

Get creative to hire and retain top-notch staff

By Steve Wilson

“We can’t find good job applicants!” I hear this all the time from frustrated business owners. In a tight labor market, you need to be creative in your recruiting program. There are always plenty of good workers seeking better opportunities; you just need to find them.

Vacant positions cost you money. On average, it takes more than 10 weeks to fill a vacant position. That’s a lot of missed profit opportunity, especially in a service business. In my fast-growth service company, Mid-States Technical, we knew that a vacant position cost us about \$250 per week in lost profit.

In order to meet our sales and profit goals, we needed trained and productive people in place to meet customer demand. Every year we developed a sales plan. Then we determined how many representatives we needed to produce those sales, how long it would take to hire and train these people, and what percent of the new employees wouldn’t work out and would have to be replaced. Our staffing plan was more important than our sales plan, because we couldn’t produce the sales without the staff. In order to double our staff every year, we had to recruit effectively, minimize failures and retain our top performers.

HERE’S WHAT I LEARNED ABOUT RECRUITMENT

► **Recruit all the time!** This is the biggest lesson I learned. Many employers are reluctant to recruit applicants for a position without a vacancy. They think it’s a wasted effort to identify and qualify potential employees if the employee can’t begin working right away. Because vacant positions cost us money, we maintained a pool of pre-qualified applicants whom we could call whenever we had a vacancy. Sure, some of them weren’t available when we called them back. However, most of them were working when we recruited them and remained in that job until we could present them with a



better opportunity. If you wait until you have a vacancy to begin recruiting, you’re likely to be pressured into a bad selection.

► **Start now to recruit and qualify several people for each of your key positions.** Keep the file updated. The next time you have a vacancy, you’ll be surprised to find that you can have a well-qualified replacement in place in just a few weeks. Without the pressure to recruit, qualify and hire a replacement immediately, you’ll have time to be more creative in finding ways to locate good candidates.

► **“Help wanted” ads are expensive and rarely produce a large pool of qualified applicants.** We did run newspaper ads occasionally, but only for one week per quarter in different papers. Our ads were very general in nature, not specific to any positions or skills. We tracked the cost of every ad, and the response and number of qualified applicants produced by each in order to know which newspapers were likely to give us the best return on investment. In several cases we found that low-cost ads in weekly papers produced a better response than the expensive daily newspapers. Over a five-year study, we learned that help wanted ads were not a cost-effective way to find great employees. In general, the really good people

were not looking for a job or reading the ads. By reducing our dependence on advertising, we discovered several low-cost recruiting methods that consistently produced a larger and better pool of applicants.

► **Business cards produce great applicants.** Everyone on the staff carried cards and constantly searched for great workers. If they received great customer service at the returns counter of a discount store, they gave the employee a card and encouraged them to apply with our company. We hired a receptionist from an employee’s dentist; a customer service specialist who gave me great service at a restaurant; a benefits specialist from our insurance carrier. We see great workers every day. What’s the risk in giving them your business card and inviting them to apply for a job with you? The only downside is that they never apply, and you’re out the pennies it cost to print a card. Cards are cheaper than ads, and you’ve already given the candidate an initial interview.

► **Be active in your business community.** You don’t have to be a big company to be known in your local Chamber of Commerce. As long as you’re marketing your business to the community, why not market your employment opportunities? Participate in job fairs. Donate prizes to business events. Network with the other members, and make it known that you’re always looking for talent. Keep passing out those business cards! We hired a lot of people who came to us as referrals from other businesses. Many of them applied for jobs at companies where there were no vacancies. Rather than discourage the applicant, those companies were happy to refer them to us. We hired several people who were referred from businesses that had to reduce staff due to economic downturns. Several applicants who were relocating to the area came to us on referral from real estate agents and the Visitors’ Bureau.

► **Set up educational relationships.** I served on advisory boards at several technical schools.

Even though we didn't hire a lot of recent graduates, it did give me access to information about talented alumni. We had a large office in one town with very few available technical specialists. Several years earlier, the area was in a recession, and technical graduates had to leave town to find jobs. We pioneered a project with the local technical school and the Chamber of Commerce to locate all the former graduates living outside the community and to advise them that good jobs were now available in their hometown. Job information was posted on the Chamber Web site, and letters were sent to the graduates. Within three months, we hired five talented people living hundreds of miles away and willing to pay their own way home for a good opportunity. The program was so successful that it expanded to other community schools and businesses, and was featured on a nationally-televised news special.

► **Ask job applicants for referrals.** We added a box on our job application form: "Friends and Co-workers Seeking Job Opportunities." We provided room for several names, telephone numbers and current job titles. We called them all and encouraged them to apply with us. Unfortunately, I saw several job applications where the only information in the box was "ME FIRST."

These are just a few creative ways to make recruiting a constant activity for every member of your company. Just remember that the best workers are rarely looking for a new job. You must seek them out and present them with an opportunity. Interview them. Qualify them. Check their references other than their current employer. Even if you aren't ready to hire them, it isn't wasted time. You'll become a better interviewer, make your selection process more efficient and ultimately hire better workers.

BE A GREAT PLACE TO WORK

Of course, the best way to minimize your recruiting effort is to retain all your good people. We put a lot of effort into retention. Sure, we paid fair wages, had a good bonus plan and offered decent benefits, but our package was just average for the labor market.

If you want to retain your people, you need to show them that you truly care about them. Not just at the annual holiday party. Not just when they do something special. Care about them every day.

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► **First impressions are important.** Job applicants notice how you treat people. In my early years I applied for jobs at many companies and have lasting memories of the poor treatment I received. The receptionists looked at me like I was applying for welfare. I waited in lobbies for up to an hour beyond my scheduled appointment. I was interviewed in cluttered break rooms with people passing through to refill coffee cups. I vividly recall sitting in the office of a corporate vice president waiting to be interviewed for a senior management position. After about a 20-minute wait, the vice president walked out of his private bathroom folding a copy of the newspaper he'd been reading. When he saw me in front of his desk, he said, "Oh, you

must be here for an interview. What's your name?" I declined his offer of a job, and every other job offer from companies that didn't make a good first impression. The way you treat applicants dem-

onstrates how you treat your employees.

► **The first day of work sets the tone.** Make the first day as pleasant and stress-free as you can. We assigned a volunteer sponsor to each new employee. The sponsor met the employee for breakfast near the office and prepared them for the first day. While they enjoyed a leisurely breakfast at company expense, we had time to open the office and prepare for their arrival. We used a detailed checklist to ensure everything was prepared for a smooth reception and orientation. The sponsor stayed with the employee throughout the orientation to answer questions and help the employee relax.

► **Little things matter.** A new employee's work space should be clean and organized. During my years of corporate work, I was frequently assigned to a desk that was overflowing with worthless stuff that I was afraid to discard. My emphasis on giving a new employee a well-organized workspace was known throughout the company, and I frequently inspected the area like a drill sergeant. File drawers were emptied and replaced with new folders, properly labeled and stocked with necessary forms. A basic stock of common office supplies was neatly organized in the desk. We even printed a supply of

temporary business cards on a laser printer, so the new employee could immediately begin passing them out to recruit more people!

► **Give new employees frequent, positive feedback.** Every three months for the first year, our people received formal performance feedback and appropriate small pay increases. We made a special effort to publicly praise their efforts and reward them with apparel items bearing the company logo. Make sure the employee's family gets positive feedback, also. Send cards and flowers to the home for special occasions. Involve their family in company events and community service projects. We sponsored a family picnic every summer at the local park, with games and prizes for the kids.

► **Value your people.** I mean literally calculate the value of every employee and share the information with them. We called it the "value statement," and it was part of our financial literacy program. Every year we calculated the combined value of pay, bonus, benefits, training and any other tangible investment we made in each person. We reviewed the statement with them to ensure they understood that value is more than just hourly pay. If someone were planning to leave us for better pay, I wanted them to carefully consider the true value of a new opportunity.

Treating your people as if they are family and letting them know how much you value them makes leaving your company a difficult decision. When you have low turnover and a workforce that feels highly valued, word spreads. We began winning awards for being a great place to work. We got a lot of great publicity. Our people were proud to wear our logo apparel and talk to others about their jobs and their work community. Top performers wanted to work at our company and we received a steady stream of good applicants. I can't remember the last time that anyone in Mid-States Technical complained, "We can't find good job applicants!" ☺



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