



## Finding talent requires time, effort

*Recruiting new employees should be a thoughtful, disciplined process.*

**By Tim Smith, Principal**

You can't run a successful business without capable employees.

Today's fast-moving marketplace requires individuals who have the knowledge, skills and confidence to make decisions and take action, while multi-tasking on a wide range of activities and communicating effectively up, down and across the organization.

That's a pretty tall order. How many potential hires do you think possess that combination of attributes? Would you say 10 percent? Maybe 20 or 30?

I don't know the exact answer, but I do know this – it is getting tougher and tougher to find good people, employees who embody all the necessary qualifications and who fit with your company's culture, too. Large corporations have been investing for years to develop efficient ways of recruiting talent, but how do small- or mid-sized businesses handle the challenge? Especially those that might fill just one or two positions a year?

The key to successful hiring is to follow a process that enables you to:

- Clearly define the required knowledge, skills and abilities for the job before seeking candidates.
- Maximize your pool of prospective employees.
- Go beyond the "words on a resume" and really get to know the candidates.

### Treat recruiting as a priority

An acquaintance of mine mentioned recently that she had been forced to let an employee go because – after a few months on the job – it became clear that he had oversold his capabilities.

While his resume looked good – and he made a strong impression during the interview – his performance



*Effective recruiting today takes more than a 'help wanted' sign. Implement a formal, structured recruiting process and find the talent your company needs to succeed.*

didn't match up. Afterwards, my acquaintance felt that she had made some incorrect assumptions about the candidate ... she believed that she had assigned inaccurate meaning and value to sections of his resume without confirming her comfort level through additional questioning or testing.

In addition to the pain and frustration of terminating someone's employment, the hiring also represented a lost opportunity and a waste of time and resources. My friend learned a valuable lesson, and concluded this:

***There is nothing you do that is more important than hiring the right people.***

No amount of clear direction, operating structure or instructive feedback can overcome the problems that stem from a mismatch in culture or an employee's lack of required knowledge and skills (for more on the importance of having the right team members, see our April 2008 newsletter). Step one, then, is to make certain that you treat hiring as a key strategic priority and give it the time, attention and discipline that it deserves.

Once you are committed to investing the proper resources needed to hire the best people, your next goal should be to develop a system that you follow each time – no matter how much pressure you feel to “find me somebody, anybody” – and define those processes in a detailed fashion. Remember, a bad hire is a bad customer experience waiting to happen.

## **If you need to hire, do it right**

Each time you are faced with an open position, your No. 1 question should be: “Is there any other way that we can get the work done without adding to our staff?” Time and technology have a way of making some jobs obsolete, and you should never just hire someone because there is an opening.

It could be possible to adjust workflows or revamp certain processes and get the same results. Or, you might be able to promote and train an existing employee who is underutilized – someone who already knows the company and fits into the culture. And it's possible that the job could be handled on a part-time or seasonal basis, saving you significant payroll dollars.

When making those decisions, however, be sure to keep customer service in mind. You don't want to be penny-wise and pound-foolish by eliminating a job that impacts the bottom line negatively in the long run.

Once you determine that you do need to hire additional personnel, it is absolutely critical that you spend some time determining what kind of person you need.

Clearly define the ideal candidate in terms of the required knowledge, skills, abilities and personality that are necessary. It is often helpful to get others' input, too, by asking coworkers to describe the position and what it takes to be successful there. Their knowledge of the unique challenges and personalities at play can be invaluable in determining the right type of person for the job.

As part of that “defining process,” you should make certain that the actual tasks to be performed are documented, as well, along with the intra- and inter-departmental relationships that are critical for success in the job.

For example, there are myriad ways that an employee can “manage multiple projects.” One person might be detail-oriented and structured; another might be a workaholic; yet another might be a delegator who builds a competent team. All three of them can get the job done; but which one is right for your company's unique culture and the personalities that are already involved?

By thinking through these issues in advance, you are building a more thorough job description than is typical – outlining work duties, identifying critical ancillary skills and determining the personality traits that are required for success.

## **Finding the right candidates**

After you've spent the necessary time to create a thorough, accurate description of the ideal candidate, it's time to begin looking for that person.

Most companies use standard tools to advertise for a job, but they overlook the fact that many excellent candidates are not necessarily looking to make a move. Recruiting talent effectively requires a company to utilize every resource possible:

- Check with trusted vendors and suppliers and ask them for referrals.
- Use your personal network – ask friends, family members and professional contacts if they can refer someone to you.

For example, David Linda, the owner of SpaceMan Home & Office, reaches out to

everyone he knows when he has an open position. He usually finds a successful candidate because his associates and friends are familiar with his business and the culture of his company, so they typically refer candidates who are well suited to work at SpaceMan.

- Make certain that your current employees know that you are seeking someone, and consider paying a referral bonus to employees who recommend a new hire.

Studies show that inside sources – such as employee referrals of friends and former colleagues – usually provide employees who perform better and remain on the job longer than candidates hired from outside sources. One reason for this is that the candidates receive more accurate information about the job from their friends already employed at the company, and they prescreen themselves. Plus, employees have a stake in making sure they bring in good people, so they are more likely to recommend candidates who they trust.

- Maintain memberships in professional organizations and networking groups so that you have access to qualified candidates at other companies.

## It takes more than one

The final step is interviewing the candidates who appear to have the qualifications and skills necessary to be successful.

Too often, managers use the interview time to try to sell the company, rather than as an opportunity to really listen to the candidate and get to know him or her. Develop a list of five or six key open-ended questions and use them for every interview. Then sit back and listen ... probe for situations where the candidate has had to make difficult decisions or overcome obstacles. Describe some potential situations in the new job and see how the candidate would respond.

For example, if you want to find out how well a candidate works with other employees, you could ask “How often do you get into disagreements with coworkers?” The answer you get might be “Oh, never. I’m a people person! I never get into disagreements with my coworkers.” A better question could be “How would you resolve a disagreement between you and a coworker?” An even better approach could be “So tell

me about a time when you successfully resolved a conflict between you and co-worker.”

And don’t stop with the candidate’s answer. Dig deeper and ask the candidate additional questions to be sure you aren’t making faulty assumptions. But remember ... keep your part of the conversation brief and give the candidate plenty of time to talk.

A friend of mine who did quite a bit of hiring for his company would always insist on three rounds of interviews with top candidates. The first round was a standard, one-hour question and answer session using similar questions for each candidate, encouraging them to share detailed stories of past challenges and successes.

The second round involved the best three or four top candidates, each of whom went through multiple interviews with key personnel in the company. Afterwards, the interview team would meet to discuss the strengths and weaknesses of each candidate and to narrow the field to the top two individuals.

The third round consisted of individual lunch meetings with the finalists, along with a trusted colleague or two. These were held on successive days if possible so that comparisons were easy. The informal setting allowed for plenty of off-the-cuff conversation and provided a unique insight into how the candidates would fit in with the existing culture.

This structured process had multiple benefits – it ensured a level playing field for everyone, it provided frequent interaction between the top candidates and the company, and it gave my friend a chance to really get to know who he was hiring.

It also allowed the candidates to feel more comfortable with the company, and since they had met most everyone prior to being hired, their assimilation was smooth.

When you’ve made your decision, and the new employee has accepted your offer, make certain that you follow through with the proper orientation and training (see the July 2007 newsletter for tips on increasing the chance of new employee success).

## Wish you had help?

You might ... and not even realize it. Some professional employer organizations (PEOs) – companies that handle payroll, benefits and other human resources-type

functions – also offer assistance in finding and recruiting talent.

For example, Administaff provides services such as job description development, resume reviews to narrow the list of candidates, pre-employment assessments of top candidates and interview training for managers who hire – all as an integrated component of its regular offering to clients. So there is no additional cost to you to use their assistance!

If you use a different PEO, check to see if they offer similar service packages. It could help you manage this process more effectively and save you time, money and headaches.

## In summary

Considering the importance of skilled employees to your profitability, hiring a new employee should be a thoughtful, cautious process, not a haphazard effort.

Start with determining what your true needs are, and follow that by clearly defining the job itself, the skills that are needed and the personality type that is most likely to be successful.

Then, cast your net as wide as possible to find good candidates by seeking referrals and recommendations from employees, professional contacts, friends and more.

Finally, develop a standard, structured, multi-part interview process that allows you and your colleagues to really get to know the best candidates so that you can make an informed, wise decision.

With the right focus and willingness to invest time and effort, you can find the talent that will take you where you want to go.

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**More Information?** If you'd like to learn more about boosting your company's talent level, please send an E-mail to [tim@plaidgroup.com](mailto:tim@plaidgroup.com), call us at (713) 627-3569, or visit our web site at [www.plaidgroup.com](http://www.plaidgroup.com). The Plaid Group publishes a free bimonthly e-mail newsletter filled with insights and ideas you can use to enhance your company's operational performance, spur growth and increase bottom-line profits. To subscribe, change your e-mail address or unsubscribe, please visit [www.plaidgroup.com/newsletters\\_subscribe.asp](http://www.plaidgroup.com/newsletters_subscribe.asp).

**Author's Note:** **Tim Smith** is a Principal with The Plaid Group. The Plaid Group helps companies simplify and stabilize their business operations to improve financial performance and gain a competitive edge.