



#### CREATIVE FARM BUSINESS MODELS TO ADDRESS EMPLOYEE HIRING, TRAINING, AND MANAGEMENT BARRIERS.

POTENTIAL OPTIONS







- Developing extensive library of farm law education materials
- Hosting farm law workshops for producers and agriculture support persons
- Facilitating community-based and non-legislative solutions to complex farm law problems
- 501(c)(3) nonprofit funded by grants, donations, and membership fees



- I'm Rachel
- Grew up in Northern Minnesota's agricultural community
- Founded the organization in 2012
- Executive Director today





- Difficult to recruit the right help (or any help at all)
- Insufficient managerial candidate pipeline
- High turnover
- Difficulty accessing alternative labor solutions (H2A)



- Low pay, no benefits
- Inconsistent work, year round or year to year
- Variable quality of management on individual farms
- Unclear career path/trajectory



# Is there a solution in pooling?

- Workers come together to pool their availability and collectively sell their services to farmers.
- Farmers come together to hire a shared labor pool, centralizing the recruitment, management, admin, and legal duties.
- A private, independent business provides labor to farmers (for example, a temp agency)

# What solutions does this potentially

- Centralized management could be more efficient for farmers and provide better service to workers
- Ease of working across multiple farms could smooth out seasonality of work
- More consistent, cross-farm work could lead to improved managerial opportunity/potential
- Ease of administrative duties and legal compliance





## The devil is always in the details.

- But, we can still draw some conclusions regarding practical, legal and financial feasibility.
- As well as **understand receptiveness** of agricultural community to these ideas.



- Business models would require farm businesses to pay at least \$17 per hour for services provided by the labor pool.
  - Wages at \$11-13 range
  - Half time office coordinator for day to day operations



- Legal obligations and cost of compliance would increase, significantly in some cases/states.
  - Overtime
  - OSHA
  - Unemployment insurance



• Success depends on sourcing/supplying labor in related markets like commercial landscaping or new markets like home gardening support



### Conclusions

- The legal structure of the business doesn't matter tremendously from a legal/financial perspective: worker owned coop, farmer owned coop, private business...
- Can the business model solve enough problems to be worth the increased cost?



#### Is there receptivity to these solutions?

• Focus group results are next up!

• Questions?