

Lesson B4–1

Hiring and Managing Employees

Unit B. Starting and Operating the Agribusiness

Problem Area 4. Operating the Agribusiness

Lesson 1. Hiring and Managing Employees

New Mexico Content Standard:

Pathway Strand: Agribusiness Systems

Standard: I: Employ leadership skills to accomplish goals and objectives in an AFNR business environment.

Benchmark: I-C: Apply management skills to accomplish general business activities from production to public relations.

Performance Standard: 5. Follow local, state, and federal regulations and appreciate the consequences of not following them. **6.** Recruit, train and evaluate human resources.

Student Learning Objectives. Instruction in this lesson should result in students achieving the following objectives:

1. Identify ways of recruiting personnel.
2. Discuss ways of evaluating prospective employees.
3. Identify federal laws prohibiting discrimination.
4. Identify ways to improve employee relations and morale.
5. Discuss the advantages and disadvantages of promoting from within the business.

List of Resources. The following resources may be useful in teaching this lesson:

Recommended Resources. One of the following resources should be selected to accompany the lesson:

Newman, Michael E. and Walter J. Wills. *Agribusiness Management and Entrepreneurship*. Danville, Illinois: Interstate Publishers, Inc. 1994 (Chapter 8).

Other Resources. The following resources will be useful to students and teachers:

Gibson, Jerry D., et al. *Agribusiness: Management, Marketing, Human Resource Development, Communication, and Technology*. Danville, Illinois: Interstate Publishers, Inc., 2001.

VAS U6001b, *Applying For a Job*, Urbana, Illinois: Vocational Agriculture Service.

VAS 6003, *Human Relations in Agricultural Business*, Urbana, Illinois: Vocational Agriculture Service.

List of Equipment, Tools, Supplies, and Facilities

Copies of student lab sheet
Overhead projector
Transparencies from attached masters
Writing surface

Terms. The following terms are presented in this lesson (shown in bold italics):

Equal employment opportunities
Job description
Lower skilled entry-level positions
Résumés

Interest Approach. Use an interest approach that will prepare the students for the lesson. Teachers often develop approaches for their unique class and student situations. A possible approach is included here.

Ask students who have a part-time job to raise their hand. Ask these students to describe their supervisor. Ask them what they think is the supervisors most important job. Lead them toward the answer of managing employees. Discuss with them some the difficulties in completing this task.

Summary of Content and Teaching Strategies

Objective 1: Identify ways of recruiting personnel.

Anticipated Problem: What are some ways to recruit personnel?

- I. When selecting personnel, management is interested in finding someone who has the technical skills to perform the necessary activities associated with the job. There are several general employability traits that a person should possess. They include: honesty, dependability, work ethic, and other characteristics of this type. An employer also wants to find an individual who will fit into the organization and be able to work well with other people in the business. Finally, a business is looking for an individual who has the potential to develop and assume greater responsibility over the years and grow with the business. One technique most businesses use in selecting personnel is developing a job description, and hiring someone who meets the criteria they have listed. A **job description** is a listing of the duties and responsibilities of an employee.
 - A. When searching for personnel, a business may wish to take many different approaches. They may use one or more of the following:
 1. Newspaper—classified ads may be an effective way of recruiting personnel. Most often this method is used for **lower skilled entry-level positions**. These are jobs that require less training and very little or no supervisory responsibility.
 2. High schools, colleges, and universities—most institutions of learning have a placement office that will assist employers in finding qualified candidates. These offices will normally provide a location for employers to meet and interview potential employees.
 3. State employment service—most states have employment service offices. The purpose is to assist the state’s citizens in finding quality work. Most job openings listed through this service are entry-level or lower management positions.
 4. Private employment agencies—many employers opt to hire a private employment agency to interview and select new employees. In this system the private agency will be in contact with all potential employees. They will select which candidates will be interviewed. The agency will then select the candidate, which they feel will best fill the position. The employer will then accept or reject the private employment agencies recommendation.

A variety of techniques may be used to assist students in mastering this objective. Students should use text materials to help understand ways of recruiting personnel. Chapter 8 in Agribusiness Management and Entrepreneurship is recommended. Use TM: B4–1A to assist in discussion on this topic.

Objective 2: Discuss ways of evaluating prospective employees.

Anticipated Problem: What are some ways of evaluating prospective employees?

- II. In medium-sized or larger businesses there is often a human resources department. The human resources manager normally has the responsibility of recruiting personnel. Most businesses maintain a file containing inquiries and *résumés* (statements of a job applicant's previous employment experience, education, references, etc.) from people who have indicated an interest in working for the business. This file should include a formal application, which indicates the person's previous training and experience. This file is very important in evaluating prospective employees.
 - A. Every business operates differently; however, there are five basic steps that can be used to evaluate prospective employees. An employer may wish to use all of these steps or any combination of the following.
 1. Evaluating previous training and experience—during this first stage in the process, the employer will evaluate candidates' résumés and applications. From these, he or she will narrow the field of candidates that continue on to the next stage. It is not uncommon to have over 100 applications for one position in some fields. For this reason alone it is critical that a candidate have an outstanding résumé. Any spelling or grammar errors could take a very qualified candidate out of contention for a position.
 2. Checking with business and personal references—the prospective employee should contact and receive permission from an individual before listing them as a reference. People listed as references will be in a position to give their appraisal of the applicant in general. This will allow the employer to gain a better understanding of the person's technical potential and personal characteristics, such as honesty, dependability, and diligence. One of the most important items checked on by an employer is the candidate's past attendance record. This can be at school or at previous jobs.
 3. Making additional inquiries of others known by the manager—it is not uncommon for an employer to contact other employers in the industry to gain more information about different candidates. These other individuals may or may not be listed by the candidate as a reference. By doing this, the employer is able to gain more insight to the abilities of prospective employees.
 4. Administering an evaluation test—another method often used by businesses to determine the capabilities of an applicant is to administer an evaluation test to the prospective employee. Depending on the nature of the job, many businesses either have developed tests on their own or have arranged to use various types of tests that have been developed by others. In any case, such tests must be approved by the federal government as unbiased and non-discriminatory. These tests may reveal a number of characteristics of the individuals.
 5. Conducting a personal interview—candidates who have successfully completed the previous stages of evaluation enter this final and most important stage in evaluating a prospective employee. In the interview, the employer is attempting to discover

information about the prospective employee's ability to effectively meet the requirements of the job in the areas of technical competency, ability to work with people, and how the applicant would fit into the organization. The personal interview can take place in several different settings. The applicant may be interviewed by a single person or by a panel of individuals. The interview may take place in an office setting or possibly during a dinner meal. An applicant should be prepared for all of these possible situations.

A variety of techniques may be used to assist students in mastering this objective. Students should use text materials to help understand ways of evaluating prospective employees. Chapter 8 in Agribusiness Management and Entrepreneurship is recommended. Use TM: B4–1B to assist in discussion on this topic.

Objective 3: Identify federal laws prohibiting discrimination.

Anticipated Problem: What are the federal laws that prohibit discrimination?

- III. A very important part of human resource management is to ensure that the business's policies and hiring practices are in compliance with federal and state laws. It is a business's responsibility to provide *equal employment opportunities* in personnel activities meaning employment without prejudicial discrimination including recruitment; hiring; termination; promotion; training; salary, benefits, and privileges; and working conditions. Working conditions include both the Occupation and Safety Health Act (OSHA) and the employer's responsibility to eliminate any sexual harassment in the work place.
 - A. Discrimination against employees cannot be made on the basis of age, race, sex, religion, national origin, physical or mental handicaps, or pay. The following is a partial list of federal laws and orders which support employment opportunities.
 1. Age Discrimination in Employment Act (1967) prohibits discrimination because of age.
 2. Civil Rights Act, Title VII (1964) prohibits discrimination based on race, sex, religion, or national origin.
 3. Equal Pay Act (1986) requires equal pay to women who perform the same tasks as men.
 4. Executive Order 11246 prohibits discrimination in employment practice on the basis of race, sex, color, or religion.
 5. Americans with Disabilities Act (1992, 1994) prohibits discrimination in employment of a qualified individual with a disability based on physical or mental handicaps. A qualified individual with a disability is an individual who satisfies the knowledge, skills, educational experience, personal abilities, and other job related requirements that have been established for a job. That individual can perform the essential job functions with or without reasonable accommodation.
 6. Employee Retirement Income Security Act (1974, 1982) assures continuation of defined company benefits for employees.

7. Family and Medical Leave Act (1993) provides up to 12 weeks of unpaid leave per year for eligible employees of a business with 50 or more employees in the following situations: upon the birth of the employee's child; upon the placement of a child with the employee for adoption or foster care; or to care for a child, spouse, or parent with a serious health condition, or because of the employee's own serious health condition. Employers also must continue to provide pre-existing health benefits and guarantee that employees will return to equivalent jobs.
- B. A business should develop a set of company rules and policies to inform and guide all employees. This is essential to the efficiency and profitability of the overall business operation and to the service of its customers. These rules and policies should be in written form and supplied to all current and new employees. The information presented should include the following items: expected working hours, absentee policy, leave of absence policy, tardy policy, telephone policy, compensation policy, employee production requirements, intoxication and drug policy, safety policy and procedures, seniority policy, visitor policy, vacation schedule policy, insurance benefit policy, and employee hygiene and housekeeping policy. All of these policies must comply with all discrimination laws both federal and state.

A variety of techniques may be used to assist students in mastering this objective. Students should use text materials to help understand the federal laws that prohibit discrimination. Chapter 8 in Agribusiness Management and Entrepreneurship is recommended. Use TM: B4–1C to assist in discussion on this topic.

Objective 4: Identify ways to improve employee relations and morale.

Anticipated Problem: How can a business improve employee relations and morale?

- IV. Many businesses have found they can improve employee relations by having an employee newsletter and/or by sponsoring various employees' social activities, such as sport teams and periodic company parties or picnics. The intent is to build employee loyalty. If an employee feels attached to the business and that his or her success is closely tied to that of the business, then this helps create in the employee a desire to do a more effective and efficient job. Each manager needs to determine what actions may be taken to promote this concept among the employees. There is no one cure-all solution. It is critical that a manager talk with the employees to find out their needs and wants. This allows them to become part of the solution and that alone can improve relations.
- A. It is important for an employer to realize that all employees, regardless of position or responsibility, are either selling the business and its products and services or building up resistance to the business among customers and potential customers. They are selling the business not only when they are at work, but also at any time they have contact with someone else. Because the employees are representatives of the business both on and off the job, most businesses are concerned with the extent to which their employees are citi-

zens of the community. That means how involved are they in community activities and assuming the many responsibilities of being good citizens of that community.

- B. Poor morale can reduce employee output, can discourage relationships with customers, and in general can be disruptive to an efficient operation. Keeping employee morale high is an important part of keeping employer-employee relationships positive. It is sometimes mistakenly thought that all morale problems can be corrected with an increase in compensation. However, that is not always the case. When morale is low, an employer should do an honest and intensive self-evaluation. Include employees in a discussion about the cause of the problem and ways to solve it. There are many causes for low morale, such as:
1. Favoritism, either real or imagined
 2. Poor communication between management and employees
 3. Apparent insensitivity of management to employees
 4. Unfavorable working conditions, including hours, pressure, parking, or company benefits
 5. Failure to recognize performance
 6. Inequitable criteria for promotion, salaries, etc.
 7. Reluctance to assign responsibilities
 8. Failure to respond to employees' requests for information
 9. Failure of management to make decisions

A variety of techniques may be used to assist students in mastering this objective. Students should use text materials to help understand ways to improve employee relations. Chapter 8 in Agribusiness Management and Entrepreneurship is recommended. Use information in the text to assist in discussion on this topic.

Objective 5: Discuss the advantages and disadvantages of promoting from within the business.

Anticipated Problem: What are the advantages and disadvantages of promoting from within the business ?

- V. Managing employees includes developing a promotion policy. Every business must determine whether to follow the policy of promoting from within the organization or to what extent to go outside the business to obtain managerial replacements. The policy adopted will have much bearing on human resource selection and personnel skill development and education.
- A. The major disadvantage of promotion from within is that a co-worker is promoted and the next day is placed in a position of supervising former peers, measuring performance, and making decisions that former co-workers and friends may not like.
- B. The major advantage of promoting from within is that it provides a basis for rewarding outstanding performance. Under such conditions, the newly promoted employee, having been properly trained for the position, will not need as much additional training in com-

pany policy and other items of this nature as would be the case with a new employee from outside the business. In many small businesses that are part of a larger organization, it may be a better situation to promote an employee from one of the operations to another, instead of within the same company.

A variety of techniques may be used to assist students in mastering this objective. Students should use text materials to help understand ways to improve employee relations. Chapter 8 in Agribusiness Management and Entrepreneurship is recommended. Use information in the text to assist in discussion on this topic.

Review/Summary. Use the student learning objectives to summarize the lesson. Have students explain the content associated with each objective. Student responses can be used in determining which objectives need to be reviewed or taught from a different angle. Questions at the end of each chapter in the recommended textbooks may also be used in the review/summary.

Application. Have the students complete LS: B4–1A.

Evaluation. Evaluation should focus on student achievement of the objectives for the lesson. Various techniques can be used, such as student performance on the application activity. A sample written test is attached.

Answers to Sample Test:

Part One: Matching

1. d
2. b
3. f
4. a
5. h
6. g
7. e
8. c

Part Two: Completion

1. needs, wants
2. compensation
3. before
4. job description
5. résumés

Part Three: Short Answer

1. Any five of the following: (Favoritism, either real or imagined; Poor communication between management and employees; Apparent insensitivity of management to employees; Unfavorable working conditions, including hours, pressure, parking, or company benefits; Failure to recognize performance; Inequitable criteria for promotion, salaries, etc.; Reluctance to assign responsibilities; Failure to respond to employees' requests for information; Failure of management to make decisions.
2. Evaluating previous training and experience
Checking with business and personal references
Making additional inquiries of others known by the manager
Administering an evaluation test
Conducting a personal interview

Test

Lesson B4–1: Hiring and Managing Employees

Part One: Matching

Instructions. Match the term with the correct response. Write the letter of the term by the definition.

- | | |
|---|--|
| a. Age Discrimination in Employment Act | b. Americans with Disabilities Act |
| c. Civil Rights Act, Title VII | d. Employee Retirement Income Security Act |
| e. Equal Employment Opportunities | f. Equal Pay Act |
| g. Executive Order 11246 | h. Family and Medical Leave Act |

- _____ 1. Assures continuation of defined company benefits for employees.
- _____ 2. Prohibits discrimination in employment of a qualified individual with a disability based on physical or mental handicaps.
- _____ 3. Requires equal pay to women who perform the same tasks as men.
- _____ 4. Prohibits discrimination because of age.
- _____ 5. Provides up to 12 weeks of unpaid leave per year for eligible employees of a business with 50 or more employees in certain family situations.
- _____ 6. Prohibits discrimination in employment practice on the basis of race, sex, color, or religion.
- _____ 7. Employment without prejudicial discrimination including recruitment; hiring; termination; promotion; training; salary, benefits, and privileges; and working conditions.
- _____ 8. Prohibits discrimination based on race, sex, religion or national origin.

Part Two: Completion

Instructions. Provide the word or words to complete the following statements.

1. It is critical that a manager talk with the employees to find out their _____ and _____.
2. It is sometimes mistakenly thought that all morale problems can be corrected with an increase in _____.
3. The prospective employee should contact and receive permission from an individual _____ listing them as a reference.

APPROACHES USED WHEN RECRUITING NEW EMPLOYEES

- ★ Newspapers—Classified Ads
- ★ High schools, colleges and universities placement offices
- ★ State employment services
- ★ Private employment agencies



JOB FAIR



POSSIBLE STEPS USED TO EVALUATE PROSPECTIVE EMPLOYEES

- 1. Evaluating previous training and experience.**
- 2. Checking with business and personal references.**
- 3. Making additional inquiries of others known by the manager.**
- 4. Administering an evaluation test.**
- 5. Conducting a personal interview.**

FEDERAL LAWS AND ORDERS WHICH SUPPORT EMPLOYMENT OPPORTUNITIES

**Age Discrimination in Employment Act
(1967)**

Civil Rights Act, Title VII (1964)

Equal Pay Act (1986)

Executive Order 11246

**Americans with Disabilities Act (1992,
1994)**

**Employee Retirement Income Security
Act (1974, 1982)**

Family and Medical Leave Act (1993)

Lab Sheet

Hiring and Managing Employees Business Visit and Interview

Directions: Each student should select one business in their area to visit. Contact the human resource director or the person responsible for hiring employees to schedule a time for a visit and interview. After touring the facilities, ask to interview the human resource director or person responsible for hiring employees to answer the following questions. Be prepared to give an oral report of your visit to the rest of the class upon your return.

Observations

1. What are the general working conditions of the business' employees? (hours, work stations, etc.).
2. Are there any signs of employee recognition for outstanding performance? What was observed?
3. In general, how would you describe employee morale? On what do you base this observation?
4. How are employer-employee relations? On what do you base this observation?

Interview

1. What do you look for in a new employee?
2. In general, how would you describe employee morale?
3. What should a possible candidate look for when applying for a job?
4. What type of information should be found on a résumé? How long should it be?
5. How does your company recognize superior performance of your employees?
6. What is your company's promotion policy? Do you promote from within or bring in outside individuals?
7. What is the most important thing students should know about selecting a career and entering the workforce?