another. Others whose skills are more suited to the job may feel aggrieved and the person being promoted will feel insecure.

2.2 DESIGN AND ADMINISTRATION OF REWARD SYSTEMS

Practices involved in designing and administering of reward systems include:

- i. Setting terms of compensation and benefits
- ii. Evaluation of performance/performance appraisal

A. COMPENSATION AND BENEFITS

Introduction

Compensation is the reward for doing work. It is usually and nearly always in the form of wages and salaries, fringe benefits and incentive programs and bonuses. A competitive package to the alternative job is necessary to attract and keep good farm employees. The total value of the net pay, benefits and bonuses should be compared against comparable figures in other employment.

Wages and Salaries

- The actual cash wage or salary paid to an employee is the most important item received from an employer.
- Salaries depend on the position and the particular skills of the employee filling it, the size of farming operation duties performed and the number of years the employee has worked on the farm.

Fringe Benefits

- Fringe benefits are often a large part of the total compensation package for farm employees.
- Prospective employees should be made aware of the value of their benefits so they can partly value a job offer.
- Examples include the use of existing housing, vehicles, insurance, utilities, and farm produce.
- Fringe benefits are most useful when the employee can provide them for less than it would cost the employee to obtain them elsewhere

Bonuses

- Bonuses are often used to supplement base wages, improve labour productivity and increase employee retention.
- However, bonuses help increase labour efficiently only if they are tied closely to performance. If not, employees soon come to expect the bonus and consider it part of their basic cash salary.

Compensation and Benefits - Factors affecting compensation decision

i. Labor supply and demand

The forces of supply and demand play a major role in setting wage rate or benefits received by employees and also in the prospects of obtaining better working conditions.

ii. **Labor union**

In Zambia farm employees are rarely unionized and miss out on the thrust of labor unions which are to

- increase the wage rate and/or benefits received by employees and
- to obtain better working conditions generally

iii. **Ability to pay**

An averagely profitable farm business may find it difficult to pay competitive salaries to employees.

iv. **Productivity**

Rewarding high productivity and giving fewer or no reward for low productivity provide a monetary incentive to improve performance.

v. **Cost of living**

When inflation rates are significant, employees may push for cost of living adjustment for wages in order to keep real wages from declining.

vi. **Government regulations**

Minimum wage regulation specifies the minimum wage that employees in certain industries can be paid.

Compensation and Benefits - Regulations Affecting Farm Employees

Farm employees are protected by government regulations which govern their employment and working conditions. The regulations include:-

a) Occupational and Safety Health

These regulations stipulate that workers must be provided with safe working conditions so as to eliminate potential accidents. Therefore the employer should provide protective clothing, gumboots, overall, etc. They should also provide training on safety to employees using farm machinery.

b) Minimum Wage Law

The government has provided guidelines on the minimum wage for farm workers. Unfortunately employers have turned the minimum wage to be the maximum wage for workers. This makes the farm workers one of the least paid workers in Zambia.

c) Workers Compensation

Workers are entitled to 'Aid benefits' for injures or illness sustained during the job that lead to temporally or permanent disability or death. The employee is supposed to contribute to appropriate funding agency e.g. workmen`s compensation fund through the employer to cover benefits when an injury occurs or the employee becomes sick.

d) Retirement regulations

Upon working a certain number of years usually 25 years or reaching the age of 65 years workers are supposed to retire. For non civil servants retirement benefits are usually obtained

from NAPSA. However the benefits can only be realized if the employer regularly sent contribution to NAPSA. The employer deducts a certain amount from the employee's salary and then adds a certain equal amount and total sent to NAPSA

2.3 EMPLOYEE TRAINING AND DEVELOPMENT

- This usually involves analyzing training requirements of employees to ensure that the employees possess the knowledge and skills required for them to perform satisfactorily in their jobs or to advance in the organization (promotion).
- Helping individuals to achieve their potential is in the best interest of the person and the organization. It is one of the major factors that determine the long term profitability of an agribusiness.
- It is good policy to invest in the development of employee's skills so that they can increase their productivity.
- **Training** emphasizes immediate improvements in job performance through acquisition of specific skills, benefits and may extend throughout an employee's entire career.
- **Development** on the other hand aims to prepare the employee for future job responsibilities through the acquisition of new experiences, knowledge, skills and attitude.

2.3.1 The Purpose of Training and Development

- Training and development has an important role in generating improved organization performance and individual growth.
- It must however be aligned with corporate objectives if an organization is to gain any real benefit from the expenditure; this helps to support the organization's competitive strategy.
- Training should aim at increasing skill, knowledge, promoting adaptability, a sense of responsibility, loyalty and finally stimulate creativeness among employees.

2.3.2 The Importance of Training and Development

- (i) Because of the continuous changes occurring within and outside organizations e.g. technology advances, organizational restructuring etc people and organizations are faced with situations that require new learning;
- (ii) Builds a more efficient, effective and highly motivated workforce. Education is important if the agribusiness is to have a workforce, which possesses creativity, flexibility and skills necessary for economic development. Training and development improves productivity, competitiveness, growth, and profitability, cuts down on costs, reduces employee turnover, and decreases need for supervision etc;
- (iii) Prepares employees for promotion, growth and development. Training and Development enables employees to advance to positions of higher responsibilities and enables qualified replacements to be available which leads to personal growth and enhanced self esteem.

Besides an individual needs the satisfaction, which comes from the knowledge, that he is making an effective contribution to the output;

- (iv) New employees need to acquire new skills and knowledge. Training and Development should therefore be part of their job orientation/induction;
- (v) Reduces mistakes and accidents;
- (vi) It is a powerful tool in implementation of new policy, of implementation a new strategy, effecting organizational change, changing organizational culture, solving particular problems, meeting a major change in the external environment.

2.3.3 Training Methods/ Techniques

There are three broad types of training methods available to an agribusiness, these are;

- On the job training,
- Formal in house training and
- Formal external training.

A. On the Job Training: this is delivered to employees while they perform their regular jobs. In this way they do not lose time while they are learning. These include: induction of new employees, multi-skilling, apprenticeships, coaching and mentoring.

On the Job Training - Multi - skilling/Job rotation

The more skills in which a person is trained, the more valuable they are as employees and the greater their personal potential. Widening people's skills cuts down on cost and time provides greater flexibility (people are interchangeable) and greatly encourages team spirit and collaboration since employees are provided with useful knowledge of each other's work.

On the Job Training – Mentoring

A mentor is a senior employee who establishes a special relationship with a particular junior employee. As a mentor you should never be in a line relationship with the mentored (a "line" being the route along which orders pass from the top of the organization to the bottom), otherwise you cannot guarantee a disinterested objective view point. Do not consider mentoring only in times of trouble; instead take a continuous interest in the progress of the junior. He/she will expect to discuss work difficulties with you and you can intervene with line managers if the situation demands it.

On the Job Training - Role Model

As a manager, you are likely to be a role model (setting a positive example). It is therefore important that you neither fall below the high standards that you set yourself nor behave despairingly to members of staff who fall short of them. Behave consistently at all times.

Accordingly to research, there are ten personal qualities that are most admired characteristics of organizational leaders. These qualities deal with integrity and straightforward behaviour. They include: honesty, vision, intelligence, courage broadmindedness and directiveness.

On the Job Training – Coaching

This refers to a form of training in which a manager through direct discussion and guided activity helps a colleague do a task better. As a coach give clear instructions about what you expect. This stage often produces a drop in motivation as reality challenges the employee's ability. At this point you become a helper, coaching the employee to recognize his/ her strengths and to form ambitions. Finally, the person is in control of him/ herself and the job. You then step aside and assume the role of adviser to be consulted when needed.

On the Job Training - Sharing skills on the job

Action learning is more effective than sedentary learning involving books and lectures. You should consider an organized, on the job programme of development with one team member sitting by another to learn about their job. You can achieve a similar effect by forming a mini-team or task force to tackle a particular issue, not necessarily related to the team's main objective. Adopting a strategy like this ensures that team members learn how to develop solutions and turn them into action.

On the Job Training – Apprenticeship

This is a method whereby a new employee works with and helps a more experienced person, and learns under the experienced person's direction over a period of time. It can be of great help in jobs requiring greater skills. Many agribusiness firms train sales people skilled operators, and managers by means of this system.

On the Job Training - Role-plays

This is an interactive technique whereby trainees act out a particular role to develop their behavioural skills e.g. interviewing, counselling and negotiating, while others make a judgment. The disadvantage of role-playing is that it depends on the willingness of the trainees to play the role and to take the situation seriously.

On the Job Training - Case studies

This requires a trainee to use analytical and problem solving skills to produce workable solutions to real hypothetical solutions. Case studies, which are job related, are the most effective in bringing about transfer of learning.

On the Job Training - In basket exercises

These call for a trainee to make decisions (often in writing within a specialized time) on letters, memos and notes typically found in a manager's in basket or in –tray. During the exercise, job applicants receive a number of mails, telephone calls, documents and memos. They then have a limited period of time to set priorities, organise their working schedule accordingly and respond to mail and phone calls.

It also helps in acquainting employees about their job where a number of problems are kept in the "in basket "(usually kept on the desk of the employee). The worker has to look at the problems which could also be complaints from different employees and simultaneously deal with those problems. As the employee solves these problem, he/she transfers them to the "out-basket".

On the Job Training - Adventure training

Adventure wilderness training presents managers with physical and mental challenges in the hope of teaching them something about themselves and about working with other people.

On the Job Training - Understanding assignments

This is an appointment to gain exposure to some specific knowledge and/or skills. It is usually used to prepare an employee to fill a particular job.

On the Job Training - Project assignment

Being appointed to a project team can provide the trainee with exposure to a range of specialist skills and knowledge. The employee can also develop skills in working with others in a team environment.

On the Job Training - Small site management

Exposing the trainee to range of management problems in a small operation, independent of headquarters can provide valuable general management experience and decision making responsibilities.

On the Job Training – Secondment

Temporary assignments within the organization or with the outside organization can provide the employee with the opportunity to gain specific skills or differing viewpoints.

On the Job Training - Behavior modeling

Modeling or observational learning is how people learn from others experience. It's an important process by which people learn new behaviours and or modify the probability of using known behaviours. The employee observes the actions of others and acquires a mental picture of the act and its consequences. There after the employee performs the observed act.

On the Job Training - Simulation

This is the use of simulators and simulated experience to approximate the real thing to provide relevant learning in risk controlled learning environments e.g. machine simulators, vestibule training: The vestibule is a separate part of factory where trainees can develop skills on actual equipment, without the pressures of having to meet production schedules; when training on the actual equipment is hazardous; training is of a continuing nature due to high turnover or work expansion. The rationale of vestibule training is that practice and learning will be more effective.

B. *Formal In-House Training*

This option is more affordable for larger agribusiness firms, though smaller ones can use it if they take time to seek the suitable training opportunities e.g. films, videotapes, slide tapes, audiotapes, correspondence, extension officers

Committee meetings: These can provide a convenient and fertile ground for training and development if the agendas are set carefully, controlled and directed to the end. Sharing information in this setting can satisfy the need for employee recognition and participation, and can help make employees feel a part of the organization.

C. Formal External Training and development

Some examples include; conferences, lectures, workshops, seminars, trade schools, extension courses, colleges, universities, and business and trade courses. Because training is costly, it is important that you choose that training which will improve the employee's productivity.

2.3.3 Tips of Training and Development

- (i) Make training the last thing you cut back, never the first. Try to allocate a percentage of revenues to training (at least 1.5% is a reasonable target);
- (ii) Find every junior a wise mentor who gives advice;
- (iii) Use opportunities to lead from the front and set a good example. Create the right atmosphere for successful teamwork and use example purposefully to teach and encourage good practice;
- (iv) Encourage employees to suggest ways to solve problems;
- (v) Invest heavily in training for key computer skills: this will improve the performance of your company; and
- (vi) Teach by 'showing how' and not by 'giving people orders'

2.4 EMPLOYEE MAINTENANCE

This involves providing a conducive work environment for the employees. More specifically, this entails the administration and monitoring of work place safety, health and welfare policies to retain a competent work force and comply with statutory standards and regulations.

2.5 EMPLOYEE RELATIONS

This consists of a range of employee involvement/participation schemes in union or non-union work places. In a union environment, it also includes negotiations between management and union representatives over decisions affecting the employment contract.

3.0 FACTORS AFFECTING THE FUNCTIONS PERFORMED BY HUMAN RESOURCE MANAGERS

The functions undertaken by HR Managers vary from one organization to another and might be affected by such factors as:

- Size and structure of the Agribusiness: small agribusiness might not afford hiring a specialist in HRM, whereas large ones might divide HRM activities among several managers e.g. one for recruitment, employee development etc. N: B *once an agribusiness reaches 75-100 full time employees, management should examine its need for a full time manager; or a full time HR department can be profitable when 1% or less of total wages will support that department's budget.*
- Presence/Absence of trade unions
- Senior management philosophy

- Complexity, diversity of jobs and degrees of seasonality
- Employment strategies

It is important to note that HRM functions are highly interrelated with other functions of management i.e. marketing, finance, and operations/production. Decisions made in one area affect and are affected by the decisions in other areas. Too often organizations allow artificial barriers to be erected between functional areas.

PART TWO: CHALLENGES FACED BY ZAMBIAN HUMAN RESOURCE MANAGERS

The Zambian human resource manager is faced with many challenges. These can be broadly categorized in to three categories: - economic, social and political/legal.

1. Economic

- ***Privatization of Parastatals/Services*** – This led to job insecurity, low employee morale and low employee performance. In certain incidences new management has failed to retain workers due to failure to pay a living wage. The retrenchment package for workers is enormous when compared to the wage bill. Up to today some workers have not received their packages. The goal for privatization was basically to make Parastatals profitable and cost effective however in some incidences this has not been achieved.
- ***Technology advancement*** – In order for organizations to stay competitive, it is critical that they adopt new efficient techniques of producing quality products in a cost effective manner. This however, has implications e.g.
 - Introduction of new technology may lead to a reduction in workforce.
 - Due to poor methods of introduction of new technology, employees might reject the technology. Therefore the human resource manager must know how to handle change.
 - The technology might be expensive to acquire.
- **Globalization / Liberalization**
 - With globalization and the liberalization of markets, the entire world has become one big market place.
 - As a result of this, Agribusinesses are faced with stiff competition both internally and externally.
 - Subsequently, some fail to compete due to
 - high cost of production,
 - contracting markets (which excludes them from certain markets),

- declining sales etc.
 - The end result of this chain of events has led to poor remuneration of employees, a decrease in employee morale and the collapse of some Agribusinesses (eg ZAMHORT, SUPALOAF etc).
- **Taxation** – high taxation affects profits and employee benefits. So the challenge for the human resource manager is to find ways of motivating employees, other than through monetary incentives which in most cases does not even enable an employee to live at the minimum cost of living.

2. Social issues

- **Bereavements/Burials** – one is expected to stay away from work for a number of days, however such a cultural practice has a negative impact on the productivity of workers.
- **Culture of friendliness** – though this is not necessarily bad, however the burden of extended families might be great especially if one is supporting able bodied people who actually are not contributing anything to one's development. Because generally the gross salary is low, this could force some people into corrupt practices, nepotism etc.
- **Religion** – Fanatics in religion; these might be hard to control. Some religions do not allow members to work on certain days of the week or to perform certain tasks.
- **Health issues** – With the advent of the AIDS scourge, workforce hours are reduced as most of the time is being spent in hospital. Worse still organizations might have invested a lot of resources training their personnel and they may never recover that money. Where an organization offers a health scheme to its employees, it might end up spending a lot of resources in this area since public health is not sufficient and private clinics are expensive.
- **Workforce mix or Gender sensitivity**- mother's day, maternity leave, disabled and special arrangements for disabled. These lead to a reduction in the productivity of an employee.

3. Political/Legal

- State interference or political interference in running public enterprises.
- Knowledge of Labour laws which can be abused by certain employees.