

# The Motivation Mechanism of Zhizhi Double Assistance in Agricultural Cooperatives under the Herd Effect

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**Abstract:** In the governance mechanism of how to develop agricultural cooperatives in rural revitalization, incentive mechanisms are the most important part. The village work team mobilizes the supervisory initiative of employees through a good incentive mechanism, combining their goals with the organizational goals, and promoting the development of the team. Based on the theory of herd effect and the motivation mechanism of "Zhizhi Shuangfu", combined with case analysis, this article points out the problems of single incentive form, insufficient attraction of incentive methods, and insufficient skill training for members in the incentive mechanism of YS Agricultural Products Professional Cooperative. In response to these issues, corresponding improvement suggestions were proposed: developing multiple incentive mechanisms, establishing special reward mechanisms, and strengthening technical training for cooperative members.

**Keywords:** Agricultural Cooperatives; Herd Effect; Zhizhi Shuangfu; Incentive Mechanism

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## 1. Analysis of the current situation of incentive mechanisms

### 1.1 Current Situation of Incentive Mechanism for Agricultural Cooperatives

The incentive methods that exist in most agricultural cooperatives include incentives for investors, managers, ordinary members, and national policies for the development of agricultural cooperatives.

In agricultural cooperatives, sufficient investment can effectively support the operation of agricultural cooperatives, so it is crucial to provide incentives for investors in agricultural cooperatives. Generally speaking, the incentives for investors in agricultural cooperatives not only depend on the distribution of profits based on the proportion of shares, but also to a certain extent on the quality level of agricultural products and the efforts of management in the agricultural cooperatives. In the context of the proposal of "Zhi Zhi Shuang Fu", a good incentive mechanism is more conducive to unleashing the effectiveness of agricultural cooperatives.

As the leaders of agricultural cooperatives, the management team has important leadership significance. The incentive mechanism for management includes both explicit and implicit aspects. Explicit incentive mechanisms include material incentives such as management compensation, while implicit incentives include notification of praise, participation in training, and issuance of honor certificates.

The incentive mechanism for ordinary members is based on incentives such as public welfare, economic income, and rising market sales. The incentive mechanism for public welfare includes organizing members to purchase large-scale agricultural equipment, helping members grasp market information changes, and promoting disease and pest prevention knowledge to members; Agricultural cooperatives allow members to purchase shares at a discounted price using land, funds, technology, or management related knowledge. Under this mechanism, members can participate in the profit distribution of agricultural cooperatives, greatly increasing their economic income; Members who have participated in agricultural cooperatives can receive guidance from relatively professional personnel within the cooperative, enabling them to obtain better sales of agricultural products. This way, members within the cooperative will be more actively involved in internal affairs of the cooperative.

## **2. Problems with existing incentive mechanisms**

### **2.1 Personal benefits do not match**

From the above description of the current situation, it can be seen that most cooperatives do not provide additional compensation as material incentives for their management personnel and members, but rather provide reputation and spiritual rewards. Management personnel, as important members of the cooperative, have important ties and leading roles, and should attach importance to the incentive mechanism for them. This reward mechanism has a certain effect in the initial stage, but as time goes on, the incentive effect will become less and less, and managers will gradually lose their enthusiasm and initiative in their work. Lack of incentives related to their own interests, managers may lack a sense of responsibility, work passively, and even shirk responsibility. Among the members of the cooperative, some members have outstanding abilities and have a strong leadership role internally. Without effective and lasting material incentives, these members will also lose their initiative. The inaction of management personnel and capable individuals within the cooperative can cause significant obstacles to the development of the cooperative. Because in a cooperative society, managers and capable individuals are like the head of a flock of sheep. Ordinary members will follow their actions to make judgments and make their own decisions.

### **2.2 Mismatch between manager goals and incentive mechanisms**

It is important to align the personal goals of managers with the development goals of cooperatives. When formulating incentive mechanisms, if there are no corresponding goals to drive managers towards the goal of cooperative development, the incentive mechanism will not achieve the corresponding effect. When the goals of the manager are consistent with the goals of the cooperative, it largely serves as a corresponding incentive, and when the manager has clear goals and responsibilities, the manager can better and more actively contribute to the cooperative. In leading the cooperative and playing a leading role, the manager can also lead the members of the cooperative on a path consistent with the development direction of the cooperative.

## **3. Suggestions for Improving the Incentive Mechanism of Zhizhi Double Assistance**

### **3.1 Improving the Motivation Mechanism for Zhizhi Double Assistance**

For members who join agricultural cooperatives, the most effective incentive method at the beginning is to increase economic income. Agricultural cooperatives can consider establishing a fixed salary category, similar to the fixed salary in enterprises. However, the establishment of a fixed salary requires careful consideration. Excessive salary may lead to fatigue among members, making it difficult to stimulate their enthusiasm. Low salary may not serve the purpose of motivating members. On the basis of fixed salaries, agricultural cooperatives can also consider increasing wages, benefits, and benefits, and setting the distribution of benefits and benefits based on the contributions of members to the cooperative. On this basis, it can attract a portion of stable talents to agricultural cooperatives, adding new blood to the cooperatives. The distribution of wages, benefits, and benefits can stimulate the subjective initiative of managers and ordinary members, enabling them to actively explore their potential and make contributions to the cooperative.

### **3.2 Establish incentive goals for managers**

When setting incentive goals for managers, it is necessary to first clarify the development direction and strategic goals of the cooperative, clarify the long-term and short-term goals of the cooperative, and use this as a basis to set managers' goals. The goal should be slightly higher than the ability level of managers, allowing them to explore their potential. And this goal should be quantified as much as possible, with objective criteria for evaluating good or bad.

In addition to setting good goals, a corresponding performance evaluation system should also be established, which should ensure science, fairness, comprehensiveness, and rationality. This can provide certain incentives for members who perform well, and indirectly enhance the 'morale' of managers, thereby enhancing their enthusiasm.

### **3.3 Strengthen technical training for members**

Cooperatives provide intellectual support to members, and provide training at different levels and categories based on their needs.

They can provide on-site training to improve their knowledge and technical level, or invite experts to give lectures to enhance their knowledge and technical level. To carry out professional technical training for members, through agricultural technical training, in order to increase their market awareness, quality awareness, and so on.

From a psychological perspective, meeting the self growth and achievement needs of members, helping them to support their aspirations, and also improving their professional and technical level in the long run, helping them to support their intelligence, thereby achieving the goal of improving their abilities and income, stimulating their enthusiasm, and achieving the goal of motivation. By improving the knowledge, skills, and market awareness of members, the herd effect within the cooperative can be alleviated to a certain extent. After mastering knowledge and technology, members make judgments about the behavior and information of others within the cooperative based on their own knowledge and information. This behavior is a rational thinking behavior, rather than blindly following others. When members are willing to make their own judgments, it is possible to repeatedly correct their decisions and behaviors in order to make the best decisions. This process is conducive to the growth of members' abilities and can promote the long-term development of the cooperative.

### **3.4 Establish special reward mechanisms**

For capable individuals or special talents within agricultural cooperatives, a special reward mechanism can be established separately for them to make significant contributions to agricultural cooperatives or to be distributed when making technological innovations. This mechanism can encourage capable and technical talents within the cooperative to work hard, enabling them to make more contributions to the development of agricultural cooperatives. Based on the herd effect within YS Agricultural Cooperative, when a capable person with a lot of knowledge and technology takes the lead in making efforts, other ordinary members will also be incentivized by this special reward mechanism, like this capable person, in order to continuously develop and improve themselves, and enhance the subjective initiative of ordinary members. On the other hand, such an environment will also promote the development of internal competitiveness of cooperatives, enabling them to continuously progress.

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