

Journal of Cooperatives

Volume 34

2019

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Human Resource Management in Agricultural Cooperatives

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Introduction

One of the greatest challenges facing agricultural cooperatives is to attract and retain talent at all levels of the firm. In a national survey of cooperative CEOs and board members, 95% of the respondents ranked human resource management (HRM) as an extremely important or very important issue (Kenkel and Park, 2011). Cooperative employees are the most frequent point of contact between the firm and the member-owners. As agricultural production has become more dependent on information and technology, human resources plays an increasing role in meeting the needs of the cooperative members. Despite the importance of HRM to the success of agricultural cooperatives, very little research has been conducted on this topic.

Agricultural cooperatives often face different human resource challenges relative to other firms. While agricultural cooperatives have been rapidly consolidating, many are still relatively small firms. Even larger cooperatives often operate across a network of branch locations and have relatively few employees at any one location. Firms with small workforces often have less formal communication systems and less structured work environments. Managers of smaller firms also tend to identify recruiting, screening, and hiring employees as the most important HRM challenge, while managers of larger firms are more likely to identify salary adjustment and developing employees as their major challenges (Ng and Maki, 1993).

Most agricultural cooperatives are also located in small rural communities. Research has shown that it is more difficult to recruit and retain employees in

rural labor markets (Hoyos and Green, 2011). The cooperative business structure could also affect human resource challenges. Profitability is not the sole measure of cooperative success because the user-owners also benefit from access to services and the transaction prices. This structure makes it more difficult to design performance based compensation systems. Equity in a cooperative is also not publicly traded, which eliminates the possibility of including stock ownership or stock options in the compensation system. Finally, many cooperative CEOs and mid-level managers have an operational background, which could affect their interest in and use of HRM practices.

In order to provide some insight into HRM issues and practices in agricultural cooperatives, on-site surveys were conducted with the CEOs of 25 grain marketing and farm supply cooperatives in Oklahoma. While this is a small survey population, the research provides a first insight into human resource issues in agricultural cooperatives, and it serves as a foundation for larger scale research. In addition to firm demographics, the survey elicited information on communication practices, recruiting, training and development, and compensation.

Background and Previous Research

HRM is concerned with the management of the human capital of an organization with a focus on maximizing employee productivity. HRM includes the processes of recruiting, screening and hiring, employee relations, training and development, performance appraisal, and the design and administration of compensation and benefit systems. HRM can also have a strategic focus in planning for future human resource needs, re-engineering organizational processes, reducing employee turnover, and retaining the talent and knowledge needed to compete in their respective industries. HRM also includes the processes of ensuring compliance with employment and labor laws and regulations. HRM involves not only specific processes but also the more general

goals of increasing employee engagement and motivation and building commitment and loyalty to the organization.

Given the breath of HRM, it is not surprising that a great deal of research has been conducted on the subject. There is wide consensus that HRM issues and practices vary both across industries and relative to the size of the firm. Therefore, it is useful to focus on previous research relating to small businesses and agribusinesses.

Various researchers have attempted to prioritize HRM issues. Hornsby and Kuratko (2003) surveyed 247 small businesses in a five state area in the central U.S. Compensation levels were ranked as the most important issue followed by availability of quality workers, benefits, government regulation, and training. Heneman, Tansky, and Camp (2000) examined HRM issues in small and medium size enterprises based on focus group interviews involving 173 CEOs. The most frequently mentioned issues were retention, special pay programs, compensation, and training. Rutherford, Buller, and McMullen (2003) investigated whether HRM problems varied over the lifecycle of small to medium sized firms. They found that recruiting was the major HRM problem in low growth firms, while moderate growth firms considered compensation to be their major HRM issue. High growth firms indicated that training was their most important HRM problem.

More specific to cooperatives, Boland, Hogeland, and Mckee (2011) examined current issues in strategy for agricultural cooperatives. Nearly 70% of the expert panel they surveyed indicated that attracting and maintaining quality human resources was an extremely important issue for agricultural cooperatives. Other human resource issues such as the succession of management and key personnel and aligning the incentives of managers and employees with member interest also received high rates of importance. Almost 90% of the experts listed

“developing employee capacity” as an “extremely important” or “very important” issue.

Davis (2004) identified opportunities for HRM in the cooperative and mutual sectors based on seven years of fieldwork including interviews and HRM audits. He concludes that cooperatives were lagging behind other sectors in their application of personnel administration systems. He also suggests that cooperatives need to place greater emphasis on HRM systems if they wish to remain competitive. He identifies management recruitment and selection as a particularly important challenge.

Other studies have examined specific HRM practices in small businesses and agribusinesses. In their survey, Hornsby and Kuratko (2003) found that within the smallest firm size category (0 to 50 employees), the most common recruitment method was employee referrals, followed by walk-ins and newspaper advertisements. Eighty-eight percent of the firms used a formal application form when evaluating potential employees while 90% checked references, 25% used psychological tests, and 25% employed aptitude tests. Eighteen percent of the firms had a formal performance appraisal system linked with compensation while 34% based raises on seniority. A bonus system was in place in 48% of the firms while 17% specifically described a profit sharing system. Almost all of the responding firms (96%) used on the job training, while 79% indicated they had a coaching system in place. Off-site training was used by 50% of the firms, and 24% had an apprentice system.

Kotey and Slade (2005) examined formal HRM practices through a survey of 1,330 small business firms in Queensland Australia. Similar to the Hornsby and Kuratko study, employee referrals was the most common recruiting method, used by 56% of the responding firms followed by newspaper advertisements at 46%. Screening practices were similar to the previously cited study with 67% using a formal application, 45% verifying previous employment, and 24% checking

additional references. While Hornsby and Kuratko found only 18% of the firms used a formal performance appraisal system, Kotey and Slade found that 79% of their small business respondents formally appraised performance. These results may reflect a general trend of an increased adoption of performance appraisal systems. Similar to the Hornsby and Kuraiko findings, on the job training was very prevalent and used by 80% of the firms. Forty three percent of the respondents used job rotation, and 38% utilized off-site training. Their results also indicated that the variety of recruiting methods, formal training programs, and new employee on-boarding programs, plus the use of performance appraisals increased with the size of the firms.

HRM research in agribusiness firms is more limited. AgCarreers.com conducts an annual review of HRM practices in agribusinesses. The 2016 report was based on a survey of 94 agribusiness companies. Eighteen percent of the participating firms were cooperatives. Employee referrals were indicated to be the most effective recruiting method, used by 77% of the respondents. Other methods were the use of social media sites at 64%, corporate websites at 59%, and college and university recruiting at 56%. Sixty nine percent of the respondents had on-site training as part of the on-boarding process while 66% used cross training, and 48% had formal on-the-job mentoring or coaching. Over 90% of the respondents conducted performance appraisals while 77% reported a bonus system in place.

Past research on HRM practices and issues in small businesses highlights some areas of investigation for agricultural cooperatives. Recruiting, compensation, and retention appear to be the most critical HRM challenges in small businesses. Other small businesses appear to place emphasis on employee referrals as a recruiting strategy. It is useful to investigate whether agricultural cooperatives, which are often located in small communities with a smaller labor pool, take a similar approach. Previous research also seems to suggest a transition

from informal HRM practices to more formal systems as the size and growth rate of the firm increases. It is of interest to determine the degree of adoption of formal screening practices, formal appraisal performance appraisal systems, and bonus systems in agricultural cooperative. Baseline information on those and other HRM practices in agricultural cooperatives can help identify opportunities for follow up research.

Data and Methods

A 115 question survey was administered to the CEOs of all 38 commodity marketing and farm supply cooperatives in Oklahoma during the summer of 2017. The survey-elicited information about the cooperative's size and organizational structure, and practices involving recruiting, hiring, on boarding, training, development, performance appraisal, and compensation and benefits. The CEOs were also asked to rank their major HRM issues and respond to questions involving employee motivation, discipline, promotion practices, and interest in various educational programs. Each section of the survey contained open-ended questions, which facilitated further dialog with the CEO.

Cooperative Organizational Structures

On average, the Oklahoma agricultural cooperatives had 25 full-time employees, with the responses ranging from 4 to 92 (Table 1). The cooperatives also had an average of 2 part time employees and 10 additional seasonal employees. Approximately 25% of the full-time workforce was on salary with the remainder paid hourly. The most common organizational structure, used by 61% of the cooperatives was a combination of geographic location and functional departments. Typically, the cooperative had a location manager at each branch, but the agronomy or grain functions were centralized within the headquarters' location.

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Employee Communications

The most common communication method to provide information to employees was to use regular staff meetings, practiced by 86% of the cooperatives (Table 2). Most of the cooperatives had weekly manager/employee meetings within a location and met with branch location employees on a bi-weekly or monthly basis. The second most common communication method was group texts, used by 61% of the firms, while 57% used group emails. None of the cooperatives reported that they had a specific newsletter for employees or used a bulletin board for information delivery. In a separate question, the managers reported that, on average, 88% of the employees had regular access to email or computer based communications.

In order to get a sense of the two-way nature of communication, the CEOs were asked when they received suggestions from employees (Table 3). The most frequent conduit for suggestions was during informal one-on-one discussions. Managers also received suggestions during team or department meetings and during performance appraisals. Only a minority of the managers used a physical or virtual suggestion box. The cooperative managers surveyed clearly preferred informal channels for communications with employees.

Recruiting

The cooperative managers considered referrals from existing employees as the most effective recruiting method followed by social media (Table 4). Use of the company web site was reported to be the least effective recruiting tool. While the majority of managers had used newspaper and magazine ads for recruiting, only 32% reported it as effective. The majority of managers had never tried recruiting on their company website or other websites. Half of the managers had used social media for recruiting. Similar to small business managers, cooperative managers appear to concentrate on informal recruiting methods. However, the use of social media does suggest that they are exploring new methods.

Screening and Hiring

A high percentage of the managers used a written application form and asked for a resume and references when screening a job applicant (Table 5). Almost three fourths of the managers asked applicants to take a drug and alcohol test, and 65% examined skills and training certificates. Managers generally indicated that both of those steps were dependent on whether the job required a commercial driver's license. Slightly over half of the managers did formal background tests. The use of background tests appeared to be somewhat dependent on the size of the rural communities. Managers recruiting from small communities often indicated that they knew the backgrounds of candidates without a formal background check. Only 15% of the managers used a personality test, and none indicated the use of a work sample test. The hiring and screening practices reported by the agricultural cooperative managers appear to be sophisticated.

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Recruiting

The managers were also asked to rank the difficulty in recruiting for various categories of positions (Table 6). Not surprisingly, the managers indicated more difficulty in recruiting for technical and operational positions relative to hourly, entry-level jobs. In general, the difficulty of recruiting appeared to be related to the level of specialized skills required for the position. Many of the respondents indicated that they had not recently recruited for finance, sales, or supervisory positions and could not provide a ranking of recruiting difficulty. In a separate question, the managers reported that, on average, 64% of non-entry jobs had been filled from within in recent years. That promote-from-within policy likely explains the lack of experience in recruiting mid-level managers and supervisory personnel. Follow up conversations indicated that almost all of the managers perceived finance and accounting positions as the most difficult recruiting challenge, although turnover in those positions was low.

Difficulty in Filling Positions

The managers were also asked to rank the difficulty in recruiting for various categories of positions (Table 6). Not surprisingly, the managers indicated more difficulty in recruiting for technical and operational positions relative to hourly, entry-level jobs. In general, the difficulty of recruiting appeared to be related to the level of specialized skills required for the position. Many of the respondents indicated that they had not recently recruited for finance, sales, or supervisory positions and could not provide a ranking of recruiting difficulty. In a separate question, the managers reported that, on average, 64% of non-entry jobs had been filled from within in recent years. That promote-from-within policy likely explains the lack of experience in recruiting mid-level managers and supervisory personnel. Follow up conversations indicated that almost all of the managers perceived finance and accounting positions as the most difficult recruiting challenge, although turnover in those positions was low.

On-Boarding and Orientation

When on-boarding new employees, almost all of the managers indicated that they reviewed the personnel manual, and 82% indicated that they discussed the organizational chart and chain of command (Table 7). Almost two-thirds of the managers matched the new employee with a mentor. Other on-boarding practices such as discussing the cooperative's mission and strategy or describing the performance appraisal and feedback process were less prevalent. Only 39% of the respondents indicated that they discussed the cooperative's history. However, managers that reviewed the history of their cooperative also indicated that they discussed cooperative principles and the specifics of member benefits. Since "duty to educate" is considered a fundamental cooperative principle, it is interesting to note that only 39% of the managers included cooperative education in the on-boarding process.

Training and Development

The average number of hours of training received by a typical employee over the last 12 months was 27.4 hours, or a little more than two hours a month (Table 8). Sixty five percent of training occurred on-site. On-the-job training was the most prevalent, used by 96.4% of the managers, followed by job rotation and cross training at 92.9%. Most of the managers indicated that they used a wide range of training methods, with the least common method, offsite training programs, still used by almost 90% of the cooperatives.

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The managers described the topic content of the training programs in which one or more employees had participated during the previous year (Table 9). All of the managers indicated that employees had participated in safety programs. The next most common topic was training on new equipment and/or new products, which were listed by 82% of the managers. Accounting and finance was also listed by 79% of the managers. However, follow up questions revealed that the accounting education was limited to the CFO. Half of the managers listed customer service and time management training, while only 32% indicated that their employees had attended team building/supervisory skill training. None of the managers indicated that employees had attended an educational program focusing on project management.

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The managers were also queried as to their rationale for employee training (Table 9). All of the respondents indicated that improving the employees' skills in their present position was a major factor in selecting training opportunities. Regulatory compliance was listed as a major factor by slightly over two thirds of the respondents. Broadening the employee's skill set was indicated as a major rationale for training by over half of the managers, but only 29% listed "preparing the employee for another position in the cooperative" as a rationale for training. Over half of the managers perceived rewarding the employee as a major factor in

training while 18% considered it a minor factor. In general, it appears that the managers are focusing on training from a tactical perspective, as a means of increasing current productivity rather than as a strategy to meet future human resource needs.

In selecting employee educational programs, the responding managers indicated that they considered feedback from participating employees, the program content, and the reputation of the program organizer (Table 10). Other factors such as the program fees, length, location, and other participants appeared to be less important. Follow up discussions revealed that they considered the question in the context of the current training opportunities offered by in-state industry organizations. For example, while only 39% indicated that location was a major factor, many of the managers added the caveat, "as long as employees can travel to and from the training program on the same day". Similar comments indicated that "fees are not a major factor as long as they are reasonable."

Performance Appraisal

Only 21% of the managers indicated that they implemented a formal performance appraisal system on an annual basis. Among those using performance appraisal systems, the most prevalent rationale for performance appraisal was to increase employee motivation. Secondary motives were identifying development and training needs and human resource planning and determining rewards and compensation.

Thirty six percent of the responding managers considered their compensation and benefits to be average, while 61% ranked their cooperative's compensation and benefits as below average (Table 11). In seventy percent of the cooperatives, the majority of employees were eligible for an annual bonus. In those cooperatives, 13% based the bonus on individual performance and 7% on departmental performance, and 86% based bonuses on the performance of the

cooperative as a whole. The low prevalence of performance-based bonuses was consistent with the previous results showing a low use of performance appraisal systems.

The responding managers reported an impressive employee benefit package with all cooperatives offering paid vacation and employee health insurance, 96% providing life insurance and 89% having a defined benefit retirement program. The most common type of other benefit was the use of a company vehicle. While around 18% of the respondents indicated that they supplied company vehicles. Follow up discussions clarified that vehicles were only provided to certain categories of employees such as agronomy specialists.

Promotions

The responding managers clearly agreed that individual performance was the key factor in determining promotions (Table 12). Other factors such as knowledge skills and ability, initiative, and teamwork were considered somewhat important. Over 70% of the managers indicated that seniority was not an important factor in promotions, while 25% ranked it somewhat important. Given the low incidence of formal performance appraisal, it is interesting to note the high importance of performance in determining promotions. In a separate question, not reported in Table 12, 64% percent of the managers reported that during recent years they had filled non-entry level jobs by promoting from within the cooperative.

Attitudes and Issues

The responding managers indicated that recruitment was their greatest human resource challenge followed by motivation and training (Table 13). The least challenging areas of HRM were retaining experienced employees and discipline and dispute resolution. The responding managers considered the

retention of entry employees as a greater challenge relative to retaining experienced employees and managers. While the previous survey question indicated that 61% of the managers considered their compensation and benefits to be below average, only 21% considered compensation and benefits to be an important HRM challenge. Similarly, while the previous question showed only that only 21% of the cooperatives had a formal performance appraisal system, only 7% of the managers considered performance appraisals to be a significant HRM challenge.

Attitudes on Employee Motivation

In lieu of the fact that over 50% of the managers rated motivation as an important HRM challenge, it is interesting to note the major factors that the managers identified as increasing employee motivation (Table 14). The managers overwhelmingly considered recognizing employees for superior work performance as the most effective step in increasing motivation. Training and development was the next most important factor followed by adjusting compensation levels. Again, it is interesting to note the fairly high rating of compensation levels in light of the previous result, which indicated that most of the manager ranked their compensation as below average. Also of note is the fact that while 70% of the cooperatives had some type of a bonus system in place, only 39% viewed one-time bonuses as a major factor in increasing motivation. Follow-up discussion revealed perceptions that some employees viewed training as motivational, and some disliked training experiences. Many of the managers who rated promotion as not being a factor in motivation clarified that, because of the cooperative size and stable workforce, opportunities for promotion were limited.

Manager Comments

As is typical with personally administered surveys, some of the most useful information came from the follow up discussion with the managers. Many managers highlighted the importance of HRM in agricultural cooperatives:

“Find and hire the best people possible because interacting with members is critical. People skills are essential. Every job is a team project.”

“You have to have the right employees interacting with members. Some employees have operational skills and some have people skills.”

Several managers commented on generational differences and the changing expectations of employees

“Are we going to change employees to match our cooperative or will we have to change practices to match employees?”

“We have to shape our structure to meet employees. They want work-life balance.”

“We try to be flexible with time off during non-peak seasons.”

“My employees tell me they don't want the cooperative to become any more corporate.”

“We are currently open on Saturday, but that may have to eventually change.”

There were also several comments about seniority and promotion:

“Seniority matters if they are developing. Some employees have one year of experience twenty times.”

“Seniority limits the opportunity for promotion since we are not going to demote a long-time employee to create a position.”

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“Seniority is not important because skills at one level are not necessarily the skills needed at another level.”

“We don’t have the bench strength, so it will not be possible to promote from within. No one really has the potential to perform at the next level.”

Recruiting was identified as a major HRM issue and, not surprisingly, many managers had observations concerning recruiting

“Difficulty in recruiting depends on the strength of the oil field economy”

“Our location in a rural community makes it difficult to recruit for technical jobs”

“For many of our employees, there is a benefit in working in their home town.”

“We have a remote location that is difficult to recruit for because the community does not have a school.”

“The average age of our members is 60-65. That impacts whom you hire. An employee with a lot of tattoos would not go over here.”

Many of the managers also had follow-up comments concerning human resource challenges”

“People are 95% of a managers job.”

“The challenge is to make the cooperative run like one location, not three different companies.”

“The toughest part of managing a cooperative is managing the personality types.”

“The CEO’s job is to get rid of the bad employees.”

Conclusions

Overall, the survey results indicate that agricultural cooperatives are similar to other small businesses both in terms of their perception of HRM challenges and in the HRM practices employed. Recruitment appears to be a greater challenge for cooperatives, relative to other small businesses. Retention, particularly the retention of experienced personnel, appears to be less of an issue. The managers also rated employee motivation and engagement as a significant HRM challenge. That challenge has not been frequently highlighted in small business HRM research. Possibly, cooperative managers have higher expectations for employee engagement because of employee interactions with member-owners.

In terms of HRM practices, agricultural cooperatives appear to be similar to other small businesses in terms of recruitment, screening, and on-boarding. Compared to other small business, the cooperatives represented in this research appear to be less concerned with adopting performance appraisal systems. However, they make similar use of bonuses and are equally committed to training. A high percentage of the cooperatives have systems in place for mentoring and cross training. Despite the fact that many cooperative CEOs have operational or finance backgrounds, they appear to be well engaged in HRM.

The results do suggest several educational and informational needs. As agricultural cooperatives continue to grow, cooperative managers are likely to need to adopt a broader array of recruiting methods and augment one-on-one employee communication with more formal systems. While the majority of managers appear satisfied with subjectively measuring employee performance, they will likely need to adopt formal appraisal systems as their workforce expands. Finally, while managers appear committed to training employees for currently needed skills, they do not appear to be developing human resources to

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meet the future needs of their cooperatives. This research did not investigate the attitudes or satisfaction of cooperative employees. Employee perspectives on HRM in cooperative firms would be a fruitful area for further research.

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Table 1: Cooperative Organizational Structure

	Average	Max	Min
Full Time Employees	24.4	92	4
Part Time Employees	1.8	8	0
Seasonal Employees	9.7	52	0
Employees on Salary	6.2	37	1
Percent of Positions with Job Descriptions	.75	1	0
Functional Organizational Structure	17.8%	100%	0%
Geographic Department Structure	17.8%	100%	0%
Combination Department Structure	60.7%	100%	0%

Table 2: Regular Methods of Providing Information to Employees*

Regular Staff Meetings	85.7%
Employee Group Texts	60.7%
Employee Group Emails	57.1%
Employee Specific Section of Webpage	3.6%
Employee Specific Newsletter	0.0%
Bulletin Board	0.0%

*Respondents checked all categories that applied

Table 3. Methods of Receiving Suggestions from Employees

Suggestion Method	Never	Somewhat Frequently	Frequently
During Annual Performance Review	50.0%	21.4%	28.6%
During a Team or Department Meeting	42.9%	7.1%	50.0%
During a Special “Brainstorming” Meeting	64.3%	14.3%	21.4%
From a Physical or Virtual Suggestion Box	96.4%	0.0%	3.6%
During Informal one on one Discussions with Employees	3.6%	3.6%	96.4%

Table 4: Effectiveness of Alternative Recruiting Methods

Method	Have not Tried	Not Effective	Effective	Very Effective
Newspaper/Magazine	17.0%	50.0%	32.1%	0.0%
Company Website	67.9%	21.4%	10.7%	0.0%
Non-company Website	53.6%	67.9%	32.1%	0.0%
Social Media	50.0%	7.1%	42.9%	0.0%
High School or University	42.9%	25.0% %	32.1%	0.0%
Referrals from Existing Employees	0.0%	7.1%	82.1%	10.7%

Table 5. Screening and Hiring Practices

Application Form	92.3%
Resume	84.6%
Skill Training/Cortication	65.4%
Reference Checks	80.7%
Drug and Alcohol Tests	73.1%
Background Checks	53.8%
Personality Test	15.4%
Work Sample Test	0.0%
Percent of respondents that indicated the practice was part of their usual screening/hiring practice	

Table 6: Difficulty of Recruiting for Various Positions*

Position	Very Difficult	Difficult	Neither Easy nor Difficult	Easily	Very Easily	No Ranking
Hourly/Non-Exempt	17.9%	21.4%	17.9%	35.7%	3.6%	3.6%
Exempt Technical and Operational	46.4%	17.9%	10.7%	7.1%	7.1%	10.7%
Finance and Accounting	35.7%	10.7%	0.0%	7.1%	0.0%	46.4%
Sales	17.9%	17.9%	0.0%	7.1%	3.6%	53.6%
Mid-Level Management/Supervisory	3.6%	17.9%	7.1%	0.0%	0.0%	71.4%
*Some respondents had not recruited for a particular position and did not provide a ranking.						

Table 7: On-Boarding and Orientation Program for New Employees

Practice	Percent of Mangers Using Practice
Review of Personnel Manual	96.4%
Overview of Organizational Chart and Chain of Command	82.1%
Overview of Cooperative Mission and Strategy	46.4%
Assignment of a Mentor	64.3%
Describe Performance Appraisal Process	39.3%
Describe How Feedback Will Be Provided and Information can be Requested	39.3%
Overview of the History of the Cooperative	39.3%
Overview of Cooperative Principles	39.3%
Overview of Member Benefits Including Patronage and Revolving Equity	39.3%

Table 8: Training and Development Practices Typically Used by Cooperative

On-the-Job Training	96.4%
Mentoring	89.3%
Job Rotation or Cross Training	92.9%
Formal Training Sessions On-Site	89.3%
Offsite Training/Educational Programs	89.3%

Table 9: Topic of Educational Programs During the Previous Year

Training Topic	Percent Implementing Training
Safety	100%
Technical Skills/Product Knowledge	89.3%
New Equipment/New Products	82.1%
Time Management/Goal Setting	50.0%
Team Building/Supervisory Skills	32.1%
Customer Service	50.0%
Accounting, Finance or Budgeting	78.6%
Project Management	0.0%

Table 9: Reason for Having and Employee Participate in Training

Rationale	Not a Factor	Minor Factor	Major Factor
Increase Job Specific Skills	0.0%	0.0%	100%
Broaden the Employee's Set of Skills	10.7%	32.1%	57.1%
Prepare the Individual for Another Position in the Cooperative	53.6%	17.9%	28.6%
Opportunity to Interact with Peers in Other Firms	42.9%	14.3%	42.9%
Reward the Employee	28.6%	14.3%	57.1%
Regulatory Compliance or Certification	14.3%	17.9%	67.9%

Table 10: Factors Considered in Selecting Educational Programs for Employees

	Not a Factor	Minor Factor	Major Factor
Program Content	7.1%	10.7%	82.1%
Program Length	14.3%	39.3%	46.4%
Program Fees	42.9%	39.3%	17.9%
Program Location	25.0%	35.7%	39.3%
Other Participants	42.9%	42.9%	14.3%
Reputation of Program Organizer	0.0%	28.6%	71.4%
Feedback from Participants	7.1%	3.6%	89.3%

Table 11. Benefits Offered to Salaried Employees

Annual Paid Vacation	100.0%
Health Insurance for Employee	100.0%
Health Insurance for Spouse and Family	63.0%
Life Insurance	96.4%
Defined Benefit Pension	89.3%
Defined Contribution Pension	50.0%
Other: Wellness Program, Tuition Reimbursement, Flexible Hours, Vehicle	17.9%

Table 12. Factors in Determining Promotions

Factor	Not Important	Somewhat Important	Important
Performance	10.7%	7.1%	82.1%
Seniority	71.4%	25.0%	3.6%
Knowledge, Skills, and Ability	10.7%	85.7%	7.1%
Initiative	7.1%	89.3%	7.1%
Teamwork and Respect of other Employees	10.7%	85.7%	7.1%

Table 13. Rating of Human Resource Challenge

Challenge	Not Important	Somewhat Important	Important
Recruitment	7.1%	17.9%	75.0%
Compensation and Benefits	32.1%	46.4%	21.4%
Retaining Entry Level Staff	42.9%	28.6%	21.4%
Retaining Experienced and/or Management Level Employees	75.0%	17.9%	7.1%
Performance Appraisal	48.4%	17.9%	7.1%
Discipline/Dispute Resolution	57.1%	39.3%	3.6%
Training/Development	35.7%	21.4%	42.9%

Table 14. Effectiveness of Methods to Increase Employee Motivation

Method	Not a Factor	Minor Factor	Major Factor
Recognition of a Job Well Done	3.6%	7.1%	85.7%
Periodic One Time Bonuses	46.4%	14.3%	39.3%
Compensation Level Adjustment	25.0%	25.0%	50.0%
Job Rotation/Job Enrichment	53.6%	21.4%	25%
Training and Development	28.6%	17.9%	53.6%
Promotion	53.6%	17.9%	28.6%

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