
THE HUMAN RESOURCES PLAN

The human resources plan describes your expected labour requirements over the next three 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 resources 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.

Human resources management requires thinking about how you will recruit, screen, motivate, train and discipline the staff you work with. The British Columbia Ministry of Agriculture and Fisheries provides 5 publications called *B.C. Farm Employers' Handbook* and a series of Labour Management videos. Copies are available from the Farm Management Branch or your closest district office.

1. Employee Plan

As the form opposite shows, management of Example Farms will be shared between the two shareholders. One part-time casual labourer will be hired during spring and fall high activity periods. The teenage member of the family will be paid for labour contributions throughout the year.

2. Organization Chart

Once you have prepared your employee plan, complete an organization chart as well to illustrate how your staff members are organized and to whom they report. Readers outside your firm will want to see evidence that you have thought through and organized your staff and management needs of your business. The form opposite shows Example Farms' organization chart.

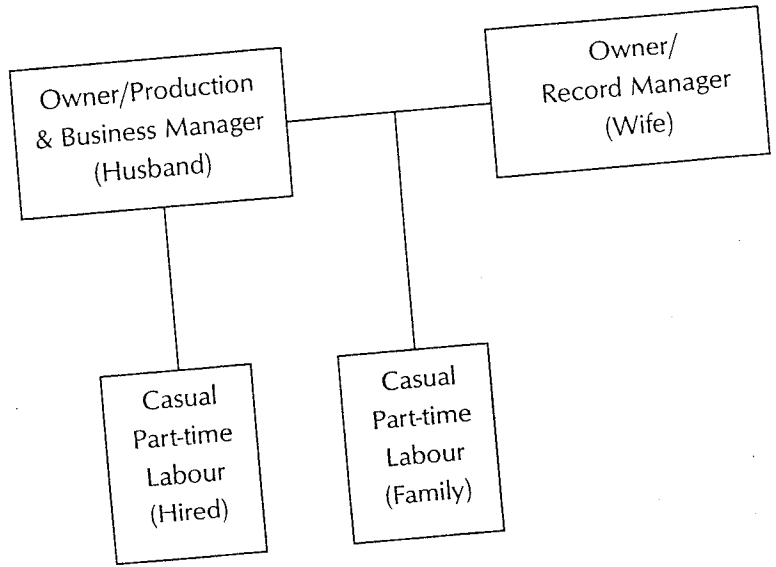
If major changes are required because of changes in your operation during the period covered by the plan, these should be noted.

EMPLOYEE PLAN & ORGANIZATION CHART EXAMPLE

EMPLOYEE PLAN (YEAR 1-5)

JOB TITLE	RESPONSIBILITIES
Owner/production and marketing manager	Production and business management, supervising workers, repair and maintenance, upgrading and developing facilities
Owner/records manager	Bookkeeping, billing and cheque writing, off-farm income
Part-time casual labour	Day-to-day activities, on-site training in business and production operations

ORGANIZATION CHART EXAMPLE



3. Compensation and Benefits

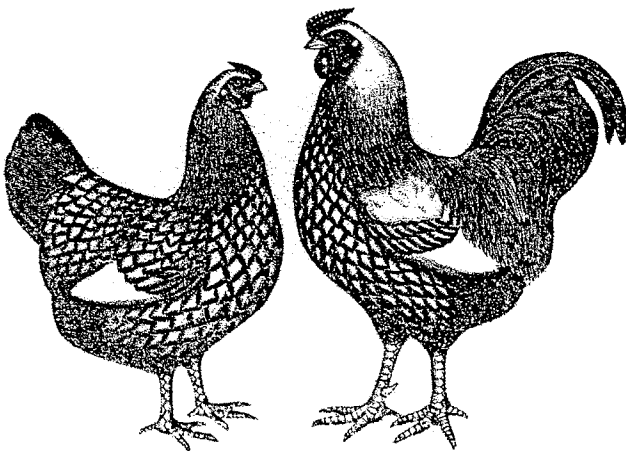
The final step in preparing your Human Resources Plan is to complete the compensation and benefits chart. The sample on the opposite page shows the Example Farms example. There are a number of potential sources of information for items such as likely salary and wage levels. Statistics Canada produces a number of summary reports showing compensation by various commodity sectors. Or, local employers, job pool organizations (local employment offices) may be able to help you estimate the various compensation levels for which you will need to plan.

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 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 per worker.

Your labour targets and planned programs can be summarized on a form similar to the one for Example Farms.



COMPENSATION, BENEFITS, LABOUR & TRAINING GOALS EXAMPLES

COMPENSATION AND BENEFITS (YEAR 1-3) EXAMPLE

POSITION	SALARY AND BENEFITS
Owner/production and business manager	\$2,500 cash draw increasing to \$15,000 with Phase II expansion. \$40,000 off-farm income
Owner/records manager	\$500 + \$25,000 off-farm income
Casual part-time worker (Family member)	\$7.50/Hr, as required

LABOUR AND TRAINING GOALS EXAMPLE

TARGET	BARRIER	PLANNED RESPONSE	MEASUREMENT
Improved production skills	Limited knowledge	Read industry publications Participate in research programs Enrol in winter short courses	Improve feed conversion Lower rate of mortalities Lower proportion of under grades Reduce variable costs per kilogram of chicken produced
Improved marketing skills	Limited knowledge and experience	Contact processors to determine quality concerns Explore alternative markets for the product	More processors aware of the product Sales into specialty processor markets
Improved financial and record management	Limited accounting skills	Enrolment in farm business management course	Be able to set financial targets and assess progress for the business
Train adolescent family member in production and business management	Work is part-time, has other interests	Include adolescent family member in business planning Develop longer-term goals which include family members	Interest generated to expand farm