



## Chapter 14

# HUMAN RESOURCES

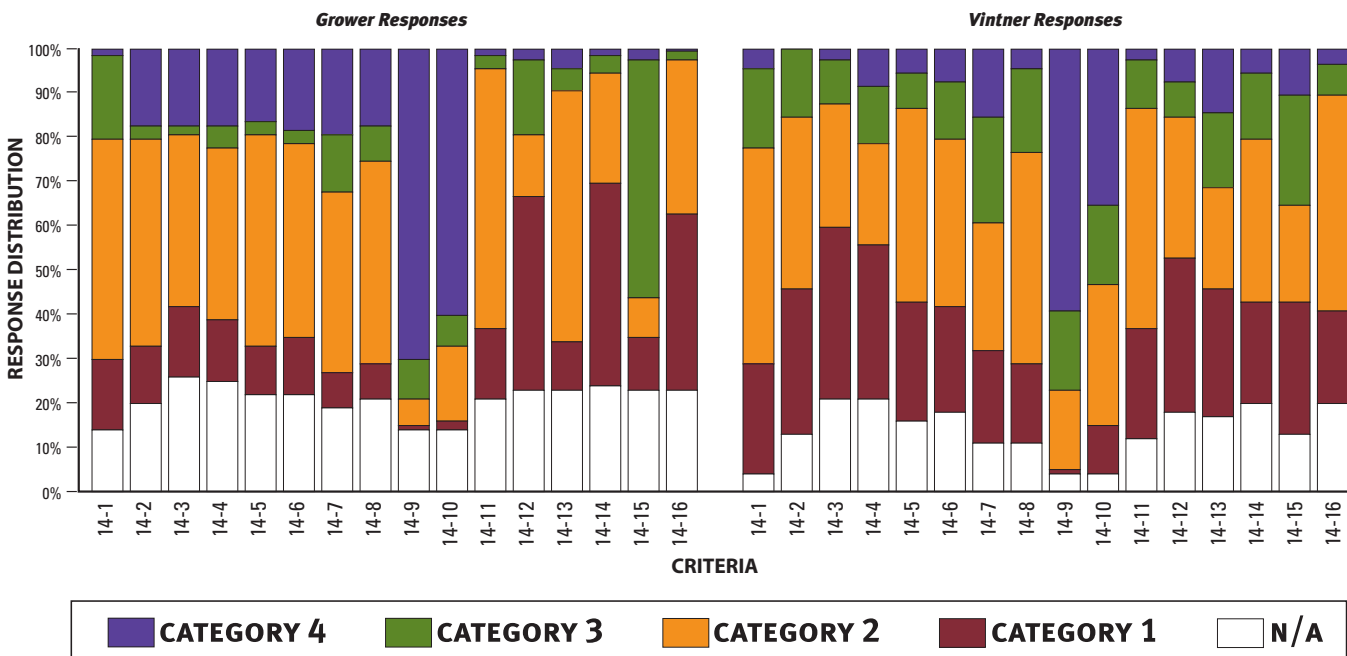
# Background

The area of human resources (HR) includes all three of sustainability's three "E's —economics, equity and the environment. Attracting and retaining excellent employees is a key ingredient to productivity and profitability. Enhancing local communities through job creation and employee professional development contributes to social equity. Training focused on the conservation of natural resources—such as programs targeting water conservation, energy efficiency, and recycling—is critical to an operation's ability to achieve tangible environmental results.



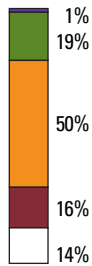
Many vineyard and winery operations are already implementing some of these human resource practices, which are resulting in higher levels of employee productivity and satisfaction. By hiring, developing, managing, and rewarding employees in the appropriate manner, the California wine community can create a sustainable competitive advantage that will help improve productivity, efficiency, and innovation.

## HUMAN RESOURCES BENCHMARK DATA



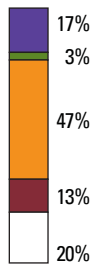
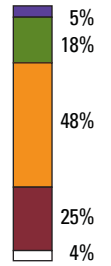
# Benchmark Data

**Grower Response**

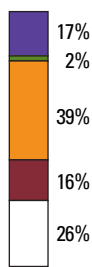
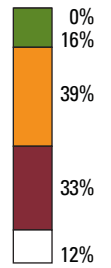


**14-1. SUSTAINABILITY MISSION, VISION & VALUES** “Social equity” is one of the three E’s in our definition of sustainability. This human element is critical to the balance of the environmental, social and economic aspects of sustainability. Employees who understand the importance of sustainability can effectively contribute to the building of a sustainable organization. Communicating how the enterprise views and prioritizes sustainability is the first step in this process. This is often accomplished through the mission, vision and values of the enterprise. 70% of the growers and 71% of vintners have a documented mission statement that includes sustainability elements. 20% of growers and 23% of vintners also have sustainable value statements that are shared with all employees. In addition, 1% of growers and 5% of vintners have implemented a sustainability strategy for at least one year. 16% of growers and 25% of vintners have no plans to document a mission with a sustainability focus. 14% of growers and 4% of vintners replied N/A, not applicable or information not available.

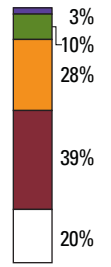
**Vintner Response**



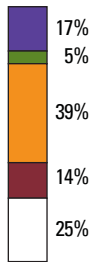
**14-2. PLANNING, MONITORING, GOALS & RESULTS** For operations with employees, incorporating elements of sustainability into a comprehensive human resources plan is a good way to begin to integrate the concepts of sustainability throughout the enterprise. 20% of the growers and 16% of the vintners have a comprehensive human resources plan that integrates sustainability practices throughout the enterprise and includes goals that have been implemented. 17% of growers have also implemented the plan for at least two years, monitor the goals and use the results to refine the HR policies and practices annually. 47% of growers and 39% of vintners are considering developing a comprehensive human resources plan and will include sustainability policies as a core component. 13% of growers and 33% of vintners have no plans for a comprehensive plan. 20% of growers and 12% of vintners replied N/A, not applicable or information not available. Many small operations do not have employees and therefore do not require a written policies.



**14-3. STAFFING & RECRUITING STRATEGY** A staff recruitment plan is critical to identifying and attracting employees who can embrace the concept and commitment of sustainability. 19% of the growers and 13% of the vintners have a long-term staffing strategy, utilize various recruiting methods and have begun to leverage the sustainability reputation of the company to attract candidates. 17% of the growers and 3% of the vintners also track the results of each recruiting method to calculate results and the cost/benefit ratio of the approach. 39% of growers and 28% of vintners have an annual staffing strategy, use different recruiting methods and are investigating ways to incorporate competencies in sustainability into the recruiting process. 16% of growers and 39% of vintners have an informal staffing strategy and use 1 to 3 recruiting methods. 26% of growers and 20% of vintners replied N/A, not applicable or information not available.

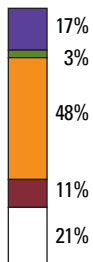
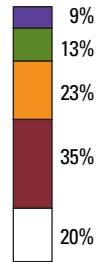


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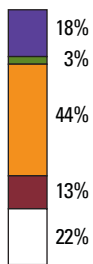
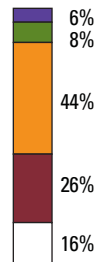


**14-4. STANDARD INTERVIEWING FORMAT** Once a potential candidate is identified for hiring, they must be engaged in a conversation to fully determine if they not only have the required skill set for the position, but perhaps more importantly if they “fit” into the culture of the enterprise. 61% of growers and 45% of vintners have a standard interviewing process for new hires that includes completion of a job application, and the interview has at least one question designed to assess competency in one or more areas of sustainability. 5% of growers and 13% of vintners include at least two questions on sustainability. 17% of growers and 9% of vintners also include questions to assess the candidate’s potential to “fit” into the company culture. 14% of growers and 35% of vintners have an informal interviewing process. 25% of growers and 20% of vintners replied N/A, not applicable or information not available.

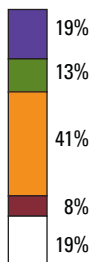
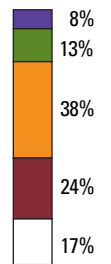
**Vintner Response**



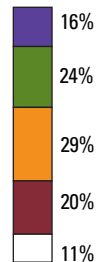
**14-5 STANDARD JOB DESCRIPTION** A clear and accurate job description, describing all aspects required of the position is important in finding the right person to fill that role. Including sustainability elements in this job description helps the new-hire to perform up to the standard of the defined task. 68% of the growers and 58% of the vintners have job descriptions for employees. 20% of the growers and 14% of the vintners include appropriate material on sustainability policies. 17% of growers and 6% of these also review and update these descriptions every 1-2 years. 11% of growers and 26% of vintners have no standard job descriptions for employees. 21% of growers and 16% of vintners replied N/A, not applicable or information not available.



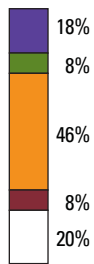
**14-6. EMPLOYEE ORIENTATION** An employee orientation for new employees helps define the job responsibilities. The incorporation of sustainable practices in this orientation reinforces the importance of sustainability for the new hire and strengthens the company culture of sustainability. 65% of growers and 59% of vintners have an orientation program for new employees. 21% of growers and vintners include an overview of the sustainability policies and practices in the orientation. In addition, 18% of growers and 8% of vintners include a motivational overview of the company. 13% of growers and 24% of vintners provide an informal orientation for new employees. 22% of the growers and 17% of the vintners replied N/A, not applicable or information not available.



**14-7. SAFETY TRAINING** While safety is a regulatory issue, understanding the importance of safety and going beyond the minimum requirements is an indicator of sustainability. 32% of growers and 40% of vintners conduct frequent (at least quarterly) employee safety and training meetings, conduct safety audits and investigations as needed, evaluate and document safety training sessions, and have done Job Safety/Health Audit for key jobs/operations. 41% of growers and 29% of vintners conduct employee safety and training meetings annually and safety audits and investigations as needed. 8% of growers and 20% of vintners do not go beyond compliance with the regulations. 19% of growers and 11% of vintners replied N/A, not applicable or information not available.

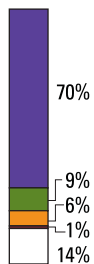
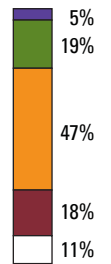


**Grower Response**

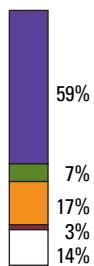
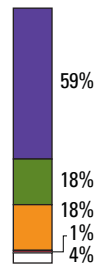


**14-8. PROFESSIONAL TRAINING & DEVELOPMENT** Professional training and development requires a commitment to education, awareness building and a company investment in managers and staff members. 26% of the growers and 24% of the vintners have training plans and goals that include the integration of sustainability practices, have established a budget to cover costs and encourage employees to attend trainings, especially if it covers sustainability practices. 18% of growers and 5% of vintners also have management and staff members discuss key learnings as routine follow-up to the trainings. 46% of growers and 47% of vintners are investigating training programs, allow employees to attend at their initiative and may pay them on company time. 8% of growers and 18% of vintners have no plans in place to investigate training programs and employees that attend trainings do so on their own time. 20% of growers and 11% of vintners replied N/A, not applicable or information not available.

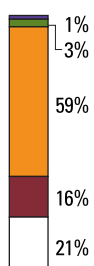
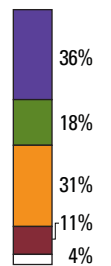
**Vintner Response**



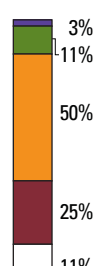
**14-9. STAYING INFORMED** Every industry or sector has various ways of keeping its members informed of industry trends. Publications, associations and other organizations help educate employees and can assist in organizing an industry into a community. 85% of the growers and 95% of the vintners subscribe to and read trade journals. 79% of growers and 77% of vintners also have membership in local and statewide organizations. In addition, 70% of growers and 59% of vintners describe themselves as regular attendees of meetings, seminars and symposiums. 1% of growers and vintners infrequently read trade journals. 14% of growers and 4% of vintners replied N/A, not applicable or information not available.



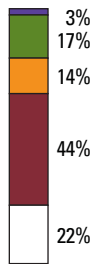
**14-10. INDUSTRY PARTICIPATION** Absorbing information is one way to gain knowledge, but to develop awareness and understanding requires action. One of the most direct ways to engage with others is through participation in the industry. 83% of growers and 85% of the vintners have management and staff that participate in and support grower and vintner organizations. 66% of growers and 54% of vintners also volunteer to participate at fundraisers, speak on panels or write articles. In addition, 59% of growers and 36% of vintners are on boards and committees. 3% of growers and 11% of vintners do not participate in industry organizations in any way. 14% of growers and 4% of vintners replied N/A, not applicable or information not available.



**14-11. TEAM BUILDING FOR SUSTAINABILITY** Sustainability is not something that can be maintained by individuals. It requires team attention to stay on a sustainable course. 4% of growers and 14% of vintners encourage all employees to participate at least once a year in a formal teambuilding activity sponsored by the company to promote sustainability. 1% of growers and 3% of vintners also assess their employees to determine if the activity was beneficial. 59% of growers and 50% of vintners encourage employees to be team members. 16% of growers and 25% of vintners have no teambuilding for sustainability. 21% of growers and 11% of vintners replied N/A, not applicable or information not available.

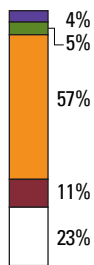
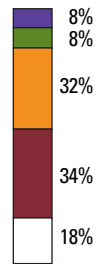


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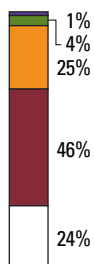
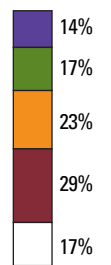


**14-12. EMPLOYEE HANDBOOK** An employee handbook is a good place to begin listing the sustainable processes that are part of the company culture. This is a reference resource for employees to review the mission, vision and values. Many small operations do not have an employee handbook, which is often a resource that larger companies take the time to prepare and implement; but it has value for any sized operation. 34% of the growers and 48% of the vintners provide employee handbooks. 20% of growers and 16% of vintners also include information on sustainability practices and policies. In addition, 3% of growers and 8% of vintners update the handbook annually. 44% of the growers and 34% of vintners have no employee handbook. 22% of growers and 18% of the vintners replied N/A, not applicable or information not available.

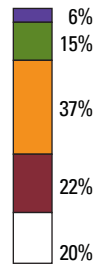
**Vintner Response**



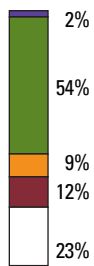
**14-13. EMPLOYEE MEETINGS** Employee meetings provide an opportunity for a conversation about sustainability and how it applies to the company. 66% of the growers and 54% of vintners stated that they hold employee meetings every one to two years. 4% of growers and 14% of vintners also have meetings at least once a quarter, and another 5% of these growers and 17% of these vintners have meetings 2-3 times per year. Both of these groups (9% of growers and 31% of vintners) include discussion time on how sustainability impacts the company's short and long-term goals. 11% of growers and 29% of vintners do not have any meetings with their employees. 23% of the growers and 17% of vintners replied N/A, not applicable or information not available. Some of the small operations with only 1 or 2 employees might have these discussions on an informal basis and may have answered that this question does not apply to them.



**14-14. EMPLOYEE PERFORMANCE, GRIEVANCE, SATISFACTION & RECOGNITION PRACTICES** Building sustainability into performance reviews and recognition practices can increase the adoption of sustainability in an organization. For smaller operations, it just takes one worker or owner who understands and integrates the three E's into their daily practices to make a difference. 5% of the growers and 21% of vintners include sustainability competency and performance in employee reviews. 1% of growers and 6% of vintners also record employee's contributions to implementing sustainability practices. 25% of growers and 37% of vintners are investigating the inclusion of sustainability in their performance reviews. 46% of growers and 22% of vintners have no plans to incorporate sustainability. 24% of growers and 20% of the vintners replied N/A, not applicable or information not available. Many operations are very small and they do not even have performance reviews and recognition practices.

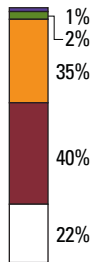
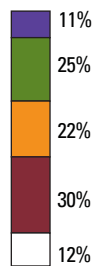


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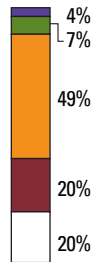


**14-15. SALARY SURVEY PARTICIPATION** Hiring quality personnel with skills that include understanding sustainability should be seen as an investment in the long-term success of the enterprise. 65% of the growers and 58% of the vintners participate in annual salary surveys. 56% of growers and 36% of vintners also use the data to adjust salary ranges. In addition, 2% of growers and 11% of vintners also develop a compensation strategy for the company. 12% of the growers and 30% of the vintners do not participate in the salary surveys. 23% of growers and 12% of vintners replied N/A, not applicable or information not available.

**Vintner Response**



**14-16. SUSTAINABILITY BONUS SYSTEM** Another way to reinforce the value of sustainability within an organization is to formally recognize employees that go above and beyond promoting sustainability on the job. This can be done in several ways, with some organizations electing to recognize their employees with a monetary bonus. Companies may create some of the resources to provide a monetary bonus by reducing costs and improving wine quality when harvesting winegrapes and producing wine with sustainable practices. 3% of growers and 11% of vintners have a formal bonus program in place, and have implemented a sustainability bonus program to recognize at least one employee. 1% of growers and 4% of vintners recognize at least two or more employees. 35% of growers and 49% of vintners have some kind of bonus system for employees and are investigating the establishment of a sustainability bonus. 40% of growers and 20% of vintners do not provide any type of bonus for employees. 22% of growers and 20% of vintners replied N/A, not applicable or information not available.



## Best Practices

**Statewide Strengths:** More than 50% of growers and vintners reported the highest level of practices for staying informed about the industry and participating in industry activities. Other reported strengths for both growers and vintners include safety training, professional training and development, and participating in salary surveys.

Honig Vineyard and Winery in Rutherford is more than a family business - they consider themselves an extended family of 25 employees and 10-15 part-time staff. For President Michael Honig, valuing his people and treating them with respect and courtesy is essential for the sustainability of his 40,000-case winery. He says good practices in human resources are as important as the environmentally sound methods he uses in the winery and vineyard to produce Honig wines.

“Our business is only as good as our team,” says Honig. “The wine business is not an individual sport. It’s a team sport, so we want to create a workplace where everyone can be successful.”

For starters, Honig makes sure the staff receives the proper tools to get the job done — from palm pilots, cars or cell phones to the latest vineyard technology. When there's a decision as to who gets the best equipment or the new computer or car, family members and non-family employees are treated equally. Honig sees this as a fairness issue that can affect the staff morale.

The winery also has a bonus program to provide economic incentives to motivate employees and give them a vested interest in the business. Bonuses are based both on the winery's financial performance and the individual's achievement of personal goals. Honig also awards spot bonuses of \$100 or gift certificates to recognize people who perform over and above the normal course of their job.

A wide variety of educational opportunities are available to staff members, including tuition for continuing education. For instance, new employees are trained utilizing a mentoring system, and everyone goes through safety training. Managers are visible in the work areas and keep staff constantly informed. In addition, classes have been held for employees to study English as a second language and math. Managers continue their professional development with training on sustainable practices, which they in turn pass on to staff members throughout the winery.

Honig also keeps employees by making the winery a fun place to work. As an example, each quarter he takes the staff out to lunch. Once they rented 20 horses for a picnic lunch. There is also a harvest party, and turkeys are given to everyone for the holidays.

And what has been the result of these teambuilding efforts? Most of the staff are long-time employees or return each year for seasonal work.

"People who have been with us awhile have insights and job knowledge that you often can't get with a new hire. You can replace equipment such as a truck or a pump, but you can't always replace people," says Honig. "To me, it's more valuable to invest in retaining good staff."

## Targets and Timetables

**Statewide Opportunities for Improvements:** There are opportunities for the majority of growers to improve the following human resource areas: employee handbooks (criteria 14-12); using sustainability principles in employee performance, grievance, satisfaction and recognition practices (criteria 14-14); and in sustainability bonus systems (criteria 14-16). Opportunities for the majority of vintners include staffing and recruiting (criteria 14-3) and employee handbooks (criteria 14-12).

The California Sustainable Winegrowing Alliance has set a desired goal of demonstrating improvement in the scores indicated below. By harvest 2009, CSWA will strive to move the average scores to the positions marked in green and purple. When these goals are attained, practices will have improved from the initial benchmark averages by 20%. To reach these goals, CSWA needs partners. If you are interested in improving human resources practices in the wine community, please email [info@sustainablewinegrowing.org](mailto:info@sustainablewinegrowing.org).

