



TAKING ON STAFF

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At Capworth Advisory we can provide start-up businesses in the London and Kent area with help and advice. Here are some general points to consider regarding taking on staff.

As your business grows, you will probably need to hire new staff members.

- **Recruiting the right people**
- **Conducting Interviews**
- **Regulations**
- **Recruiting the right people**

Without good people your business cannot succeed, and for a new or growing business, making the right recruitment decisions can be the difference between long-term success or failure.

Consequently, you need a structured process for recruitment. Here are some things to consider:

Identify exactly what you are looking for

Avoid getting swamped with piles of CVs. Talk to existing staff and define the vacant role that needs to be filled. Then build a picture of the ideal candidate, and find which applicants most closely resemble this picture.

Can you promote from within your team?

Promoting an existing staff member to fill a vacancy can save enormous cost and risk compared to external recruitment. But make sure that the employee has sufficient training and skills to cope.

Make sure that you are objective when interviewing

Structure your interview process, take notes and be consistent. Liking the person is not enough: you need to discover how competent they are. Open-ended 'behavioural' questions are good for determining this: you ask candidates to describe real-life situations at work when they solved problems similar to the ones they might encounter in your business. See more on conducting interviews below.

Offer staff recruitment incentives

Existing staff might know good people who would be interested in the job. Offering a financial incentive can save you a fortune in recruitment agency costs.

Have an effective induction procedure

Ensure that all new staff have a formal induction programme, intended to make them familiar with their new job. This will pay great dividends in the long term.

Conducting interviews

Hiring suitable staff is essential to the success of your new business, so it is vital to get the interview process right. Here are some of the factors to consider if you want to avoid losing a great candidate, or employing an unsuitable one.

Consider the post carefully

Draw up a job description detailing the responsibilities involved. This will help you to clarify the type of skills and experience that you're looking for in the employee. Make a list of these characteristics and compare it with your impressions of the candidate.

Set the right questions

Everybody knows the classic interview questions. But standard questions can elicit standard responses, so you need to focus on what it is you are really trying to discover about the candidate. The old favourite "Where do you see yourself in five years time?" won't necessarily tell you how the applicant will actually perform in the specified role.

Interviewers are increasingly using open-ended 'behavioural' questions which allow the candidate to demonstrate how he or she has acted in relevant situations in the past. For example, you could ask the applicant: "Can you describe a time when you were hard-pressed to meet a difficult project deadline with limited resources? How did you handle the situation?"

Ten great interview questions

'Traditional' questions

- Why are you here?
- What motivates you?
- How do you take advantage of your strengths and compensate for your weaknesses?
- What's the one accomplishment you're most proud of and why?
- What are the most important attributes of successful people, and how do you measure up?

'Behavioural' questions

- Give an example of a time when you needed to adjust quickly. What did you do and how successful were you?
- Describe an occasion when you had to deal with a difficult customer. What solutions did you come to?
- Tell me about a time when you had to make an important decision and a colleague strongly disagreed with you. How did you resolve the issue?
- Describe a time when you were asked to do something for which you had no training. How did you handle the task?
- Tell me about a period when your workload became very heavy. How did you cope with the pressure?

Prepare yourself

You want the candidate to be relaxed, not overly wary, so explain the form the interview will take beforehand. Be prepared to answer the candidate's questions about the company's size, mission, culture and future. The interview is a two-way process, and in a competitive job market you may want to create as good an impression for applicants as they do for you. Why not put together a one-page factsheet with details about the business?

Take notes and be consistent

Keep notes of your impressions as the interview progresses. These will act as a memory aid when interviewing a large number of candidates, and will also help you to be consistent and use the same criteria for each interviewee.

Check references

Be sure to follow up references from candidates' previous employers. Remember that what is not said can be as important as what is said.

Avoid discrimination

It is essential to ensure that you do not discriminate against any candidates on the grounds of race, age, gender, religion, sexual orientation or disability.

Regulations

There are many legal implications for taking on staff. Areas to consider include:

- Equal opportunities- there must be no discrimination on the availability of jobs, training and promotion on the grounds of race, sexual orientation, gender or disability.
- Terms and conditions of employment -these must be provided to all employees.
- National Minimum Wage
- Working hours
- Fair and unfair dismissal, and notice periods
- Illegal workers
- Statutory sick pay
- Statutory maternity and paternity pay
- Employers' liability insurance
- Health and Safety

This is not an exhaustive list. You should always seek professional legal advice.

There are also tax issues to consider, such as setting up a PAYE scheme. We can help you with this.

If you are starting a business in the London and Kent area and would like professional assistance, contact Capworth Advisory .