
THE HUMAN RESOURCES PLAN

The human resources plan describes your expected staff requirements over the next two years. The areas of responsibilities, training and experience requirements for each staff position, organization chart as well as compensation and benefits should be summarized. Also, review the labour management programs that you plan to initiate and the goals you wish to achieve. The human resource plan is often included as a subsection in the production portion of a business plan. But, given the increasing importance of labour management you may choose to highlight your labour management plan as a separate section as we have in this example. This part of the plan will be critical for many farms as the average dairy herd size is expected to increase substantially in the next decade.

Human resource management requires thinking about how you will recruit, screen, motivate, train and discipline the staff you work with. The British Columbia Ministry of Agriculture, Fisheries and Food has publications and videos on Farm Labour Management. Copies are available from the Farm Management Branch or your closest district office.

1. Employee Plan

As the example shows, the Sample Dairy Farm is planning to have two fulltime staff members as well as casual part-time labour.

Note: if your business plan will be used to obtain outside financing, you should include resumés for the managers. An outside lender will base his or her decision on the management skills and experience available. The resumés should show the name, education, business experience in detail for the managers and skilled workers in your firm.

2. Organization Chart

Once you have prepared your employee plan, complete an organizational chart as well to illustrate how your staff members are organized and to whom they report. This is important for two reasons. First, readers outside your firm will want to see evidence that you have thought through and organized the staff and management needs of your business. Second, your own employees will want to know how their farm is organized. The form opposite shows the Sample Dairy Farm's organization chart.

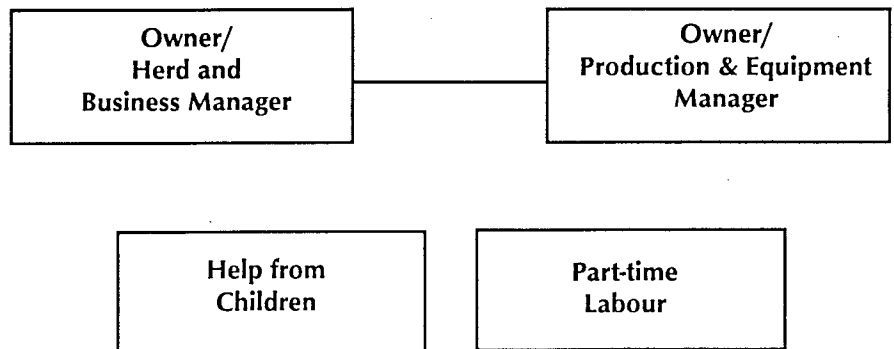
If major organizational changes are required because of changes in your operation during the period covered by the plan, these should be noted.



Employee Plan Example

Job Title	Functions
Owner/Herd and Business Manager	Dairy cattle herd records, financial book-keeping, joint role in management decision making and goal setting
Owner/Production & Equipment Manager	Crop planning, farming, farm safety, machinery maintenance, joint role in management decision making and goal setting
Children	Assist in dairy farm duties as required, learn all aspects of dairy production techniques and decision making
Part Time Labour	Part time milking, feeding, labour jobs as needed

Organization Chart Example



3. Compensation and Benefits

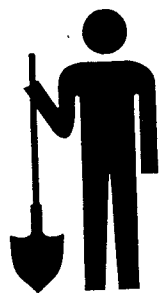
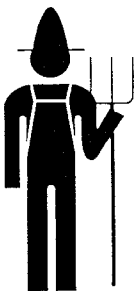
The final step in preparing your Human Resources Plan is to complete the compensation and benefits chart. There are a number of potential sources of information for items such as likely salary and wage levels. Statistics Canada produces a number of summary reports showing compensation by various groups. Or, local employers or government organizations (such as local employment offices) may be able to help you estimate the various compensation levels for which you will need to plan. Changes in labour laws should be considered.

If you anticipate changes in wages and compensation during the period covered by the plan these should be noted.

4. Labour and Training Goals

Successful recruiting, hiring, training, motivation and discipline procedures are key to the growth and success of a business. Your labour plan should show how you plan to promote and maintain good labour relations, strong morale, and high quality, high output from workers.

Your labour targets and planned programs can be summarized on a form similar to the one for the Sample Dairy Farm.



Compensation and Benefits Example

Position	Salary and Benefits
Owner/Herd & Business Manager	50% dividend \$30,000 salary
Owner/Production & Equipment Manager	50% dividend \$30,000 salary
Children	chores and \$5.00/hr for structured work
Part-time labour	\$10.00/hr (Total: \$27,000)

Labour and Training Goals Example

Target	Barrier	Planned Response	Measurement
Efficient, correct and modern bookkeeping records	Knowledge of techniques, access of proper tools	Purchasing a computer and training on bookkeeping and spreadsheet software	Organized and comprehensive books
Owner/Manager motivation and ability improvement	Routine, boredom and lack of knowledge in specific management areas	Utilize computer, attend industry conferences/workshops/seminars	Contentment, higher ability of managers
Training of children for future take-over of operations	Knowledge, ability and interest of children	Train children about farm practices and slowly make them an integral part of operation	Development of children into competent farmers
Employee safety	Knowledge; working conditions	Training; employee manual; awareness and supervision	Accident free workplace