

Hire Effective Contractors and Employees

By Thomas Myer

You've built a thriving business. It's getting to the point where you can't seem to find a break in your day and/or most of your days run together week to week, with few free weekends to yourself.

Time to hire some help—and you're scared out of your mind. You've seen what happens to businesses that make bad hiring decisions. You've worked with ineffective people; seen the stress mount when good employees have to pick up the slack of others.

Before you start the hiring process, make sure your business is in order. You can do that by answering the following:

Who's the Boss?

First, you have to acknowledge that you own the business. Employees and contractors look for leadership, and may even take on that responsibility. Although initiative is good, you never want to abdicate control of your business.

Do you have a process?

The book *E-Myth Revisited* contains great advice for small business owners. A salient point made by the author is: rely on great processes, not great people. If you have great procedures for all aspects of your business all you have to do is rely on good (and not stellar) performers to make these work.

What can you afford?

After you have an assessment of expectations, think about your budget. The old saw “you get what you pay for” really is true. Hiring a trainee and paying them a low salary might be cost-effective initially, but may drive up your training costs. Trainees are also likely to miss important details or say/do something that might cost you an important sale or long-time customer.

Billable or Non-Billable?

You may want to hire only folks who are billable to customers—they work on billable projects and bring in more revenue. This can be a very good thing, as it opens up more chances to make more money. Once you reach a point in your business (and this is different for each business), with enough billable folks you will need to consider non-billable support staff.

Stranger or Referral?

Consider your comfort level with the person you are hiring. Do you want to work with someone you barely know or someone who is referred by someone you know? If hiring a friend or relative, what are the pros and cons of your situation? It all has to do with your comfort level with the situation.

Now that you've got all of that mental heavy lifting out of the way, it's time to get busy with the actual hiring of some help.

Write a Job Description

You have an idea of what kind of person you want and how they fit into the overall processes you've set up. Now write a concise job description that indicates what you are looking for. Make sure that you either

(a) describe what you are looking for in terms of skills sets, experience, or personality and/or (b) describe what you don't want. The goal is to write a description that will filter out as many people as possible.

Start Interviewing

Pick a time and place that is good for you. Ask the candidate to arrive early—this is an effective test for their conscientiousness. Ask for three references and tell them that you conduct background checks. Have a second person meet with the interviewee. Additional input from another person can be invaluable.

If possible, administer a test. If hiring a salesperson, arrange a mock sales situation. The idea is to put them under some kind of stress to see how they react to real-world situations that you face. Although this might sound extreme, a brief 30-minute test can reveal a lot about someone.

Stay within the law. Don't ask about religion, marriage, kids, health, or anything that doesn't directly impact their job tasks. Make no promises, implicit or otherwise, about hiring decisions.

Make a Decision

You may need to make a fast decision or you may have the luxury of interviewing a number of candidates. Your candidate must be a good cultural fit, have the right skills and experience, and meet your budget. If you don't find someone right away, expand your search.

However, don't procrastinate, especially if you have a fairly good candidate on the line (remember, your stellar processes shouldn't require a superstar). If they're good, they'll find employment elsewhere, and you'll be out of luck.

Make the Job Offer

Take the time to call the job seeker and offer them the good news. Then offer them a signed letter or contract specifying benefits, pay, hours, and other requirements. If they refuse at this time, it's your choice to negotiate or move on to another candidate.