

Drivers for Productive Employment Relationships

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Introduction

As part of a strategic initiative, the Agriculture ITO wants to equip its field force with a tool kit of human resource strategies for use in its engagement with farmer employers and managers to improve the learning environment for workplace training and to improve labour productivity.

Dexel issued a contract brief to complete 20 employer and 10 employee case studies of good employer practice to reaffirm good employment practice and to provide a rich basis for supporting HR promotion in the media and at farmer events.

These two needs were combined in one jointly funded project to:

- ♦ Interview a range of dairy farmer employers (up to 40) recognised as good employers to distil out effective employment strategies, attitudes and beliefs and HR processes.
- ♦ Identify 20 of the farmers to write up case studies for profiling with Dexel and use a journalist to write up the case studies.
- ♦ Summarise the key drivers and strategies that make productive employment relationships in the industry.

Theoretical Frameworks for Comparing to Case Studies Practices

What is meant by good employment practice? It is difficult to define but has something to do with both employer and employee being satisfied with their relationship – a win-win situation for both parties.

What are Employees Looking For?

A recent newsletter of an Australian Agricultural Industry recruitment company discussed the cost of staff turnover and suggested that employees leave managers not companies. In the past good management was often identified in terms of control, coordination and correction rather than care, concern and encouragement.

The article went on to say:

“From the employee’s point of view, good management rests on four foundations:-

- *Having a manager who shows care, interest and concern for each of them.*
- *Knowing what is expected of them.*
- *Having a role that fits their abilities.*
- *Receiving positive feedback and recognition regularly for work well done.*

What are Employers Looking For?

Employers are looking for productive employees.

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Models for Mutually Satisfying Employment Relationships

After surveying 33 dairy farmer employers referred to the study's authors as "good" employers, it became apparent that there were few strategies or processes that were universally applied by all surveyed employers. All had developed individual approaches and processes that worked for them.

Consequently the authors chose two models from the literature and then looked at the 20 case studies written up to see how closely the good employers matched the models. They found a high degree of match.

An Employee Oriented Model

Stephen Covey writing in his book "*The 8th Habit*", argues that we tend to manage today's knowledge worker as we did in the industrial age – it was about compliance with procedure and process.

He goes on to argue for a whole person paradigm – body, mind, heart and spirit, and if we want productive working relationships then this will depend on how the whole person is treated and the opportunities given to use all four parts of their nature.

Body:	Pay me fairly (Remuneration and hours of work)
Mind:	Use me creatively (Growth and personal and professional development)
Heart:	Treat me kindly (Relationships in the workplace)
Spirit:	Let me serve the business in principled ways. (Work has meaning and contribution).

All our good employers developed practices around these principles very well.

Ashton and Sung (2002) identified 4 dimensions

- ♦ Support for employee performance (training, appraisal systems, mentoring), which are directed at achieving the aims of the organisation.
- ♦ Employee involvement and autonomy in decision making, (self managed work teams, etc).
- ♦ Rewards for performance (individual and by group).
- ♦ Showing information and knowledge (communication channels) to both enable a full contribution to organisational goals and a way of capturing enthusiasm.

Employer Model

The New Zealand Department of Labour has recently produced a resource that identified seven keys to workplace productivity:-

1. Building leadership;
2. Fostering a healthy workplace culture;
3. Innovating and exploiting technology;
4. Investing in skills;
5. Organising work systems;
6. Networking;
7. Measuring what matters.

There was a strong overlay between this model of productivity and Covey’s “Employ the Whole Person” paradigm.

DOL Productivity Drives	Employ the ‘Whole Person’
Leadership	The spirit – work has meaning and a sense of contribution.
Productive workplace culture	The heart – treat me kindly; the quality of the workplace relationship and environment.
Using innovation and technology	The mind – use me creatively reducing repetitive jobs where possible.
Investing in people and skills	The mind- grow me as a person
Organising work	The body – pay me fairly – remuneration and conditions of employment especially the hours of work and balance between work and recreation.
Networking	
Measuring what matters	

Good Employment Practice – The Practice

From our survey work, the authors believe that a productive satisfying relationship depends upon the employer being focussed on three main factors:

1. Attitude:
This is about the employer wanting to employ people rather than a labour unit and having a positive attitude towards employing people.
2. Recruitment and Selection: Strategy and Process
This is about matching the demands of the job to the person – selecting the right person for the job, the workplace culture and the existing team. Good employers have very clear recruitment strategies well integrated with their business needs.
3. Doing the Right thing:
Driving workplace productivity through the seven key drivers identified in a Labour Department study.
 1. Showing effective leadership;
 2. Having productive workplace culture;
 3. Using innovation and technology;
 4. Investing in people and skills;
 5. Organising work;
 6. Networking and collaboration;
 7. Measuring what matters.

Attitude

All our interviewees considered their reputation as a good employer was very important or critical to their business success and have a variety of strategies to ensure that it was built and maintained.

“Treat staff as people not labour units, treat the team with respect and take an interest in them”.

“We like to run a humane workplace with good interpersonal relationships. Recognise the difference between an owner’s and an employee’s viewpoint and put yourself in their shoes. Encourage senior farm managers to think about what they can do to make the employee’s life better.”

Recruitment and Selection Strategy and Process

All our 20 profiled good employers identify the importance of being very focused about recruitment and selection. The success or failure of staff appointment can be traced back to recruitment and selection procedures.

Peter Drucker once said “to blame an appointment that fails on the appointed person is no more rational than to blame a poor capital investment decision on the capital.”

All our good employments tended to have a clear strategy with employing staff with very detailed procedures. The exceptions were those who don’t need to advertise, use trainees from pre-employment courses or have an employment agency vetting international staff.

“You need to be very clear about the type of person you are employing and what you want them to do. It is better to spend more time to get it right rather than have to change staff”.

“Employ people to fit into team and system. So we turn down some great individuals who just wouldn’t fit our system and team. So look for team player, a person that listens with people skills”.

“Honesty, enthusiasm, willingness to learn, energetic, good communicator, likeable (helps when the inevitable mistake occurs) are all necessary traits. A team player is required”.

Doing the Right Thing

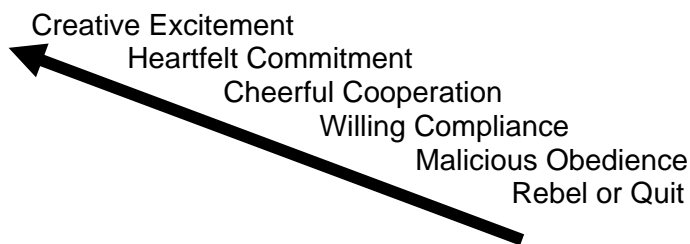
1. Do the “right” thing by engaging the 7 drivers for productivity.
 - (i) Leadership that recognises and releases the skills and talents of the people and team.
 - (ii) A positive workplace that encourages the person to go the “extra mile” where people feel valued and able to contribute to make the business better.
 - (iii) Innovation and technology to make people more productive and to remove drudgery.
 - (iv) Investing in ongoing skills and people development.
 - (v) Organising work to get the best out of staff and technology with good processes, structures and systems that are effective and efficient.
 - (vi) Networking and collaboration to increase innovation and access to new ideas.
 - (vii) Measure what matters:
The metrics of labour productivity and good employment practices are not well developed yet in the dairy industry

In general all of our good employer sample were doing the “right thing” in 5 of our 7 drivers for productivity. Technology was less significant and few have formal measures around HR practice.

Conclusions

The snapshots that we have selected from the interviews and articles written up from each of our case studies support the conclusion that successful productive employment relations are built on a mixture of “soft” interpersonal facts as well as good processes. While good process is important and can greatly assist in employment relationships, they do not substitute for the demonstration of a manager/employer who shows genuine interest and concern for their employees, provides good communication about expectations, ensures that the role fits the employees ability and provides regular feedback and recognition. In this sense an employment relationship is merely a subset of human interpersonal relationships.

Covey said that employees can give as little as they can get away with or as much as a person can to their work, and described six levels as follows.



Most employees begin a new job with at least a mindset of willing compliance or cheerful cooperation. Good employment practice is about engaging employees an moving to the higher levels of response where high productivity occurs.

This requires:

1. Develop the “right” attitude within yourself and engage the whole person (body, mind, heart, spirit) rather than employ a labour unit.
2. Recruit the “right” person.
Recruitment and selection strategy and supporting processes are carefully though out to ensure a fit between the recruit, the team, the role/position.
3. Do the “right” thing by engaging the 7 drivers for productivity.