



Miller Center
for Social Entrepreneurship



Farmerline

Recruiting, Training, Compensating:
Key activities in field agent management
in agricultural last mile distribution networks



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EXECUTIVE SUMMARY

Farmerline partnered with Miller Center for Social Entrepreneurship to identify global best practices in recruiting, training and compensating sales agents working to distribute high impact products to the last mile. Farmerline requested a study to improve its impact through an external assessment of its current last mile distribution model. It also requested to receive recommendations for scale-up based on proven practices in other high impact organizations. In the summer of 2018, three researchers investigated best practices for field agent recruitment, training, and compensation to reinforce retention and support network expansion. Between June and August 2018, interviews were conducted with 42 field agents, 69 farmers, and 13 other organizations working with field agents in Ghana.

Farmerline has many successful field agents, dedicated to their farming communities and aligned with the enterprise's mission. These interviews suggested possible strategies to improve the effectiveness of this network. Other organizations working with field agents also contributed valuable insights about strategic alternatives for a robust network of field agents. Agents of different ages bring different strengths to this work, and therefore we suggest Farmerline evaluate how it might recruit agents based on ideal agent profile types. Other organizations identified the value of creating training videos, and in developing local distribution hubs. Farmerline may wish to evaluate these strategies. We evaluated other organizations with agent referral strategies to create strong networks of sales agents. Farmerline may find it valuable to adapt some elements to its own field agent network strategies.

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Introduction

Farmerline's mission is to create lasting profit for African farmers. It does this by connecting farmers to information, markets and resources through digital tools, network of well-trained agents and actionable insights from data collected about farmers and their communities. In 2018, we traveled to six different regions of Ghana investigating the question: How could Farmerline expand its network of farmer field agents to increase profitability of its services? To achieve its expansion goals, Farmerline could improve its current agent management practices, specifically in regard to recruitment, training, and compensating field agents. Innovation in these three components of agent management can help Farmerline scale its agent force and accrue more value for smallholder farmers and their communities.

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Recruiting: Facilitate supportive relationships for agents



Community members and their chief gather around our interview to express interest in Farmerline's work.

Interviews with field agents and farmers revealed advantages and disadvantages to selective recruitment, based chiefly on age. Recruiting an agent pool of varied ages can offset disadvantages of either age group and promote complementary strengths.

Characteristics of Successful Agents:

- 1.) Passion for community improvement
- 2.) Strong interpersonal communication skills
- 3.) Strong belief in the mission of the company
- 4.) Willingness to commit to the demands of the role
- 5.) Some technological literacy

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Were Farmerline to share with existing agents these characteristics of successful agents, it could encourage existing agents to expand their agent networks with stronger recruits. Improving communication between Farmerline management and field agents can help scale the agent network while promoting a consistent company brand in keeping with its social mission. The table below reveals the advantages and disadvantages of selective recruitment based on age.

Considerations for Recruiting Field Agents of Diverse Ages

Advantages

Disadvantages

	Advantages	Disadvantages
Younger agents	<ol style="list-style-type: none"> 1. Greater energy for work 2. More willing to branch out to other communities 3. Desire to establish oneself as community leader 4. Motivated by growth within the company 5. Technological literacy 	<ol style="list-style-type: none"> 1. Interested in starting/ caring for families 2. Searching for permanent, full-time positions 3. View working at centralized location as more enticing than travel 4. Require more robust compensation methods
Older agents	<ol style="list-style-type: none"> 1. Motivated by helping community 2. More established community relationships 3. Less interested in strictly financial compensation 	<ol style="list-style-type: none"> 1. Potentially over-committed to different community-oriented programs 2. Less willing to expand services to other communities 3. Easily tired 4. Low technological literacy

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Creating new roles for older agents to supervise, mentor, and recruit promising young people within their communities could allow Farmerline to utilize its current field agent network to expand itself while adhering to its social mission. Younger agents are able to offer heightened energy and are motivated to make sales. Older agents bring expertise and community relationships. Younger agents can learn best practices for community engagement and leadership from their older peers, and with more energy and technological know-how, venture into new communities to advertise Farmerline's products and services. Pairing older and younger agents could encourage collaboration, elicit the best out of older and younger agents' general skill sets, reinforce community engagement, and introduce new forms of rewards beyond the current process. This can best be achieved through strategic recruitment of a pool of age-diverse agents and defining ideal agent criteria.

Recommendations:

<p>Recruit both old and young agents.</p>	<p>Targeting recruitment towards both older and younger agents could elicit the advantages from both age groups' general skill-sets. This will activate a balance between younger agents' technological know-how and older agents' community engagement expertise</p>
<p>Provide space for advancement mobility within the agent network.</p>	<p>The creation of new positions, such as Community Supervisor, could provide growth within the company. This new opportunity could be offered to older agents who would be incentivize to recruit promising young people within their communities. This agent referral strategy will allow Farmerline's agent network to grow, while ensuring the recruitment of quality agents.</p>
<p>Develop ideal agent characteristics.</p>	<p>This could provide clear criteria on the basis of which experienced agents could recruit new agents.</p>

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Training: Foster agent productivity



This Farmer, Salam Atu, told us she's seen an increase in her yields since using Farmerline products and services.

Interviews with similar organizations working with field agents described the value of creating and deploying training videos. These provided clear and consistent messages to potential and actual field agents.

Other social enterprises working with agricultural field agents have found advantages in operating local distribution hubs. These enhance agents' access to products, and facilitate greater sales.

Videos could also reinforce Farmerline's expectations of field agents, and help them become more productive more quickly. Local distribution hubs could accelerate field agent sales performance. Many agents described the importance of having personal and community goals aligned in this work, and therefore we suggest that Farmerline consider updating its training to emphasize this.

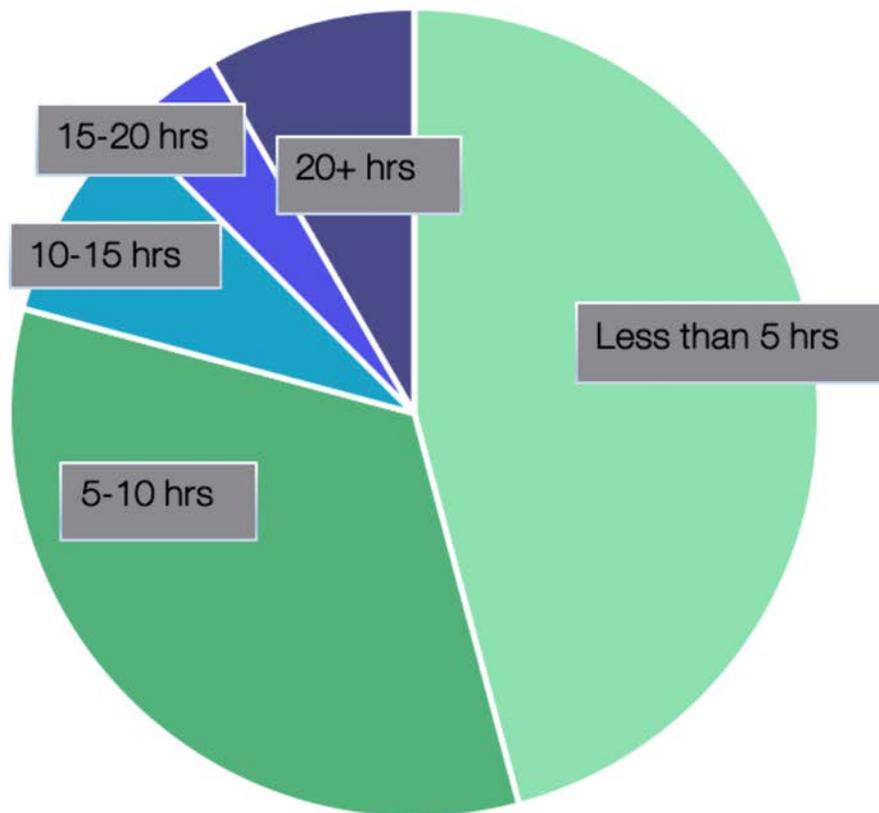
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Time Commitment of Agents

Agents individually select how much time they will invest in their roles. For many agents, other community activities and jobs take precedence over Farmerline work. Below is a chart displaying agents' time allocation to their agent roles. We surveyed 22 field agents about their weekly time commitment to Farmerline. A majority of agents responded that they spend less than 5 hours as a Farmerline agent.

Weekly Time Commitment of Field Agents



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Opportunities for scaling and strengthening the agent network

Create training videos.	These videos could ensure that trainings consistently provided the same information to agents. Farmerline could offer incentives for Community Supervisors, or more experienced agents to play training videos for prospective agents at community centers. Implementing training videos and offering the opportunity to agents to participate in their showings would preserve Farmer Service Team's time and resources, while offering opportunity for growth within the company.
Convey clear and consistent agent expectations in trainings.	Agents could benefit from having a list of clear expectations. This could include sales techniques and information about Farmerline's services.
Drive sales through the implementation of distribution hubs.	Agents expressed a desire to have inputs more readily accessible. Agents reported that they would be interested in local distribution hubs which store products in bulk, which would facilitate meeting input demands in their communities.

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Compensating: develop network building strategies



Field agents consistently reported that they enjoy working for Farmerline because of the direct, positive impact they have on farmers' lives.

Field agents described the importance of having personal and community goals aligned in this work. An agent referral system may be of value to Farmerline to accelerate the growth of its field agent network. We evaluated other organizations with agent referral strategies to create strong networks of sales agents. There are significant differences between their missions and that of Farmerline, especially in the sales products and the type of communities served. Nonetheless, Farmerline may find it valuable to adapt some elements to its own field agent network strategies.

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The value of agent referral systems

Agent referral systems accelerate agent network growth while preserving company resources. Interviews with two partner organizations who oversee large networks of field agents revealed that network expansion is at the heart of their business models and is a critical part of their multifaceted compensation strategies. Employees were encouraged to recruit more agents, shifting the focus from selling and distributing products to expanding the company's reach. These agents are compensated not only for the products they sell, but also by the number of other agents they recruit. Recruiting more agents elevates employees' positions within the company hierarchy. This attracts entrepreneurial youth seeking opportunity for growth within a company, while providing lucrative opportunities for compensation.

A successful agent referral strategy: Max International

Max International sells herbal products, and uses a bilateral compensation method to encourage network expansion of its sales agents. Members of the Max International sales force distribute their customers on either side of their chart to strategically build their team. Those customers eventually become sales agents, generating profit for themselves, as well as the person who brought them on the team. At the end of the month, agents earn points based off of how many people they recruited and sold items to. The agent anchored at the top of the hierarchy earns a bonus based off of the side of the chart that has earned the least amount of points. Thus, agents are encouraged to not only sell products, but to keep recruiting agents, and balancing them on either side of the tiered system.

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Advantages of the Split Tiered System model:

Agent referral allows the network to grow itself and requires fewer resources from the company to invest in face-to-face recruiting from Farmer Services. In setting achievable sales targets, yet still focusing on network expansion, Max International agents push product and generate revenue with a low-touch approach. In combining the sale of products with the growth of the network, Max International can simultaneously obtain more agents and scale. The robust compensation plan motivates agents to continue selling and move up in the hierarchy where they can achieve additional compensation and rewards.

Drawbacks of this model:

Max International employees emphasize that their roles as agents are 85% network growth, 15% selling products. This works for the health supplement market but could prove difficult in the rural agricultural sector where sales hinge on community-based relationships and sustained trust. Agents at Max International generally do not establish personal relationships with their customers beyond selling to them and offering them a chance to work for the company.

Additionally, agent referral systems generally lack quality control consistency and could negatively impact the company's perceived value. Replication of this compensation model for Farmerline would likely require more resources and innovation for training sessions as the rapid on-boarding of agents necessitates proper training and accompaniment before deployment.

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Conclusion

Our study has identified several possible strategies to improve the effectiveness of Farmerline's field agent network. Farmerline may wish to evaluate how it might recruit agents based on the different strengths of different age groups in field agents. Agents of different ages bring different strengths to this work, and therefore we suggest Farmerline evaluate how it might recruit agents based on these ideal agent profile types. Farmerline may wish to assess the potential value of training videos, and in creating local distribution hubs. We evaluated other organizations with agent referral strategies to create strong networks of sales agents. Farmerline may find it valuable to evaluate a split tiered agent referral strategy.

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Appendix: Methods

On behalf of Farmerline, MoringaConnect, and Miller Center for Social Entrepreneurship, Erin Ronald, Jean Baptiste Tooley, and Kimmie Meunier traveled to six different regions of Ghana to investigate the overarching question: How can agricultural field agents/extension officers be effectively recruited, trained, and compensated in Ghana? Through semi-structured interviews with 42 field agents, 69 farmers, and 13 partner organizations, fellows gathered qualitative information surrounding best practices for agricultural last mile distribution.

With the help of a translator, fellows interviewed 31 field agents and 9 farmers specific to Farmerline. Interviews with MoringaConnect affiliated agents and farmers allowed fellows to garner a larger perspective surrounding rural agriculture in Ghana. Most interviews were conducted in the Ashanti region and lasted between 1-1.5 hours long. Fellows amended interview guides and adjusted questions to meet time constraints as needed.

List of Partner Organizations:

Herbalife
Max International
Coca Cola
Vodafone
*Large Cocoa Buying Company**
*Large Telecom Company**
IPA Global Research Institute
CIKOD
AgNRM
MoringaConnect (GSBI 2017)
Vitalite Zambia (GSBI 2017)

*Companies elected to remain anonymous

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