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Risk-Increasing and Risk-Reducing Practices in Human Resource Management: Focus Group Discussions with Livestock Managers

Vera Bitsch and Nicole J. Olynk

Historically, managers in livestock production have focused on production management; however, as operations have grown they have spent more time managing employees. Increased time spent overseeing employees brings additional risks and challenges, and, hence, a greater need for human resource management (HRM) skills. This study investigated HRM practices in pork production and analyzed their risk attributes through six focus group discussions with managers. Results were compared to existing data from four dairy focus groups and to other research. The results have been used to develop and adapt educational workshops for managers in pork production.

Key Words: focus group research method, labor management, personnel management, qualitative research, risk management, risk perception

JEL Classifications: B49, M12, M50, M52, M53, M54, M59, Q12, Q19

I think that a lot of us are farmers first and people managers second and it creates a problem as businesses grow because you don't have those people skills. . . . You

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were raised up raising hogs and growing crops and the farm gets bigger and now you have to manage people. . . . I think some of the bigger farmers that have succeeded have been more people managers as opposed to farmers. . . . I think you can improve but you're never gonna have the skills these other people have. (Small size pork producer)

I think as managers, at least looking back on me, I've grown as much as the employees have grown and changed along with what they've changed. The more employees that we get, the more I learn how to adapt . . . in many different aspects. (Medium size dairy producer)

In 2002 farmers in the United States spent \$18.6 billion on hired labor, an increase of over 20% since the previous census in 1997. During the same period expenses for hired labor as a share of the total expenses have also increased from 9.8% to 10.7% (USDA). Because of an increasing share of the hired agricultural workforce being employed on

larger farms, training and educational needs of managers are evolving. For these farms to be successful, managers must focus more of their attention on effectively managing employees than on production-related tasks. Human resource management (HRM) has, therefore, become an important focus of their activities.

Historically, training and education for farm managers has focused mainly on agricultural production management and has provided few tools to utilize in HRM. Therefore, there is a need for educational programs for farm managers to teach the tools necessary to attract, select, and maintain a productive team of employees. Skills required to perform these actions successfully include paying attention to legal requirements and fair treatment of employees, assigning tasks, monitoring task performance, and building relationships with employees. Out of the multitude of required skills, farm managers may be least prepared to deal with the difficult situation where employees must be disciplined or terminated.

With HRM becoming more important, the risks stemming from these management tasks have also increased. Main sources of business risk include (1) production and yield risk, (2) price and market risk, (3) financial risk, (4) institutional, legal, and environmental risk, and (5) human resource risk (Baquet, Hambleton, and Jose; Harwood et al.; Musser and Patrick). The first three risk sources have been the focus of management personnel in production agriculture throughout the last century.

Recently livestock managers have devoted increasing attention to institutional, legal, and particularly environmental risks. For example, more stringent regulations for concentrated animal feeding operations and animal feeding operations have led to increased awareness by livestock managers of environmental regulations and their consequences for agricultural operations. On the other hand, the risks associated with human resources are often not explicitly recognized and planned for on farms (Bitsch and Harsh; Bitsch et al.). Although farm managers are likely to seek outside advice on environmental or produc-

tion-related risks, they are less likely to recognize areas of weakness and seek expert advice in HRM. Farm employment differs from other industries because employees spend more hours working alongside owners and/or managers, because of the necessity to work on holidays and weekends, and because of the increased probability of family members working alongside one another. These special circumstances can deter managers from seeking outside advice on HRM.

This study builds on a number of recent studies targeting HRM practices in agriculture and farmers' risk perceptions with respect to HRM (Bitsch and Harsh; Bitsch et al.; Muger and Bitsch). Bitsch and Harsh analyzed the risk-increasing and risk-reducing attributes of the agricultural labor situation and common HRM practices from the perspective of horticultural managers. Based on focus group discussions with greenhouse, tree nursery, and landscape managers, seven categories of HRM risks were suggested: recruitment and selection, training and development, performance evaluation and discipline, careers and relationships, compensation packages, immigrant employees, and labor laws and regulations. Within each of these categories, participating managers identified risk-increasing attributes and practices, as well as risk-reducing attributes and practices to address some of these risks.

Striving to replicate the study discussed above in animal agriculture, Bitsch et al. followed similar procedures to identify and compare HRM risks in dairy farming. They developed a framework for HRM risk analysis on dairy farms, structuring risk sources, intermediate outcomes on the individual and group levels, and farm-level outcomes of inadequate HRM practices. This framework is useful in structuring research, as well as in manager education and training. However, the multiple interactions between HRM practices, labor attributes, and intermediate outcomes and the lack of farm-level data make it difficult to identify causality chains and use a quantitative approach.

Based on these results and after reviewing published studies of agricultural HRM, Mu-

gera and Bitsch collected in-depth data using a theoretical framework, the resource-based theory, to guide the case analysis of HRM practices on six dairy farms. The integration of HRM practices (e.g., recruitment, selection, training, and compensation) and their outcomes (e.g., voluntary turnover, termination) were explored. The case studies provided an illustration of the theory, positing that the HRM system is a potential source of sustained competitive advantage for dairy farms. Therefore the integration of different HRM practices is likely to be relevant to the overall labor risk in farm management. In terms of research approaches, one conclusion was that analyzing isolated HRM practices may not lead to valid results. Therefore, future studies will need to continue to take an integrated view of agricultural HRM.

Albeit exploratory, this study sought to replicate the focus groups studies with horticultural managers and dairy farmers with a different group of agricultural managers, namely, pork producers. Pork production is part of animal agriculture and, therefore, was expected to be similar to dairy with regard to most, if not all, HRM practices. However, pork production typically offers fewer opportunities for working outdoors and uses more standardized production processes than dairy production.

With the exception of a survey study by Hurley et al., little is known about HRM in pork production. Although their study provides a broad overview of wage levels and job satisfaction in the pork industry, it is not detailed enough to guide educational programming. Accordingly the objectives of this study are to (1) identify HRM practices in pork production, (2) adapt the HRM categories suggested by Bitsch and Harsh for horticultural operations to pork production and classify typical labor attributes and common HRM practices as risk-increasing or risk-reducing, and (3) compare and contrast HRM practices in pork production and in dairy production.

By building on perceived needs of managers and risk-increasing and risk-reducing practices according to their perception, and

critically reflecting those perceptions from the researchers' point of view, the ultimate goal of this research was to develop generally applicable workshop modules for manager HRM training in agriculture. Attributes and practices that increase or reduce risk must be identified so that risk-increasing practices can be altered, while risk-reducing practices can be taught and incorporated into the behavioral repertoire of agricultural managers. Therefore, an educational pilot workshop was developed based on the results, delivered to pork producers, and evaluated.

Methods

The data collection method used in this study was the focus group discussion. Morgan defines the focus group discussion method as a research method that collects data on a topic defined and structured by a researcher through group interaction. This research technique is particularly suited in exploratory research, in generating and formulating hypotheses, and in exploring beliefs, experiences, opinions, values, and concerns of research participants within their own perception system (Kitzinger and Balbour; Krueger and Casey; Millward). Thus, the use of focus group discussions allows the researchers to prioritize future research projects and help formulate research questions as well as specific questions to be asked of future research participants. Examples of this process are the studies discussed in the introductory section, in which case study research followed focus group discussions.

According to Krueger and Casey, focus group research is also particularly useful to prepare for informed decision making (e.g., pilot testing, formative evaluation, outcome evaluation), product or program development, customer satisfaction (e.g., design of survey instruments), planning and goal setting, conveying a client focus, needs assessment, developing and maintaining quality improvement efforts, understanding employee concerns, and policy making and testing. Compared to survey research, focus groups provide more detailed and in-depth data but are time-

consuming to analyze, and results cannot be generalized to the population at large because participants are not randomly selected and their numbers are relatively small. Compared to individual in-depth interviews, focus groups provide broader data in a shorter amount of time, although at the expense of in-depth analysis of individual perspectives.

The current study followed the focus group procedures outlined by Bitsch and Harsh and used two data sets. The first set consisted of six focus groups with pork producers from two states, Michigan and Kansas. Given that previous studies of horticultural operations and dairy production had been done in Michigan, the researchers decided to continue in this state for comparison purposes. Pork operations were chosen because of their greater importance in Michigan's agricultural production compared to beef or chicken. Kansas was added because Michigan and Kansas have sizeable, similarly structured, pork industries, which allowed an additional triangulation perspective and comparison between regions.

Four stratified focus groups were convened with pork producers in Michigan in August 2005. This subset consisted of a small and a large producer group, a contractor group, and a middle manager group; all were facilitated by the same moderator, and the authors comoderated and observed. The second subset of two focus groups was convened in Kansas. These groups consisted of owners and managers of different size operations and were held via phone conference in December 2005. The Kansas groups were moderated by an extension educator with whom participants were familiar and were observed by the Michigan personnel. The average group size of the pork producer focus groups was four participants.

The second data set, analyzed primarily for comparison purposes, consisted of four focus groups, convened June through August 2002, discussing HRM practices on dairy farms in Michigan; a different analysis of this second set has been published by Bitsch et al. These focus groups had been facilitated by the same moderator as the Michigan pork producer

groups, and one of the authors was present at three out of the four focus groups. The dairy producer focus groups averaged 5.5 participants, included owners and hired managers, and were organized according to production regions.

All group discussions included multiple areas of HRM and lasted over two hours (see Table 1 for an overview of the moderator guide). The group discussion did not necessarily follow the order of the moderator guide, because topics brought up by participants were sometimes discussed earlier than planned. In addition, the moderator asked probing questions requiring participants to expand on statements, clarify their opinion, or provide an example. Probing questions also targeted managers' perception of their practices with respect to risk outcomes.

As indicated by the footnote in Table 1, each participant was explicitly encouraged to provide an answer for the opening questions and the last question. For the main questions, group interaction was encouraged, and participants asked questions of each other, in addition to responding to the questions posed by the moderator. Because the unit of analysis is the group, not the individual participant, this is an intended effect of the focus group discussion method. However, while some focus group participants had a higher verbal competence than others and their statements were used by other participants to make a point, the moderator discouraged overly talkative participants from dominating the discussion (e.g., through body language) and encouraged quiet participants to contribute.

All group discussions were tape-recorded and transcribed. In addition, participants were asked to fill out a short questionnaire providing additional information about themselves and their operations. As participants of focus group discussions produced data related to different research questions and unanticipated topics throughout the discussion and not only in response to a specific moderator question, the data analysis required the simultaneous review and comparison of a large amount of natural speech data. To complete an analysis of this kind of data the authors used a process

Table 1. Overview of Moderator Guide for Pork Focus Group Discussions**Opening Questions**

- 1) Tell us who you are, how large your operations is, and how many people work for you.^a
- 2) When you think about the pork industry, in general, and your operation, in particular, what are some of the critical issues in labor management?^a
- 3) Let's talk about the manager or supervisor. What makes up a great manager, what are the things that excellent managers do?^a

Main Questions

- 4) Let us talk about recruitment. Please describe how you attract new employees and what is most critical.
- 5) How do you go about selection? How do you decide whom to hire and whom not to hire?
- 6) After you have hired a new employee, do you provide an orientation? What does that look like? How do you go about training your new employees?
- 7) For new and current employees, do you do any performance evaluations? How do you go about letting them know how well they are doing and where they need to improve?
- 8) How do you decide who gets a wage raise? Please explain your compensation system. How do you decide about wages? Do you use any bonuses, profit sharing, or other incentives? What benefits do you offer? Are you providing any perquisites?
- 9) Do you have a formal discipline process? How do you go about termination?
- 10) Can you talk about safety and employee health at your farm?

Closing Questions

- 11) We want to learn about labor management practices in pork production. Is there anything we should have talked about, but didn't?
- 12) Based on these discussions, we are planning to develop an educational program to improve labor management. What should be included in this program?^a

^a For these questions, each participant was explicitly encouraged to provide an answer.

called coding. Coding consisted of labeling participants' speech turns according to a scheme developed by the researchers to be able to retrieve and compare speech turns addressing similar topics.

The ATLAS-ti software was used to support the coding and analysis process, and to facilitate the maintenance and analysis of the large amount of data collected. Utilization of software tended to increase the breadth and depth as well as the reliability of the data analysis. The percentage of discussion dedicated to a specific HRM topic (Table 2) was calculated based on the number of speech turns referring to all pertinent codes during all focus groups relative to the total number of HRM-related speech turns. Calculating speech turns per participant would not be appropriate in analyzing focus group discussions, because group dynamics change each individual participant's contribution and, therefore, individual perspectives cannot be analyzed in depth.

The initial coding scheme was based on results in the horticulture industry (Bitsch and

Harsh) and in dairy production (Bitsch et al.), discussed in the introductory section. Through three additional rounds of coding, the authors developed more specific codes iteratively. This process of code development and application increases code validity (Boyatzis). In the first round of coding the authors applied the coding scheme to the four Michigan pork groups. The authors then discussed the need to refine codes to represent participants' perspective as closely as possible. In the next round of coding the resulting codes were applied to the Michigan dairy farm focus groups. Codes for dairy and pork groups were further refined and a common coding scheme developed to enable full comparability of the groups. The codes were then applied to the Kansas focus groups. Based on this preliminary analysis, codes were revised to better fit the emerging insights. After applying the revised codes to the Kansas groups, the authors discussed any remaining coding differences and then recoded all Michigan pork and dairy focus groups.

Table 2. HRM Practices and Labor Attributes

Performance Management: 22% (Dairy: 25%) ^a
(a) Day-to-day informal interaction with employees, including informal feedback; (b) work-related communication; (c) prioritizing of tasks; (d) dealing with problems
Compensation: 14% (Dairy: 19%) ^a
(a) Wages, benefits, perquisites, and bonuses; (b) employees' understanding of the compensation system and its parts, including employees' understanding of the rules to receive bonuses and the value of benefits; (c) forms of pay and scheduling
Recruitment: 11% (Dairy: 9%) ^a
(a) Accessibility of a willing and able workforce; (b) techniques to increase the applicant pool, e.g., word of mouth, vocational education teachers, high schools, and colleges, and advertisements
Training: 11% (Dairy: 8%) ^a
(a) Orientation; (b) training and its evaluation; (c) development opportunities for employees
Working Conditions and Organizational Structure: 11% (Dairy: 5%) ^a
(a) Physical conditions of the work; (b) organizational conditions of the work, including hierarchical structure, but excluding teams, which are part of the social environment
Selection: 8% (Dairy: 9%) ^a
(a) Using techniques to choose among a pool of applicants, (b) based on reproducible criteria
Hiring Immigrant Employees: 7% (Dairy: 8%) ^a
(a) Hiring newly immigrated or temporary foreign employees; (b) hiring employees for whom English is a second (or third) language and who lack English fluency
Discipline: 6% (Dairy: 6%) ^a
(a) Policy and process (formal and informal) to encourage sensible behavior at work, (b) punish or correct an employee if a rule or procedure has been violated
Performance Evaluation: 5% (Dairy: 3%) ^a
Communicating employees' (a) strengths and improvement needs, (b) in an explicit manner; (c) having a process for two-way communication
Social Environment: 5% (Dairy: 6%) ^a
(a) Employees' relationships with coworkers and management personnel; (b) meetings between employees and management beyond work necessities (e.g., social gatherings, picnics, holiday celebrations); (c) counseling employees
Labor Law: 1% (Dairy: 2%) ^a
(a) Knowledge of labor laws and regulations, precautions to ensure compliance with labor laws; (b) misgivings about specific regulations; (c) worries about potential lawsuits

^a Number of speech turns in percentage of total HRM-related speech turns during pork focus group discussions and—in parentheses—dairy focus group discussions

Results and Discussion

Twenty-four owners and different level managers of pork production operations from a range of sizes and types (farrow to finish operations, contract finishing operations, and farms combining pork enterprises with other agricultural enterprises) participated in the pork focus group meetings. The participants in the group discussions were mostly male, and the ratio of owners to hired managers was 3:1.

Twenty of the pork focus group participants filled out the questionnaire requesting demographic data and structural information about their operations. The number of em-

ployees on the pork operations varied from 1 to 110 employees, with an average of 28 employees per farm ($n = 16$). Ages of participants ranged from 22 to 67 years old, with an average age of 45 years. Pork focus group respondents were in their current position, on average, for 18 years, with the range for time spent in their current position between 3 months and 48 years. Seventy-five percent had taken at least some college courses, and 45% had graduated from college. Compared to a 2005 national survey of pork producers (Hurley et al.), focus group participants were five years younger and somewhat more educated.

The dairy producer focus groups, with 22 participants overall, were also comprised of mostly male respondents, ranging in ages from their late twenties to midsixties. The number of employees varied from four part-time employees on a 125-cow dairy to 55 employees on a 5,000-cow dairy. More than 75% of participants were owners or co-owners, the rest were hired managers. Participants had been in their current position on average for 18 years, with a range of 6 to 40 years. Fifty-three percent of the dairy focus group participants had taken at least some college courses, and 21% possessed a college degree.

Percentages and examples reported below do not include the pork contractor group ($n = 4$), because most contractors viewed themselves more as hired workers than as managers. Typically contractors did not hire labor beyond immediate family members and completed production tasks themselves; therefore HRM functions were relatively minimal in comparison to the production functions performed. However, the discussion of the contractor group informed the analysis in other ways, such as the dissatisfaction with bonus systems and the differing perceptions within the production chain, which persisted within integrated farms, as well as between integrators and contractors.

HRM practices and labor or work attributes have been categorized according to managers' perceptions as risk-increasing or risk-reducing. Managers' definition of risk seemed to match Hardacker, Huirne, and Anderson, defining risk as exposure to unfavorable consequences and a significant chance of injury or loss. In some cases a few managers perceived a practice or an attribute as risk-reducing, whereas others perceived the same practice or attribute as risk-increasing. For example, a rural location of the farm was perceived as challenging with respect to recruiting labor, because some managers thought potential employees or their families preferred to live near large cities. Other managers advertised "good fishing and hunting" as an amenity of working in a rural community, transforming one manager's challenges into another manager's opportunities.

For analysis purposes, managers' speech turns are coded according to each manager's individual perception. However, where the researchers' viewpoint differed from a manager's viewpoint, it is discussed.

The order of HRM practices and labor or work attributes in Table 2 is based on the amount of discussion dedicated to each category during the pork producers' group discussions (number of speech turns referring to a specific practice, example, or attribute in percentage of total number of HRM speech turns). The corresponding percentages of the dairy farmer group discussions are also provided for comparison. While a researcher with an interpretive stance may be critical of this, in positivist research it is common to interpret the amount of discussion dedicated to a topic as an indication of its importance to participants.

As explained in the methods section, the initial categories were developed based on previous research (Bitsch and Harsh; Bitsch et al.); their revision and refinement to better reflect the new data resulted in the following categories: (1) performance management, (2) compensation, (3) recruitment, (4) training, (5) working conditions and organizational structure, (6) selection, (7) hiring immigrant employees, (8) discipline, (9) performance evaluation, (10) social environment, and (11) labor law. For each category the description of which specific behaviors, practices, and attributes are included is followed by examples of attributes and practices perceived as risk-increasing and then risk-reducing attributes and practices.

Performance Management

The day-to-day performance management was the category that many participating managers thought of first when asked about HRM and seemed most important to them. The informal interaction with employees to assign tasks, keep work processes flowing, and overcome problems is the key task to the functioning of any operation. Managers called this aspect of their work "motivation" or "communication" and described many different activities in-

volved in accomplishing production. The skills and tasks associated with performance management ranged across showing employees that the job was important and exciting, portraying a positive attitude, regularly sharing information with employees, and involvement with goal setting.

The failure to use adequate practices to manage performance was seen as increasing the risks of turnover or low productivity, in particular, if a manager failed to address these problems. A common concern was lack of top-down communication, when workers or even management-level employees were not made aware of what is expected of them or did not receive all the information they needed to successfully complete their tasks. Another common concern was that many employees come with "baggage" that may interfere with their performance or lead to quitting. Examples of such situations were alcoholism or drug abuse. Managers were also worried about being forced to garnish an employee's wages, effectively turning the employer into a "bill collector."

Managers used different practices to reduce risk in their day-to-day operation, including regular meetings with employees to address multiple topics, such as productivity and safety measures. Some managers invited their veterinarian to provide detailed productivity data to employees and developed performance goals based on that information. Most participants depended on teams or individual coworkers to exert pressure on lower performing employees to improve their work quantity or quality. This strategy of allowing or encouraging peer pressure was employed to motivate as well as in a disciplinary manner.

Compensation

Compensation was the second most frequently discussed category during both the pork and dairy producer focus groups. A wide range of practices were discussed from whether workers should be paid hourly or a salary, to bonus and other incentive systems, and the challenges faced in the communication of the compensation system and the provision of bene-

fits. According to Hurley et al., the average wage of pork employees was \$35,718 in 2005 (up from \$30,959 in 2000). In addition, 71.8% received paid vacation, 65.6% received medical insurance, 54.1% received a pension or retirement plan, and a varying percentage received other benefits.

Managers perceived lack of communication on compensation systems or systems in which employees did not understand the rules to achieve wage increases or bonuses as risk-increasing. Risk aspects of bonuses were commonly discussed; for example, a bonus designed to motivate the nursery to keep more pigs alive caused problems when pigs in poor health were transferred to another department. Managers commonly saw lack of benefits as increasing risk, ranging from providing no benefits to employees seeking additional benefits, such as dental insurance. Wage ceilings were also perceived as risk-increasing, and many participants stated that they wanted to compensate a long-term employee with a living wage, which they felt they could not afford for certain positions.

Practices managers considered to reduce risk included paying competitive wages and benefits and basing the pay range on employees' skills. Skill-based pay served to increase motivation as employees benefited directly from increased training. Another risk-reducing practice was a bonus that was well defined so that employees understood how to achieve it, which increased productivity or drove a team toward a common goal. Managers also cited explicit communication on the costs of benefits and making sure employees understood all of the benefits they received to reduce risk. In addition, participants discussed the value of perquisites in compensation. Middle managers reported increased loyalty and motivation through receiving such awards in the past; senior managers also noted their value. Perquisites included traditional food for holidays and gift certificates for vacations, with items from weekend stays with amenities to a cruise or tropical vacation for a long-term employee. One manager mentioned the gifting of a house, in which an employee lived, after 20 years of employment on the farm.

Recruitment

Recruitment ranked third in emphasis during the pork focus groups and the dairy focus groups. Recruitment techniques cited by participants ranged from the widespread use of word of mouth and referrals from current employees, to advertisements placed in newspapers and recruitment through colleges and universities.

Many producers cited a lack of potential employees with farm experience or with interest in working in agriculture as a risk. They saw a farm background, including having lived in a rural community, as being desirable. Several managers described job candidates who had not been exposed to a commercial agricultural operation until the interview process or their first day of employment. They also cited the need for potential employees to want to live in rural surroundings; this was particularly the case in Kansas. The researchers also saw the practice to rely solely on walk-in applications as a risk. Although those managers might voice concern about the lack of interest in agricultural work, they did not undertake any active recruiting efforts.

On the other hand, using the social capital of managers and employees to recruit through networks was seen as risk-reducing. In addition, some Kansas farmers used services to hire foreign employees through guestworker programs. Several managers hired “good applicants,” even when fully staffed. This practice, often cited in a recruiting context, was also discussed in a working conditions context, because it led to more flexibility for managers and less stress for coworkers. It helped to alleviate pressure to hire in a crisis, avoiding other risk-increasing practices, such as hiring walk-ins without reviewing applications or interviewing applicants.

Training

The training category included an orientation period at the beginning of employment, concrete training procedures, training evaluation, and further development opportunities for both general labor and management

personnel. Practices included thought-through procedures with evaluation and testing of trainees’ learning and comparing different trainers’ success in teaching. Varying techniques were used for testing trainees’ skill levels, ranging from letting the newly trained employee work alongside a manager, to written exams, and formally structured task reviews in a timed situation to assess skills.

Managers perceived the practice to send a new employee “into the fire” with minimal direction as involving the most risk. Similarly several managers did not have a training process in place, but taught whatever seemed appropriate when the new employee got started on assigned tasks. Because this type of training may result in new employees being assigned a limited set of tasks, it also contributes to disappointment and lack of motivation. Neglecting safety training or not putting emphasis on safety during the training process was also seen as adding to risk.

From participants’ point of view, one of the most important characteristics of a trainer was patience. Providing hands-on training and multiple ways to present the training content increased the likelihood of trainees acquiring the necessary job knowledge and skills. Also, written material new employees could refer to decreased training risk. Careful selection of trainers depending on their skill level and willingness to train new employees also reduced risk.

Working Conditions and Organizational Structure

Working conditions, including the organizational structure and the hierarchy of the farm, was the only category on which pork producer groups spent considerably more time than dairy producer groups. Considering the physical working conditions in pork production, which most likely took place in confined buildings with a strict biosecurity protocol in place, this difference was not surprising. On the other hand, managers in pork production were also more likely to have thought about ways to address problematic working conditions.

Both dairy and pork managers perceived several attributes of the agricultural workplace as risk-increasing, including “farm hours,” which in most cases included weekends and holidays, repetitive tasks, and a flat hierarchy with few opportunities for promotion. Undesirable workplace characteristics mentioned included dirt, dust, smell, and noise. Some pork group participants also cited resulting safety and health concerns as risk-increasing.

Managers mentioned matching of employees and suitable jobs or tasks on a farm as an important way to reduce turnover risk. That meant that employees did not necessarily perform the tasks they were hired for, which was in part caused by not using targeted selection criteria. In these cases employees were allowed or encouraged to find the type of work they enjoyed doing or were good at doing. As one manager pointed out, this often worked in the desired direction: “A lot of times people kind of gravitate to where you need a person. They can see there’s opportunity there. There’s a place in the operation where you need a key individual, and they can see that opening and they’ll kind of go for that and we’ve had real good luck that way.”

Other practices cited as risk-reducing were rotation schemes and overstaffing to ensure a sufficient number of employees and manageable workloads, and to prevent crisis. Risk reduction through a rotation scheme was perceived to result from multiple avenues, including reduction of monotony of a specific task, changing the environment from indoors to outdoors (e.g., doing fieldwork in the spring and summer months), as well as changing coworkers.

Selection

Selection ranked sixth in emphasis during the pork focus groups, and fourth in the dairy discussions. Screening and selection practices ranged from hiring on-the-spot, through asking applicants to fill out application forms as a standalone procedure, to sophisticated, multistage interviews, or employment on a part-time basis prior to a full-time job offer.

A risk-increasing selection practice was to forgo a selection process, most often because of pressure to hire. Similar in results was short-changing the selection process by taking only partial information into account, even when more information was available, or not defining criteria for selection. Although some criteria that managers reported using would not stand up to legal scrutiny (e.g., possession and cleanliness of car), having criteria in place seemed more likely to result in successful hires. In addition, unsuitable criteria could easily be replaced with better criteria, if a selection process was used.

Some managers used multiple selection practices to reduce risk, such as asking applicants to fill out application forms, checking an applicant’s work history or references, thoroughly interviewing job candidates, and preparing for the interview with criteria and questions. Selection criteria, which many participants cited as risk-reducing, included evaluating employees’ compatibility with the current team and surrounding community.

Hiring Immigrant Employees

Hiring immigrant employees was a topic about which participants expressed varying degrees of experience and anxiety. Several farms hired newly immigrated or temporary foreign employees, but fewer in the pork producer focus groups than in the dairy groups. Language and cultural differences were cited as a major challenge. Language barriers occurred when immigrant employees lacked English fluency. Several methods for overcoming language barriers were highlighted by participants, including written translation of operating procedures, hiring a translator to attend meetings and facilitate open communication, having a bilingual employee act as a translator, and paying for English classes.

Although language was the most obvious challenge when hiring immigrant employees, the cultural backgrounds and expectations of immigrant employees were also discussed. For example, in the Hispanic culture a manager

may be expected to attend certain celebrations or holiday meals with an employee's family. Managers unfamiliar with these customs had difficulties motivating and keeping those employees. Conflicts between "traditional" U.S. employees and immigrant employees were often highlighted as a major risk. Some participants suggested that teams of immigrant employees and teams of U.S. employees could not be mixed. Others had had success with teaming up immigrant and U.S. employees, but experienced greater success when teams included bilingual employees.

Participants cited immigrant employees as a willing and able workforce for production agriculture, and commented on the high level of commitment to the job and strong work ethic. They also saw the acceptance of the working conditions, in particular monotony, as risk-reducing. However, managers reported offering similar wages and benefits to immigrant employees as to other employees. Other attributes considered to reduce risk were respectfulness of managers and employers, and the ability to provide referrals of other similar employees.

Discipline

Few participants reported having a defined policy or process in place to correct employees who violated a rule or procedure. However, a defined process, formal or informal, for employee discipline was cited more often than a performance evaluation process. Also, managers of larger farms and, in particular, middle managers seemed to perceive the need to institute a more formalized and accessible discipline process.

In managers' own assessment, except for some very small farms, not having or not using a formal discipline process was a risk-increasing practice. Yet, having a process in place that was perceived as inaccessible by middle managers did not lead to better results. Middle managers recognized that the direct supervisor should be responsible for discipline, although this was not the common practice.

Managers perceived coaching employees to overcome problems before entering into a

formal discipline process as reducing risk. Peer pressure by coworkers was also used for discipline purposes, but was categorized as a performance management practice, because although it may lead to voluntary turnover, it did not result in dismissals. Risk was reduced by using a formal multistep process for employee discipline, including documenting in writing the steps involved. Managers pointed out that throughout the discipline process the employee needed to understand the consequences of his or her actions.

Performance Evaluation

Performance evaluation of individual employees through meeting with them to discuss their strengths and weaknesses and any need for improvement was a rarely used HRM practice among focus group participants. Indeed, as a group, managers did not have much to say about performance evaluation practices.

From the researchers' point of view, managers depending on implicit understanding increased their risk; for example, one manager remarked, "employees know how they are doing." Likewise, communication of superior performance solely through a pay raise forwent the advantages of formal and documented evaluations. Many participating managers considered a combination of pay raise and day-to-day informal feedback as sufficient and did not provide any formal evaluation. Some managers saw this as insufficient and were looking for ways to improve. Even among those who did provide formal evaluations the employee's direct supervisor was often not included in the process. An employee evaluated by senior management with minimal supervisor input may not receive sufficiently specific feedback.

Of the few participants who conducted formal and regular employee evaluations, several pointed to the necessity to focus on the positive, while still clearly communicating improvement needs. Some participants mentioned inviting employees to evaluate either the business or the manager in the process as reducing risk.

Social Environment

Although the social environment ranked second to last of the HRM categories during the pork group discussions, the participating managers agreed that it was important to employees. The discussion of the social environment at the workplace centered on matching employees to their managers and teams, flexibility in team assignments, and informal meetings with employees.

Increased risk resulted when valuable employees left because they did not get along with their coworkers. Peer pressure was also a concern as a team member who was alienated by coworkers was likely to leave. Coworkers being disrespectful of an employee increased this risk. Such concerns were often mentioned in relation to immigrant employees who were sometimes looked down upon by "traditional" U.S. employees in work teams.

Some participants used rotation to allow employees who did not work well together a break from each other. A more common practice to deal with incompatibility of employees was flexible team assignments whenever possible. Gatherings for employees with or without their families, such as a farm picnic or a holiday dinner, were also seen as risk-reducing. Middle managers discussed pizza lunches and similar events on special occasions as important to motivating employees. Managers highlighted getting teams from different areas together, as well as giving employees time to visit with managers informally. Many participants pointed to counseling of employees in personal matters as a risk-reducing practice. Counseling ranged from listening to employees venting frustrations about a situation at home to helping them to find professional support, or becoming involved in legal affairs (e.g., through posting bail money).

Labor Law

Labor laws were perceived as confusing and changing frequently by many participants. Large organizations in other industries employ HRM specialists to deal with such

matters. However, on many agricultural operations most HRM tasks are handled by managers.

Not being able to prevent specific incidents that may lead to lawsuits was identified as increasing risk. Several participants mentioned wrongful discharge or sexual harassment claims as examples. In some cases participants discussed precautions that they were taking in order to avoid such problems. Participants were also critical of specific legislation (e.g., regarding immigration or child labor protection) as being impractical and requiring updates.

Practices that were identified as risk-reducing included the use of outside specialists (e.g., consultation with a lawyer regarding wrongful discharge concerns, employing an agency to hire foreign employees). As one manager pointed out, "all the paperwork and it's kind of like you wouldn't doctor yourself, and wouldn't try to be your own attorney." To reduce this risk, managers emphasized knowledge about laws and regulations throughout the management team. Some senior managers, in particular, said that they would like their middle managers to have a solid understanding of labor laws in order to prevent problems. One manager explained that all deliberations that could potentially be problematic were done in the presence of the human resource manager to avert risk.

Conclusions

The focus group discussions allowed insights into participants' perceptions of their HRM practices, labor attributes, and agricultural workplace characteristics. Practices of pork production managers did not appear to be notably different from dairy farm managers (Bitsch et al.) or practices of horticultural managers (Bitsch and Harsh). Therefore, this study was able to build on and refine a framework for analyzing HRM risks developed in those previous studies.

The most prominent addition compared to earlier research is the introduction of the performance management category. Although this category was seemingly present in earlier

focus group discussions, as shown through the reanalysis of the dairy focus groups, it was overlooked because of framing the analysis according to the HRM process featured in most textbooks and HRM risk management discussion papers. Given that performance management seems to be very important in day-to-day HRM, uncovering this category can be considered a breakthrough both in terms of research framing as well as in the goal of developing educational programs, and recent research in agricultural HRM also emphasizes this (see Bitsch and Yakura on middle management; Bitsch and Olynk on skills sets required of managers in livestock production).

Similar to earlier research, practices and attributes of HRM were identified as risk-increasing or risk-reducing. For both sets of focus group discussions, pork and dairy groups, the researchers' assessment of HRM practices and managers' judgment matched in most, but not all, cases. Examples of differences in judgment were selection criteria (e.g., possession and cleanliness of a car to predict work performance, marital status to predict turnover) and forms of holiday pay that did not take into account scheduling for work.

Pork and dairy HRM practices were comparable in most areas, with the exception of working conditions, which received more emphasis from pork producers. Possible explanations include the inherent differences between working conditions on pork operations versus dairy operations. Pork-producing operations tend to employ more specialized teams, such as a team that works in processing piglets or a team that works in the farrowing unit. Dairy employees are more often doing diversified tasks, although in some cases employees are assigned solely to milking or feeding. The work environment also differs. Pork barns are typically enclosed, and dust and noise are significant environmental stress factors, while dairy barns are normally more open and employees have less need for hearing protection or masks.

Working conditions on pork operations were an example of how subtle differences impacted HRM and how HRM practices

made a difference in dealing with the risk involved. Innovative managers in pork-producing operations had developed ways for mitigating the risk associated with adverse working conditions. Practices included obvious remedies, such as providing hearing protection, masks, work uniforms, and footwear, but also specific procedures, such as rotation schemes. These results yielded suggestions for managers to reduce risk related to working conditions. Such findings were useful in shaping industry specific educational programs, and allowing managers to both learn from each other and enrich their HRM practices with research input.

An observation pertaining primarily to the pork manager focus groups was a tendency to see problems as externally caused and solutions outside the control of farmers themselves. Statements such as "The school system is failing Ag in our area, by not having kids more interested in pursuing something in production agriculture" exemplified this sentiment. Entities mentioned in this context included high schools and colleges that did not create enough interest and cooperative extension by not providing training programs. On the other hand, some managers gave presentations at local schools, invited students to internships, or worked with vocational education teachers to ameliorate the situation.

Another example of external attribution of control was labeling employees as not having the right attitude or not being trainable, without much indication of an effort to motivate or train these employees. Problems of several of the participating managers with respect to developing and implementing an effective incentive system were another example. These managers framed this as a system problem, stating that bonuses do not work well per se or have undesired effects, rather than considering how the system was designed and communicated to employees.

A number of focus group participants expressed the viewpoint that some people have a "knack" for managing employees and others do not. However, at the same time many focus group participants expressed a general interest in attending skill-improving

workshops and presentations, as well as sending other managers from their operations to participate. The majority of participants, including those who indicated that “you are either a people person or you are not,” contributed various topics on which they would like to attend a seminar or workshop. The desire to attend workshops and acquire knowledge on managing employees indicated that managers generally felt the skills necessary for successful people management are learnable.

Participants in the pork producer focus groups were asked specifically about what HRM skills they would find useful to have covered in a workshop. Topics of interest to participants included effective communication, motivation, recruitment techniques, dealing with undesirable working conditions, retaining good employees, and conflict resolution. The aforementioned skills were also highlighted in a special report by the *National Hog Farmer* based on a survey of producers asking them to identify their greatest weaknesses in personnel management (Hurley et al.). Other areas of weakness included in the survey were few training or growth opportunities, weak benefit packages, lack of well-developed work plans, excessive work hours, weak salary level, getting employees to share ideas, and not screening employees well enough.

When an educational pilot workshop was developed for managers on pork farms based on the analysis of the focus group discussions, the topics and material chosen did overlap, but did not fully match topics explicitly requested by participating managers and emphasized by Hurley et al.’s survey results. The analysis of the focus group discussions had uncovered additional topics where participants showed deficiencies, used risk-increasing practices, and would benefit from learning risk-reducing practices. For example, selection of job applicants had not been a topic on which managers put high emphasis when requesting workshop topics, but risk-increasing practices, such as not using a selection process or when using interviews for selection, not preparing for them with selection criteria

and interview questions, were prevalent during the focus group discussions. The educational workshop, therefore, covered interviews and how to prepare for them, develop interview questions, and set them up, as well as the use of application forms and preemployment testing in selection. The latter had been practices only few managers reported using during the focus group discussions.

The terms managers had used during the discussions—often in a different sense than HRM experts or organizational theory and development publications—were also useful for labeling workshop sessions and developing advertising material. Workshop sessions were labeled recruitment and selection, training, employee evaluation, compensation, conflict management, discipline and termination, communication, and motivation. The last two sessions, as well as conflict management, covered issues discussed under performance management. This is an example of how the language managers used during the focus group discussions guided the arrangement of the material into workshop sessions and how to label individual sessions. Many sessions also included material regarding working with immigrants and pertinent aspects of labor laws, which were not addressed in separate sessions.

Obviously one workshop cannot cover all the issues and material described in the results section, not even for a limited set of topics. Therefore, researchers selected material and emphasis based on the risk-increasing and risk-reducing practices discussed during the focus groups. One criterion for selection of material, in addition to need indicated by the use of risk-increasing practices or not mentioning the use of risk-reducing practices, was accessibility to managers’ control and feasibility of change from the researchers’ and other HRM experts’ point of view. Also, the availability of examples where some managers had used risk-reducing practices was considered in selecting material for the workshop.

For example, in performance management the lack of top-down communication was emphasized as a risk-increasing practice. This was addressed during the communication

session of the workshop through underlining how important explicit, both verbal and written, communication is to efficient task performance. In addition, examples of efficient use of communication tools drawn from risk-reducing practices discussed during the focus groups were provided that could easily be implemented by workshop participants (e.g., regular meetings, posting production data for each team at a central location). This and similar examples of risk-reducing practices used successfully by others in the same industry gave presenters more credibility and managers greater confidence that they could introduce change and adopt new practices.

In addition to using risk-increasing practices (e.g., an unclear reward system, lack of emphasis on training in general and safety training in particular, and relying on implicit performance communication) to detect managers' HRM deficiencies, specific examples of such practices were also used during the workshop to explain not only what not to do, but also why a practice is problematic and how to avoid it and approach a situation differently. For example, one manager paid employees the same wage whether they were scheduled to work on a holiday or scheduled for time off. This arrangement is likely demotivating for employees scheduled to work on the holiday and may cause further problems, for example, employees questioning fairness in scheduling or reasons for scheduling one employee over another. One way to improve the situation would be to pay those employees scheduled to work on the holiday more, which would be a positive incentive. The context of an on-farm example helped managers to better understand the issue and integrate the concepts learned with their professional experience. This particular example also illustrated how a well-meant gesture could be perceived very differently by employees than the manager had intended.

However, each HRM topic could be addressed in a workshop by itself, which would allow providing more in-depth information and more experiential learning for managers. The goal of the pilot workshop was to provide an overview of the important topics

and to address the most obvious deficiencies of livestock managers. Future workshops may choose a more focused approach and target each HRM topic in a separate program, allowing managers to select programs based on their perceived needs.

The focus group discussion results helped to not only determine managers' explicit needs, but also identify hidden deficiencies. Use of risk-increasing practices, for example, in discipline, relying solely on peer pressure instead of a formal discipline process, or having instituted a formal process that is perceived as inaccessible by middle managers and supervisors or not followed through, indicates such blind spots. Therefore, educators will need to put more emphasis on recruiting program participants when offering such programs if the material is not combined with other topics where managers already perceive their need for additional training and skill development.

Each session of the workshop was followed by a discussion of which aspects of the training participants were planning to implement and how to approach HRM changes. This provided participants with additional opportunities to gather ideas from each other. The pilot workshop was delivered in both Michigan and Kansas. Workshop participants cited multiple items that they learned during the sessions, including the importance of communication and praising of employees, not taking employees for granted, politeness, and maintaining a positive work environment. Phone interviews several weeks after the completion of the workshops indicated that participants were planning to use newly learned practices, including interviewing techniques and inclusion of middle managers in formal employee evaluations. Although most interviewees thought the planned HRM changes would increase productivity, as well as in some cases reduce costs, few were able to quantify the monetary value of those changes with reasonable probability.

Further investigation of HRM in production agriculture should seek more in-depth analysis of the skill sets needed for managers to succeed in HRM, in particular in the area of day-to-day management, which has been

rarely researched. Case studies and in-depths interviews could yield more precise information on the multitude of HRM practices discussed. Research questions should center on the areas on which focus group participants put most emphasis. Specific interview questions based on focus group participants' perceptions would have the advantage of more closely matching the interviewees' life worlds, and therefore be more likely to be interpreted in a common manner and subsequently yield valid answers.

Investigation into HRM attributes and practices across geographical areas could yield additional insights into the practices used and attributes common to specific regions. Areas of rapid growth could also be compared to more traditional production areas. Geographic concentration and recent location changes of specific livestock industries could be used as an indication of promising research, for example, the effects of the rapid growth of different livestock industries in some parts of the United States on HRM practices and the risks associated.

In addition, representative studies, including additional agricultural sectors, could answer the question whether HRM practices are similar or different in varying subsectors and which factors account for differences. For example, differences in working conditions were highlighted between dairy and pork producers. Further investigation into poultry or beef production may yield more variation in HRM practices and the training necessary to successfully manage human resources. However, it will be difficult to develop and implement large-scale survey research in this field because of the amount of detail respondents would need to recall, the time commitment required of already overburdened managers, and the lack of personal interaction between researchers and respondents, which may hamper reliability.

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