

Strategic Human Resource Management at GlocalFarm Ltd.

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ABSTRACT

This case exemplifies the role of Human Resource Management (HRM) in the agricultural sector, emphasising its strategic practices, impacts on employee performance, and contributions to organizational success. Case observation approach was adopted in developing this case. This approach offers insight on how HRM facilitates organisational change, addresses key challenges unique to agriculture, and offers practical solutions in GlocalFarm Ltd. Thematic areas include recruitment strategies, training and development, health and safety measures, and the integration of technology. The case highlights how effective HRM practices not only enhance productivity and employee satisfaction but also foster adaptability in the face of agricultural industry changes, ultimately pushing for long-term growth and sustainability in agricultural firms.

Keywords: Strategic Human Resource Management, Employee Performance, Sustainability

Introduction

Strategic Human Resource Management (SHRM) plays a crucial role in the agriculture, a sector characterised by its dependence on both human and natural resources. Considering the importance of food to human survival and the global economy, SHRM is imperative in addressing the unique challenges of the agricultural sector, from labour management to technological adaptation and sustainability. By aligning human resources with the strategic goals of agricultural businesses, SHRM contributes to the sector's growth, resilience, and long-term success. This case study fills a practical gap in case literature by simulating the relevance of strategically managing human resource practices in the agricultural sector, especially within agricultural multinationals expanding to emerging markets in Africa.

In today's highly competitive business environment, Human Resource Management (HRM) has transited from a primarily administrative role to a strategic function critical to organisational performance. SHRM involves aligning human resource (HR) policies and practices with business objectives in order to improve company performance, promote innovation, and create a sustainable competitive advantage.

This case study explores how SHRM practices are applied in the context of GlocalFarm Ltd, focusing on key HR strategies that contribute to growth, efficiency, and sustainability. The agricultural sector faces peculiar challenges, including seasonality, labour-intensive job functions, environmental factors, and technological innovation. Effective HRM in such an environment requires not only traditional HR functions such as recruitment, training, and compensation but also a proactive, strategic approach that preempts future needs, promotes employee engagement, and drives long-term organisational success.

GlocalFarm Ltd in Nigeria

GlocalFarm Ltd is a multinational agricultural firm headquartered in Brazil. Over the past decade, the firm has expanded its operations into emerging markets, including Nigeria. In 2019, GlocalFarm established its West African headquarters in Abuja, aiming to capitalise on the region's growing demand for agricultural services, products and infrastructure development.

Navigating the regulatory environment has been complex, with changes in government policies impacting business strategies. The agricultural sector in Nigeria, as it is with many developing countries, is regulated by various laws, policies, and regulatory bodies, with duplicating functions. The regulators include bodies such as the Federal Ministry of Agriculture and Rural Development (FMARD), National Agricultural Seeds Council (NASC), Nigeria Agricultural Quarantine Services, Standards Organisation of Nigeria (SON), Commodity Boards, Environmental Protection Agencies (State and Federal Levels), Nigerian Agricultural Insurance Corporation (NAIC), Nigerian Institute of Animal Science (NIAS), Nigeria Export Promotion Council (NEPC), Central Bank of Nigeria (CBN) and National Agency for Food and Drug Administration and Control (NAFDAC) are playing critical roles in addressing these issues and improving compliance with existing regulations necessary for fostering a more competitive, sustainable, and productive agricultural sector in Nigeria. However they all aim to ensure food security, economic growth, and sustainable development.

In spite of the existence of these agencies, GlocalFarm Ltd. has faced several challenges in the Nigerian market, despite its global reputation for innovation. Infrastructure issues, including inconsistent power supply and limited veterinary services in rural areas, have hampered operations. Further, challenges like limited land access, inadequate quality control, and environmental degradation abound. In addition, competitors, especially international, are rapidly gaining market share, with economic instability, policy summersault, smuggling of food items into the country and fluctuating currency rates pose serious risks to long-term profitability. GlocalFarm Ltd. therefore faces a dynamic interplay of local and foreign competition, which impacts productivity, market accessibility, and the firm's overall growth. While local farmers and firms struggle with fragmented production, quality and standard issues, limited value addition, market access and poor infrastructure; foreign competitors benefit from consumer preference for imported goods, inadequate protection for local farmers, advanced technologies and economies of scale. This imbalance exists despite opportunities in the growing domestic demand and export potential for niche markets like cocoa, cashew nuts, and sesame seeds. Strategic investments in human resources, technology, infrastructure, and supportive policies are therefore essential to boost the competitiveness of Nigeria's agricultural sector in general and GlocalFarm Ltd. in particular.

To address these issues, the headquarter appointed a new regional manager, Abidemi Bello, in 2021 who brought over 15 years of experience in managing big farms in West Africa. Abidemi initiated a series of strategic changes, including forming alliances with local small scale farmers and farming groups, launching community engagement programs, and implementing a hybrid work model to attract and retain top local talent. Abidemi also led the team to invest 100 million naira in Cocoa and Palm Tree plantations in Ondo and Ekiti States. This investment is expected to start yielding returns in 10 years.

As the firm prepares its 10-year strategic plan, Abidemi and her team must decide how to prioritise investments, enhance competitive advantage, and ensure sustainable growth in a highly dynamic environment. With a workforce of approximately 1000 employees spread across various locations GlocalFarm's has now refocused on sustainability, environmental stewardship, and the promotion of local economies. As the firm expanded, it struggled to adapt its global organisational culture to the local context, leading to high staff turnover, difficulty in building strong local partnerships, seasonal labour shortages, skills gaps, and low employee engagement (see table 1 for corresponding data).

Table 1: *Metrics on high staff turnover rates and employee engagement scores*

Metric	Description	Data	Implications
Staff Turnover Rate (%)	Percentage of employees leaving the firm within a specific period.	20%	High turnover may indicate dissatisfaction, poor working conditions, or lack of career growth.
Average Tenure (Years)	Average length of time employees stay with the company.	1.8	Low tenure suggests difficulty in retaining employees, possibly due to dissatisfaction.
Exit Interview Completion (%)	Percentage of employees completing exit interviews when leaving.	60%	Low completion rates can lead to missed opportunities for understanding turnover causes.
Employee Engagement Score (%)	Score reflecting overall engagement levels based on surveys.	65%	Low engagement often correlates with high turnover and low productivity.
Absenteeism Rate (%)	Percentage of scheduled workdays missed without prior approval.	8%	High absenteeism may indicate disengagement or poor workplace conditions.
Training and Development Hours	Average number of hours spent on employee training and development annually.	10	Low training hours could result in skill gaps and low employee motivation.
Internal Promotion Rate (%)	Percentage of positions filled internally versus externally.	15%	Low internal promotions may contribute to turnover as employees seek growth elsewhere.
Net Promoter	Measure of employee likelihood	+20	A positive NPS reflects

Score (NPS)	to recommend the company as a good place to work (scale -100 to +100).		satisfaction, while a low score indicates potential turnover risks
Job Vacancy Fill Rate (%)	Percentage of open positions filled within a specified timeframe.	75%	Difficulty filling roles quickly may lead to overburdened staff and turnover.
Workplace Satisfaction (%)	Percentage of employees satisfied with their working conditions.	70%	Moderate satisfaction may need improvement to reduce turnover and boost morale.

SHRM Options at GlocalFarm Ltd.

Recognising the importance of HR as a strategic driver, Abidemi opted to adopt a strategic approach to human resource management. The firm aimed to attract and retain candidates who shared its values and mission. In the context of GlocalFarm Ltd., SHRM is understood as the integration of HR policies and practices into the overall business strategy, focusing on creating value through people and ensuring compliance with globally acclaimed agricultural standards such as Good Agricultural Practices (GAP) as promoted by the Food and Agriculture Organisation of the United Nations. This approach requires HR managers to be active participants in the decision-making process, working closely with senior management to provide direction and address challenges. To this end, the following strategies are proposed by the HR team:

Aligning HR Strategy with Business Strategy at GlocalFarm Ltd.

The HR team proposed an alignment of HR objectives with the firm's business goals. GlocalFarm's primary business goal revolves around expansion into new markets, increasing crop yields, improving sustainability practices, and adopting innovative technologies. It is the opinion of the HR team that to achieve these objectives, HR practices had to be tailored to attract, develop, and retain a workforce capable of propelling the firm's growth.

To achieve this, the HR department will work closely with business leaders to identify the skills, competencies, and organisational culture needed to achieve these goals. For instance, as part of the expansion strategy, the firm may need to recruit employees with capabilities in advanced farming techniques, sustainable practices, and the use of new technologies. This will be supported with a shift in HR's focus towards developing a culture that emphasised innovation, flexibility, and responsiveness to changing market conditions.

Proactive Recruitment for Agricultural Talent

One of the significant challenges faced by GlocalFarm Ltd. was recruiting the right talent, particularly in a highly competitive labour market. Typically, the agricultural sector, often perceived as less attractive than other sectors, faces difficulty in attracting qualified candidates, especially for technical roles and leadership positions. To address this challenge, the HR department proposes a proactive approach to talent acquisition. The team will therefore launch targeted recruitment campaigns aimed at universities, agricultural training institutions, and technical colleges.

Through partnership with educational institutions, the firm will be able to attract a pool of fresh graduates eager to make their mark in the industry. This is to be supported by an internship programme, offering hands-on experience and training to potential future employees. The expected outcome is not only a pool of talent but also an opportunity for the firm to assess candidates' skills and fit within the organisational culture before making permanent employment decisions.

The HR department will further revamp its employer brand perception in the sector to project GlocalFarm Ltd. as an employer of choice in the agricultural sector; emphasising the firm's commitment to sustainability, employee development, and work-life balance. Social media, industry events, and job fairs will be adopted as critical tools for promoting the firm's HR credentials and reaching potential candidates. Measurable outcomes for such recruitment campaigns, such as the percentage of hires from partnered institutions and conversion rates from internships to full-time roles are described in Table 2. The metrics therein allows GlocalFarm Ltd. evaluate the effectiveness of recruitment strategies in educational institutions, ensuring they optimise processes, enhance engagement, and build a robust talent pool.

Table 2: Measurable Outcomes for Recruitment Campaigns in Educational Institutions

Metric	Description	Data / Implications
Percentage of Hires from Partnered Institutions (%)	Proportion of total hires that come from institutions with formal recruitment partnerships.	40% - High percentages indicate strong relationships and successful outreach.
Intern-to-Full-Time Conversion Rate (%)	Percentage of interns who are offered and accept full-time roles after their internship period.	60% - Indicates effectiveness of internships in building a pipeline of future hires.
Cost per Hire (Naira)	Average cost incurred to recruit a candidate from an educational institution.	N70, 000 - High costs may suggest inefficiencies in the recruitment process.
Application-to-Interview Ratio (%)	Percentage of applicants from institutions who proceed to interviews.	30% - Measures quality of applications and screening process.
Offer Acceptance Rate (%)	Percentage of job offers extended to candidates that are accepted.	85% - High rates reflect the attractiveness of the role and the firm.
Campus Engagement Rate (%)	Percentage of students engaged through events, workshops, or career fairs.	70% - Indicates the effectiveness of outreach efforts during recruitment campaigns.
Time to Fill Positions (Days)	Average time taken to fill open positions through campus recruitment.	45 days - Longer times may highlight process inefficiencies or competition for talent.
Retention Rate of Hires (%)	Percentage of hires from educational institutions	75% - High retention suggests good alignment between

	retained after one or two years.	candidates and organisational needs.
Number of Partnered Institutions	Total number of educational institutions formally partnered with for recruitment campaigns.	15 institutions - Growth in partnerships expands the talent pool.
Percentage of Roles Filled via Campus Recruitment (%)	Proportion of total hires filled through recruitment campaigns in educational institutions.	25% - Higher percentages reflect success in targeting fresh talent pipelines.
Candidate Satisfaction Score (1-10)	Average satisfaction score of candidates regarding the recruitment experience.	8.5 - Higher scores indicate a positive experience, enhancing the employer brand.
Diversity of Hires (%)	Percentage of hires from underrepresented groups or diverse academic disciplines.	50% - Measures inclusivity and effectiveness of outreach to diverse talent pools.

GlocalFarm Ltd. Employee Training and Development Efforts

The rapid advancements in agricultural technology and the growing demand for sustainable practices makes it imperative for GlocalFarm Ltd to recognise the importance of continuous employee training and development. In preparing for the firm's adoption of precision farming and automation tools, GlocalFarm Ltd will invest in technical training for its employees using both formal classroom instruction and hands-on learning opportunities on their various farms. The HR team will also collaborate with operations managers and industry professionals to design training programmes aimed at upskilling the workforce and fostering innovation.

The firm will also provide leadership development programmes for its mid-level managers to ensure a strong pool of future leaders within the firm, while emphasising the development of soft skills, such as communication, problem-solving, and teamwork. These skills were identified as particularly essential for employees working in cross-functional teams, in order to address the challenges of seasonal work and fluctuating demand. GlocalFarm Ltd. will also adopt a blended learning approach, combining online learning systems, workshops, and mentorship programmes to cater to different learning needs of individual employees. The process for identifying and conducting training needs assessment and aligning it with strategic goals, such as adopting precision farming. Firstly, it identifies strategic goals. This stage it establishes key objectives, such as adopting precision farming, to drive the firm's growth and efficiency. Secondly, it analyses current skills by assessing the existing capabilities of the workforce to determine gaps in knowledge or skills. Thirdly, it defines training requirements. This is done based on the skill gaps, specify the required training topics and formats to meet the strategic goals. Next is to align training programs with the strategic timeline and resources, focusing on immediate needs like precision farming techniques. Then, it creates the necessary training content, ensuring it aligns with the strategic goals. Subsequently, it uses metrics like productivity improvement and technology adoption rates to measure the impact of the training. Finally, it refines training strategies by continuously adjust the training programs based on feedback and evolving strategic objectives.

GlocalFarm Ltd. Performance Management and Employee Engagement Approaches

A critical component of SHRM is creating a performance management system (PMS) that aligns individual goals with organisational objectives. Therefore, GlocalFarm Ltd. sought to foster a culture of high performance by implementing a transparent and fair PMS that focused on employee development rather than punitive measures. The existing PMS will be redesigned to incorporate continuous feedback, regular performance reviews, and personal development plans. Employees will also be encouraged to set individual performance goals that align with the firm's overarching objectives, such as increasing crop yields or improving sustainability practices. In addition, field managers will be trained to provide constructive feedback and support to employees in achieving their targets.

Similarly, GlocalFarm Ltd. prioritizes employee engagement. The firm acknowledges the fact that engaged employees were more likely to be productive, innovative, and loyal. In order to do this, the HR team will conduct regular employee surveys to measure job satisfaction, identify areas for improvement, and measure the effectiveness of HR initiatives. The results of these surveys will inform decision-making and shape HR practices. Also, incentives such as financial bonuses, career development opportunities, and recognition in company-wide meetings, will be introduced to reward top performing employees. In addition to motivating employees, it is expected that the incentives will also help retain key talent and reduce turnover rates in critical positions.

Key performance indicators (KPIs) used in aligning individual performance with organisational objectives are crucial for achieving operational efficiency, sustainability, and profitability. These KPIs provide measurable benchmarks to evaluate contributions and drive alignment with strategic goals. By integrating these KPIs, agricultural firms can create a results-driven workforce that supports strategic objectives, enhances productivity, and promotes sustainability. They typically include;

- i. Productivity metrics such as yield per hectare, work output per day, and machinery utilisation rate assess efficiency and ensure optimal resource use. These KPIs measure how effectively individuals contribute to maximising output and minimising wastage.
- ii. Quality metrics focus on maintaining standards and meeting market demands. Examples include rejection rates, compliance with agricultural standards like GAP, and customer satisfaction scores, all of which ensure product quality aligns with organisational expectations.
- iii. Financial performance metrics link individual actions to cost efficiency and revenue generation. Cost per unit produced, revenue contribution, and adherence to budgets highlight the financial impact of employee performance.
- iv. Sustainability metrics such as reductions in chemical usage, energy efficiency, and waste management evaluate alignment with environmental goals, emphasizing responsible farming practices.
- v. Training and development metrics track skill enhancement and knowledge alignment with strategic initiatives like precision farming. Training completion rates, skill acquisition scores, and certification attainment indicate readiness for modern agricultural challenges, and
- vi. Innovation metrics include adoption rates of new technologies, process improvement suggestions, and problem-solving success rates, ensuring adaptability to industry changes.

Succession Planning and Leadership Development at GlocalFarm Ltd.

Abidemi and her team also recognised the need to have a robust succession planning process in place as part of the firm's strategic HR approach to build a sustainable leadership pool that would support its long-term growth and adaptability. With the possibility of unpredictable exit of important employees and the expansion of the business, the firm has to ensure that it had a pool of capable leaders ready to step up into key roles. Therefore, the HR department will work closely with senior management to identify potential leaders within the firm and provided them with the necessary training and mentorship to prepare for future leadership positions. The leadership development programme will focus on critical areas such as developing strategic thinking, decision-making, and people management skills.

Additionally, the firm will introduce cross-functional experiences, allowing potential leaders to gain exposure to different functional areas of the business and broaden their skill sets. For instance, cross-functional experience programs exposed participants to diverse roles such as farm management, supply chain management, marketing and sales, and research and development (R&D). In farm management, participants oversee operations and resource allocation, building decision-making skills in the process. Supply chain roles develop logistical and cost-optimisation expertise. Marketing and sales roles can also enhance communication and strategic planning through customer engagement. R&D positions typically foster creativity and problem-solving by working on innovations like precision farming. These experiences prepare employees for leadership by developing operational, strategic, and innovative competencies essential for organisational growth. GlocalFarm Ltd. also plans to enrol the identified individuals in external leadership development programmes for them to have access to the latest management techniques and industry best practices.

Compensation dynamics at GlocalFarm Ltd.

Compensation and benefits play a significant role in attracting and retaining talent in the dynamic agricultural labour market. GlocalFarm Ltd. recognises this and it offers improved competitive salaries and benefits packages in order to remain an attractive employer in the agricultural sector. The HR department will regularly monitor compensation trends in order to ensure that the firm's compensation packages were in line with industry standards. Further, in addition to base salary, GlocalFarm Ltd., will also introduced performance-based incentives, health insurance, and retirement plans. Other perks includes flexible work schedules for administrative and office-based employees. In order to address the issue of seasonal work, GlocalFarm Ltd., will implement a plan that allows employees have all-year employment through rotational shifts and diversifying the job functions available during off-seasons. This will reduce the dependence on temporary seasonal workers thereby improving workforce stability.

GlocalFarm Ltd. proposes to mitigate economic risks like fluctuating currency rates in its compensation strategy by adopting a diversified approach. It plans to establish region-specific compensation plans to align with local market conditions and inflation trends. Using a mix of fixed and variable pay components can provide flexibility, while pegging salaries to stable currencies or implementing exchange rate adjustment clauses helps cushion volatility. Additionally, leveraging hedging strategies in financial planning can protect against unfavorable currency shifts. Regularly reviewing compensation policies to reflect economic changes ensures

competitiveness and fairness, enhancing employee satisfaction while managing financial exposure effectively.

SHRM Initiatives and Sustainability goals at GlocalFarm

GlocalFarm HR initiatives like training and recruitment are increasingly aligning with sustainability goals. Recruitment efforts are being focused on hiring candidates with expertise in sustainable agriculture, environmental science, and resource management, thereby ensuring the workforce possesses the skills needed to drive eco-friendly practices. Training programs build on this by educating employees on sustainable farming techniques, efficient resource utilisation, and innovative technologies that reduce environmental impact. Combined, these initiatives promote a culture of environmental responsibility, fostering behaviors that align with sustainability objectives. Additionally, HRM can collaborate with leadership to institute sustainability criteria into job roles and performance metrics, thereby reinforcing the importance of ecological stewardship. By investing in skill-building and attracting talent committed to sustainability, GlocalFarm Ltd. can enhance their capacity for innovation, reduce resource waste, and contribute to global sustainability efforts. This alignment not only strengthens the firm's environmental performance but also improves its market competitiveness and social credibility, ensuring long-term success in the rapidly evolving industry.

Conclusion

GlocalFarm Ltd.'s journey towards strategic human resource management highlights the possibilities of aligning HR practices with business strategy to achieve firm performance. By focusing on recruitment, training, performance management, leadership development, and employee engagement, the firm hopes to address its HR challenges and create a workforce capable of supporting its long-term growth and sustainability objectives. Further, SHRM strategies are pivotal in positioning GlocalFarm Ltd. for sustained competitive advantage and adaptability in the volatile agricultural sector. By fostering a skilled, resilient, and motivated workforce through targeted talent acquisition, robust training programs, and competitive compensation, the firm can effectively navigate market uncertainties. Emphasizing diversity, innovation, and agility enables swift responses to changing demands and global challenges. Integrating data-driven decision-making and aligning HR policies with long-term business goals ensures adaptability. A culture of engagement and continuous improvement solidifies the firm's reputation as an employer of choice, driving productivity, operational efficiency, and a lasting edge in the agricultural sector.

Discussion Questions

1. Discuss the key Human Resource Management (HRM) practices in GlocalFarm Ltd. and their contribution to the overall success of agricultural firms. How effective are strategies such as the hybrid work model in addressing labour shortages? Provide relevant examples.
2. Explain the impact of Human Resource Management (HRM) on employee performance in GlocalFarm Ltd. How do HRM strategies influence productivity, job satisfaction, and motivation?
3. Analyse the role of Human Resource Management (HRM) in driving organisational change within GlocalFarm Ltd. How can HRM strategies facilitate or hinder the process of change? Provide examples to support your arguments.
4. Identify and discuss the key HRM challenges faced by agricultural firms. What are the practical solutions that can be implemented to address these challenges? Include examples from real-world agricultural contexts.