

# Employment practices for good people management

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## Summary

- Good employment practices are necessary to attract and retain people working on farms.
- Word of mouth was the most commonly used method to recruit farm employees.
- Low compliance for legally required employer obligations expose farmers to difficulties in managing employee performance, disputes, and legal action, resulting in financial penalties and/or reputational damage.

## Introduction

Traditionally, dairy farmers have relied on family members to assist with the labour needs of the farm on an informal basis. However, family labour is not as readily available as it once was for a number of reasons including farm succession issues and more family members pursuing alternative careers. This has led to an increased demand for farm employees, and many farmers are becoming employers for the first time. Employing staff requires the implementation of certain practices to comply with employment law while good people management creates a happy work environment, increases employee motivation and commitment to their employer. This study aimed to examine the prevalence of people management practices on Irish dairy farms.

## Method

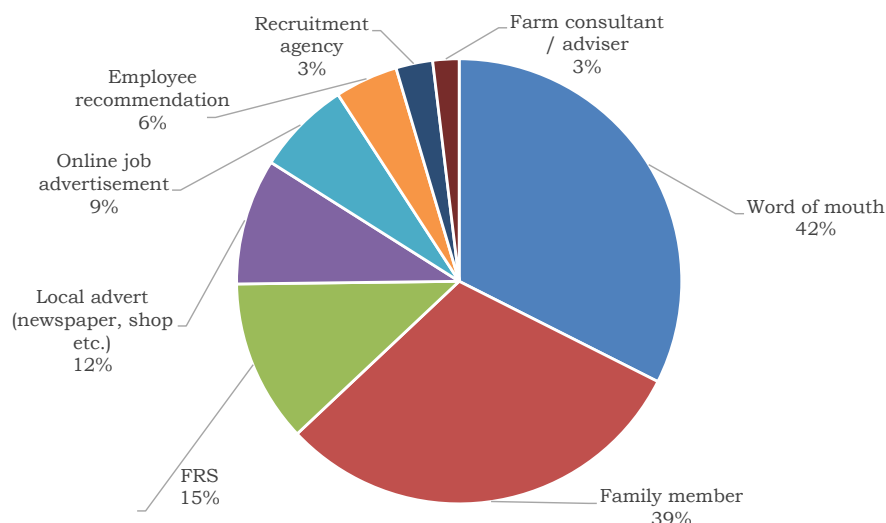
Three hundred and fifteen dairy farmers (representative of location and herd size) were surveyed regarding employment practices. Herd size ranged from 25 to 700 cows. Participation in the survey was voluntary, and the responses were collected by post or by phone.

## Results

Of the 315 farmers surveyed, 64% were employing people on their farms: 37% employed one person; 17% employed two people; and 10% employed three to five people. The remaining 36% had no employees. A total of 286 people worked on 64% (n=203) of the farms surveyed, farm assistants were the most common type of worker employed. Respondents reported that 57% of the people working on their farms were employed full-time while 43% of staff were employed on a part-time/casual basis. Eighty four percent of the employees were male. Average age of employees was 42 years.

Figure 1 presents the variety of methods used by the farmers surveyed to recruit employees. Some farmers used more than one method, and word of mouth was the most commonly used method. By using a variety of recruitment methods, farmers are ensuring their jobs are advertised to a wide network of people. In the future, dairy farmers will need to attract a larger and more diverse talent pool such as urban dwellers looking for a career change. To search for these less traditional farm employees, a variety of innovative recruitment methods will be required.

Farm employers with employees external to the family have legal obligations as employers and are required to comply with employment law by formalising certain practices. Examples of practices required by law include issuing contracts of employment, issuing and retaining copies of payslips and recording employees' time, among others.



**Figure 1.** Variety of methods used by farmers surveyed to recruit employees

Presented in Table 1 are the legally required people management practices implemented by survey respondents. The lowest compliance rate were observed in relation to the completion of employee detail forms with 9.4% of respondents indicating that they have this in place. Non-compliance can lead to negative consequences for farmers such as difficulty managing employee performance, disputes, and legal action, resulting in financial penalties and/or reputational damage. Overall, the low compliance with the employment law in this study suggests that room for improvement exists. Failure to comply with employment law can leave employers exposed to inspections and fines from the Workplace Relations Commission.

**Table 1.** Legally required people management practices implemented by the survey respondents who were employers

Item	Number of respondents (n)	Percentage of respondents (%)
Contracts of employment	24	11.8%
Employee detail forms	19	9.4%
Payslip retained after each payment	38	18.7%
Payslip issued after each payment	38	18.7%
Employees time recorded	54	26.6%

Further analysis indicated that herd size, herd size change over five years, and number of employees on the farm is positively related to legal compliance. This suggests that larger farms with more employees tend to be more compliant with legal requirements.

## Conclusions

Having the legal employment practices in place will ensure a good start to the employment relationship as well as help protect the business should the relationship become strained. Prioritising the legal employer obligations is essential to ensuring dairy farmers become attractive employers.