

## Article

# Business Strategies in HR in Times of Crisis: The Case of Agri-Food Industry in Central Greece

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**Abstract:** Crisis, in whatever form it takes, is a challenge for modern business. The challenge lies in the fact that a company is prepared to balance the difficult conditions that are created, while preserving their business interest and efficiency. Thus, companies focus only on their perceived fixed bases, those that are in the internal environment such as the human capital. The need for better human resource management is more urgent than ever, and the burden on the business department is particularly great. The aim of this qualitative research is to highlight the strategies that were developed by agri-food companies in Greece and contribute to the maintenance and motivation of employees in the context of economic crisis. The methodology of this study is based on in depth interviews that were conducted in focus group discussion. Eleven companies from the agri-food sector in the region of Central Greece participated in the research. The executives highlighted three different strategies that were developed by agri-food companies in Greece, which focused on internal mobility, training and appraisal performance. Companies had to face different difficulties to use these strategies, but most of them proved that they can face their weaknesses and apply these strategies in a turbulent period like a financial crisis.

**Keywords:** agile; agri-food industry; Central Greece; crisis; human resources; SMEs; strategy



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## 1. Introduction

The most important success factor of any business is its human resources. The more enjoyable and interesting the work environment is for employees, the most they participate in the decision-making process and contribute to the efficiency of the business. Employees can ensure that business continuity is smooth, and each person from the internal environment can stay updated with the organization's principles and requirements. Unfortunately, not all the businesses can interpret the value of employees in their system. There are some that may wear away the hard work of their human resources and this can lead them to invest less on their beyond development. However, unpredictable factors like economic crises or health crises drive employers to develop strategies for their employees to protect them.

Businesses, as several authors have mentioned, realize that most of their ability to create value, especially in times of intense crisis, belongs mainly to the acquisition, development, and retention of the human capital [1]. Human resources possess the real and potential resources (knowledge, skills, and abilities) that can be utilized through effective management strategies to achieve business goals (short-term and long-term). However, most of the traditional strategies no longer work the way they used to. The new challenge is for companies to have the ability to evolve into “intelligent” organizations, which means organizations that can harness human resources in order to achieve their goals and cope with the new needs that a crisis can create [2]. Based on the above framework, the present research tries to highlight the main strategies developed by the agri-food industry in Greece in terms of human resources in a time of crisis.

During the last decade a lot of changes have taken place in the Greek economy, as financial crisis forced businesses to operate in a new environment and pushed them to become more flexible, and to maintain their business activities until the crisis is over [3].

The financial crisis forced entrepreneurs in Greece to find creative ways to maintain their business continuity. Many businesses in Greece decided to mostly focus on human resources, as it is one of their valuable intangible assets and its role in business continuity is crucial. The aim of this qualitative research is to highlight the strategies that were developed by agri-food companies in the agri-food sector in Greece and that contribute to the maintenance and motivation of employees in the context of economic crisis. It is set out to understand: (i) which are the most used strategies that were developed for human resource by the agri-food sector in Greece in the context of economic crisis and (ii) how these strategies enhance human resource and help agri-food companies to continue their business. The reasons for selecting the agri-food industry for studying the strategies oriented to human resource are twofold. Firstly, in Greece the agri-food sector dominates in manufacturing. Specifically, it covers 25% of all Greek manufacturing companies, which ranks it first among the manufacturing sectors, followed by metal products (13%) and clothing (12%). Secondly, the sector participates in 21% of the total Greek Economy, includes 1300 companies, and has already created more than 70,000 jobs [4]. This makes the industry the largest employer in Greece in terms of manufacturing. Therefore, the industry can serve as a very good example for others in terms of strategy and especially in terms of strategy oriented towards human resources.

For the study, in-depth interviews were conducted in focus group discussion, with selected executives of the agri-food companies located in the region of Central Greece. The research method used in this paper contributes to the acquisition of plenty of information from a small number of participants, which is very important for a study issue like the strategies adopted by companies during an intense crisis period. Businesses are often cautious about research on sensitive issues such as their strategic plans [1]. However, the relationship that is developed between the researcher and the executives involved in the research allows the latter to feel safe, and that the information they will convey to the researcher will not endanger both the company and their position in it. As this method requires plenty of time from both researchers and companies, many researchers avoid its application. However, this study is one of the few that use this method in Greek companies, which gives the current research added value and valuable information to the research community of strategic planning towards to human resources. Eleven agri-food companies and 33 executives (three executives per company) participated in the focus group discussion. The selection of both companies and executives was not random but was based on specific criteria which are presented on Section 3 of the paper.

## 2. Literature Review

### 2.1. Human Resources: Moving from a Traditional Organizational to a More Strategic Role

Human resources are the most valuable intangible asset of a company that help a business stand out. The ability and qualifications of employees, their mood and enthusiasm, the satisfaction they derive from their work, the sense of fair treatment and their participation in achieving company's goals, shape and influence the productivity of the company, the reputation and its image, the level of customer service, and finally its survival. Human resources can be defined as "the set of skills and willingness to perform the staff of a company that can contribute to the creation and completion of the mission, strategy and of the objectives of a company" [1,5]. In terms of management, human capital is the set of human characteristics in the workplace. The term human resources refers to the qualities that people bring to their workplace—intelligence, skills, dedication, skills, experience, and the ability to learn [6,7]. However, because the contribution of human resources to business varies and is unpredictable, human resources can be classified as "the most demanding element of business inputs in terms of their administration and management" [8]. It is in this element that human capital differs from the other chapters. Each person has different abilities, knowledge, character, gender, motivation, commitment as well as a different perception of his role and experience [9]. Employees related to other company's resources can evaluate and challenge the actions of management, with the result that their commitment

and cooperation is not always a given but must be earned. It is worth mentioning that employees have the right to form groups and unions to defend their financial interests.

Nowadays, companies operate in a highly competitive environment and in order to be able to grow they are led to a radical revision of their older ways of managing. New conditions include the globalization of competitiveness and the development of multinational partnerships, the gradual reduction of consumer demand, market diversification and political realignments [10]. In this changing environment, a business must invest in the human factor to stand out. The human resources of a company acquire special importance because through it a company will anticipate, evaluate, organize, and implement its new strategy to gain a competitive advantage. Therefore, the success of a business is based almost entirely on the human factor, regardless of its position in the hierarchy (management or employees) [11]. Job satisfaction, enthusiasm, a sense of fairness, and the motivation of employees affect the productivity and viability of a company. It has also been found that the improvement of the human factor in educational, physical, social, physical, and mental level is an investment that does not differ from other investments in physical capital. So, companies that invest in the development of human resources survive and grow, while others in which the human factor does not work properly tend to stop their operation or simply survive in the competitive arena. People, after all, are the ones who make the difference in any business.

All the above are some of the main reasons that human resources have been mostly confronted as a strategic resource by companies, rather than a traditional organization in which they must invest to enhance their competitive advantage. Employee involvement in the decision-making process has led to successful value creation in many organizations. Today, more than ever, organizations rely on energy, and the commitment of their workforce, to succeed in an increasingly competitive market [5]. Active employee participation is a useful tool implemented through organizational plans that allow employees to participate directly and actively, on the one hand, in the processes of innovation and improvement of business performance, by increasing efficiency and productivity but also in improving quality life and work. It is a key component of “workplace innovation”. The active participation of employees refers to the possibilities of employee participation in decisions that affect their work, either in their direct work (e.g., division of labor) or in relation to broader corporate issues (organizational participation) [12].

However, the need to motivate employees to achieve maximum efficiency is very important and stems from the fact that in the current cultural and work model, work is redefined, and the value created by it is not reaped in its entirety, or reaped directly, by the employee. In most cases, and especially at the lower levels of the hierarchy, work is not for the employee a direct desired creative activity in itself, nor does the individual himself reap the overall result. The offered wage does not guarantee that the employee will offer his best, except the minimum acceptable level of performance. Therefore, it is necessary for the company to create all those conditions that will motivate the employee to make the most of his qualifications and the time he has in it [8].

## 2.2. *The Reaction of HR in a Crisis*

The concept of crisis is multidimensional, and attempts have been made to render it in a variety of ways. Crisis is described as a diversion from the state of normality which can take on a degree of irregularity, from a state of simple disorder to a state of uncontrolled explosive events, chaos, and panic [13]. Each crisis, regardless of the category to which it belongs, goes through different phases, depending on the time of its occurrence, and each phase affects a company differently. The life cycle of a crisis includes the following stages: (i) prodromal crisis stage, (ii) acute crisis stage, (iii) chronic crisis stage, and (iv) crisis resolution stage [14].

The first phase refers to the period before the onset of the crisis, during which the company is faced with a multitude of symptoms, sometimes strong and sometimes not that warn of its arrival (symptom or precrisis stage). Actions and omissions that may lead

to a crisis are called precursor symptoms. Each activity has its own precursor symptoms. Every time there is no crisis, it goes through like a qualifying situation. During this phase it is important for the company to be aware of the precursor symptoms, so that it can recover in time to prevent the onset of the critical situation. The second phase happens, if the company has not realized, predicted, or prevented the crisis, then it will inevitably arise [4]. This is essentially the period when the crisis not only manifests itself, but also peaks. Immediate response from the company is required, as the damage has just occurred and it is up to the company management to acknowledge the crisis, to handle it, or to maintain it. If the administration accepts the inevitability of the crisis as a reality, then not only will it be able to devise a response to the crisis, but it will find opportunities, which are contained within it [4]. The third phase is the period during which the crisis has been established and the company continues to face its consequences for a long time. In order the company to overcome the crisis, it is necessary to have a comprehensive response program, which will have been tested through simulations, with virtual emergencies and will include continuous in-depth inspections, investigations, etc. Finally, at the end of the crisis and depending on the effectiveness of dealing with it, the company recovers, or dissolves. Therefore, this stage, the fourth phase of the life cycle of crisis, is the goal of all the efforts of the managers. Once the signs of the crisis are diagnosed, the manager must regain control as soon as possible and decide on the most effective and efficient way to resolve and normalize the situation [15]. At the stage of resolution, the smooth operation of the business gradually returns. It is necessary to evaluate the way of dealing with the crisis, to determine where the treatment program needs improvements, if mistakes were made, how they will be corrected, and what the points were where the crisis was dealt with effectively. In this way, managers will learn from the current crisis and its resolution, so that the same mistakes are not repeated and in addition they are prepared for a possible incident in the future. As is understood, the transition from each stage to the next is fluid, but also, in general, the limits set above define each phase, and in practice are not completely fluid and not always distinct.

In a crisis, human resources react differently. The different reaction lies in the degree of involvement of employees in the company, which can vary depending on their position within it. Employees who hold leadership positions and are actively involved in achieving company's goals are expected to have more substantial, direct and informal involvement than other employees [16]. Moreover, the feeling of job insecurity is a common feeling experienced by employees in times of intense crisis. Job insecurity is the perception of the employees, who believe that they will lose their jobs without wanting to in the near future [17]. This is an emotion that is experienced only by employees and not by the unemployed, as it concerns only the loss of a job and not the possibility of not finding a job. Among the alternative ways of dealing with job insecurity is to recognize both the prevention or at least reduction of the perceptions of job insecurity by the employees, and the absorption of its negative results in their job [18]. Organizational communication and participation can be directly and negatively related to job insecurity and be its ancestors, while they can mediate the relationship between job insecurity and job well-being, as absorbing factors.

### 3. Methodology

Eleven agri-food companies located in the region of Central Greece and 33 executives (3 executives per company) participated in the focus group discussion. The selection of the number of companies was not based on a sampling process in order to form a "representative" sample, but on the definition of a focus target group. A key factor in the preference of the target group over the sample was the method of data collection, which, as already mentioned, was the in-depth interviews. Therefore, the time required to prepare and conduct each focus group discussion contributed to some extent to the limitation of the number of companies, considering that the basic criterion for selecting this number is not the "statistical representativeness" of the "sample" but rather the acceptance of

companies to participate in virtually all stages of the process with the involvement of certain executives.

FGDs were conducted in each company separately between October 2018 to June 2019. Interactive discussions were used to explore and share information that can be used to capture the various perceptions of informants from the research issues discussed. At the beginning of the FGD, informants were convinced that Human Resources play a key role and help businesses to manage crisis and recovery in a short term and that strategies oriented to Human Resources can increase its dynamic more. The discussion is intended to express various thoughts or views on the issues being studied.

The main question asked is to expose the views of the informants on the role of Human Resources in agri-food businesses in a crisis such as “Which is the role of Human Resource during the economic crisis?”, “Which are the main strategies that were developed by agri-food companies to protect employees from the impact of the crisis?”, “How these strategies improve Human Resources’ efficiency?”. Moreover, a few related questions are modified using the question word How? or “Can you explain/elaborate it?” and “Why?”

This study used qualitative descriptive analysis to analyze data obtained with various data collection techniques. Data were analyzed qualitatively through four stages that focus on:

- 1st stage     Data Collection: At this stage, the collected data were transcribed, by simplifying the information collected into a more intelligible form of writing. Then, the collected data were selected according to the focus of this research and coded to enable the researcher to categorize them.
- 2nd stage     Data Reduction: At this stage, the authors summarize, sort out the main items, focus on the important things, look for themes and patterns from each data obtained in the field. So, at this stage, researchers sort the data gathered from the interviews. Data reduction provides a clear picture and make it easier for researchers to conduct further data collection to complete the collection with the missing data. At this stage, the previously coded and grouped data were then summarized to provide a clearer picture.
- 3rd stage     Presentation of Data: The summarized data are interpreted and clarified to answer the research question “Which are the main strategies that were developed by agri-food companies to protect employees from the impact of the crisis?”.
- 4th stage     Conclusion: At this phase of analysis the researcher draws conclusions based on the results of the data analysis process done previously. Conclusions drawn in qualitative research answer the problem questions formulated earlier. Conclusions in qualitative research are expected to be new discoveries that never existed before. The findings construct a clearer description.

## 4. Results

### 4.1. Profile of Companies Joined FGD

The purpose of this study is to highlight the strategies that were developed by agri-food companies in Greece and contribute to the maintenance and motivation of employees in the context of economic crisis. The target group consists of eleven companies with a long-term experience in the agri-food industry (Table 1). A part of them have been active for over 50 years, some others have a twenty years’ experience and there are some that are new in the market. Moreover, the presence of food cooperatives in the Greek market is highly important, even though they tend to decrease year by year.

**Table 1.** Short profile of the companies which participated in the FGD (Related to the terms of GDPR, companies that participated in the research codes as E1, E2, E3, . . . , E11.).

Company	Legal Form	Year of Establishment	Company's Size
E1	Agricultural cooperative	1949	Small
E2	SA	1992	Medium-sized
E3	SA	1993	Medium-sized
E4	General Partnership	2002	Small
E5	General Partnership	2003	Small
E6	General Partnership	2008	Small
E7	General Partnership	2009	Small
E8	Agricultural cooperative	2011	Small
E9	Agricultural cooperative	2012	Small
E10	General Partnership	2012	Small
E11	General Partnership	2015	Small

Source: Own elaboration.

The activity of the businesses that participated in this research covers most of the main activities of the agri-food sector in the Region of Central Greece. The characteristics of the businesses in focus-groups are reflective of most companies that dominate in the food industry throughout the country. These are SMEs, which are distinguished by: (i) their small size, (ii) their family nature (this business type often leads to administrative and organizational inadequacies), and (iii) the low level of extroversion, except for three companies that present particularly high rates.

The classification of the companies based on their size was carried out in terms of human resources by using the following scale (Table 2):

The executives who participated in the present research argued that the size of a company is crucial for its performance and future development. However, small businesses have learned to operate locally or regionally, with the result that they have not experienced significant export activity. This may also be due to the inability of these companies to set up an information network on foreign markets, while their lack of resources has the effect of limiting their internationalization.

However, the size of the business does not always determine the achievement of a business in the global market [20]. The role and nature of the products they launched are important, as these factors can significantly shape the intensity of the company's extroversion. Two of the companies that participated in the focus-group are those with the highest extroversion of the survey. Despite their small size, both have managed to develop a strong distribution network and penetrate large overseas markets due to the dynamics of their products.

**Table 2.** Definition of SMEs.

Size	Description
Medium-sized	Micro, small and medium-sized enterprises (SMEs) consists of companies with less than 250 employees and whose turnover does not exceed EUR 50 million or the total annual balance does not exceed EUR 43 million.
Small	Small enterprise is defined as an enterprise with less than 50 employees and whose annual turnover or total annual balance sheet does not exceed EUR 10 million.
Micro	A very small enterprise is defined as an enterprise with less than ten employees and whose annual turnover or total annual balance sheet does not exceed EUR 2 million.

Source: [19], Own elaboration.

#### 4.2. Workforce's Internal Mobility: An Important Strategy in Challenging Times

In a turbulent environment, entrepreneurs develop and implement strategies oriented to employees to protect them from the tough consequences of a crisis. The research highlighted that companies in the agri-food sector in the region of Central Greece, in the context of the financial crisis, focused on four main strategic categories: (i) recruiting, (ii) training, (iii) labor remuneration, and (iv) performance appraisal [5,21,22].

With regard to recruiting strategies, entrepreneurs supported the idea that a crisis cannot act as an inhibitor factor for hiring. When a crisis creates a surge in demand or presents a unique opportunity for your product or service, your business may expand while others struggle. Or perhaps your business was impacted by a crisis, but now is in recovery mode. Whatever the situation of a company is, a crisis does not necessarily change the basics of the hiring process [16]. Rather, a crisis tends to impact the mindset of hiring managers and job candidates. This is expressed as follows:

*“Admittedly, the financial crisis has pushed many companies to fire several employees, to reduce operating costs. As a result, existing employees have to shoulder the full workload to fill the gap created by staff shortages, and to significantly reduce both their personal and business performance. In contrast, our company followed a completely different strategy. Hiring is for us one of the most important strategic opportunities to enhance our competitive advantage. That is why we staffed our employees with specialized people applying sources of internal recruitment (E4)”. (The interview was conducted on the 31 March 2019.)*

*“At a time when redundancies are at the forefront of many businesses in a crisis period, we decided to follow a completely different path. The growing needs of the market and our personal goals have been two of the most important factors that have pushed us to hire new staff, especially in the last five years. Hiring has been a significant operating cost for our company, as that cost include the monthly payment of their salaries, but also the training programs that we have to provide them. However, we did not think for a moment that this decision of ours will not lead us to achieve our goals. Every day, our employees, with their patience, perseverance, and continuous effort, confirm to us in the best way that investing in our human resource can lead us to the absolute success (E3)”. (The interview was conducted on the 30 January 2019.)*

Based on the two statements above, it is confirmed that the agri-food industry in the region of Central Greece has remained, in a crisis, the leader in terms of employment, compared to the rest of the manufacturing industry, which has faced several difficulties. For example, the construction industry is one of the weakest in terms of employment in Greece, as the economic crisis has hit it more than any other economic activity.

However, some other companies in the food industry preferred the internal mobility of employees to meet the challenges that were created from the economic crisis. Internal

mobility is the movement of employees to new working positions within the company. If a company wants to stay pertinent in a crisis, it is vital to offer internal mobility opportunities to employees [23,24]. The internal mobility of Human Resources is of particular importance as: (i) it is an appropriate tool for the redeployment of staff based on the real needs of each company and (ii) it enables each employee to meet his formal and substantive qualifications, to enrich his work experience and be employed in positions related to his interests [25,26]. There are two types of internal mobility of employees: vertical or horizontal. Vertical internal mobility is an upward movement between job levels, while horizontal internal mobility describes moving within the same job level [27].

The strategy of internal mobility of employees was chosen from most of the companies in the agri-food sector of the region of Central Greece, in the context of financial crisis. This is expressed as follows:

*“The strategy of internal mobility is an integral part of our company’s strategy, in terms of Human Resource Management. In our case, internal mobility is mainly mandatory and rarely is due to the personal will of the employees. Our aim is to avoid, as far as possible, extensive redundancies by moving our employees to different job positions. Our main priority, after internal mobility, is to evaluate Human Resource in the new job position, so that we can evaluate if this strategy has contributed positively to their course within the company and if they perform to the extent desired by the management. In case the results are not the expected ones, then we proceed to the final termination of our cooperation with the specific employees”.* (E1) (The interview was conducted on the 14 February 2019.)

*“Our initial view of internal mobility of human Resource was that it is a very good strategy in the case of the public organizations, but not the private ones. However, by conducting systematic research on the subject we realized that the internal mobility strategy is one of the most powerful tools of human resource management and now is an important part of our strategic plan. Our purpose is the employees, through the internal mobility, to acquire a spherical knowledge of the issues of the company and if they wish to climb the ladder. For implementing the strategy of internal mobility, we follow a predetermined procedure which is based on the evaluation of the employees. Studying the results of the qualifications and their performance during their presence in the company carefully, then we decide in which job position it would be good to place them”.* (E4)

*“Internal mobility is an appropriate way to help us as a business to motivate entire teams. With this strategy, our employees face new challenges and experience the rejuvenation of new mental stimulation, which creates better performance. As a result, through internal mobility, the human resources of our business are particularly happy and more productive”.* (E7) (The interview was conducted on the 20 February 2019.)

However, executives from E9 link the internal mobility of human resources with the promotion of innovation and this is expressed as follows:

*“In our business we believe that the internal mobility of employees promotes innovation, as it can stimulate curiosity and promote the intersection of new ideas and practices. Employees who submitted in internal mobility often report that this strategy gives them the opportunity to work in new environments and projects with a different perspective than their previous role in the business. Therefore, this new challenge has led our business to become more flexible and to adopt new practices, that is, to become more innovative”.* (E9) (The interview was conducted on the 13 May 2019.)

The above aspects of executives show that companies in the food industry, especially in times of intense crisis, focus on developing the internal mobility strategy of human resources to protect their employees. However, by adopting this strategy, companies can also reap some additional benefits, such as promoting innovation. In general, the internal mobility process can be one of the best strategic practices that offers benefits to both employees and businesses.

#### 4.3. Training as a Strategy: Empower HR in a Turbulent Period

Training is essential during a crisis [12]. The current survey that was conducted in eleven companies from the food sector of Central Greece reveals that the training programs adopted in their organization contribute to their efforts to manage the challenges of economic crisis. The economic uncertainty helps companies from the food sector to understand that the impact of economic crisis needs a more focused approach to talent management [28].

Training of Human Resources does not stop within the period of a crisis. Instead, this is the time that businesses should focus on offering training programs as: (i) they can give employees the opportunities to prepare themselves to adopt into the new needs of the market and (ii) they can strategize and plan one of the most robust learning environments through training. It is vital for entrepreneurs to realize that downsizing is not the key to face the challenges that come from a crisis, but they must develop strategies that can contribute to retaining their employees. Employees are the future on their business and continuity [29].

In regard to strategies that have to do with the training of the employees, companies in the Greek food industry that joined the current survey supported the idea that training is a key priority in times of intense crisis:

*“The scope of developing dynamic and succeed training programs is twofold for our company: (i) to help us to develop more our businesses and (ii) to manage the challenges that can be created in the context of a crisis. Our training strategy involves the systematic training and improvement of our people within the company so that they, can achieve their objectives and both they and we personal and corporate goals. The basic components of our training strategy are the following: (i) objectives, (ii) team building, (iii) team development, (iv) leadership development, and (v) coaching”. (E5) (The interview was conducted on the 18 April 2019.)*

Similar thoughts were also conveyed by other interviewees:

*“The training of Human Resource is a primary element for employees as it aims at both their professional development and the strengthening of their psychosynthesis. Also, the use of appropriate training programs aims on the one hand at the development of employees, so that it can cope with the demands of the new unstable environment and on the other hand at the fulfillment of their goals and objectives of the company” (E2).*

*“In our company, we are convinced that an employee training plan can ensure that employees can cope with a potential crisis. That is why in we have developed a training program in which employees can improve their knowledge and skills on how to deal with crises and the recovery of our company after a crisis. Also, the training system we follow includes simulation exercises to provide employees with a practical sense of how to deal with real crises”. (E6)*

Training Human Resources is highly important. From hiring new employees to handling the exit interviews, Human Resources have a crucial role to play in the day-to-day functioning of an organization. The competitive business environment drives organizations become more dynamic. However, how can companies become competitive and lead in the market? The answer is based on their workforce. Both employers and executives of the Human Resource Management should focus on strategies which can help the company to develop. In the case of the food industry in Central Greece, companies provide training programs to their employees to improve their knowledge and skills during a crisis period [30].

#### 4.4. Performance Appraisals as the Basic Tool to Grow Employee Performance

Employee Performance Appraisal (Employee Performance Appraisal) is a structured process that accurately and objectively measures the performance of an organization's employees compared to the performance required to successfully complete the tasks of their job. The evaluation should always be accompanied by feedback to the employees

about the results of their evaluation so that they know the level at which they are compared to the standards of the organization and their previous performance, but also with the actions that should follow until the next evaluation. This process is formal and recorded, and is repeated at regular intervals, either chronologically (every year, every six months), or when a major project or an important phase of it is completed (usually for working groups set up specifically to complete a project) [31].

Through evaluation, the employee must cultivate his mentality to take more and more responsibility for his progress and development, but also to find ways to continuously improve, because in fact no one knows better the progress he is making, but also the problems he faces, by himself [32]. Consequently, the evaluation must be done in a positive atmosphere on both sides, to provide the employee with the appropriate assistance and support in establishing a plan to improve his performance, and to develop his skills. The evaluation must also be done in such a way as to be able to support the administrative decisions of the company to improve its human resources, and ultimately its development [31].

Performance appraisal is done for two main reasons, which are often contradictory. On the one hand, performance measurement is done to reward employees for their performance; that is, to make administrative decisions. On the other hand, the evaluation is done to develop the special skills of each employee, to improve his performance and to allow him to develop within the company. Contrary to previous views that salary increases, bonuses, and promotions should be given to employees based on years of service in the company, the prevailing view now is that employees should be rewarded for achievements in their performance [33]. Thus, the evaluation process can be characterized, as the element that connects an employee's productivity with his earnings. Therefore, the main purpose of the evaluation in case it is done for administrative reasons is to reward the employees for the efforts they have made and the results they have achieved. This reward can be accompanied either by a monetary reward, or by moving to a better job, or by increasing responsibilities in that job, or by simply acknowledging the employee's efforts by a superior. This last move, although simple, can positively affect the psychosynthesis of the person, to improve his morale and to motivate him to continue his efforts [14].

The current paper highlights the need of the performance appraisal system. Executives that joined the focus group discussions, supported that performance appraisals are used mainly to highlight the strengths and weakness of their employees. This is expressed as follows:

*"The performance appraisal system that we use into our company help us to define the strengths and weakness of our employees. Our Human Resource Department study carefully the results come from the performance appraisal process and discuss them with the employees. The performance appraisal process of our company setting of performance standards which can help comparing the performance of all the employees. We believe that this is the most vital processes in the performance appraisal strategy". (E8) (The interview was conducted on the 19 February 2019.)*

*"In our business, performance appraisals contribute to measure employees' achievements in relation to their goals and expectations. In addition, human resources' evaluation is a useful tool for our company, as it helps to distinguish employees by characterizing them as low or high performance. Essentially, this process highlights the weakness characteristics of employees which they need to improve. Finally, through performance appraisals, employees can enhance their performance and be rewarded through salary increases, as well as other benefits". (E11) (The interview was conducted on the 8 May 2019.)*

To summarize, the modern business environment is evolving rapidly and is characterized by high complexity, conditions of intense competition, and rapid changes in the technological sector. For a company to stand out, it must have characteristics such as quality, productivity, efficiency, and competitiveness. Of course, its most valuable asset in order to develop these characteristics is its human resources. So, when it consists of

competent and dedicated employees, who work together towards a common goal, the benefits are multiple as employees derive satisfaction from their work, while at the same time the company is able to develop the competitive advantage it needs to stand out. That is why the company must invest in its human resources, supporting every employee to work efficiently in the direction of its continuous development and evolution. However, to improve a situation, it must first be observable, but also measured. The tool for measuring employee performance is performance appraisal. Therefore, once the current performance of employees is recorded, it is now easy to determine the ways in which this performance should be improved.

## 5. Discussion

Recent developments in the global and domestic economies have significantly diversified the landscape of modern entrepreneurship. The effects of the financial crisis have resulted in the alteration of the content and nature of several companies regardless of industry. The crisis has also created some new conditions in the business environment, such as liberalization in the movement of goods, the internationalization of consumer standards, the growing role of innovation in the production process and the way it is organized, and the strategic use of technology. The new challenges were opportunities for some businesses, but also threats for those that failed to adapt in time [34]. In any case, companies were called upon to redefine their key building blocks, most notably their focus and objectives. In this phase, the role of the strategy was dominant, while at the same time it was significantly upgraded [16,35,36].

The role of the strategy is multiple for companies, as it defines their direction, contributes to communication and coordination between all stakeholders in them (management, shareholders, human resources, suppliers, customers), and enhances their degree of competitiveness, as it reduces uncertainty and gives a sustainable competitive advantage. In addition, it is important that the strategic plan, especially when it is properly organized and structured, supports uniform decision-making and creates consistency and unity. The philosophy of strategic planning has included every form of business regardless of: (i) size, (ii) industry, and (iii) spatial scope. In the modern business environment, strategy becomes important for all businesses, large and small, traditional or more technologically advanced, family or multinational [37].

The formulation and development of the strategy is a priority and one of the most critical business capitals. The dynamics that characterize the strategy process make it almost impossible for executives to bypass it. Even when they themselves deny its existence, it is an equally strategic choice, but one not so effective [38]. In the early 2010s, the Greek economy showed the first signs of recession because of the international financial crisis. The lack of competitiveness and extroversion, as well as the macroeconomic imbalances presented by the domestic economy, were only the reason for the manifestation of its long-term weaknesses. The effects of the crisis have been numerous and have had a negative effect on the market, with the result that many companies face key problems such as: (i) the reduction of sales volume, (ii) the inability to finance them through the lending process, (iii) the lack of liquidity, (iv) the significant reduction of human resources, and (v) the inability to maintain market share in the international market [39].

For most companies, formulating and developing a well-structured strategic plan was the only way to tackle their problems and adapt to new market data. It also contributed positively to strengthening their position against competitors and reducing their degree of uncertainty and exposure to risks from their external environment.

This paper focuses on the strategies of the food sector companies in the region of Central Greece. The food sector is, for the Greek economy, one of the most important parts of its secondary sector. The contribution to the basic structural dimensions of the domestic processing (such as number of companies, number of employees, added value, turnover) is decisive, while any development that takes place in the sector affects the entire manufacturing sector. The economic crisis has affected the food industry, with reductions

in most of its key structural variables. However, the larger companies were relatively more resilient to the new changes created by the recessionary course of the Greek economy, compared to SMEs that seemed weaker and unprepared to manage and adapt to the new conditions created.

The strategies developed by the companies of the target group in terms of human resources confirmed that the food sector continued to be during the crisis, one of the most important employers not only of the Greek manufacturing sector, but also of the domestic economy. The companies in the food sector focused in every way on the preservation of their human capital and that is why one of the main strategies they chose was that of internal movement. The aim of this strategy was to avoid reducing the number of employees through redundancies, as well as the possibility of their development in the company in the future. Given the high unemployment rate during the crisis, the effort of companies to develop strategies in order to retain their human resources, without reducing it, proved the relative resilience of the agri-food industry in terms of employment.

This paper highlighted the most used strategies for human resources in the agri-food sector in the context of financial crisis. Internal mobility, appraisal performance, and training are in the priority of the companies. Thus, this survey should encourage researchers who are interested in this topic to investigate if these strategies are adopted from the agri-food companies during the pandemic of COVID-19. Also, it will be interested from scholars in the strategic planning field to conduct this research in Central Greece and Crete (this region has a very strong agri-food industry in Greece) in order to make a comparative analysis between the strategies used during Covid-19.

However, the next step of companies in terms of strategy is their digital transformation. Digital transformation is a central development strategy for 8 out of 10 companies with Research & Development activities. Enhancing the digital skills of staff is a priority for most businesses, while the areas where the emphasis is on digital technology are related to the continuous improvement and development of new products, the strengthening of the supply chain and the implementation of ERP and CRM systems. At the same time, pioneering digital technologies, such as cybersecurity and cloud computing technologies, are becoming increasingly important to businesses. The year 2020 was marked by the emergence of the COVID-19 pandemic and the imperative increase in the use of digital technologies, was a catalytic year for the rapid Digital Transformation of Greek companies implementing R&D activities, making it a necessary condition for growth, and maintaining their competitiveness.

## 6. Conclusions

In Greece, during the economic crisis, companies in the agri-food sector focused on developing and implementing human resource strategies. This sector is one of the largest employers of manufacturing in Greece. Therefore, the study of the strategies developed by the companies in the industry, can act as a guide for the other industries too. In this article were explored the strategies oriented to human resource in the context of financial crisis. The present study highlights three key categories of human resource strategies in which agri-food businesses invested the most during the financial crisis. Internal mobility of employees, training and appraisal performance are those, which dominated in the strategic plans of agri-food companies during financial crisis. In the research participated eleven companies from the agri-food sector, which are based in the region of Central Greece. This region was selected for the implementation of the research, as it concentrates the largest number of companies in the agri-food sector in Greece and is adjacent to the metropolitan center of Athens, which is the capital of the country.

Data collection was performed by in-depth interviews in focus groups. Each group consisted of three executives from each company (a total of 33 executives). However, various limitations emerged during the investigation. The limited time available to executives for their participation in the field research made it difficult and significantly delayed the whole process. The increased obligations of executives, inside and outside their workplace,

was a key negative factor, which was sometimes expressed by them with the manifestation of tension towards the researcher. Also, the pressure that the executives received from the business owners to shorten their involvement in the research process created additional stress and irritation, resulting in some cases in a shortening of the process by the researcher. However, the development of a dialogue with the owners and the executives of the companies about the importance of the research and its contribution to the future course of the company contributed to the smooth course of the interviews. Also, the fear of the executives to answer some questions was an additional limitation in the present research process. The family nature of most companies that participated in the survey was the main reason for the fear of executives. Businesses of this type are usually introverted and very cautious about making any information available to third parties, especially when this information is related to how they operate and the strategic planning they follow. This attitude, which is desired by all executives and employees of the company in general, is based on the lack of separation of family and professional life. They believe that business issues are part of their family and that is why they are afraid that nothing will leak to people outside the business. In addition, the development of some disputes between executives was another difficulty of the research in family businesses. Often family problems are transferred to the workplace, resulting in a professional imbalance.

However, the mentioned restrictions did not contribute negatively to the course of the investigation. The constant persistence and patience of the researcher for the correct implementation of the interviews, but also the understanding by the executives who participated in the research, were important factors in achieving its purpose. The current research, in addition to highlighting the strategies that were developed more by agri-food companies during the economic crisis in Greece, contributed to the emergence of some particularly important elements regarding their small and medium-sized family profile. So, despite these characteristics and the numerous weaknesses for which they stand out, most of them managed to develop strategies and appear flexible in a period characterized by intense uncertainty and constant changes.

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