

Cooperative Employees Staff



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RECRUITING AND TRAINING

CO-OP EMPLOYEES

Personnel administration is an essential responsibility of management in a cooperative, just as in any other business. It involves the entire management team-board of directors, general manager, and supervisors. Dealing constructively with personnel requirements reflects good management and contributes to the success of the whole enterprise.

Attaining a cooperative business's objectives largely depends on its employees' capabilities, attitudes, and actions.

How cooperative employees feel about their jobs affects their work performance and attitudes toward the organization. Their attitudes and actions can influence the opinion and patronage of members and the public.

The well-managed cooperative establishes effective policies and programs for recruiting, training, supervising, and evaluating employees.

While this is not an easy task for small cooperatives, new and inexperienced ones, or those isolated in rural locations, help is available. A considerable body of information exists on personnel administration for businesses. This may be obtained from such sources as colleges and universities, local libraries, trade associations, professional societies, State employment services, and the Small Business Administration (SBA).

Another source is larger cooperatives with well-developed personnel procedures and experienced staff. Very little of this personnel know-how, some developed through years of trial and

error, has been put into a form readily available to other cooperatives. Almost no literature exists on the personnel problems of cooperatives as such.

Circumstances have forced many cooperatives to hire and develop employees through informal methods, depending on the experience and good judgment the manager or other staff members have brought to the job. This has been particularly true of cooperatives whose plants and offices are away from the main labor pools.

JOBS AND PEOPLE

A cooperative is a business-a special kind of business. Like any successful firm, the suitable one counts on its employees for a considerable measure of its success.

Salaries of cooperative employees vary widely. Some chief executive offices of the top 100 cooperatives in the U.S. receive more than several hundred thousand dollars annually. Part-time untrained employees earning the minimum hourly wage are at the other end of the scale. Some staff members have graduate degrees and regularly attend seminars to upgrade their skills, while others are relatively unskilled and have received little on-the-job training. Some cooperatives maintain strong personnel departments and provide a wide range of programs for recruiting and training, while others have no departments.

In most cooperatives, the most significant operating expenses are significant personnel, as with other businesses. In addition to salaries and wages, these costs must include fringe benefits, hiring, and training.

Improving Understanding

Young people coming from high schools or universities to seek their first job usually have little or no information about cooperatives. Cooperatives need to improve member and public knowledge about themselves by doing the following:

1. Maintain a Strong Member Relations Program. See that members are well-informed. Member support can be contagious for employees and build loyalty to help management and overall operations.
If adult members understand their cooperatives, their children will pick up an understanding and interest in cooperatives. Such young people become one source of new employees.
2. Build Sound Public Relations Programs. Provide information about the unique features of the cooperative way of doing business. This requires access to local newspapers, radio, and TV stations. It also requires working relations with community leaders and organizations and developing a youth program for schools and libraries. This sort of ongoing program helps give employees a feeling of security and pride in their jobs. It helps bring the best job applicants to the cooperative.
3. Stress Employee Orientation. Teach employees what cooperatives are and how they compare with other business methods. Cooperative objectives and information about the cooperative's operations and place in the community are good topics for staff meetings and employee news media.

Employees must know the basic facts about the cooperative because they are frequently called on to answer questions about it and cooperatives in general. Employees can help improve the agreeable image if they can access the correct answers.

Competing for Employees

Cooperatives in rural areas may have a problem finding qualified workers. Some cooperatives may be forced to compete for eligible employees with an urban firm with a higher wage/salary scale. Cooperatives can overcome this problem partly by taking a new look at their personnel policies and practices:

1. **Re-examine Labor Needs.** Labor needs should be re-examined to raise productivity with fewer employees. For example, can some jobs be combined, or some functions abolished? Can physical changes in the plant or office, such as automation, reduce workload? Are all employees producing at a reasonable level? Are some skilled or experienced employees performing tasks that recruits with less skill or experience could do? Would specialized training courses be worth their cost to enable employees to work more efficiently?
2. **Update Wage and Salary Scales.** These should be upgraded if the cooperative is not fully competitive in employee pay scales. What can additional fringe benefits be offered at the least cost? Does the cooperative have a retirement, insurance, or bonus plan to help attract and hold critical employees? A review of both should consider information gathered from a current labor market survey.

3. **Examine Turnover Rate.** Cooperatives should compare their employee turnover rate with the experience of other businesses in the area and with national averages in similar types of firms. If the cooperative's turnover is high, exit interviews may help management determine why.
4. **Improve Recruiting Practices.** Try new sources or additional techniques for reaching potential applicants. Some of those listed in the section on successful recruiting should help.
5. **Guard Against Outgrown Personnel Practices.** Some businesses, including cooperatives, carried on personnel practices that now seem entirely antiquated in the early days. These practices included low wages, overtime work without adequate compensation, nepotism, inadequate recruiting techniques, poor or no retirement benefits, dependence on employee devotion to the cooperative idea rather than an emphasis on accepted employment practices, and reluctance to accept collective bargaining.

JOB REQUIREMENTS

Personnel management starts with analyzing and defining the job to be filled, determining the qualifications for the position, creating a written job description, and finding the person who fits the qualifications. Much more comes later, such as training and developing the employee, evaluating performance, administering wages and job benefits, health and safety, records, and separations.

Kinds of Jobs

Most of the jobs in larger cooperatives will resemble those in other large enterprises in the same line of business. The skill requirements for operating a fork loader, a billing machine, or a gasoline pump are the same for the cooperative as for any other warehouse, office, or service station.

It is vital, however, that the structure and characteristics of a member-owned cooperative be understood by its employees. Knowledge of cooperative principles and ways of doing business is desirable for all employees, especially those who come into contact with members and the public.

In small-town cooperatives, people readily identify employees with the cooperative. Here, knowledge and acceptance of cooperative principles and practices may share importance with job skills.

Recruiting is made more accessible and training more effective by standardizing job descriptions. In smaller cooperatives, the division of work functions is less clear because of the interchange of personnel between work areas. However, a current job description that reflects expected tasks is essential for effective performance appraisal.

Job Analysis

Job analysis determines the tools, equipment, and materials used; the special training, skills, aptitudes, judgments, and decisions required; the speeds and hazards involved; the conditions under which the work is performed; and the supervision required.

Job analysis breaks down the actions involved in the performance of a task. Identification items include the name or title of the job, the name of the department or other designation that locates the position, the relation of the job to others, and the chain of supervision. It describes personal characteristics, training, and the person required to perform the job successfully.

Job Description

Preparing a job description based on the job analysis is the first step in filling a vacancy. The description spells out the following:

- The proper name of the position should reflect the area of significant responsibility.
- The specific department and location where the work is to be performed.
- Chain of supervision—who the position reports to and supervisory responsibility if any.
- The overall goals and objectives of the cooperative or the specific department.
- The tasks with standards of expected limited to 12 or fewer of the significant functions; and
- A statement or statements of the interrelationship and external relationships expected by the employee.

Job descriptions are sometimes referred to as the minimum hiring requirements. They can be referred to when advertising for applicants, reviewing applications and interviewing

Need for Flexibility

Personnel management is an inexact science, and no single pattern can be expected to fit all situations without modification. Personnel procedures must be flexible.

Cooperatives, like other businesses, tend to grow around the abilities and personalities of the people in them. Job requirements, recruiting, training programs, and effective use of employees require some accommodation to the qualifications of persons on the staff.

Good personnel management also calls for flexibility to cope with situations involving groups of union grievances, for instance, changes in the labor market or changes in the volume of business handled by the cooperative.

Wages and Fringe Benefits

Cooperatives must pay competitive salaries and offer competitive employee benefits to recruit and hold qualified employees. A labor market survey of area businesses should be conducted no less than every three years in a stable economy. Greater frequency is necessary in times of rapid economic swings.

An effective employee benefits plan will give the employee and the family some financial protection against loss of future earnings due to premature death or disability, heavy medical expenses from illness or accident, and financial insecurity after retirement.

Coverage provided under employee benefits plans is customarily designed to supplement government programs such as workers' compensation, social security, and Medicare.

The manager's responsibility, with the assistance of any staff who work on personnel matters, is to help the board of directors regularly review the cooperative's schedule of salaries, wages, and fringe benefits. And action by the board to authorize necessary changes should have the highest priority.

SUCCESSFUL RECRUITING

Adequate personnel recruiting is finding the best person for the job. A simple objective, indeed, but one involving all sorts of complications. Complicating factors over which cooperatives have little control include the distance from a labor market, a tight labor market, legal restraints on hours and types of work for women and children, and cultural patterns, usually of a local nature.

Principles of Recruiting

However, a few basic principles, if followed, will enhance recruiting effectiveness:

- The first principle in recruiting employees is to be thoroughly aware of any complicating factors the cooperative has no control and find exceptions to what seem to be prevailing situations or devise offsetting compensations for them. The cooperative may have more options than the manager or the board realize at first glance.

Recruiting in a distant labor market might be undertaken by contacting a cooperative manager or other qualified agents.

If jobs are begging for lack of qualified employees, the manager may have to intensify the cooperative's the-job training program and hire more at the entry-level level.

Other possibilities are realigning work and responsibilities to increase efficiency, hiring more part-time employees among retired persons and homemakers with spare time, and recruiting disabled persons and those considered unemployable.

- The second principle in recruiting employees is to improve the internal factors which the cooperative controls. These include the cooperative's image and reputation, offering competitive wages and working conditions, hiring a personnel officer or staff, instituting an employee training and development program, and maintaining high visibility through contacts with other organizations and educational institutions.
- The third principle in recruiting is to ensure that hiring practices are firmly based on policies the board and manager understand and support.

In many cooperatives, the board determines personnel policy in consultation with the manager. This policy is published in a personnel manual, so any member or employee can refer to it. A published policy will help avoid misunderstanding. The manual can be updated from time to time to fit changing needs.

Federal, State, and local legal requirements for safe working conditions must be observed. Familiarity with these laws and practices by managers, personnel directors, and supervisors must be encouraged.

- The fourth principle of recruiting is planning. An alert manager does not wait until a vacancy occurs before recruiting for the position. Retirement, and even resignations, are usually known in advance. This provides an opportunity to search for the best possible replacement.

The alert manager will also consider well in advance possible replacements for the unexpected resignation or untimely death of a vital staff member so that most of the recruitment efforts are confined to entry-level positions.

Locating Applicants

Hanging out a “Help Wanted” sign is the most obvious way to recruit new employees. It also is the least satisfactory. Other methods and sources include:

- Hiring from within or from suggestions by employees.
- advertising in local newspapers.
- public or private employment offices.
- schools or colleges.
- other cooperatives or a region with which the association is affiliated.
- professional societies, trade associations, civic, farm, labor, and other organizations;

Hiring from Within Filling vacancies from within the cooperative by promoting qualified employees and then turning to outside recruiting for the lower grade or entrance-level jobs has many advantages. It is the least expensive method, and it is fast. It is less risky than bringing in an outside recruit at a higher pay level. It encourages present employees, improves staff morale, and reduces turnover.

The method can be used successfully also for lateral transfers. It does, however, have some disadvantages. Too strict adherence to promotion from within can produce an ingrown staff lacking youth and fresh ideas. Carried to extremes, firms would deprive themselves of the cross-fertilization of ideas from outside.

For a successful promote-from-within policy, management must maintain a current file of employee skills and advertise upcoming vacancies within the cooperative. This allows each employee to apply for the vacancy based on qualifications.

Suggestions from Employees For many years, small enterprises recruited for vacancies using names suggested by employees. Savings and other advantages of encouraging employees to offer terms for recruiting are apparent. However, a danger is that this procedure produces inbreeding and the formation of cliques in the staff.

Advertising in Newspapers Even if hiring from within is successfully practiced, some jobs cannot be filled by such methods. This is especially true for lower-paying, entry-level jobs and, at the other end, specialized positions requiring a higher-level education and professional training.

Classified help wanted ads are generally placed in local newspapers for lower-paying jobs, while display advertisements are used for more specialized positions. A small cooperative with an occasional vacancy places a job-opening ad only when a vacancy occurs. A larger cooperative with a continuing recruiting program may advertise regularly.

Advertising can be “open,” giving the name and address of the cooperative, or “blind” with a box number. The open ad yields

more applicants and simultaneously advertises the cooperative's existence in the community. All applications responding to "open" ads should be acknowledged. Any ad should be worded to sell the cooperative to applicants who can choose from several job offers.

Some cooperatives regularly advertise job openings in employee newsletters. This kind of recruiting strengthens the cooperative image and promotes employee stability.

Public Employment Offices For many jobs, particularly at semi-skilled levels, employers turn to State employment services. These have offices in all the larger cities and branches in many smaller communities. They can be an incredibly productive source of job candidates because all workers drawing unemployment compensation must register as seeking employment.

Prospective employers can keep unsuitable applicants to a minimum by being specific in listing job requirements. Registering with the local employment office usually will give cooperative access to applicants in nearby communities. This is particularly useful if the job opening proves hard to fill.

Private Employment Agencies Private employment agencies are operated for profit and charge a fee-often amounting to the first month's pay. Sometimes the employer pays the fee, but more often, the employee.

A reliable firm locates applicants and does the initial screening if the cooperative supplies sufficient details about the vacancy it wants to fill. It is wise to check with a Better Business Bureau before contacting one of these agencies.

Also available are mutual, non-profit hiring agencies subsidized by a group of businesses. A cooperative with extensive needs for new employees over a continuing period should consider this possibility.

Local School Sources Many jobs with businesses could be filled as well or better by recruits from high schools, trade schools, or private business schools.

Managers and personnel directors of cooperatives will find it helpful to get acquainted with local school officials and let them know of the cooperative's personnel needs.

This is also an excellent way to get part-time help and give young people an early familiarity with a cooperative.

Another excellent source of part-time and emergency help is the distributive education and vocational agriculture programs in many high and vocational schools. Often young people in these programs need time employment or school release-time employment. Those on a 2-year training program for skilled jobs, with a part of this program consisting of 2 or 3 months of summertime work, may be available. These programs are excellent sources of part-time help and give management a good opportunity to observe the employee's abilities. When their formal training is completed, they are already well-oriented and ready to work at total production.

Colleges and Universities Personnel recruiting from the Nation's colleges and universities has become a competitive, highly sophisticated, and somewhat expensive activity.

Many more giant corporations seeking trained young people for engineering, scientific, and administrative careers maintain special college-recruiting departments to enlist the most promising graduates. Often this type of recruiting is not to fill a specific job but to ensure companies of a continuing inflow of future technicians, managers, and executives.

On-campus interviews that offer high starting salaries, a wide variety of fringe benefits, and the promise of management development programs put this type of recruiting beyond the reach of many cooperatives.

Some cooperatives go to smaller, less prominent colleges—perhaps one in the same part of the State where the cooperative is located.

Some cooperatives work through a friendly faculty member aware of the needs of a cooperative and the employment opportunities it offers.

Some smaller colleges and universities have summer work programs in agribusiness. These programs usually begin in the junior year and end in the senior year. Similar programs are offered by junior colleges and area vocational-technical schools. Cooperatives should look into these programs as a potential source of help and future employees.

Other Cooperatives Employees of other cooperatives are another source of experienced help. This is not to suggest personnel raiding but to point out that changes in services offered by a particular cooperative or a shift in its internal organization may result in some employees becoming surplus or preferring a new start in some other enterprise.

It is also natural to expect that employees who demonstrate outstanding ability should be interested in joining an enterprise where their skills have the most significant room to develop. There are also instances of employees who do not work out well in one job situation but respond favorably to a different environment.

Regional Cooperatives Some regional cooperatives have recruiting and screening programs to assist locals. Regionals have better access to the larger labor markets and sources of employees. They are acquainted with employees in their local cooperatives who are moving to a higher-paid position in another.

Other Businesses A manager or personnel director who is an active member of the civic, farm, or professional organizations has opportunities to learn of employment changes in various businesses in the community. Newspapers are also good sources for this information. These sometimes offer recruiting options for the cooperative.

Also, if a cooperative has a favorable community image, it may receive many inquiries from employees of competing firms interested in making a change.

Professional Societies and Trade Associations Many professionals belong to national associations, which generally have local chapters in larger cities. Some publish for their member's periodicals containing a section of position wanted and help wanted ads.

Some professional societies also offer placement services for members. Maintaining professional standards by these

organizations ensures the qualifications of referrals. In a few larger cities, the staffs of professional societies help locate candidates for vacancies. Their offices are listed in the telephone directory.

Similarly, there are trade associations for livestock producers, supermarkets, rural electric systems, and various other agricultural, commercial, and industrial interests, including cooperatives. They generally provide some personnel assistance.

Labor Unions Collective bargaining agreements in some lines of work and some areas constitute an important source of workers. The ability of unions and their members to locate and recruit employees has been well demonstrated. This will be especially helpful in small towns and rural areas. Managers and personnel directors of cooperatives need to be informed about aspects of labor law and the practical advantages as well as the problems involved in collective bargaining and management-union relations.

Hiring Those With Special Difficulties

Identifiable categories of individuals within the population face particular difficulties in obtaining employment.

Minors-Child labor and minimum wage laws, designed to protect the very young against exploitation, tend to discourage the hiring of minors under any circumstances. Employers who become familiar with protective labor laws and any local measures find many opportunities for placing young people. This is especially important for cooperatives with a particular stake in attracting the interest of a new generation to the advantages of cooperative enterprise.

The Elderly-Older people are often more reliable than younger workers and have many years of valuable experience. When labor is in short supply and inflation works exceptional hardship on people depending on retirement income, it makes sense to hire senior citizens. Part-time employment and positions calling for mature judgment rather than physical exertion are essential considerations.

Handicapped Persons-Studies of productivity consistently report that absenteeism, accident rates, and job turnover are lower for disabled workers.

Placed in suitable jobs, disabled, blind, deaf, mentally retarded, or otherwise handicapped persons demonstrate equal or above-average productivity.

Non-veteran disabled persons can be recruited best through the State-Federal Vocational Rehabilitation Program offices in various State or district offices in larger cities or through the State Industrial Commission in the State capital.

Women-It should not be necessary to consider women as a unique source for labor recruiting. Nevertheless, many cooperatives are in rural communities where hiring practices have not progressed to the point where they think the availability of women to do an excellent job, including supervisory and staff positions. Many women who held jobs before marriage and have now raised their children are again seeking outside employment.

Minorities-Certain minority segments of the population in terms of religion, race, or national origin still face employment handicaps in some localities, despite laws designed to establish equal opportunity. Cooperatives have a unique advantage here because

they often emphasize basic principles and bylaws of a person's worth without regard to these prejudices. Cooperatives willing to make an effort may be able to fill some of their job vacancies from a special recruiting effort among minority groups.

Hard Core Unemployed-Until recently, many persons who dropped out of school or had no training were regarded as unemployable. Government and private efforts have been made to train these for jobs. Some city-based cooperatives and a few in rural areas participate in these programs.

Application Form

A carefully designed application form helps identify qualified applicants and weed out unqualified applicants. It saves time and expense in interviewing or investigating such applicants.

The completed application form should furnish enough information to reveal an applicant's ability to do a particular job with a minimum of training, adapt to the working situation, and become part of the cooperative's team. Information unrelated to preliminary selection can be obtained at the interview or later.

The application form should include name, address, telephone number, social security number, education, previous employment or experience details, and references.

The form should be brief, easy to read and understand and provide ample space for writing in the data requested.

The applicant should fill out the form, enabling adequate to check the applicant's record. Neatness, handwriting clarity, and conciseness may indicate fitness for certain types of work,

especially office jobs. (See Appendix A, Form 3, for a sample form.)

Distortions, falsification, and errors can be reduced if the applicant knows the information will be checked.

Checking Past Employment

The applicant's work record and personal reference indicated on the application form should be checked by telephone or letter of inquiry. In hiring supervisory personnel, containing one or more contacts in person may be worthwhile to gain opinions not likely to be expressed by telephone or mail. Checking the applicant's school record can sometimes be helpful.

Former employers should be asked specifically about the applicant's length of employment, work performance, attitude, safety record, absenteeism, ability to work harmoniously with others, reasons for separation, and any other information that would help determine qualifications. A former employer usually does not wish to reduce an ex-employee's chances for another job and may avoid mentioning unfavorable aspects of the work record.

References usually are personal friends of the applicant. An inquiry merely asking for an opinion on the applicant's job performance ability or character invariably brings a positive response. However, if specific questions are asked, the reference, even though a personal friend, usually hesitates to give a misleading answer. References from community residents known to be responsible assure hiring.

Form 4 in Appendix A lists helpful questions for a telephone check. Form 5 is used to check references by mail. These can be used as guidelines for your records.

Interviewing

Interviewing is one of the more critical phases of the selection process. The personal interview generates information not available from other sources and will have the most excellent value if they are standardized, conducted by a trained interviewer, objective, and planned.

Planning the Interview, The interview should cover points of information determined well in advance. This enables the interviewer to consider the applicant's answers rather than being diverted by formulating questions. In addition, the well-planned interview will include an advance determination of specific leads to be explored with each applicant. Charges may be based on the information contained in the application form, scores from any tests given before the interview, and responses to reference inquiries.

The following paragraphs list some characteristics that may be developed in the personal interview, depending on the position's nature.

It is helpful to group the items of the information under three headings: (1) technical qualifications, (2) managerial qualifications, and (3) personal characteristics.

1. Technical qualifications

- Is the experience shown on the candidate's application critical to the job you will fill?

- Is the candidate's knowledge adequate in the areas needed to do the job?
- Is the candidate primarily a technical expert or a manager?
- To what extent is the candidate's background and work experience necessary for the job?
- What are the strengths and weaknesses of the candidate regarding job criteria?

2. Managerial qualifications.

- Does the candidate have basic management skills? Can the candidate supervise a group, relate to several activities simultaneously, delegate authority, and organize activities and people?
- How large of an area or range of activities could be
- How effective is the candidate under deadline pressures?
- How much ability in budgeting and personnel planning is displayed?
- Is the individual a motivator of people and activities?

3 Personal Characteristics

- Would the candidate effectively contact members and technical, educational, media, and professional groups?

- Would the individual effectively sell ideas or products, apply the right style in the proper situation, and advance ideas without being offensive?
- How well does the candidate hold up under pressure in a controversial setting?

Conducting the Interview

When conducting an interview:

1. The interview room should be private, well-lighted, and convenient; the applicant should have a comfortable chair beside the interviewer's desk, free of clutter.
2. Set a definite time for the interview. Both the interviewer's time and the applicant's times are valuable. Plan the interview so as not to waste it. Use adequate time to gain a good impression of the applicant's ability-perhaps, 15 minutes to an hour, depending on the importance of the job to be filled-but. Do not prolong the interview needlessly.
3. The interviewer's courteous and friendly attitude er puts the applicant at ease and gives the applicant an excellent first impression of the cooperative. Use vocabulary to fit the job under discussion, and don't talk down to the applicant.
4. The interviewer should look for the following areas: early years, education, work experience, family, and recent time.

What do you know about the cooperative? The applicant should know about the products handled, the size of the business, services offered, people, skills, image, goals, and history.

Could the applicant contribute to specific collective goals? Look for experience that represents success in solving problems for a past employer or related experience in training programs.

Before closing the interview, explain the cooperative's objectives, employee policies, and advantages of working for the organization but don't oversell the job. In most cases, an experienced applicant will ask these questions directly or indirectly during the interview.

Interviewer's Appraisal Before the next applicant comes in, make notes on the applicant just interviewed. Base opinions of the applicant's qualifications, characteristics, and personality traits on what the interview reveals. How will the applicant affect employee morale and fit into the cooperative? Notes ought to be sufficiently comprehensive to give the applicant a complete picture.

It is a good policy in filling the most important positions to have at least one other person interview applicants. This could be the immediate supervisor for the employee who will fill the vacancy. Information obtained during the interview should be kept confidential.

It is not wise to commit to hiring the first applicant; others to be interviewed may be better. All interviewers should be informed of the decision after completing all interviews.

Sample interview records are included in Appendix A, Forms 6 and 7. They can serve as guidelines in conducting the interview,

recording the results, answers, and evaluation of the solutions, interviewer impressions, judgment, and evaluation.

Pre-Screening Screening of applicants before the interview will save time. High school counselors in small communities are usually willing, for a small fee, to provide appropriate vocational or aptitude tests to assist in proper job placement. Local employment agencies will also provide this service. Several regional cooperatives offer this service to locals.

Using Tests

Tests are more effective in predicting failures than in predicting success. They should rarely be used and only as an additional tool for selection. A test should be specifically designed to reflect the characteristic to be explored and recognized as valid only for that purpose. It should be of moderate difficulty for the candidates who will be tested to avoid bunching at either end of the scale.

Finally, it should count less than 40 percent in making a selection, leaving the rest to the applicant's past experience and education and the interviewer's judgment.

Tests are given for learning ability, manual dexterity aptitude, clerical skills, or knowledge of a particular trade.

Selecting and Hiring

After all, interviews have been completed, the information obtained on each applicant must be evaluated. Department head or critical personnel should review the information and offer opinions on the best-qualified applicant. The applicant selected should be informed promptly. Some cooperatives require the successful applicant to take a pre-employment physical exam. In

some instances, hiring is contingent upon the applicant passing the physical.

TRAINING AND DEVELOPING

Training and developing employees involve both formal and informal processes.

Ideally, a formal training program involves orientation, on-the-job training, group training, and often outside the movement. Informal training includes information on co-ops, day-to-day supervision, and a periodic performance evaluation.

Orientation

The new employee must be introduced to the job, working environment, and fellow employees. This orientation process affects how well the new employee adjusts to the position and, ultimately, how successful the tenure with the cooperative will be. Orientation should provide information the employee must have to perform the job well, answer questions to save time and trouble for the supervisor and fellow employees later on and prevent or reduce the chance of grievances or resignations.

From the employee's standpoint, orientation should create a favorable but realistic impression of the cooperative and the job, establish a sense of belonging, and offer a sense of assurance that the employee can cope with the job and move ahead.

The person responsible for the orientation should do it in a friendly and welcoming manner. The new employee should be introduced to other employees and, where circumstances warrant, to cooperative directors. The program and objectives of the cooperative, its reason for being in business, its unique nature as

an economic institution, and the importance of each employee in developing and maintaining good member and public relations should all be reviewed.

The organizational structure-how and where the new employee fits into the pattern-should be discussed, along with lines of supervision and communication.

The employee will also learn the organization's policies regarding work hours, regular and overtime pay, vacation and sick leave, and employee welfare benefits. Also, during the orientation period, the new employee should be given a set of selected written policies of the cooperative.

On-the-job Training

In small businesses, initial training for new employees may vary from a few hours to several days, depending on the employee's experience and the work's complexity.

A supervisor or a senior employee who has developed teaching techniques usually conducts on-the-job training in larger cooperatives.

Some advantages of on-the-job training over formal training are that it is more economical, permits production to continue during the learning period, and is more realistic.

To prepare for induction training, supervisors have found it helpful to first break the job down into its various steps. They do this in writing after actually performing each task. The trainer should explain how a mission is accomplished and why the study must be conducted in a certain way. The employee may be tempted to

take shortcuts or change procedures detrimentally if this is not done.

A supervisor should have the ability to do the job before undertaking the training of new employees. They must know the methods and procedures and how they are used.

Group Training

Group training sessions are especially applicable for job relations training when the purpose is to promote better relationships among employees, between the employee and supervisor, between the employee and the cooperative, and particularly between the employee and the cooperative's patrons.

Group training can also be used to teach new methods to several employees at a time or give them additional knowledge that helps prepare them for promotions and transfers to other types of work.

The development of staff members can be encouraged by carefully prepared presentations on supervisory techniques, public relations, information about cooperatives, effective communication, safety practices, practical economics, and many other subjects.

Hundreds of films for training purposes are available for loan, rental, or purchase. A catalog of U.S. Government training films is available from United World Films, Inc., 1445 Park Avenue, New York, N.Y. 10029. Several regional cooperatives produce video cassette tapes for training and product information purposes. These may be purchased for a nominal fee. If the cooperative doesn't own a video cassette player, one may be rented from a

convenience store or an audio-visual dealer in most more prominent communities.

Factory representatives generally are available to present information on products handled by the cooperative.

Manufacturers often provide instructors to demonstrate how to use and maintain their office equipment and plant machinery.

Many land-grant universities supply instructors to visit nearby cooperatives to give talks or demonstrations on subjects useful in employee training and development.

Other large regional cooperatives have a complete training library and listing of training aids that are available for use by the locals.

Training sessions should be held during working hours to ensure employee attendance and maintain goodwill, though this may not be possible for smaller cooperatives. If employees are trained outside the typical workday, in most cases, they need to be compensated at regular rates of pay. Wage and hour regulations should be reviewed before proceeding.

Programmed Instruction

Programmed instruction is a technique in which a program (usually written) takes the place of an instructor. The program leads the employee through a set of statements and questions (specified behaviors) designed and ordered to make it more probable that the employee will respond in the desired way.

Programmed instruction is an example of the systems approach to training. This is because it requires the writer (of the program) to go through the steps of a system to develop the program.

Programmed instruction is used in various fields, from technical to liberal arts. It is often used in correspondence study courses. It has a unique advantage in that the employee may take the training without needing to be in a classroom or working situation. The employee must not turn in or mail work for review and grading. The feedback supplied by the program gives the employee instant knowledge of progress.

Programmed instruction may be carried on with the aid of a teaching machine and the program in book or pamphlet form. Several self-help programs on the market use personal computers.

Many giant American corporations and the Federal Government use programmed instruction. Cooperatives interested in using programmed instruction may find suitable programs available from correspondence schools or bookstores.

Outside Training

Many firms supplement their training efforts with conferences, seminars, or classroom instruction at public schools, business colleges, universities, or industry institutes.

Some cooperatives pay for such correspondence courses in job-related fields. Cooperatives may find the expense a good investment in grooming employees with the potential to move into higher positions on the staff.

Learning About Co-ops

Cooperatives must train employees in member relations and cooperative principles and practices.

“Every employee a cooperative ambassador” would be a good motto for every cooperative to adopt. As cooperatives expand in the territory they serve, the member-owners become further removed from the business institution they own, which helps them. For most members of a large cooperative, the only contact is with the clerk at the counter, the truck driver, the cashier, or whoever answers the telephone. To the average member, these are the voices of the cooperative. If employees do not understand the organization’s objectives, structure, background, and operations, they cannot answer members’ questions or contribute to members’ appreciation of their cooperation. Employees must feel that projecting a favorable cooperative image is the employee’s responsibility. The employee needs to be imbued with the idea that the more successful the cooperative is, the better chance the employee has for a promotion within the cooperative or a better job in some other cooperative.

Maintaining High Morale

Establishing and maintaining high morale among employees at all levels is vital to bringing out the best in employees. High confidence contributes to loyalty and favorable attitudes toward the cooperative.

Proper emphasis on human relations promotes good morale among employees. Winning employee loyalty and inspiring good employee attitudes reduces employee turnover and encourages them to be self-starters and act positively,

Employees want to feel they are a part of the operation. These feelings are necessary among peers as well as supervisors. Some practices that establish good human relations and high employee morale are planning, communicating, and assigning work assignments, equitable workload distribution, job assignments according to abilities, and more responsibility with experience.

Leadership and Supervision: A good supervisor's objective is "getting things done through and with others. Good leadership is necessary to reach this objective. Good supervisors will see that employees support and enforce policies established by the cooperative. They will see that employees' talents are used in the best way. Good supervisors understand people and know they are the most critical asset of the cooperative. Quality supervisors respect their employees, look out for their best interests, and give credit when due.

Styles of Supervisors Some supervisors use a to-person approach or line everyone up against the wall each morning and give out work assignments. The most effective supervisors use a team approach. This style yields the most employee productivity and the most excellent job satisfaction for the employee.

The team approach takes more planning on the part of the supervisor. It requires that employees be informed about their work and what are the expected results.

It requires delegating the proper authority to the employees and holding them responsible for their activities. Evaluation is an essential function in this style. Most employees respond favorably to this supervisory style because they are achieving self-achievement. However, the final responsibility for acts or

decisions can never be passed. The supervisor is responsible for the result of the activities.

Evaluating Performance

Employee Performance Appraisal, The supervisor should approach performance appraisals with the thought, “How can I help you do your job better?” Employees should view this session from the perspective of being able to relate their goals for advancement and review ideas for making their job more productive. The sessions will give employees an evaluation of how the supervisor views their job performance.

The session should be scheduled well in advance. Both have planned the day’s activities, so the session will not be interrupted. Probably no longer than one hour is necessary if well designed. The session is held behind closed doors in comfortable facilities. Both parties must feel free to be candid and truthful. Recent copies of the employee’s job description must be available for review, along with the goals and objectives established at the last session. Both participants should have thoroughly reviewed the job description and thought about the current status of planned goals and objectives, with suggested plans of adjustment if necessary.

Actual session activities include a review of the tasks listed in the job description and an agreement reached on what changes need to be made if necessary. Progress made on last year’s goals, plus a measure of the quantitative values in the destinations should be discussed. A “give and take” session will reveal if the plans were valid and, if not, why they weren’t attainable. Goals and objectives for the next year should be established. These should be agreed upon by both the employee and the supervisor. Review personnel

and company policies and clarify any misunderstandings. The employee may express ideas and make suggestions in these areas.

If adjustments are going to be made in the overall wage and salary or changes in fringe benefits, these need to be discussed. This session does not discuss the adjustment of salary or wages for the individual employee. This adjustment is made in a later session after the supervisor has had time to evaluate the session and possibly review all adjustments to the cooperative's operating budget.

Performance appraisals should be held at least once a year. This session doesn't replace the need for day-to-day contact between the supervisor and employee, nor the need for a free exchange of information. For the new employee, the session should be no later than the end of the sixth month. This review should clear any misunderstanding about the tasks assigned to the position of the goals set to the functions. If both parties agree that either the employee is not suited for the job or cannot perform the assigned readings, termination at this point is advantageous to both rather than waiting an entire year.

Concluding Session A good performance appraisal session is "give and take" on the part, but both should have a positive (team) feeling when completed. If there is a disagreement, this should be resolved, and a plan of action should be determined before the session ends. The areas that need improvement should be documented, their satisfactory goals stated, and a time set to review the suggested gains in the employee's performance. Supervisors should keep in mind that they are assessing the employee's performance on the job, not the individual. (Sample

forms useful as guidelines are included in Appendix A, Forms 8-10.)

Looking at Work Habits, A discussion of performance appraisal and job duties leads to looking at work habits. Are the most efficient work methods used? What are the employee's usual ways of tackling problems, dealing with people, and handling tools and knowledge?

Evaluating employee work habits helps predict areas of future success. For the less than satisfactory employee, evaluation of work habits may uncover the source of the difficulty.

Personality Factors In judging an employee's personality about work, the supervisor must recognize the need for having the required skill and experience in human relations to evaluate personality factors in the employee.

Indeed, supervisors need to be aware of the employee's traits. Such characteristics as honesty, promptness, industry, and attitudes toward fellow workers are essential and frequently critical factors in the job.

The supervisor's real skill is called upon to correct deficiencies in behavior on the job without causing the employee to suffer a loss of self-esteem or arousing antagonism.

Here again, the easiest path is through a discussion of the job requirements and how they fit into the total needs of the organization. If possible, the employee should be led to recognize their responsibility for certain performance factors.

Evaluation Problems Most people dislike being judged or rated according to standards they had no part in determining and with which they may even disagree. The mechanics of the rating classification are easily overemphasized and can crowd out human relationships. To counter this, the employees should be made to feel that the supervisor has a genuine interest in them as individuals and is concerned for their welfare on the job. The coaching role of the supervisor in developing employees' abilities must, in the long run, be based not so much on periodic reviews but on daily two-way communication and exchange of ideas.

Planning for the Future Many cooperatives help employees plan for the future by adopting a promotion policy from within wherever possible. Posting job vacancies encourages employees to prepare themselves for promotion by learning additional skills. A program for the employee's development depends partly upon performance in present work assignments and indicated ability for more critical tasks. A responsibility frequently overlooked in cooperatives is the need to train and develop replacements at the supervisory level. As existing supervisors move on to new and more significant responsibilities or leave the organization, trained replacements should be readily available to fill vacancies.

Developing Executives

Management development is a program to train personnel with executive potential. It increases the ability to perform management's essential functions (planning, organizing, directing, coordinating, and controlling) and helps provide an administrative workforce as required. Such training is usually designed to give a broad perspective of the purposes and functions of the organization.

Managers of cooperatives can improve their capacity for more extensive operations and increased responsibilities through a development program. They can see that qualified personnel participate in training activities and gain experience in all phases of the cooperative's activities. Such participation is valuable by enabling the cooperative to function correctly when the manager is absent.

To develop management potential, key personnel should become members of management organizations and attend meetings. When practical, personnel should participate in short courses in business management at colleges and universities.

Through weekly staff conferences with all key employees, management matters and problems confronted during the past week should be discussed. During these conferences, pose pending management matters and solicit suggestions. Periodically, have key personnel with others and the manager during consultations, considerations, decisions, board meetings, or other activities.

When the manager feels that crucial personnel have gained sufficient knowledge to handle managerial affairs, key personnel can be appointed in rotation to take charge when the manager is absent. Of course, the manager would not appoint anyone as acting manager until the board of directors has been thoroughly acquainted with the training program for key personnel and has authorized the manager to make such appointments.

Retaining Good Employees

Programs for recruiting and training good employees must be accompanied by a conscious effort to keep those employees on the payroll.

Incentive Programs Several years ago, Agricultural Cooperative Service surveyed farmer cooperatives to determine the types of employee incentive programs used. Some 5,000 replies found that about two-thirds of the cooperatives used some kind of incentive program. More farm supply cooperatives had incentive programs for employees than marketing cooperatives. Information on consumer cooperatives indicates no uniform policies or practices on incentive programs.

Employee benefits packages are widely used, providing special insurance and retirement annuities for employees who continue their service on the cooperative's staff—the cooperative bears most, if not all, of the cost of such plans.

EVALUATING AND REVIEWING

No matter how good policies and procedures are, they must be adhered to. If they are of any value-and, they must be kept up to date. Cooperatives of all sorts have found that established methods and procedures may become inadequate or obsolete as the business grows and the volume of work increases. Without a periodic review, performance may become lax. Confusion in direction may develop. Workload piles up, and accomplishments bog down. Employee morale and the business suffer.

As times and management techniques change, policies, methods, and procedures need updating to conform to changing conditions so the cooperative will advance with the times. The board and

manager should regularly re-evaluate the cooperative's workforce needs. This should be part of a long-range projection in the cooperative's overall planning. Many cooperative boards require the manager to submit an updated 3-year program annually. The coming year is presented in more detail than the ensuing two years.

Such a review and projection examines workforce requirements, staff turnover, recruiting techniques, training programs, salary scales (by category only), and employee benefits and incentives.

Cooperatives that do this on a regularly scheduled plan report get better results in employee relations than when they handled staffing without scheduled evaluation and review.