



Attract. Evaluate. *Hire.*

A Guide to Hiring
the RIGHT PEOPLE

Businessing
MAGAZINE



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Table of Contents

0. Introduction	5
Why Small Business Hiring Is So Important	6
Payroll	7
1. Attract	8
Using Employment Agencies	9
Using Temp Agencies	9
DIY Hiring	9
Anatomy of an Effective Job Description	10
Should I Include Salary Information in a Job Description?	11
2. Evaluate	12
Sorting Through Resumes	13
Mastering the Interview Process	14
Working Interviews	15
2. Hire	16
Making the Offer	17



Introduction

Businnessing Magazine launched in 2014 with the express goal of providing information, insights and inspiration for small business owners and entrepreneurs. Each week we publish articles and interviews that are consumed by readers in all 50 states. Over the past few years, we've found the topic of hiring to be of great interest to many small business owners. In fact, we report the top ten most popular articles on Businnessing Magazine each quarter, and topics about hiring, how to interview candidates, and where to find potential employees often make the list.

Most small business owners recognize the value of hiring the right people and the costs of hiring the wrong ones. The gravity of hiring the right people comes up quite frequently in our interviews with small business owners and experts.

Go Deeper: In his interview with Monday Morning Radio, hiring guru Jeff Wilson discusses his 'Ultimate Hiring System'. Listen to the interview here: [Hiring Smart: An Interview with Jeff Wilson](#)

Why Small Business Hiring Is So Important

Did you know that small businesses are the nation's top job creators? According to the U.S. Small Business Administration (SBA), 66% of net new job creation is due to expanding small businesses. So as much as large corporations and the government are accredited with job growth, the numbers make it clear that small businesses make the biggest impact on job creation.

Share: The SBA reports that 66% of net new job creation in U.S. is due to expanding small businesses. [Tweet This](#)



Some markets are absolutely on fire right now, and it's mostly due to small business innovation and growth. The rapidly expanding micro-brewery industry in San Diego is one example. According to San Diego Magazine, that industry created more than 6,200 new jobs. And that's just in 2015!

- 23 million Small Businesses in the U.S.
- 66% of Net New Jobs Due to Small Business

With so much of the American economy relying on small businesses, it's no wonder why hiring good people is such an important topic in the minds of business owners.

You need a process to successfully **attract, evaluate** and **hire** the right people.



Payroll

Payroll is almost always the largest expense, but you probably already know that. For most small businesses, payroll accounts for more than 50% of expenses, and in smaller, but still quite healthy companies, it can even be as high as 85%.

Smart hiring helps to ensure that you:

- Minimize turn-over, and therefore reduce the costs of training and re-training
- Get the best fit for your company culture and functional needs

So let's help you attract, evaluate, and hire the best people.

01

Attract /

Find the best candidates for your small business.

Potential employees are everywhere—online, at an employment agency, within your circle of friends and relatives, and within the circles of your friends, relatives or current employees. Some employers have found great employees in unusual places.

Go Deeper: Want to read more about finding employees in uncommon places? Take a look at this article: [Outside the Box Places to Find the Best Employees](#)

Using Employment Agencies

Employment agencies or headhunters can be great options for a small business without a human resources department or the time to dedicate to the hiring process. For a fee, you can outsource the process to an agency that is experienced in matching companies with qualified employees. There are even industry-specific employment agencies and agencies that specialize in finding executive-level talent, if you have a position that requires an extra level of expertise.

Go Deeper: Read more about outsourcing the hiring process in this article: [Why Staffing Companies Are Your Best Bet for New Employees](#)

Using Temp Agencies

Another option is to utilize a temp agency. This is a great choice if you are looking for someone to fill a position that isn't highly skilled, such as office support or general labor. By hiring a temporary worker, you can essentially “try before you buy”. You'll get a good idea of a person's work ethic and personality by seeing them on the job, and can make a decision to offer them a permanent position if they are a good fit.

DIY Hiring

If you choose to conduct the hiring process yourself, there is a whole host of places to post job descriptions online. So many, in fact, that it can get a bit overwhelming. To help narrow it down to some of the best places for posting help wanted ads, take a look at this article: 4 Best Online Sites for Posting Job Ads. [4 Best Online Sites for Posting Job Ads](#).

Consider this: Leverage any high-traffic websites you have access to. For example, if you've got an SEO expert on your team, you can build out specific pages on your company website to attract the right candidates based on location and expertise. We recently did this for a client, and they started receiving on-target resumes within a week!

Don't forget about the people you already know when looking for the perfect employee. Doing so gives you the advantage of knowing the type of person you are bringing onto your team in advance, but make sure you ask yourself [these three questions](#) before offering the job to someone you know. In addition, you could ask your current employees for referrals. According to studies, referred employees are more satisfied with their job and with how well they fit within the company.

Consider this: Sites like Craigslist can also be an effective tool for finding candidates. That last time we needed a short-term employee for a position that required less education, we posted on Craigslist and had over 60 resumes in 48 hours. We filled the position in a matter of days.

Anatomy of an Effective Job Description

Attracting the right people starts with a great job description, and the success of your job description is determined not just by how well it's written, but by the number of qualified applicants it attracts. According to the article [3 Key Elements of a Help Wanted Ad That Attracts Top Applicants](#), an effective job description that is posted to online job sites, or other places, should include:

- The Right Job Title
- An Imagination-Boosting Job Description
- A Personality-Filled Company Description



A job description that includes these three elements increases the likelihood that you will receive resumes from candidates that are a good fit for the position and are inspired to work for your company.

Don't forget to list any qualifications needed for the position, but make sure they are actually "must-haves". You don't want to discourage a great candidate from applying because they lack a skill that could easily be learned on the job. Also include any special requirements for the job, such as heavy lifting, extensive travel, or long periods of standing.

Should I Include Salary Information in a Job Description?

This is a highly debated topic, with no right or wrong answer. There are benefits to both listing and not listing a number.

Benefit of listing a salary:

- All candidates applying for the job have a realistic expectation of what the position pays. Job seekers who are unwilling to work for the posted salary will not bother applying for the job, saving you time and the heartache of falling in love with a candidate you can't afford.

Benefits of NOT listing a salary:

- You retain the option to offer a more highly qualified candidate a higher salary than you would offer someone who is less experienced.
- You maintain a certain amount of privacy for your new employee and avoid any hard feelings with current employees who feel they should be making as much, or more than the new employee.

A balance of the two:

Some employers choose to post a salary range in a job description, giving potential employees some idea of what the position pays, while still leaving some flexibility for the employer to make an offer commensurate with the candidate's experience.

02

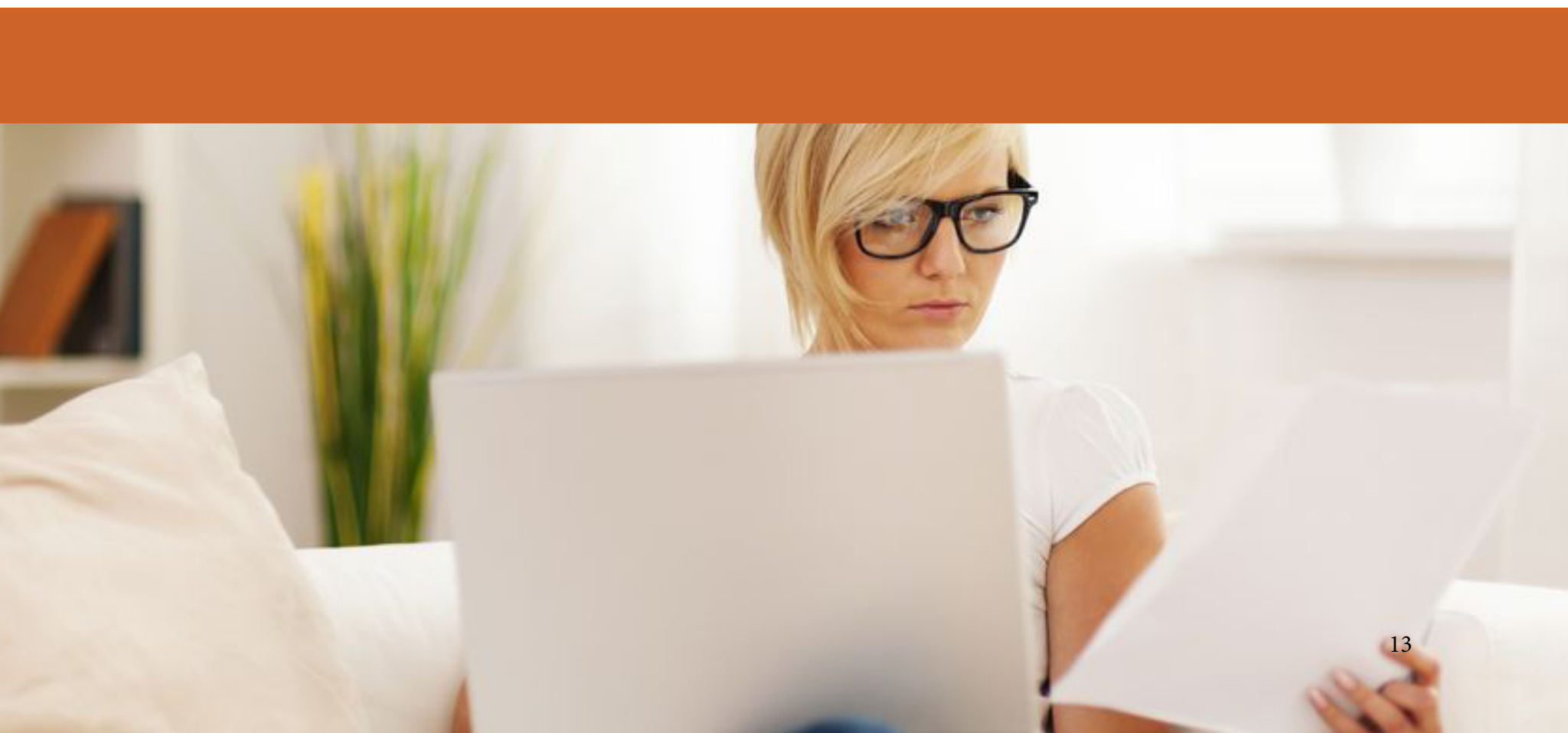
Evaluate /

You've attracted candidates and collected resumes. Now it's time to evaluate them.

Sorting Through Resumes

If you wrote an effective job description and posted it in the right places, you will likely end up with an inbox full of resumes for potential employees. The thought of going through all of them can be daunting, so it is helpful to systematize the process as much as possible. Here are some tips:

- Create folders on your computer for categorizing applicants titled “High Potential,” “Low Potential” and “No Potential”, or whatever titles make most sense for you.
- Convert any resume you receive into a searchable document, so you can easily look for important keywords within the resume. This is especially helpful if the position you are trying to fill has specific requirements, like certifications or degrees. You could also search for keywords like “management” or “manage” to find candidates who match the experience you desire.
- Set aside a good portion of time for the express purpose of going through resumes, rather than just reviewing them as they come in. This will allow you to focus and put you in a better position to compare applicants to one another.
- When reviewing resumes, decide what the three most important qualifications are for your employee to have (education, recent experience, longevity in previous positions, etc.) and eliminate any candidates that don’t have them.
- Once you have a good amount of applicants in your “High Potential” folder, look into them online by finding their social media accounts (especially their LinkedIn profile) and doing a Google search.
- Keep narrowing down the list of applicants until you have only 4-6 qualified candidates and contact them to schedule an interview.



Mastering the Interview Process

The process most used for interviewing potential employees includes three steps:

1. Conduct a telephone interview with each applicant you have categorized as “high potential”
2. Bring in the top few candidates for in-person interviews
3. Conduct a second interview with the top remaining candidates after checking their references

At each step in the process, make sure you are asking questions that tell you something about the candidate as a person, not just their qualifications. Remember, you are hiring a team member—someone who could have a direct effect on the success or failure of your small business. Make sure you hire someone who is a good fit, not just with the skills they bring to the table, but also with regard to the ways they conduct themselves and how well they work with and for others.

For more information on the interview process, see our article titled ["10 Interview Questions That Will Help You Hire the Right Applicant"](#).

“Personnel is key. You want people who treat your business as their own. Attitude is everything. You can teach the specifics, but attitude and discipline come from within.” - ***Matt Grisafe, Owner of AV Programming Associates***



Working Interviews

Another interview tactic that is increasing in popularity with small business owners is the working interview. In a working interview, an employer brings in top candidates for an on-the-job trial. This is a great way to see how candidates work and if they fit within the company culture. Not everyone who looks good on paper and says all of the right things in an interview is the best person for the job. A working interview will give you clarity about a candidate that you may not get from a traditional interview. Find out more about working interviews in this article, titled ["Working Interviews: To Do Them or Not?"](#).

Legal tip: Make sure to check on the legality of working interviews in your area and how to structure them. Federal and state laws regarding unpaid work, like internships and working interviews, are constantly changing.

03

Hire /

Find the best candidates for your small business.

Making the Offer

Once you've settled on the candidate who is the best fit for your small business, it's time to talk dollars. At this point, you've probably already done research on what similar positions in the industry are paying, or know how much your company can comfortably afford to pay an individual.

Go Deeper. For more on setting pay rates, see our article titled ["How Do I Know How Much to Pay My New Employees?"](#)

You may have posted a salary or salary range in the job description, but the salary you offer your top candidate isn't the only thing that should be included in the job offer. You should also communicate to the potential employee any opportunities for increasing that salary, such as bonuses, promotions, automatic cost of living adjustments, or performance-based raises. In addition, the offer should include any benefits given by your small business. Think beyond healthcare and retirement benefits here. As a small business owner, you have the advantage of being able to offer creative benefits that large employers may not have. Some examples of the benefits you could offer include:

- Flexible hours
- The ability to work from home
- Continuing education or training
- Gym membership
- A more casual working environment

Remember, if an applicant is your top candidate, he or she may also be someone else's top candidate. Make sure you make the best, most attractive offer possible. For more tips on securing great employees that will contribute to your small business' success, read this article titled ["5 Tips for Attracting and Keeping the Best Workers"](#).



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Join thousands of small business owners and entrepreneurs across the U.S. who rely on Businessing Magazine for articles and interviews to help you grow, stay energized, deal with challenges, and get inspired.

The background of the bottom half of the page features a woman with long dark hair and glasses, wearing a black and white striped shirt, sitting at a desk and holding a white mug. In front of her is a laptop. Above her, on a wooden shelf, are several colorful binders. The word 'Businessing' is written in large, 3D-style letters on the wall behind her, with 'Business' in grey and 'ing' in orange. Below 'ing', the word 'MAGAZINE' is written in a smaller, orange, sans-serif font.

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