



# Recruiting and Hiring for Your Business



Use consistent and effective  
steps when bringing new  
people into your business



# Learning Objectives

- At the end of this module, you will be able to:
  - List the basic steps of the recruiting and hiring process.
  - Identify tips for making the process more effective.
  - Identify important considerations as you hire employees.



# About FDIC Small Business Resource Effort

- The Federal Deposit Insurance Corporation (FDIC) recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.
- The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.
- This product was developed by the FDIC Office of Minority and Women Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.



# Executive Summary

- Hiring someone is an investment of time and money that can yield big returns for your business' growth.
- Hiring the wrong person, however, is a huge time and energy drain, and can be a legal headache if things go really wrong.
- To increase your chances of success, you should recruit carefully and follow some basic steps throughout the hiring process.



# Broad Process Overview

Bringing an individual into your company includes three broad steps.

A large, light blue arrow pointing to the right, containing three blue rounded rectangular boxes. The boxes are labeled "Recruiting", "Hiring", and "On-boarding" from left to right, indicating a sequential process.

Recruiting

Hiring

On-boarding



# Three Recruiting Process Steps

1. Define what you need:
  - Clarify and specifically identify the type of employee you need and what skills and knowledge they must possess to successfully meet your expectations in the job.
  - Write a clear and thorough job description based on the above information.
2. Identify candidates:
  - Choose outlets where you are most likely to reach your ideal candidate.
  - Depending on the position, use social media sites.
  - Get referrals from existing employees and customers, as well as throughout your network.
3. Screen applicants:
  - Require all applicants to submit the same standard information, such as application, resume, references, etc.
  - Adhere to your minimum qualifications listed in the job description.



# Tips for the Recruiting Process

*(Slide 1 of 2)*

- Look at your competitors' job descriptions for ideas on how to distinguish yours. You can also search similar job postings listed on employment web sites.
- Always recruit. Even if you don't have current openings, always maintain a list of people who want to work for you and who have the attitude and skills you want.
- Take the time to find the right person. A few weeks on the front-end can save you lots of time in ensuring you hire the right person.
- Provide a fact sheet to all applicants that describes the job and the steps in the hiring process so that they will know what to expect.



# Tips for the Recruiting Process

*(Slide 2 of 2)*

- Create a job description that clearly:
  - Spells out the core responsibilities of the job.
  - States the goals you want pursued and achieved in this job.
  - Describes the necessary experience and/or education for success in the role.
  - Describes the intangibles that you expect from the employee (great attitude, flexibility, strong desire to serve, ability to communicate effectively, etc.).
  - Emphasizes opportunities to learn and grow.
  - Creates excitement when candidates read it (put on your marketing hat when you write it so you can attract top talent).
  - Identifies the unique pluses of working for your company.
  - States other duties may be assigned as required.
  - States your business is an Equal Employment Opportunity/Affirmative Action Employer.





# Three Hiring Process Steps

1. Interview candidates:
  - Have a list of strong questions to ask each candidate.
  - Ask questions that will specifically describe what you are looking for and allow for a more descriptive answer (i.e., *Tell me about a time when you dealt with an angry customer*, instead of *How good are you at dealing with people?*).
2. Verify facts:
  - Verify information supplied on the application and resume.
  - If you decide to do a formal background check, notify applicants up front, and get their signed permission.
  - Call references. Have a prepared list of questions you can legally ask each one.
  - Consider a credit check and/or drug test.
3. Select best candidate:
  - Select the best candidate based on what you have learned.
  - Determine pay rate by considering market rate, level of experience, salary ranges of existing employees, and long-range potential benefits to the company.



# Tips for the Hiring Process

*(Slide 1 of 2)*

- When you interview:
  - Know your managerial style. If your style is hands-off, don't hire someone who needs constant direction--you'll both be frustrated if you do. Similarly, resist the temptation to recruit people who have your exact strengths.
  - Select individuals with similar core values but different strengths.
  - Know the unique characteristics that will make an individual successful in the job. Look at your top performers in this job and look for similar characteristics.
  - Remember you can teach skills, but not attitude. Will the person be a good fit for your company? Will they work well with your clients and other employees?
  - Conduct at least two interviews for the top candidates. They will be more relaxed at the second interview and you are more likely to see their “true” self.
  - Keep the process legal. Review the list of prohibited practices on the U.S. Equal Employment Opportunity Commission's web site: [eeoc.gov](http://eeoc.gov).



# Tips for the Hiring Process

*(Slide 2 of 2)*

- When you verify facts:
  - Background checks are extremely important for certain jobs, especially if employees will have access to your clients' homes, children, and confidential information.
  - Hire a reputable company to perform your background checks to ensure the process is effective, efficient, and legal.
- When you select the best candidate and make the offer:
  - The ideal candidate should display the characteristics you appreciate in your other top performers.
  - Make the final agreed-upon offer a win/win for both parties to help ensure that the relationship will last over time.



# Three On-boarding Process Steps

- Important forms the new employee must complete:
  - W-4 federal tax withholding form.
  - I-9 employment eligibility verification form.
  - State withholding form, if applicable.
- Orientation:
  - Tour the worksite (restrooms, break room, fire exits, etc.).
  - Review schedule, dress code, and technology (email, access to systems).
  - Introduce new employees to team members and key company individuals.
  - Make the person feel welcome and like he or she is a part of the team!
- Training:
  - Share an outline of the steps in the job that you expect the new employee to learn within a set period of time.
  - Plan who will provide training and how you and the employee will know when the training period is complete.



# Three Tips for the On-boarding Process

- Create your own company checklist for on-boarding new employees to ensure all important information is conveyed to each new hire. You can find sample checklists on the internet (search for “on-boarding checklist”).
- Have existing employees facilitate some of the orientation process. This responsibility gives existing employees an opportunity for growth and allows the new employee to meet others.
- Monitor progress regularly. Check in at one week, two weeks, 30 days, 60 days, and 90 days. Give positive reinforcement for good work and behavior and quickly address concerns to prevent them from becoming mistakes, poor performance, or behavioral issues.



# Other Points to Remember

- Legal liabilities: Ensure you have adequate knowledge of federal and state laws regarding employment.
- Insurance requirements: Find out what your responsibilities are from your insurance agent for hiring an employee and/or an independent contractor.
- Policies and procedures:
  - Create policies that you will follow for time off, performance issues, etc., before you hire someone.
  - Consider using a company that specializes in human resources specifically for small businesses. They can start with a standard set of policies and then customize them for you.



# Key Takeaways from This Module

- Hiring an employee is an important step. Take the time to do it well and hire the person that is the best fit for the job.
- During the interview, ask questions that encourage the candidate to describe situations where they have demonstrated the skills and behaviors you seek for your company.
- Writing a clear job description will help the candidates understand what you will expect from them.
- Taking the time to properly orient and train the new employee now will save you time and energy later.



# Sources and Citations

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