

# Roles and Responsibilities of an Agricultural Employer

**O**wners and operators of agricultural businesses often view themselves primarily as business people and give little thought to their roles as employers. Yet, managing people up and down the line in agricultural operations is worth doing well. Most business owners who seriously assume the role of human resource manager find that it brings them a new set of professional challenges and personal pressures.

A manager's decisions and behavior reflect personal philosophy built from past experiences and observations. All managers have a "theory" of management that they typically do not describe as such, or may not even be conscious of, but it nevertheless affects how they operate. A theory in this sense is a partial explanation of how and why something or someone behaves, occurs, or responds under certain conditions. It may include assumptions, views, concepts, and ideas about causal linkages that help predict the results of possible actions.

Theory X, as offered by Douglas McGregor, assumes that the average human being has an inherent dislike for work and will avoid it if he or she can. Due to this human characteristic for disliking work, most people must be coerced, controlled, directed, and threatened with punishment to get them to put forth adequate effort toward the achievement of organizational objectives. The average human being prefers to be directed, wishes to avoid responsibility, has relatively little ambition, and wants security above all.

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Converse to this negative perspective is the recognition of a broader set of human needs. Because people want to be recognized and to feel useful and important, managers should psychologically stroke their subordinates, share information with them, listen to their comments and objections, and allow them a measure of self-control on routine matters.

What McGregor called Theory Y is a set of assumptions that carries a different message and has sharply different implications for management strategy.

1. The expenditure of physical and mental effort in work is as natural as play and rest.
2. Humans will exercise self-direction and self-control in the service of objectives to which they are committed.



3. Commitment to objectives is a function of the rewards associated with their achievement.
4. Under proper conditions, the average human being learns not only to accept but to seek responsibility.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely distributed in the population.

These beliefs describe a much more capable, developable, trustworthy, and ultimately valuable resource. Theory X suggests that poor performance on the farm is due to the nature of people in the organization, while Theory Y, in contrast, puts problems squarely in management's lap.

### **Recognizing and Managing Risks**

Agricultural managers stand to gain in several ways from periodically examining their human resource management methods and options. Doing so can help keep employee relations compatible with ownership philosophy and values, adjust to changes outside the business, reduce the potential for dysfunctional conflict and other wastes of resources, and improve overall efficiency and market competitiveness. All can be seen as reducing labor-related risks.



Employing people carries risks of various conditions and outcomes that translate into lower revenues, higher costs, or both, from the manager's perspective. Among these risks are:

1. Insufficient labor to perform tasks when needed;
2. Poor quality work that raises per unit costs or lowers product value;
3. Excessive turnover and absenteeism, avoidable injuries, and high indirect labor expenses;
4. Conflicts with and between employees; and
5. Fines and other penalties imposed by government agencies for violations of law.

Management decisions and practices can change both the odds of these outcomes occurring and the costs of bearing those that do. They determine who is onboard to do the

operational work that implements the organization's management plans and their capability, as well as motivation to work well. Key decisions include: which tasks and duties to combine into jobs, how to group jobs within crews or other organizational units, what rates of pay and fringe benefits to offer, and how to select employees for specific positions and assignments.

Once employees are hired, managers and supervisors decide (by intent or default) how to orient them to work conditions and expectations, help them develop skills, tap their efforts, keep them informed, act on their ideas and complaints, and correct performance problems. Such decisions can be made rather casually or through variously structured methods. Managers face these decisions in a context of influences that at times seem to dominate their attention. In particular, the large, complex body of laws and regulation around labor management continues to grow, and many agricultural employers are understandably obsessed with it.

While most acts of personnel management have both behavioral and potential legal consequences, a prudent awareness of regulatory bounds need not – and ought not – curdle into a “compliance mentality.” Obviously, it is necessary to know and abide by the legal rules, but many growers have adopted policies and practices that are influenced disproportionately by legal constraints to the relative exclusion of other important factors.

## Summary

Agricultural producers who manage personnel must understand human behavior, organizations, laws, labor markets, technologies, and the whole of their business situation. They need information beyond what they can acquire through first-hand experience. Most, however, face the dilemma of being strapped for time by an abundance of day-to-day problems with which they could, ironically, cope better if they were more knowledgeable.

Managers who wish to continue their development as managers of agricultural labor can tap a wealth of resources: magazines, newsletters, and journals; government fact sheets; books; web sites; and *Ag Help Wanted – Guidelines for Managing Agricultural Labor* and its accompanying web site. Devoting as little as one hour per week for reading and study can lead to acquisition of numerous useful ideas for better managing the labor resources associated with an agricultural business.



*Ag Help Wanted* is a full-color, 250-page agricultural labor handbook that presents principles, practical examples, legal considerations, and offers additional references in six chapters: Roles and Responsibilities of an Agricultural Employer; Organizational Planning; Staffing the Farm Business; Supervising Agricultural Work; Managing Employee Performance, and Communication and Problem Solving. The text is designed for use in a variety of ways. It can serve as a reference to help cope with problems that arise, a source of ideas for improving management policies or practices, and a base for systematic study of human resource management in agriculture.

To learn more or to order see: [AgHelpWanted.org](http://AgHelpWanted.org).



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