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# 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.

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 provides a publication called *Farm Labour Management in B.C.* Copies are available from the Farm Management Branch or your closest district office.

## 1. Employee Plan

As the following form shows, Central Valley Greenhouses is planning to have six full-time staff members.

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

## 2. Organization Chart

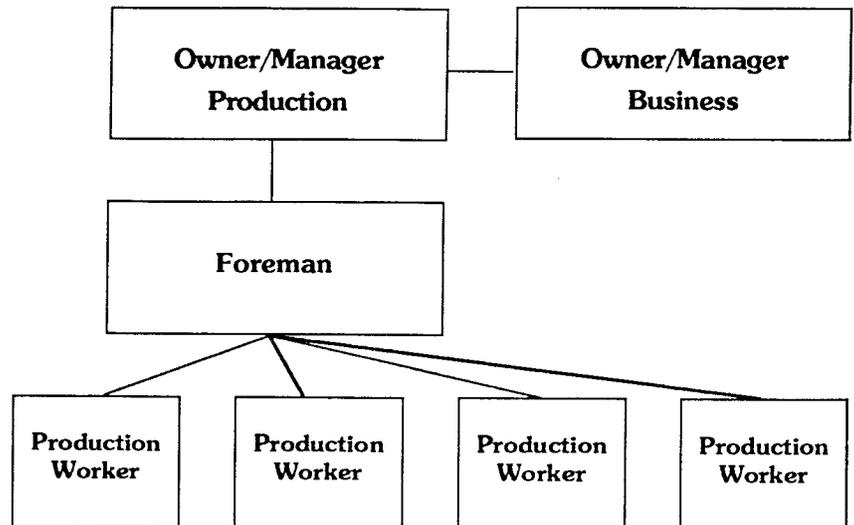
Once you have prepared your employee plan, complete an organization chart as well to illustrate how your staff members are organized and to whom they report. This is important for two reasons. Firstly, readers outside your firm will want to see evidence that you have thought through and organized the staff and management needs of your business. Secondly, your own employees will want to know how their firm is organized. The following form shows Central Valley Greenhouses' 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/Manager Business and Facilities	Company management; coordinating facility repairs and maintenance; upgrading and developing facilities; bookkeeping; cost accounting; coordinating and developing business plan
Owner/Manager Production and Personnel	Company management; production management; supervising workers; worker hiring and training; performance reviews; scheduling of labour operations and product delivery
Foreman	Supervision of cultural and harvest practices; shipping and handling; general maintenance; implementation of IPM practices; managing plant nutrition and greenhouse environment
Production Workers (4)	Cultural and harvest practices, e.g. planting, de-leafing, pollinating, pruning, plant lowering, clean-up

## Organization Chart Example



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### **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 following page shows the Central Valley Greenhouse 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 groups. Or, local growers or government organizations (such as employment offices) may be able to help you estimate the various compensation levels for which you will need to plan. Bonuses paid to employees are often linked to the yield produced by the crop.

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, motivation and discipline procedures are keys to the growth and success of your 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 Central Valley Greenhouses

**Compensation  
and Benefits  
Example**

	Year I	Year II	Year III	
Owner/Managers (2)	\$51,300	\$64,800	\$64,800	salaries
Foreman	\$20,250	\$27,000	\$31,000	(plus bonus)
Production Workers (4)	\$45,200	\$67,800	\$74,000	(plus bonus)

**Labour and  
Training Goals  
Example**

Target	Barrier	Planned Response	Measurement
Employee safety - an accident-free workplace	Knowledge; working conditions; cleanliness	Training; employee manual; regular clean-up; awareness and supervision	100 accident-free days
High productivity	Work habits; lack of knowledge; experience	Attention to employee concerns; regular performance reviews; training opportunities; work place design; management style	48 kg/m <sup>2</sup>
Low staff turnover ratio	Demand for skilled workers by other firms; repetitiveness of labour operations	Attention to employee concerns; regular performance reviews; training opportunities; job rotation; profit sharing incentives	Tenure > 2 years