

Tips For Hiring, Retaining, And Dismissing

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Owniing or managing a company doesn't guarantee that you know how to hire and retain the right people or dismiss those who do not fit. Business owners and managers can be very knowledgeable about strategies for running a company yet lack the soft skills critical to improving the bottom line. Implicit in all of the tips below is the importance of building and sustaining good relationships. In my experience, successful companies with satisfied owners, managers, employees, and customers know this value.

Hire the Best Person for the Position

"Don't hire someone you think you can change."

Job description. The job description is the foundation for hiring and retaining talent. It's also critical to the dismissal process. A job description should include title, purpose of the position and primary responsibilities as well as the knowledge, training, experience, and skills required of the position. A lot of detail is usually not necessary, as details can be addressed in an interview.

It is best to have someone in or familiar with the position review the job description for accuracy. It's also important to keep in mind that job descriptions need to be periodically reviewed and updated. Some companies find that an employee's formal evaluation is a good time to solicit feedback and make adjustments to the description.

Recruiting. If you have a successful recruiting method, stick to it. If not, consider the following tips. Review your current employees and consider lateral moves and promotions—this can save time and money. Network with others in your industry and seek referrals from current employees. A good staffing agency that knows your company can save time and be a plus. The agency performs the preliminary vetting and can often learn more than you can from a resume or reference check. If you do your own vetting, do social media checks as well as background and reference checks.

Interviewing. First of all, be prepared. Know what you are looking for in the interview. Be ready to state your vision for the company and how the position fits within that vision. Create a checklist or rating scale for potential hires. Prioritize the candidates and state the reason for each candidate's ranking position. Make notes of personal characteristics such as attitude and potential to expand competencies. Seek input from others in your company; for instance, ask a current manager or team leader to review the resume and application. Better yet, invite someone to join the interview. Two or more sets of eyes and ears are better than one.

Conversational interviews can yield more valuable information than a strict question-and-answer format. Ask specific questions to gather specific information, but also ask open-ended questions that invite the applicant to talk about themselves. For instance, ask: "What do you think are the most important things for me to know about you in considering you for this position?" A request or comment such as "Tell me a little about yourself" can do the same. Both applicant and



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interviewer will be more at ease in a conversational interview.

During the interview also assess whether the candidate did their homework. Did they check out your web site? Do they ask “good” questions? This can tell you a lot about how they approach a task, and how informed interested they are in the position. In other words, the candidate’s diligence in preparing for the interview can tell you a lot about how they will perform on the job.

Maximize Retention Rates

“A higher percentage of people leave for lack of appreciation and respect than for more money.”

Orientation. Review the history and culture of the company as well as where the position fits within the company’s mission. Keep in mind that new employees will not always remember everything they were told in an interview or when they accepted the position. In many ways, a new employee is like a foreigner coming into country—they do not know the customs, traditions, etc. There are many things about a company, a division, and a position that are often taken for granted by an owner, manager, or fellow employee. Do you have a systems manual or policies and procedures handbook? It’s always good to have something in writing, no matter how brief.

It’s important to welcome new employees and introduce them to other members of the company. Follow up (sooner rather than later) with new hires and with their supervisor to see how things are going.

Company culture. A company’s culture is critical to hiring and retaining the best employees. Make expression of appreciation and value part of your company culture. Invite employees to share their ideas about how to use their strengths and talents more fully. Solicit employees’ feedback on company improvement.

Communication, communication, communication—it’s a two-way, not a one-way, action. Take time to talk with your employees. Get to know them and be visible. This helps develop positive and supportive relationships with your employees. One of my clients was the owner of a retail business with six branch locations. I asked several questions to learn about his business in general as well as the branches and their managers and employees. He basically didn’t have a clue about the branches beyond their sales figures. After our discussion, he decided to spend half a day at each branch “hanging out” and talking with people, including customers. He was amazed at what he learned and decided to make these visits monthly. Six months later, he was amazed at how sales increased at previously underperforming branches. His improved relationships with them as human beings and not just employees, and the different perceptions his employees had of him as a person and not just the owner of the company (and he of them), paid off.

Employee development. Providing opportunities for employee development is critical to retaining good employees. Development opportunities can include formal training within or outside a company, attendance at industry conferences, and local professional association meetings. Informal training for a specific task or piece of equipment can often be provided within a company by a designated “tutor” or “buddy.” Some companies are able to provide coaches or mentors for promising employees for general growth and development. Some employees might need some help in a specific area, such as communication, time management, organization, or leadership.

Providing *opportunities* for development signals appreciation and value for the employee. I highlight *opportunities* because it matters how the training, coaching, are so forth are presented. You don't want development to be viewed as a punishment or remediation.

Dismissal Strategies

“When in doubt consult a trusted colleague, your HR department, or an employment attorney—sooner rather than later.”

Timing, attitude, manner and tone. When addressing an employee about a concern or problem, timing, attitude, manner, and tone matter. Common mistakes include ignoring a problem or thinking it will go away on its own. Another mistake is making a concern a problem, or as they say, “making a mountain out of a molehill.” Dealing with employees is somewhat like dealing with a family member: there are some things that need addressing and some things that are best left alone. But in my experience, the biggest mistake is addressing a concern later rather than sooner. It's less difficult to address a concern before it develops into an unmanageable problem. And *please* don't wait until the official performance review to address a concern. That is too late.

It's best to designate a time to speak with an employee. Don't catch them off-guard. If you're “heated-up,” give yourself time to cool down. When talking with an employee, be specific regarding the concern or problem and provide examples. Give the employee an opportunity to offer suggestions about how to improve or remedy the situation. When a person has input into a solution they are more likely to have a sense of commitment and accountability.

Review the conversation for mutual understanding and agreement, designate a timeline or due date, and document it. In other words, make sure that you both agree on the expected improvement and action plan.

A Caveat. Your hiring, retaining, and dismissing strategies have an effect on your bottom line. In my experience, these tips can help you improve the bottom line. But don't forget to be familiar with national and state labor and employment laws. When in doubt, consult, investigate, and learn.

Don't be afraid to stretch. Remember, it's never too late to improve. Improving your knowledge and skill sets makes you a better company owner, manager, and employee. It provides something sustainable that you can pass on to others in your company. Please do not hesitate to contact me if you have questions. ♦

