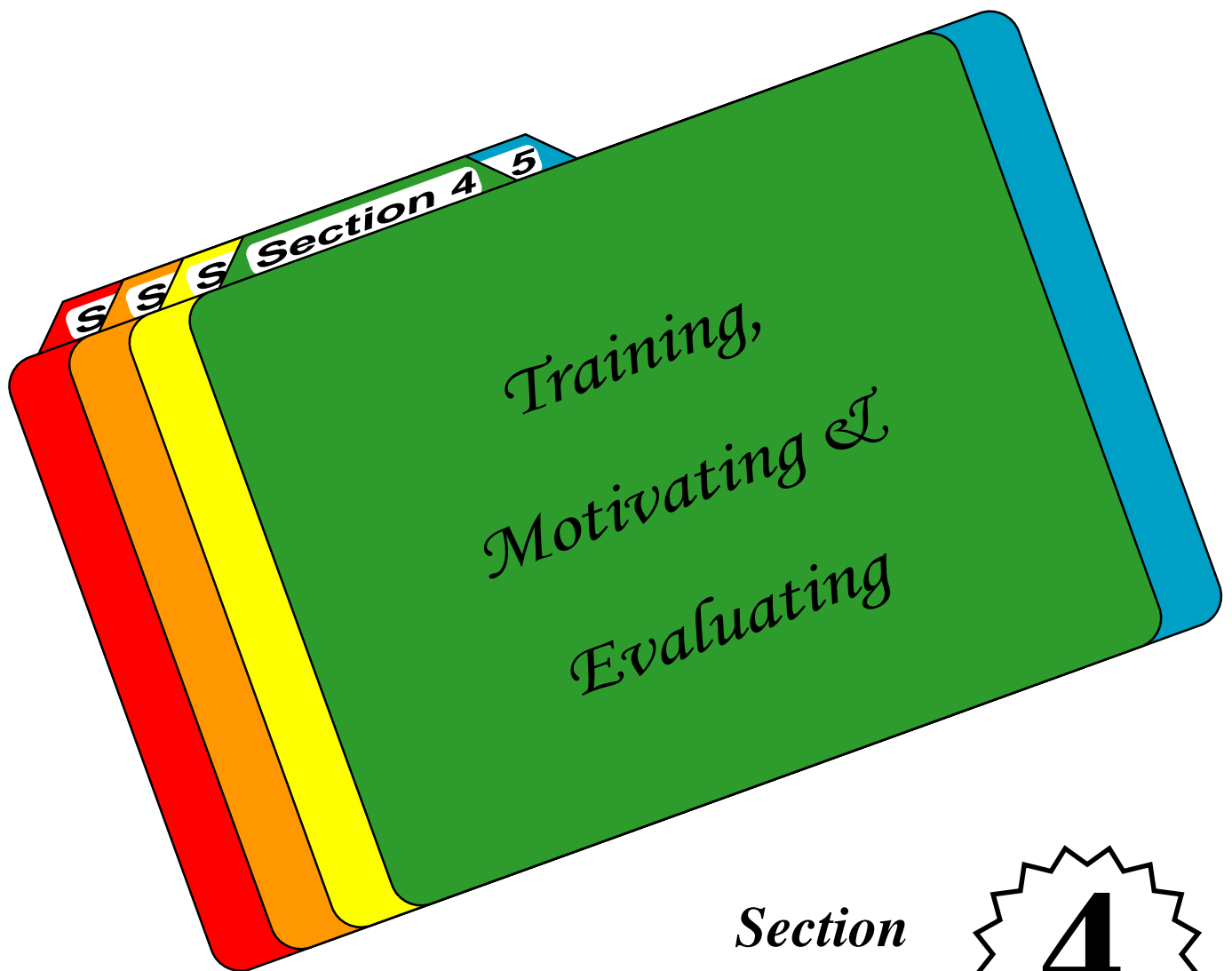


EMPLOYERS' HANDBOOK

for Agriculture & Horticulture



Section

4

Introduction

The *Employers' Handbook* is written as a guide to owners, managers and supervisors in agricultural and horticultural operations. This handbook will help you to:

- recruit better employees
- supervise, motivate and train your employees to reach desired performance
- discipline and dismiss employees should that be required.

Use this handbook to help you achieve sound human resource management practises which can result in increased productivity, reduced staff turnover, and satisfied employees and managers.

This handbook is divided into five sections. You should familiarize yourself with the contents of each section and place the handbook where it can be easily found. Make sure you refer to it when you need specific information.

Section Four

Training, Motivating & Evaluating is *Section Four*. It discusses several ways in which managers can promote high level performance from workers.

- developing worker ability through training
- creating a motivational climate in the workplace
- paying fair wages and offering valued benefits.

A constructive exchange of information through performance evaluations can lead to enhancement of both ability and motivation.



REMEMBER

A TV icon, like the one you see in the left margin, tells you that information in the text is supported by extra information in the video available from CFBMC (Canadian Farm Business Management Council). A brief description of the content you will see in the video will be given in the left margin under the TV icon.

Managing for High Performance

How well employees perform their jobs **depends on both their ability and their motivation—what they can do as well as what they will do.** Neither of the two is sufficient by itself to ensure good work. Despite being extremely dedicated, enthusiastic and hard-working, a person with no mechanical skill will not be able to overhaul the tractor engine. And even a top-notch mechanic will not get the job done right if he/she does not want to.

So managers who want better worker performance may need to **consider management practices that affect either ability, motivation or both.** Some workers can outperform others on any given task, and all workers have a range of performance levels that vary over time and by type of job. The central challenge of human resource management, simply put, is to employ the most capable people in the tasks and under the conditions that bring out their best work.

In this section we first describe the high performance cycle and then move on to discuss training and aspects of management tied to motivation.

High Performance Cycle

Productivity depends on many factors and there is a complex relationship between motivation to work and job satisfaction. A number of factors combine to create an atmosphere in which worker productivity can flourish. These factors are illustrated in the high performance cycle, illustrated on the next page.

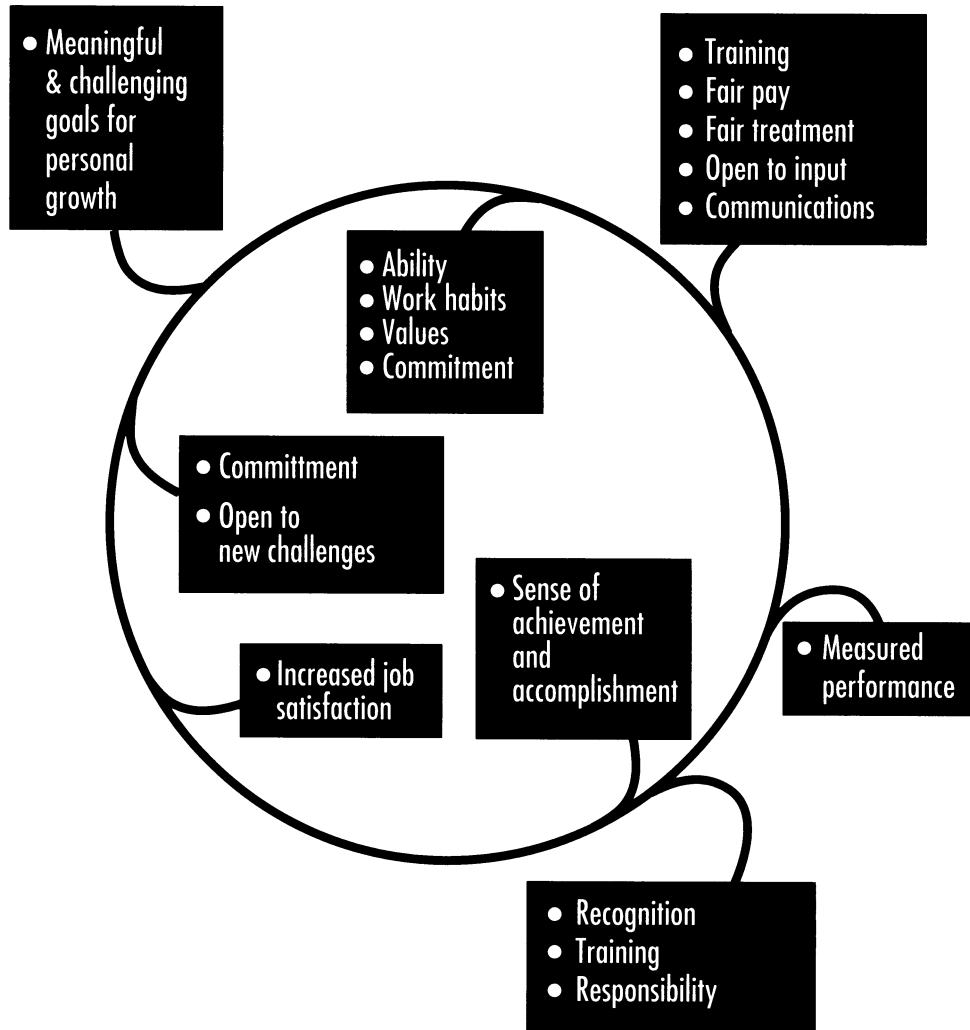
Supervisors have tremendous influence on employee productivity. These influences are noted on the outside portion of the circle. Changes in the employee are noted within the circle. The most effective tools an employer has are:

- setting meaningful and challenging goals
- providing clear instructions that are well understood
- recognizing personnel through thank you's and other meaningful rewards.

Successful managers have the ability to persuade workers (without using threats or coercion) to accept the manager's agenda, work hard at it and do a quality job.

High Performance Cycle

(Adapted from Lock & Latham)



**Factors influenced by the supervisor are outside the circle.
Factors influenced by the employee are inside the circle.**

Training

Why Train?

Tools for Motivation

- Provide training
- Create motivational climate
- Evaluate employee/ employer performance
- Pay fair wages

New employees usually come to the job not fully equipped to do their new job. Training that they receive on the job can make up the difference between the abilities they start with and those they need.

Your training program should meet your production needs as well as your employees' personal needs.

Training your employees to know what they are supposed to do, how to do it, and why produces two kinds of benefit. Both eventually translate into improved profits for your business.

1. **Productivity and quality improve** as workers:
 - do the right thing the right way
 - waste less time and materials
 - offer new and better methods of doing things.
2. **Job satisfaction among employees improves** as workers successfully meet new challenges and feel your support as a manager.

If you give little attention to your employees, you risk getting little from them. The time, effort and cost of training are worth it.

In making a training commitment, start with an understanding of what the job requires and some sensitivity for what your employee does and does not know.

Even workers who do what may seem to be the most basic and simple of tasks can be trained to do those jobs easier and faster.

For example:

A study was done in a greenhouse in Germany where workers were required to package potted plants for shipment. Simply by teaching workers different ways to do their job, the total number of pots prepared per hour per worker increased from 189 to 488, over double the output.

While all training may not result in such dramatic results, it can improve the productivity of your operation.

Training makes the complex seem simple.

The Training Plan

As you think about training, keep in mind two key things we know about human behaviour.

1. We learn more quickly and retain it longer when we want to learn. The training must meet the learner's needs, not the trainer's needs.
2. We, as adults, are motivated to learn when we feel a need to grow, to achieve, to have power or any combination of these.

Training must be put to use soon after acquiring it or the effort is lost.

Overview of the Training Process

Develop training vision: Look at performance appraisals, productivity statistics, safety incidents, employee requests.

Set training objectives: What specific tasks should your worker be able to do after training? Change the oil in the tractor? Birth a calf?

Select training methods: Individual or group instruction? Course outline should progress from basic to complex in small, easy-to-master steps by matching training method to your employee technical skill level.

Use the four-step method: Prepare, Present, Try Out, Follow Up. Active involvement promotes learning; we learn by doing.

Evaluate the training: Have the objectives been met? How does the employee feel? What are the "bottom-line" results or benefits?

The key to successful training, then, is to **involve the learner**. Involve them in the training design and in doing the training.

Training is also critical for seasonal and part-time employees. One employer sums up his strategy for training seasonal workers by the simple phrase:

Work well ☆ Work fast ☆ Work smart

The Four-Step Method of Training



To see training in action,
view the video on
"SUPERVISING"
in the labour management series.

<p style="text-align: center;">Step 1</p> <p style="text-align: center;"><i>Prepare</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Put the learner at ease. <input type="checkbox"/> Find out what he or she already knows about the job. <input type="checkbox"/> Get him or her interested in learning the job. <input type="checkbox"/> Place him or her in the correct position. 	<p style="text-align: center;">Step 2</p> <p style="text-align: center;"><i>Present the Operation</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Tell, show, illustrate, and question carefully and patiently. <input type="checkbox"/> Stress key points. <input type="checkbox"/> Instruct clearly and completely: one point at a time but no more than the learner can master.
<p style="text-align: center;">Step 3</p> <p style="text-align: center;"><i>Try Out Performance</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Test by having the learner perform the job. Have him or her tell and show you and explain key points. <input type="checkbox"/> Ask questions and correct errors. <input type="checkbox"/> Continue until you know that he or she knows. 	<p style="text-align: center;">Step 4</p> <p style="text-align: center;"><i>Follow-up</i></p> <ul style="list-style-type: none"> <input type="checkbox"/> Put the learner on his or her own. <input type="checkbox"/> Check frequently. Designate someone who can help if needed. Encourage questions. Get the learner to look for key points as he or she progresses. <input type="checkbox"/> Taper off extra coaching and close follow-up.

Motivation

Tools for Motivation

- Provide training
- Create motivational climate
- Evaluate employee/ employer performance
- Pay fair wages

Why are some workers interested in their work and in the operation where they work? These workers take a special interest, notice things that need attention and are willing to give the job extra thought and care. **Why are other workers turned off**, showing no interest in doing anything beyond the bare minimum that is expected of them? These workers fail to notice the soft tire, the dry bearing or the cow in heat.

The difference between these types of workers is often one of motivation. One group is motivated to do a good job; the other is not.

How Motivated Are Your Employees?

A Self Quiz

Give an honest assessment to each of the following questions. Circle the number which best describes your situation.

	None of the time	Some of the time	Most of the time	All of the time
1. My employees do adequate work	0	1	2	3
2. My employees show up regularly	0	1	2	3
3. My employees meet basic job requirements	0	1	2	3
4. My employees do exceptional work	0	1	2	3
5. My employees are very satisfied with their jobs	0	1	2	3
	High	Moderate	Low	
6. The rate of my staff turnover is	1	2	3	
7. The level of my staff productivity is	3	2	1	

Add up your score. The higher your score, the greater the likelihood that you are supplying a good motivational climate.

What is Motivation?

*“By employing
only the hands
of workers, and
not their heads
and hearts,
organizations
lose precious
return on their
investments
in people.”*

Kouzes and Posner

Motivation is something we feel within ourselves. It is an inner drive that is usually expressed in action.

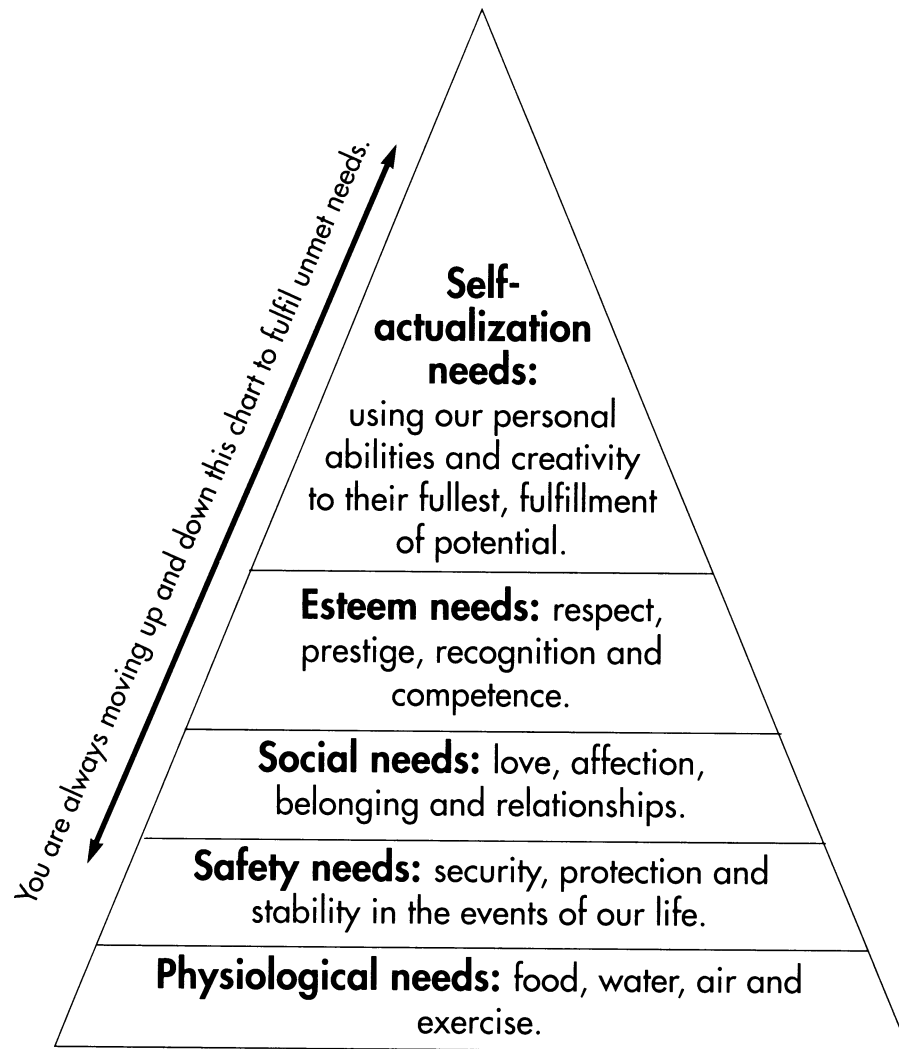
We cannot truly motivate anyone else. Motivation must come from within. What we can do is create a climate where motivation is encouraged by good working conditions, incentives, positive feedback and other job-related factors. We can use the following tools for motivation.

Tools for Motivation

- Provide training
- Create motivational climate
- Evaluate employee/employer performance
- Pay fair wages

Needs

Behavioural scientists say everything we do, we do in an attempt to fulfill needs. Several different theories have been formulated about human needs. One of the better known ones is Maslow’s hierarchy of human needs. Maslow said we have five categories of needs. These needs are depicted as being a pyramid.



Maslow's Hierarchy of Needs

As individuals, whether managers or employees, we strive to fulfill our unmet needs.

Employees are most satisfied and most productive when they are given an opportunity to meet some or all of their needs. The challenge then to you, the manager, is to understand what your employees' needs are and then supply a motivational climate in which they can meet their needs.

Things to remember about needs:

- The other needs do not act as strong motivators until the physiological and safety needs are met.
- No two people are alike. Therefore, needs vary in type and intensity from individual to individual.
- People's needs change as time progresses and circumstances change.

Providing a Motivational Climate

To provide a motivational climate for your employees, you need to understand what is important to employees.

The following chart may help you understand some job factors that may satisfy different needs of your employees.





For another way of looking at what motivates employees, view the video on "Managing People on Your Farm" in which the four cornerstones of effective management are described. (See page 1)

Things People May Want From Work

Needs	What a Person Wants from a Job
Physiological	Physically comfortable working area Minimum salary/wage
Safety	Safe working conditions Job security Good base salary/wage and benefits
Social	Friendly co-workers Sponsored social activities on and off the job Compatible supervisor
Esteem	Promotion to higher-status job Praise and recognition from supervisor High-performance evaluation and merit-pay increase
Self-actualization	Creative and challenging work Participation in decision-making Flexibility and autonomy

Charging Up - Draining Down

A simple way of looking at your motivational climate is to compare your workplace to a battery. There are conditions you can provide that will tend to charge up your employees and there are conditions which will tend to drain them down. **Simply removing the drain-down factors won't necessarily result in charged-up employees.** Both sides of the "battery" must be considered.

+ 	What Charges Up What Drains Down	 -
Charges Up (+)		Drains Down (-)
+ recognition and praise for good work		- confusion
+ variety of work that utilizes one's skills and abilities		- lack of trust
+ independence and responsibility in work		- inadequate pay
+ participation in decision-making about one's work		- poor or unsafe working conditions
+ tasks or jobs that involve learning and growth		- poorly maintained or inadequate equipment
+ favourable working relationships		- no opportunity to learn or grow
+ being trusted		- not being listened to
+ seeing the result of one's work		- someone solving problems for you
+ high occupational status		- not knowing whether you are succeeding
+ being listened to and informed		- not getting along with co-workers or supervisor
+ good pay		- boredom
+ interesting work		- perception of unfair treatment
+ training		- poor instructions

Another method that can be used to assess motivational climate and what's important to employees is to look at a list of the 10 most common reasons for labour problems.

Might your employee be able to say any of the following?

	Yes	No	Sometimes
1. I can't communicate my concerns.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Too many bosses tell me what to do.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I don't know exactly what my responsibilities are.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I'm not growing and not learning new skills.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. My time off is not specified.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I don't get paid enough for my skills.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. The work environment is dangerous and unhealthy, and equipment is inadequate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. I don't get any recognition when I perform well.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. I have problems with my employer's spouse.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. My employer breaks his promises.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Analyzing your answers may help you identify situations that need to be corrected.

Job Design

Good managers have a strong responsibility to design jobs that provide a high level of job satisfaction. A job can and should be more than a source of economic livelihood. Because work is such an important component of most people's lives, the quality of their work life affects their satisfaction with life.

Psychological incentives such as trust and usefulness far outweigh money as long as money is seen as adequate.

Well-designed jobs contribute significantly to a positive motivational climate.

Six Points to Remember When Designing Jobs



The consequences of having a good employee who isn't challenged are illustrated in the video "Managing People on Your Farm" in the labour management series.

1. Doing a whole job from beginning to end. Let people do a whole piece of work so that there is continuity and completeness.
2. Regular contact with other employees, suppliers and customers. Let people get to know suppliers, customers and other employees.
3. Using a variety of skills. Let people handle a variety of tasks which call for a number of different skills.
4. Freedom to act independently. Let people make choices about how their work should be done. Self management is the first step toward human resource development.
5. Feedback from results. Let people sense from the work they do how well it has been done, by building in standards against which to measure success.
6. Opportunity for growth. Let people stretch their minds and sharpen their skills to accomplish the tasks up to the standard expected.

Your business is as good as your employees; your employees are as good as your management.

“Many jobs are too small for the human spirit. The boundaries of many jobs simply aren’t elastic enough to make room for workers’ vast hearts and spirits. As a result, the wasted energy and abandoned vision are resources lost to both the employer and the employee.”

John P. Schuster

The motivational climate you provide can determine whether or not you get high performance from your employees. The more thought and effort you put into the management process, the greater the performance, quality and productivity you’ll get in return. Not only will you be a satisfied manager, but you’ll have satisfied employees.

Evaluate Your Success in Developing a Motivational Climate

The following checklist can help you judge your success in developing a motivational climate in your business. For each item rate yourself (be very frank) on how often you use that skill. Give three to four employees copies and ask them to rate you on each of the items. Ask them to be frank. Compare your own personal rating with theirs and discuss it with them. How well do you stack up?

What changes would you like to make in your management style?

	Always	Usually	Sometimes	Never
1. I give my people honest recognition on a regular basis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I try to make each person's job as meaningful as possible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I work at getting to know my people as individuals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I provide clear requirements for every task.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. I provide my people with feedback about performance on a regular basis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I am available to my people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. If my people don't come to me with information, I go to them and ask.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. I try to match business and employee needs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

People are capable of doing prodigious amounts of work if they believe their knowledge and skills are appreciated and they are involved in making decisions about their work.

- William Glasser

Performance Evaluation

Tools for Motivation

- Provide training
- Create motivational climate
- Evaluate employee/ employer performance
- Pay fair wages

Purpose of Evaluation

Employees need the opportunity to discuss their goals, desires and concerns with their supervisors.

Two questions every employee needs the answers to are, “What is my job?” and “How am I doing?” Regular feedback is one of the most effective tools an employer has to increase productivity. Studies show that 11 to 20 per cent productivity gains are achievable by providing good feedback.

Monitoring of employee performance should be a primary and ongoing responsibility of all first-line supervisors. In addition, every manager should do at least an annual evaluation of each employee’s overall performance. The successful manager will always be concerned about people’s performance. There are various ways to monitor an employee; direct observation is one of them.

From an employee’s perspective, a performance evaluation provides the following:

- allows me to compare how well I am doing my job with how well I need to do my job
- gives me clear guidelines for improvement
- makes me feel I can succeed in my weak areas if I adopt these guidelines
- gives me opportunity to share my concerns about my job and career with my employer.

From the employer’s perspective, a performance evaluation:

- provides feedback from the employee
- determines how the employee’s work contributes to my farm objectives
- builds teamwork in solving problems
- ensures the employee wants to improve and can improve
- gives an opportunity to identify training needs.

Conducting performance appraisals should not be a dreaded task. Honest evaluations provide employees with a clear indication of their strengths and weaknesses and minimize legal proceedings when less than competent employees must be discharged. Do not use a performance review to discuss discipline. Discipline problems need to be dealt with independently of performance reviews.

Performance evaluations are best conducted with an open mind. One-sided employee evaluations can create more problems than they solve. Go into a performance evaluation with the goal of creating an atmosphere where an honest exchange of information between the employee and the employer can take place.

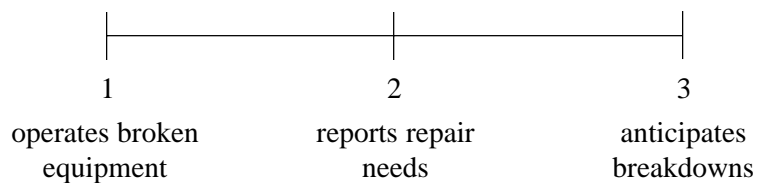
Developing Performance Appraisal Forms

There are many different types of appraisal forms in use today. Although it takes time to develop a form specific to your operation, the results are worth the effort.

As you develop your form, focus on two questions.

1. What do your employees actually do on their job?
(Observable behaviours)
2. How can you measure their performance?

For example, if one of their duties is to “maintain equipment”, how can you measure how well the employee is doing this part of the job? One way is to make a scale of 1 to 5, with 1 being poor performance and 5 being outstanding. Then write down what you mean as “poor” and “outstanding”.



As a guide for you, we have provided two sample evaluation forms.

1. **The Quarterly/Monthly Job Review Sheet** is on page 4-17. This short report is used to give specific feedback to your employee about tasks.
2. **Worker Performance Appraisal** is on pages 4-18 to 4-20. This form lists various duties to be done for each job and an objective way for you to measure the worker’s performance. This form is adapted from one designed by Howard Rosenberg (refer to References at the end of the handbook for more information).

Sample Evaluation Forms

Quarterly/Monthly Job Review Sheet

Date: _____

Period under review: _____

Task	Planned Completion Date	Task Accomplished	Comments
1. Winterize power equipment, drain pumps and sprayers, add coolants to engines	October 1, 19--	<input checked="" type="checkbox"/>	Completed on schedule; good attention to detail
2. Take soil samples and submit to lab for analysis	November 1, 19--	<input checked="" type="checkbox"/>	(your comments)
3. Restock parts bin and clean up shop	December 15, 19--	<input type="checkbox"/>	_____ _____ _____
4. Locate and spot-spray Canada thistle patches	October 15, 19--	<input type="checkbox"/>	_____ _____ _____
5. Inspect combine, adjusting and replacing worn bearings, belts, bushings and chains. Advise on any major repairs required.	_____	<input type="checkbox"/>	_____ _____ _____
6. Attend two-day soil conservation workshop and be prepared to discuss recommendations with manager	_____	<input type="checkbox"/>	_____ _____ _____
7. Attend first-aid course	_____	<input type="checkbox"/>	_____ _____ _____

Worker Performance Appraisal

Example Using a Cow/Calf Worker

EMPLOYEE NAME: _____

DATE: _____ PERIOD UNDER REVIEW _____

On each line, place a mark that best describes worker's performance.

I. WORK PERFORMANCE

A. COW HERD

1. Quality of Work

improves cow herd productivity maintains the cow herd productivity harms the cow herd productivity

2. Productivity

usually leads other workers usually works with other workers usually behind other workers

B. EQUIPMENT OPERATIONS

1. Field Work with Tractor

operates equipment with precision and with minimum damage improves the efficiency of ground covered and equipment usage often overlaps excessively or misses pieces

2. Spraying

always applies material to target area sometimes does not check where material goes just drives tractor without checking application

3. Misc., e.g. Hauling Equipment

uses correct gear and speed sometimes needs help finding proper gear and speed often runs engine in wrong gear or without enough on throttle

4. Safety

follows safety rules and guidelines needs occasional reminder on safety rules disregards rules on safety

C. EQUIPMENT CARE

1. Maintenance

anticipates breakdowns reports repair needs operates broken equipment

2. Servicing (Daily)

does daily servicing without supervision does daily servicing with supervision ignores daily servicing

3. Servicing (100 hr)

does 100 hr servicing without supervision | does 100 hr servicing with supervision | does not do 100 hr servicing

4. Mechanical Repairs

does a variety of minor repairs | makes an occasional repair | completely dependent for repairs

D. PESTICIDE APPLICATIONS

1. Measuring Chemicals

measures accurately | helps supervisor | does not measure accurately

2. Applying Chemicals

corrects improper applications | reports improper applications | neglects improper applications

3. Safety

always wears protective clothing | wears protective clothing if reminded | wears street clothes

II. WORK RELATIONSHIPS

A. CO-WORKERS

1. Teamwork

helps others | interested in own work | interferes with others

2. Leadership

teaches others and takes responsibility for group actions | leads by example, sometimes teaches others | does not take leadership position

B. SUPERVISORS

1. Acceptance of Supervision

needs few instructions, gives valuable feedback | accepts and carries out instructions | frequently argues about assignment

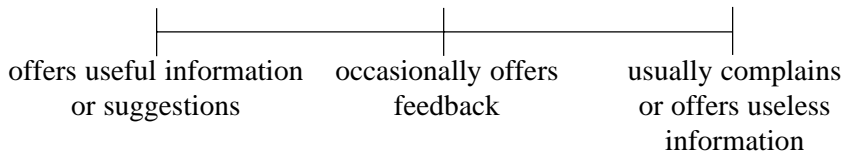
2. Directions

begins tasks only after directions are fully understood | follows instructions but sometimes they are misunderstood | often does wrong job or wrong way

3. Reliability

completes assignments on time and often beyond expectations | completes assignments with some supervision | often does not complete a task even with constant supervision

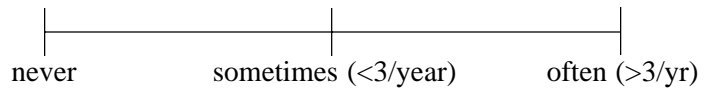
4. Ideas and Observations



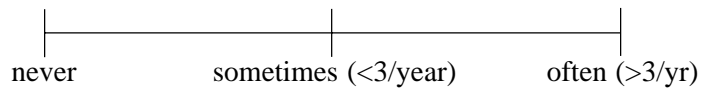
III. GENERAL WORK HABITS AND SKILLS

A. ATTENDANCE

1. Absence without Notice

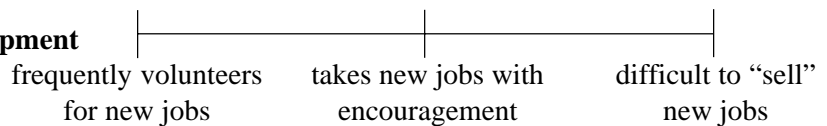


2. Tardy Without Notice

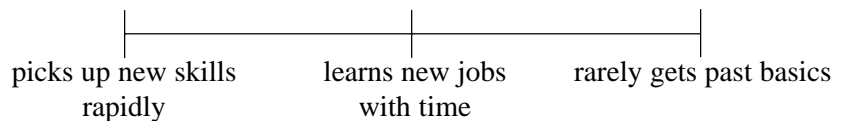


B. GROWTH

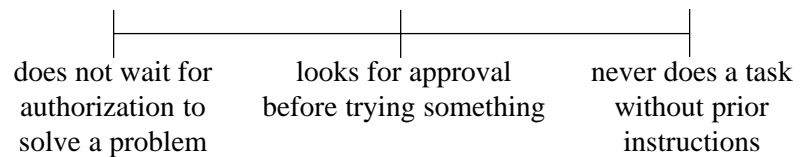
1. Interest in Personal Development



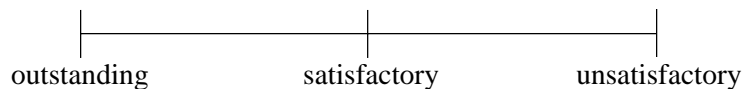
2. Learning



3. Initiative



IV. OVERALL ASSESSMENT OF PERFORMANCE



Tips on How to Do An Evaluation

**Performance evaluation
includes these key
activities:**

- Prepare
- Communicate
- Agree
- Follow-up

You can divide the elements of an effective performance appraisal into five steps:

- 1. Establish work methods and productivity levels expected for each position.** Use your job description as a blueprint for achievement and ask employees to define their goals.
- 2. Monitor employees at random** to determine performance levels.
- 3. Regularly provide employees with both positive feedback and constructive criticism.** There should be no surprises for the employee during the interview.
- 4. Plan the evaluation interviews.** Analyze records and performance goals and ask employees to complete a pre-interview evaluation.
- 5. Conduct the evaluation interviews.** Discuss the self-evaluations completed by employees and work together on ideas for improvement. Set new goals, if necessary.

Employee Involvement in the Process

Most of us would prefer to point out our own weaknesses before someone else does, just as most of us do not respond well to harsh criticism. Give your employees a chance to evaluate their own work.

Try the following technique:

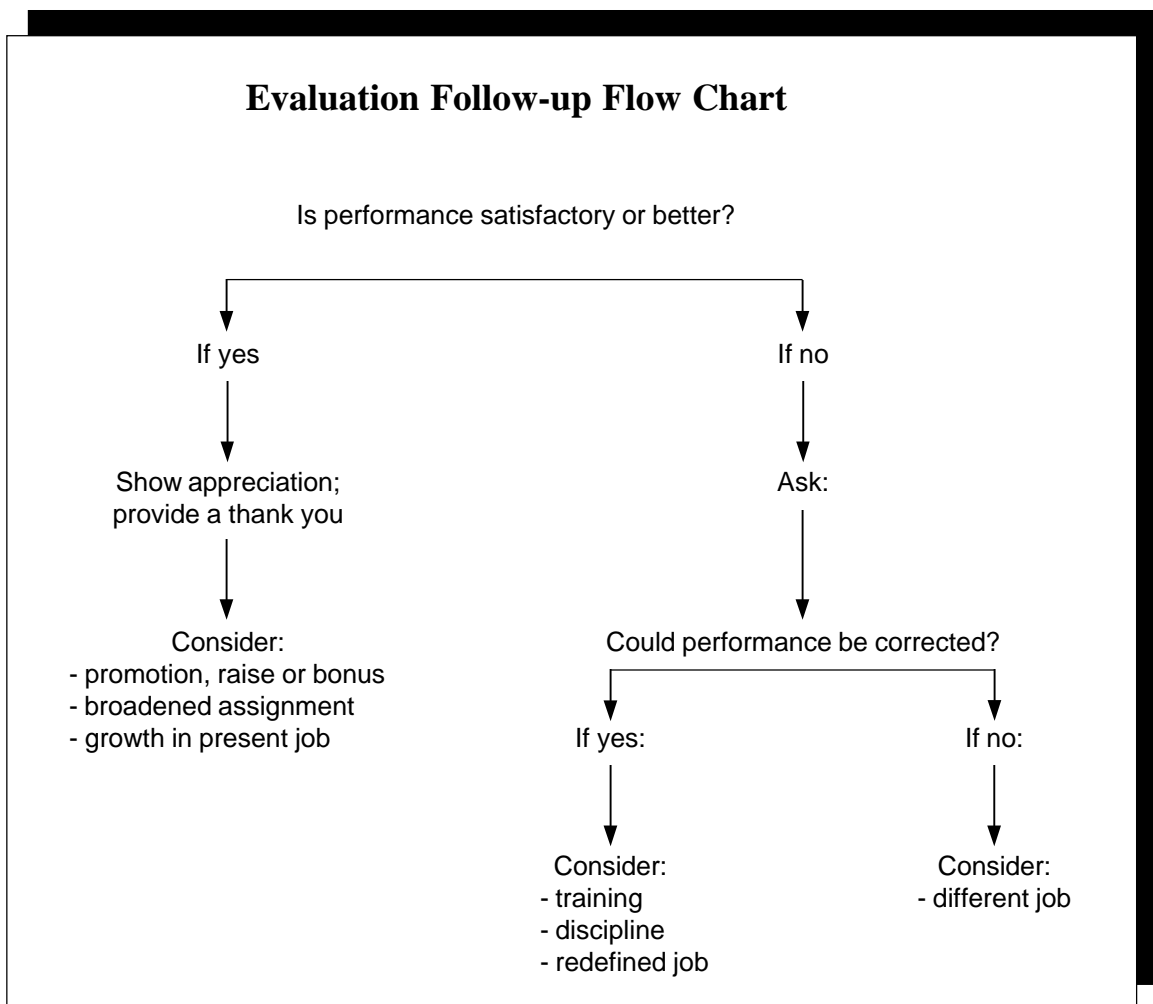
- Ask the employee to bring to the evaluation interview a list of three things: a) tasks always performed well, b) areas of recent improvement, and c) areas needing improvement. Tell the employee that you will do the same.
- Refer to the records you made during regular monitoring and make your own list, using the same headings.
- During the interview, discuss the employee's list and compare it with your own.
- Respond as an active listener to employee's discussion of his or her own weaknesses, concerns and goals. Offer support for improvement and help set new goals.

*Work together to
problem solve.*

Evaluation Follow-up

Performance appraisal has to be acted upon. Its purpose is to generate and communicate information and unless you do this, the effort you've put into the appraisal process won't have been worth it.

Having completed the performance appraisal, what do you do? The following flow chart gives some suggestions, depending on how the employee is performing. **Whatever you do, always discuss it with the employee first.**



Wages, Incentives and Benefits

Wages

Employees who are dissatisfied because of wages will likely perform below their capabilities. When deciding on compensation for an employee, keep in mind what workers expect wages to be:

1. Sufficient to guarantee an acceptable standard of living.
2. Competitive with others in the community (including non-agricultural-horticultural operations), taking into account working conditions, bonuses and fringe benefits (e.g., housing).
3. Based on hours worked (regular and overtime).
4. Based on the knowledge, experience and skills the individual brings to the job.
5. Based on skills and training required by the employee and the degree of responsibility given to an employee.
6. Not so fixed that they do not allow for regular pay increases, cost of living adjustments and increased efficiency or increased work results.

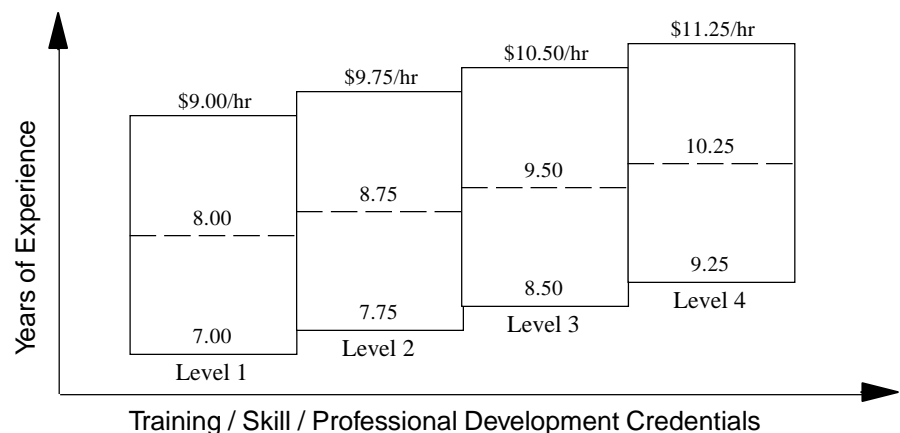
Tools for Motivation

- Provide training
- Create motivational climate
- Evaluate employee/ employer performance
- Pay fair wages

Having a well defined pay grid can avoid many personnel problems. The maximum and minimum pay amounts spell out what the market value of the position is worth to the business. There is no right number of pay grades; however, they should be:

- acceptable to the business
- fair to the employees
- administratively practical
- recognize differences in job worth.

A Sample Pay Grid



Methods of Payment

Hourly—An hourly rate has the advantage of making it easier to ask employees to work extra hours when needed.

Weekly or Monthly Wage—Under this method of payment, hours of work must be specified and adhered to; otherwise, employees will become resentful of working overtime. Weekly or monthly wages should be supplemented with adequate compensation for overtime, in the form of time-off-with-pay or overtime pay.

Wage Increases—Any changes in the wage you pay an employee should be consistent with his/her performance evaluation. Employees who need considerable improvement in their work should not be rewarded with a large merit raise. On the other hand, if an employee has been making good progress and is taking on more responsibility, you may decide a substantial merit increase is warranted. Seniority is also reason for a wage increase.

Incentives

The purpose of incentive plans is to motivate the employee to greater productivity.

When developing an incentive plan, involve the employee, otherwise the employee may distrust it. If not handled correctly, incentives can easily turn into disincentives.

For seasonal help, bonuses are often used as an incentive to encourage employees to stay for the whole work season. Casual rewards should be accompanied by a specific explanation, such as, “This is for reducing our harvest time breakdown costs.” This kind of reward is more effective than a general thank you. Casual incentives communicate to employees that you have noticed their efforts, and people thrive on positive feedback. To be effective, casual incentives must be unexpected.

Incentive Plan—Do’s and Don’ts

(adapted from work done by Gregory Billikopf)

Do

- ✓ **Analyze** the purpose of the incentive (e.g., increase the number of berries picked).
- ✓ **Specify** the performance required to receive the reward (e.g., 10 cows culled); establish standards of “poor”, “good”, and “excellent”.
- ✓ **Try** a temporary program first. Then evaluate and fine-tune.
- ✓ **Link** the reward directly to the performance so the worker can see a direct correlation between the work and the bonus.
- ✓ **Involve** the workers in the program so they know what is expected and how performance translates into the bonus or reward.
- ✓ **Formulate** incentives that are easy to compute so that the employee readily understands how to qualify.
- ✓ **Pay** the bonus/reward as soon as possible after the worker meets the requirements.
- ✓ **Design** a range of incentives that appeal to the worker’s need for responsibility and personal achievement.
- ✓ **Follow-up** on the program and make adjustments as necessary to ensure profitability.
- ✓ **Make sure** the incentive is linked to results over which the worker has control.

Don’t

- ✗ Do not make incentives the standard by substituting bonus payments and benefits for wages.
- ✗ Do not reward “poor” workers for progressing to “good” rather than “excellent”. Do not treat arbitrarily; use one system for all.
- ✗ Do not add the bonus pay into the regular wages; include it as a separate cheque.
- ✗ Do not reduce wages if productivity increases; workers must feel the program is fair and will not result in negative consequences.

Don't (continued)

- ✘ Do not make the standards so high that an individual employee is unable to reach them.
- ✘ Do not give a bonus for only one task that might tempt workers to slight other tasks.
- ✘ Do not substitute cash bonuses for other forms of incentives such as training or promotion.
- ✘ Do not lose quality control; anticipate loopholes, e.g., the fast picking crew who were paid by the container but picked bad quality fruit.

Benefits

A benefit is categorized as any compensation given to employees beyond the regular wages. Benefits can include food, housing, heat, insurance, pension plans, flexible work hours, sick leave, holidays, vacation time and time off.

As an employer, do you know the cost of the benefits you offer? Do your employees know the value of the benefits they receive? The honest answer to these questions is often “no”. Yet benefits, or the lack of them, can often be the issue that will cause an employee to take another job. In most jobs, the benefits package is valued at between 15 and 30 per cent of the amount of the wage or salary.

As you consider your benefits package, realize that your employees are people with individual needs.

- A single worker has different needs from a married worker with a family.
- A two-worker family may end up with duplicate benefits. There is no need for you to supply medical benefits if the spouse’s employer does.
- Young workers may not feel the same need for insurance or pension plans as an older worker would.

Some Typical Benefits:

- a) **Housing**—In times past, supplying the “hired help” with housing was considered the norm. This assumption is now changing. If you have good housing to offer, it can be an attractive benefit. If, on the other hand, the housing you offer your employees is the old farmhouse that you haven’t been able to rent, then it’s not a benefit.

It may be that your employees would be happier renting or purchasing housing in the closest village or town. Offering housing as a benefit must be carefully considered. There are advantages and disadvantages.

- b) **Food and farm produce**—estimating the value of these benefits is not simple. Do you price them at the farm gate value or at retail value? Whichever you decide, make sure your employee understands the value of what you are offering.
- c) **Fringe benefits**—this category includes items such as **group life insurance, pension plans** and **sick leave benefits**. It is often difficult for a single manager to offer these benefits. Group rates are often lower than a single operator would have to pay for dental, optical, and medical benefits. Check to see if your marketing board or trade association can get group rates of these benefits. Increasingly, agricultural and horticultural operators are contributing to employee **Registered Retirement Savings Plans**.
- d) **Legislated benefits**—Provincial and federal governments legislate certain benefits. These include **Canada Pension Plan, Workers' Compensation, Unemployment Insurance** and **paid vacations**. Because these are legislated requirements, they are often not considered to be benefits, yet they are important to the employee's security and their value should be considered.

A Benefits Checklist

- Have you analyzed your benefit package?
- What is the total value of benefits you provide?
- Do you discuss benefits offered with employees?
- Are employees given a wage statement showing the benefits provided?
- Have benefits been “tailor made” to meet employee needs?
- Are these benefits included as part of the employment understanding?
- Is the value of the compensation package reviewed as part of an annual performance evaluation? Have you tried any new kinds of benefits?