DEPARTMENT:
AGRICULTURE

THE STAFF of the AGRICULTURAL BUSINESS

BOOK SIX

The Staff of an AGRICULTURAL BUSINESS

CONTENTS

1. Outcomes
2. Introduction
3. Recruiting staff members
4. The role and responsibility of staff members
5. Job descriptions
6. Legislation
7. Assessment

© 2000 Department: Agriculture
All rights reserved. No part of this book shall be translated, reproduced, stored in a retrieval system, or transmitted by any means, electronic, mechanical, photocopying, recording, or otherwise, without written permission from the publishers.

Published by
Department: Agriculture
Private Bag X250
Pretoria
0001

Design, Layout and Illustration by
Dimensional Dynamics

Printed by
Consortium Publishers

ISBN: 1-868871-098-X

BOOK SIX

Outcomes

1

After studying this booklet you will be able to:

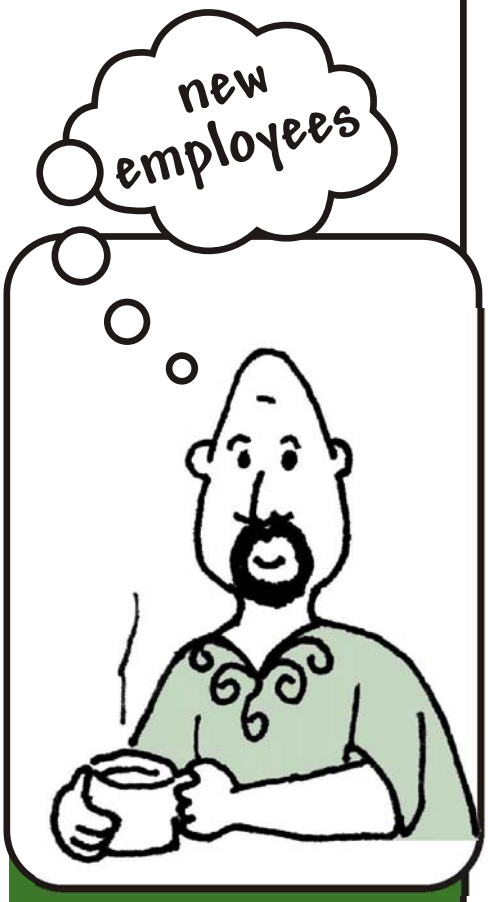
- ✓ Make the right decision towards growth
- ✓ Recruit new staff members
- ✓ Write their job descriptions
- ✓ Describe their various roles
- ✓ Write down individual responsibilities
- ✓ Draw up a basic working contract
- ✓ Know the basic legislation rules
- ✓ Develop a motivated team
- ✓ Know the difference between formal and informal sectors and human relations approaches

© 2000 National Department of Agriculture

2 Introduction

The first stages when starting a new business as an entrepreneur involve visualising, arranging financing and developing a client basis for your business.

If a business venture is successful, the entrepreneur will have to make a choice sooner or later. He will either have to expand, or if he wants to remain the sole owner of the company, he will have to downsize. More staff members will be needed if he chooses to expand.



The following aspects are important when you appoint new staff:

- The structure of the business: How much money is available (for salaries, new offices etc.)
- Existing technology
- Job descriptions (what will be done by whom?)
- Employment contracts
- The culture of the business
- Diversity of skills, race, gender, personality etc.
- The employer's commitment

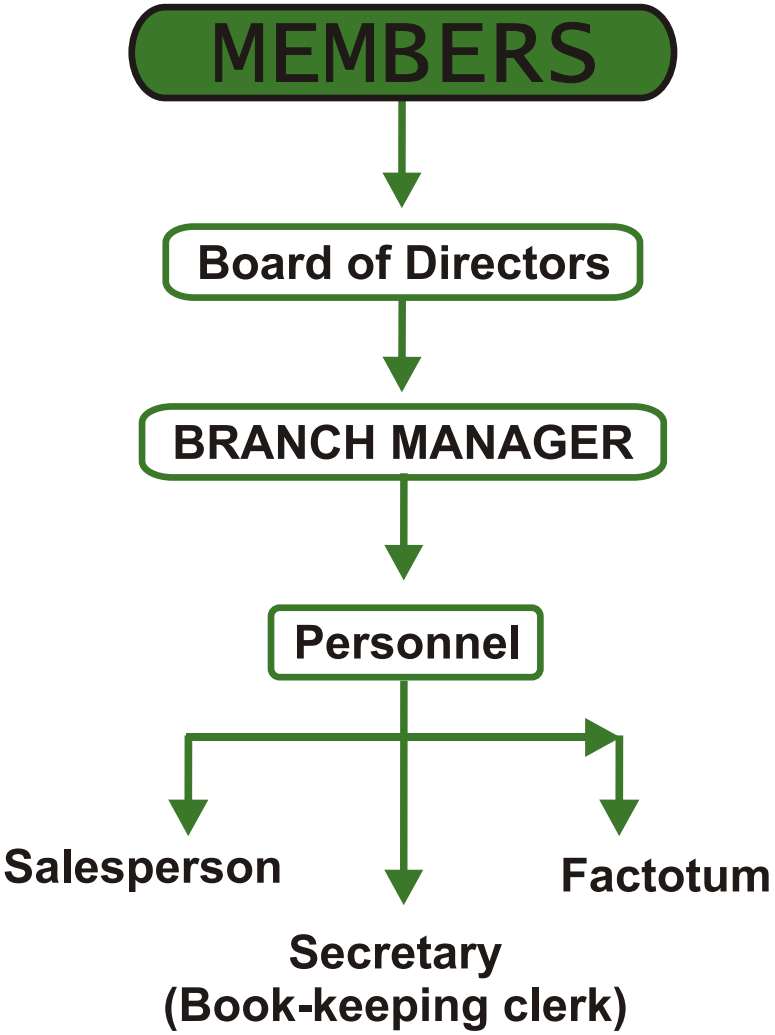
It is important to appoint people who have the skills that you need to improve your services. Human capital is your best resource. Select your staff wisely. Choose a variety of personalities when you select new staff members to develop a balanced workforce. One is often tempted to appoint people who have a type of personality similar to one's own. Employees could cost you a lot of money and they are able to make or break your business. You have to motivate them to work towards the same ideals.

Remember, however, that the quality of their lives will depend on your management. Avoid using only a mechanical approach towards your employees. You also have a social responsibility towards them.

When an entrepreneur appoints new staff members, he has to remain committed to success and hard work. In the formal sector, the company structure can

© 2000 National Department of Agriculture

be held responsible in the event of failure, but in the small business it is the personal responsibility of the manager. The Human Resources Department in the formal sector is responsible for staff issues, but in a fast-paced small business, the correct measure of effective communication is of the utmost importance. The more employees there are, the smaller the span of control.



Introduction

... continued

© 2000 National Department of Agriculture

3 Recruitment

Before Bongani hires new staff members, he should
- list his needs
- define specific jobs and
- decide on the set of qualifications he will need from his employees.

When appointing new staffmembers, he can ask a friend to help out on a part-time basis; he can advertise in the local paper; ask the help of an employment agency to select the right candidate; ask other employers to make recommendations; phone schools and colleges; ask labour unions; or appoint casually by phoning people on the basis of a previous appointment or CV.

The hiring process has to be fair and the procedure fixed. Here is one way of laying down the procedure:

- Advertising
- First evaluations
- Preliminary interviews
- Check of references
- Psychological tests
- Employment interviews
- Other tests
- Appointment
- Orientation and induction programmes

In his line of business, Bongani will value the interview as the most important stage in the process.

Bongani has to ask questions to get a profile of the applicant. Questions can be set to test the personal, interpersonal, academic, experiential and professional abilities of a candidate.

Group Exercise

Divide the group in two and let the various participants choose to be either the interviewer or the applicant. Ensure that the questions are always fair and the answers precise.

© 2000 National Department of Agriculture

The Role and Responsibility of Staff members

4

In the cooperative, staff members are appointed to help with the activities delegated by the board to assist members. Client service is very important and specific staff members need to operate in specific divisions or have specific job descriptions.

Human Resource Planning includes:

- Provision of staff
- Training the workforce
- Research
- Welfare and safety

Human Resource Development includes:

- Motivation
- Appraisal
- Payment

In the small agricultural business a staff member has the right to a specified job description, but multi-skilling is still a necessity.

The employer should

- recruit through fair practices
- appoint staff
- draw up contracts and job descriptions
- arrange training and development
- motivate and
- evaluate.

The responsibilities of staff members in the small agricultural business must be committed to the ideals and financial prosperity of the company.

© 2000 National Department of Agriculture

The most important factors are:

- Productivity
- Client service and
- Loyalty towards other staff members

It is important to develop a balance between, on the one hand, a cohesive group in which everyone's interests, needs and successes are shared, and on the other an employee circle which is able to operate in a professional environment. Team building is very important in the small business as a culture of participation in management and responsibility has to be established.

Exercise

Divide the class in five groups. Give each group one of the following subjects and compare the feedback of the various groups:

Think about creative ways to improve:

- *Motivation of the employees*
- *Productivity of the workforce*
- *Client services*
- *The encouragement of innovative ideas*
- *Handling conflict*

© 2000 National Department of Agriculture

Job Descriptions

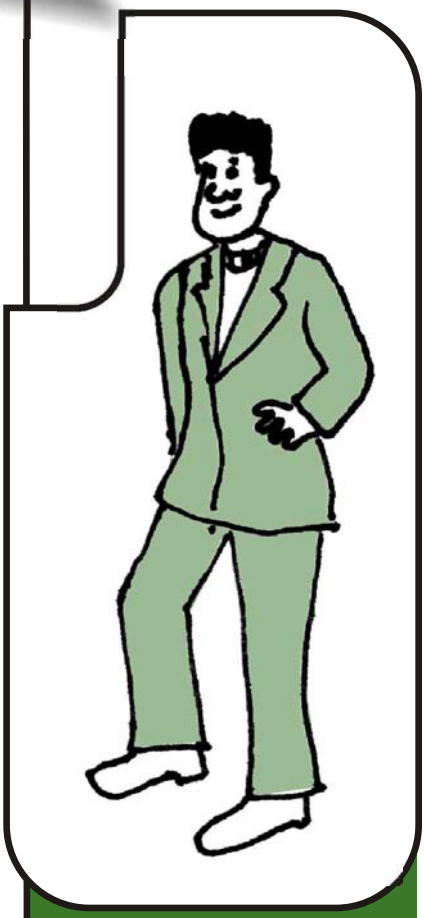
5

In a small business it is difficult to make job descriptions too specific, but it is important to avoid conflict by setting limits to each activity. Job descriptions will help to set a compensation policy for the business. If a staff member is not productive enough, his or her job description can be used as a background reference during disciplinary procedures.
Example of a job description:

JOB DESCRIPTION

(Salesperson)

SECTION	Sales
JOB	Salesperson
JOB TITLE	Senior salesperson
SCOPE	Fruit and vegetable sales
RESPONSIBLE TO	Person X (Name the person(s) to whom the employee should report)
RESPONSIBLE FOR	(Name the person(s) for whom and the list of equipment, the duties, etc. for which the employee is responsible)
LATERAL COMMUNICATION	On the same level as Person Y and Person Z
MAIN RESPONSIBILITIES	(Name the specific client(s) or duties etc.)
LIMITS OF AUTHORITY	(Name the duties of the specific employee e.g. decision making on the sale of fruit and vegetables)



© 2000 National Department of Agriculture

Every year the employer and the employee have to discuss the job description.

In a small business it is important to discuss the various job descriptions in the small group. The manager could use the job description to evaluate the performance of the employee. He must help the employee grow in his job by expanding his authority and opportunities.

Legislation

When you employ people they are entitled to certain rights and privileges. These are described in the Basic Conditions of Employment Act, 1997 (Act 75 of 1997). As the employer, you must ensure that your employees know their rights as required by the Department of Labour.

It is essential to let each employee sign his or her own contract of employment which not only re-affirms their rights but also stipulates when and what type of action may by taken by the employer if the employees should overstep the limits of their rights. The contract of employment should contain at least the following information:

Working Hours:

All employees have certain rights with regards to working time. It should be noted that the following does not apply to senior managerial employees, sales staff who travel and employees who work less than 24 hours a month.

No employer may require any of his employees to work more than 45 hours in a week. This means an employee may work for not more than nine hours a day if he does not work weekends.

© 2000 National Department of Agriculture

An employer may only allow an employee to work overtime if the employee has agreed to it at an earlier stage. An employee may not work more than 3 hours overtime per day or ten hours overtime per week. An employee must receive 1½ times the amount of the wage of a normal working hour for each hour he or she has worked overtime.

Every employee has the right to a break of one hour after five hours of work. A meal break should not be granted to employees who work less than six hours a day. Every employee has the right to have a 36-hour rest period every week, for example a weekend during which the employee is not required to work.

Work done on a public holiday must be by prior agreement and the employee should receive double the amount of the normal working day wage.

Leave

Employees have the right to 21 days leave annually or one day's leave for every seventeen days of work. Note that an employer may never pay an employee instead of granting him or her leave.

An employee is entitled to six weeks paid sick leave for every 36 months he or she has worked for the employer.

During the first six months it will be one day sick leave for every 26 days worked. The employer may request a medical certificate as proof that an employee was ill during the period he was absent from work.

An employee is entitled to four month's maternity leave, of which one month is taken before the birth of the child. While she is pregnant, the employee may not perform work that is harmful to her or the child. The employer may request a medical certificate in which the date of the birth is specified.
An employee is entitled to 3 days special leave per year for family responsibility, for instance the death of a family member, or in the case of a mother, serious illness of a child.

Legislation

... continued

© 2000 National Department of Agriculture

Employment Particulars

An employee should be given with the following information regarding his or her new job:

- The name and address of the employer
- The occupation in which the employee is appointed
- The various places of work
- The date on which the employee is employed
- Work hours
- Leave Wages and everything applicable in this regard
- Any other document that may be of importance regarding the appointment

Remember that it is the duty of the employer to inform the employee of his/her rights. These rights should be displayed in the workplace at all times. The Department of Labour could fine the employer a penalty fee if he fails to do this.

An employer should also keep record of the employee's name and occupation; the time worked; the wages paid; the age and date of birth of the employee and other prescribed information.

Termination of employment

A service contract may only be terminated if proper notice of such termination was given to the employee. If the employee has been in service for more than one year, notice of four weeks should be given. The employee may challenge this notice on the basis of fairness and lawfulness in terms of the Labour Relations Act.

An employee who is dismissed, is entitled to one week's severance pay for each year he has been in the service of the employer if the employee is dismissed on the basis of operational requirements. The employee should also be issued with a certificate of service after dismissal.

Note that a person may be appointed for a trial period of about 3 months before being employed permanently. In this regard 24 hours notice of termination is sufficient.

In some instances an employee may be dismissed immediately if it is stipulated in the service contract and in accordance with the law, in the event of intimidation, assault, intoxication on the work premises and serious incompetence.

© 2000 National Department of Agriculture

Prohibitions of employment of children and forced labour

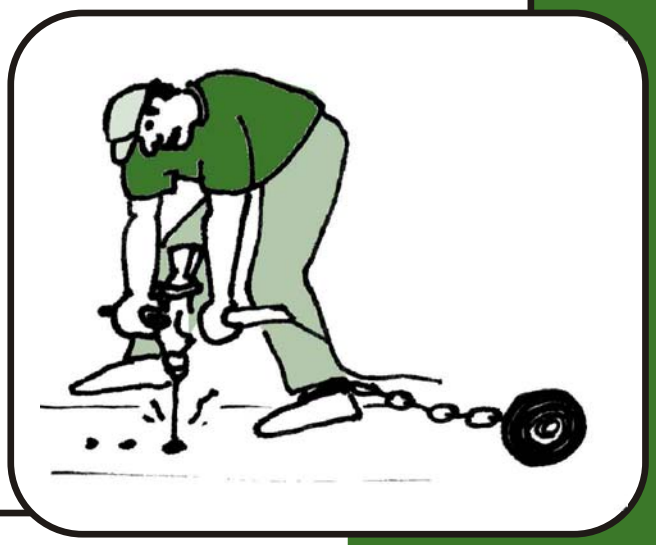
It is important to note that an employer may never employ a child under the age of fifteen or employ children younger than 18 years in positions that are inappropriate or dangerous.

No person may be employed as a forced labourer. This is a criminal offence and punishable by law.

An agreement concluded by a bargaining council may replace or exclude some of the employee's rights but only in certain circumstances. Note that some rights may never be excluded as stipulated by the Basic Conditions of Employment Act 75 of 1997.

When they start their employment, you may ask your employees to state if they belong to a trade union, and if so, which one. This is usually done in the service contract and may be useful in peaceful settlement of disputes.

Note that where your service contract does not provide for all the rights and privileges of employees, they will still enjoy these rights under the protection of the Basic Conditions of Employment Act 75 of 1997. This act shall always be regarded to form part of the service contract.



© 2000 National Department of Agriculture

7

Assessment

1 List the responsibilities of the employer when he decides to appoint staff.
2. What method of recruitment will you choose to appoint new staff and why?
3. Create job descriptions for your staff members.
4. What will you do to build the capacity of your workforce?
5. Set a contract for your staff members according to the Basic Conditions of Employment Act 75 of 1997.
6. One of your staff members has been disloyal to your company and is constantly under the influence of alcohol. This employee has also taken about 10 weeks leave to undergo an operation, visit his family and bury a relative. How will you handle the situation?

© 2000 National Department of Agriculture

© 2000 DEPARTMENT: AGRICULTURE