



Hiring Guide

Table of Contents

1. Job Analysis / checklist for effective recruitment
2. How to Write a Job Description
3. Job Spec Template
4. Interview Techniques
5. How Not to Hire
6. Tips for Determining a Motivating Salary
7. Reference Checking
8. Example Letter of Offer and Employment Contract

WHAT YOU NEED TO DO.....

Job Analysis / checklist for effective recruitment

In today's market, recruiting and retaining employees is more critical to business success than ever before. By being more strategic about recruiting and retention, you can work more effectively to save time and money by recruiting the right person the first time.

Make sure you know what you're looking for in an employee before you actually start looking. Use these guidelines to help. The employees you hire can make or break your team. While you may be tempted to hire the first person who walks in the door--"just to get it over with"--doing so can be a fatal error. You cannot afford to carry deadwood on your team; so start smart by taking time to figure out your staffing needs before you even begin looking for job candidates.

Job Analysis / recruitment checklist.

1. Define - Defining the person and the job

Identify the strategic and future directions for your organisation

Identify the current profile of your workforce - age, gender, skills, ethnicity etc.

What type of employee do you need i.e. skill / knowledge / qualification / experience

Work and job design issues

Professional and personal development opportunities

Develop a job description and selection criteria which clearly and concisely states what responsibilities and tasks the job entails, key qualifications of jobs i.e. basic competency or skills required and the personal attributes that underlie superior performance

Ensure job descriptions contain realistic details on the pros and cons of the job

Have you confirmed with others who know the role that the job description / selection criteria reflect the appropriate capabilities?

Plan recruitment and selection process

Organise your selection panel - ensure appropriate people enlisted to assist with recruitment and selection e.g. supervisor, co-workers

Is there a process in place to review the recruitment strategy?

Have you got sign off / approval?

2. Attract - Seeking and attracting a pool of interested and suitable applicants

Identify the most appropriate mechanisms for attracting suitable applicants

Prepare advertising / marketing material

Distribute advertising material e.g. advertisement in local paper, brief recruitment agencies

3. Assess

Screen and short-list applicants - this can be done through resumes, telephone screening, application forms etc.

Determine what approach you will take and which tools you will use for assessment e.g. situation or experience-based questions

Schedule and conduct interviews

Ensure an appropriate interview panel has been selected e.g. gender / culture, frontline workers

Ensure interview questions match selection criteria in the job description and each applicant is asked the same set of questions

Document assessment / qualifications of each applicant

4. Select

Collate and review assessment information

Complete the following for preferred applicant/s - reference check, police checks, working with children check

Document decision making

Determine which applicant/s you will offer employment to, advise the successful applicant/s of their success pending acceptance of the offer of employment and the above mentioned checks

Provide a letter of offer of employment to preferred applicant/s

Verbally advise other applicants of outcome and offer post selection feed back

5. Appoint

Successful applicant signs the letter of appointment

The probationary period is confirmed and other requirements e.g. training are signed off

Orientation and induction processes take place (including manual)

Mentor or 'buddy' allocated if appropriate

How to write a job description

A job description describe the major areas of an employees job or position. A good job description begins with a careful analysis of the important facts about a job - such as the individual tasks involved, the methods used to complete the tasks, the purpose and responsibilities of the job, the relationship of the job to other jobs, and the qualifications needed for the job.

Its important to make a job description practical by keeping it dynamic, functional and current. Don't get stuck with an inflexible job description! A poor job description will keep you and your employees from trying anything new and learning how to perform their job more productively. A well written practical job description will help you avoid hearing a refusal to carry out a relevant assignment because "it isn't in my job description."

Realistically speaking, many jobs are subject to change due to either personal growth, organizational development and/or the evolution of new technologies. Flexible job descriptions will encourage your employees to grow within their positions and learn how to make larger contributions to your company. For example: Is your office manager stuck "routinely ordering office supplies for the company and keeping the storage cupboard well stocked, or is she / he developing and implementing a system for ordering office supplies that promotes cost savings and efficiency within the organisation?"

When writing a job description, keep in mind that the job description will serve as a major basis for outlining job training or conducting future job evaluations.

A job description should include:

Job Title

Job Objective or Overall Purpose Statement:

This statement is generally a summary designed to orient the reader to the general nature, level, purpose and objective of the job. The summary should describe the broad function and scope of the position and be no longer than three to four sentences.

List of Duties or Tasks Performed:

The list contains an item by item list of principal duties, continuing responsibilities and accountability of the occupant of the position. The list should contain each and every essential job duty or responsibility that is critical to the successful performance of the job. The list should begin with the most important functional and relational responsibilities and continue down in order of significance. Each duty or responsibility that comprises at least five percent of the incumbent's time should be included in the list.

Description of the Relationships and Roles

The occupant of the position holds within the company, including any supervisory positions, subordinating roles and/or other working relationships the occupant of the position holds within the company, including any supervisory positions, subordinating roles and / or other working relationships.

When using Job Descriptions for the recruiting situations, you may also want to attach the following:

Job Specifications, Standards and Requirements:

The minimum qualifications needed to perform the essential functions of the job such as education, experience, knowledge and skills. Any critical skills and expertise needed for the job should be included. For example, for a financial accountant, critical skills may be having:

- 1) A professional accounting qualification
- 2) Strong understanding of technical accounting standards
- 3) A high level of accuracy and attention to detail.
- 4) Commercial ability to present complex information to non finance people.

Job Location - where the work will be performed

Equipment to be used in the performance of the job:

For example, does your company's computers run in a Apple Macintosh or PC Windows environment?

Non-Essential Functions:

Functions which are not essential to the position or any marginal tasks performed by the incumbent of the position.

Salary Range:

Range of pay for the position.

Keep each statement in the job description crisp and clear:

Use un-biased terminology:

For example: use the "he/she or you" approach or construct sentences in such as way that gender pronouns are not required.

Avoid using words which are subject to differing interpretations:

Try not to use internal terminology or acronyms.

This list is not exhaustive but adhering to the points detailed above should make for a solid and professional job specification.

Job Spec Template

Use this template to help you identify the job you are hiring for.

JOB TITLE:

PURPOSE OF THE JOB: Provide an overview of the job, its context in the company, and the contribution that it makes.

DUTIES & RESPONSIBILITIES: Outline the main daily duties, tasks and responsibilities of the position.

CANDIDATE: Think about the type of person suitable for the role. E.g. will the person be working independently or in a team environment?

REPORTING TO: To whom will the person report.

WORKING HOURS: Full/Part Time; Contract/Permanent

SALARY: Indicate what salary you want or are prepared to pay.

BENEFITS & PERKS: e.g. health insurance, subsidised canteen, car, gym membership etc.

PROBATION: You may want to establish a probationary period (typically 3 or 6 months.)

START DATE:

CLOSING DATE:

Person Specification

KNOWLEDGE: Indicate what knowledge is required to do the job, e.g. do you require an understanding of a defined system, practice, method or procedure?

Essential:

Desirable:

WORK SKILLS

Indicate what skills specific to the job are required, e.g. language fluency, typing skills, etc.

Essential:

Desirable:

GENERAL SKILLS/ ATTRIBUTES: What more general characteristics are required to do the job effectively, e.g., communication skills, writing skills, ability to delegate, motivation etc.

Essential:

Desirable:

EXPERIENCE: What experience and/or achievement in a field, profession or specialism is required. E.g. a minimum period of experience in a defined area of work etc.

Essential:

Desirable:

EDUCATION: Indicate the level of education required.

Essential:

Desirable:

QUALIFICATIONS Indicate the professional qualifications and/or specific occupational training needed.

Essential:

Desirable:

Interview Techniques

- ≡ You must make notes of the questions you intend to ask - otherwise you'll forget.
- ≡ Decide the essential things you need to learn and prepare questions to probe them.
- ≡ Plan the environment - privacy, no interruptions, ensure the interviewee is looked after while they wait.
- ≡ Arrange the seating in an informal relaxed way. Don't sit behind a desk directly facing the interviewee - sit around a coffee table or meeting room table.
- ≡ Clear your desk, apart from what you need for the interview, so it shows you've prepared and are organised, which shows you respect the situation and the interviewee.
- ≡ Put the interviewee at ease - it's stressful for them, so don't make it any worse.
- ≡ Begin by explaining clearly and concisely the general details of the organisation and the role.
- ≡ Ask open-ended questions - how, why, tell me, what, (and to a lesser extent where, when, which) to get the interviewee talking.
- ≡ Make sure the interviewee does 90% of the talking.

- ≡ Use 'How?' and 'What?' questions to prompt examples and get to the real motives and feelings. 'Why?' questions place more pressure on people because they suggest that justification or defence is required. 'Why?' questions asked in succession will probe and drill down to root causes and feelings, but use with care as this is a high-pressure form of questioning and will not allow sensitive or nervous people to show you how good they are. Think about how your questions will make the interviewee feel. Your aim and responsibility as an interviewer is to understand the other person - not to intimidate, which does not facilitate understanding.
- ≡ High pressure causes people to clam up and rarely exposes hidden issues - calm, relaxed, gentle, clever questions are far more revealing.
- ≡ Probe the cv / resume / application form to clarify any unclear points.
- ≡ Give interviewees opportunities to ask their own questions. Questions asked by interviewees are usually very revealing. They also help good candidates to demonstrate their worth, especially if the interviewer has not asked great questions or there is a feeling that a person has for any reason not had the chance to show their real capability and potential.

How not to hire

Poor hiring decisions can sap your businesses of time, resources and energy..

It's a well known HR statistic that it costs an average of 2.5 times an individual's salary to replace an employee who doesn't work out. This includes recruitment, management time, training, termination costs and lost productivity.

A new survey conducted by Aequalis Consulting shows that lower team morale, decreased productivity and reputational risk are the biggest consequences of poor employee selection.

The survey results, based responses by employers across a range of industries, indicate that small-business owners are concerned that other negative consequences of poor selection also include the loss of customers and market share, and higher training and recruitment costs. More than 4 out of 10 organisations said the true cost was at least three times the employee's salary.

Poor hiring decisions sap your businesses of time, resources and energy.

Top Hiring Mistakes to Avoid:

- ≡ Failing to define job objectives - Create a performance-based position profile.
- ≡ Basing the hire on the failing of a previous person - Create a new basis for a new hire.
- ≡ An inadequate pool of qualified candidates - Cast a wide net among multiple sources.
- ≡ Unstructured or poorly executed interviews - Prepare well, use performance-based questions, assign different roles to different

interviewers. Evaluating personality instead of capability - Be objective for just one hour!

- ≡ Failing to incorporate a recruitment process - The candidate is evaluating you and your firm too.
- ≡ Hiring people just like yourself - Balance your traits with complementary skills.
- ≡ Failing to thoroughly check references - No news is good news right? Not in hiring!
- ≡ Hiring too fast or too slow - An average replacement hire takes 18 months to have an impact. Many start-up businesses bust their budgets by hiring too early.
- ≡ Hiring someone without related company experience - Hire someone with contextual experience.

Final thought

Before you begin the recruitment process, take the time to look for possible skills gaps in your team. You may find there is a greater need for filling a different or entirely new position. Before you commit to hiring, consider outsourcing. You can save on time, infrastructure and man power. The savings will help bring about an increase in your revenue, leaving you to concentrate more on your core business and thus eliminating the risk of costly hiring mistakes. Avoiding these common mistakes can greatly improve the results of your

Offer Process

Tips for Determining a Motivating Salary

Information online makes researching salary ranges easier than setting salaries has ever been in the past - but, also trickier. The role of salary in helping you create a motivated, contributing work force is inestimable. These tips will help you address pay and salary issues in a way that contributes to employee motivation in your organisation.

Determine Salary Philosophy

Determine your organisation's salary philosophy. Do you believe in raising the level of base salaries in your organisation or do you appreciate the flexibility of variable pay?

A growing, entrepreneurial company, with variable sales and income, may be better off controlling the levels of base salaries. When times are good, the company can tie bonus dollars to goals achieved. In lean times, when money is limited, the company is not obligated to high base salaries. A longer-term company, with fairly stable sales and earnings, may put more money in base salary.

Find Comparison Factors for Salary

While every organisation can benefit from industry comparison studies, if conducted by reputable organisations, the bigger question is whether you are competitive within your local market for most of your positions. Research the salary range for similar positions and job descriptions. The job

description is particularly important for comparisons but usually harder to find for comparison.

Determine whether you are competitive with similar positions with organisations of similar size, sales, and markets. If you can find companies in the same industry, especially in your area or region, that is another good comparison source.

What Goals Must Salary Help You Achieve?

Pay must relate to the accomplishment of goals, the company mission and vision. Any system that offers an employee the "average" increase for their industry or length of service (usually 1-4 percent) is counter-productive to goal accomplishment. Even an above-average increase that differentiates one staff person from another can demotivate.

Additionally, your pay system must help you create the work culture you desire. Paying an individual for his / her performance accomplishments alone, will not help you develop the team environment you want. Thus, you must carefully define the work culture you want to create, and aim your best salary increases at those contributing to the success of that culture. If you want your organisation to change, define the change, and pay employees commensurate with their support of and contribution to the change.

Finally, your salary strategy must align with your human resources goals and strategies. If the HR function is charged with developing a highly skilled, outstanding workforce, you must pay above industry or regional averages to attract the quality employees you seek. Paying less than comparable firms will bring you mediocre employees and fail to fulfill the desire to create an outstanding workforce. If, on the other hand, the HR strategy is to get cheap

labor in the door quickly with little regard for turnover, you can pay people less salary.

Assess the Competition and Labor Markets

We're currently experiencing a period of high unemployment. Many skilled people are available because of job loss, the economic downturn, the demise of many dot com companies, and other reasons. Consequently, the economic reality is that you may be able to hire good people for less money than in the past.

This may be short-term thinking, however. Don't get too far out of line with what you would have paid that employee during better times. You risk losing him / her when the economy improves. She may never feel valued by your organisation if his / her pay is out-of-line with her experience and contribution. She may never really stop her job search, using your company as a resting place until the right offer arrives.

You will also want to consider percentages of increase in salary in similar jobs in your local area. Ask yourself if this is an employee you really want to keep? If so, pay the employee a salary that makes you the employer of choice.

Create Salary Ranges Within Your Organisation

People always talk about salary and pay issues. No matter how many times you ask them not to discuss their salary and other personnel issues at work, they do. Thus, grouping similar positions with similar responsibility and authority into pay ranges, usually makes sense. Nothing impacts morale as

much as individuals who feel they are underpaid in comparison with others based on their contribution and that of other similar jobs.

Recognise Your Benefit Package Role in Salary Satisfaction

An organisation that offers better than average benefits may pay less salary and still have motivated, contributing employees. If your health plan fees go up and you continue to pay the cost, this is the same as pay in your employees' pockets.

The range of benefits you offer, and their cost to the employer, is a critical component of any salary approach. The biggest mistake organisations make is failure to communicate the value of the benefits offered.

Determine Bonus Philosophy and Potential

You may pay a bonus that is determined individually based on the value of the goals accomplished and the person to your organisation. You may give all employees the same bonus, based on group goal attainment, across the board. You may use profit sharing in which a portion of company profits is paid out equally to every person who was employed during the time period.

Ways to address bonus, as part of your overall pay system, are limited only by your imagination. I recommend bonus structures that are fair, consistent, understandable, communicated up front, and tied to measurable, achievable goals. The better the shared picture of what constitutes eligibility for a bonus, by the organisation and the employee, the more likely the bonus will result in employee motivation and success.

Communicate Your Salary Philosophy and Approach

In many organisations, who gets what and why is a cause for consternation, gossip, demotivation, and unhappiness. The more transparent you make your pay and salary philosophy and determinations; the more likely you are to achieve positive employee morale and motivation. Don't keep your salary philosophy a secret. Yes, individual compensation is confidential, but your methods for determining pay must be clear and understandable.

Conclusion

If you take these tips to heart and apply them within your organization, you increase the likelihood that you'll have happy, motivated employees. The alternative is to use your salary system to create disgruntled, grumbling, unhappy people. Which group do you think will do a better job of serving your customers? Increasing your profitability? Making you the employer of choice? Increasing your positive visibility in your community? Is there any question in your mind?

Reference Checking

Background checking is the process of authenticating the information supplied to a potential employer by a job applicant in his or her resume, application, and interviews. In most application processes, lying about background and credentials will keep the employer from hiring the applicant. Background checking ensures the employer that the candidate has the background and experience he or she claims.

Additionally, if it is determined at a later date through a background / reference check, that an employee lied about credentials, qualifications, experience, education and so forth, the employer may dismiss the employee. This assumes that the employee signed a statement attesting to the truth of his or her provided information.

Common background checks include:

- ≡ Verification of academic credentials;
- ≡ Verification of prior employment including position, longevity, salary, and job performance, sometimes tracing back ten years or to the three prior positions;
- ≡ Discussions with business, professional, and personal references and verification of letters of recommendation;
- ≡ Drug screens and occasionally, physical exams;
- ≡ Testing to confirm skills and knowledge;

- ≡ An Internet search, on the candidate's name, especially at *Google.com* to confirm an individual's claims about their jobs, performance, awards, and more.

- ≡ Especially for accounting and finance professionals, credit checks.

- ≡ Background checking is usually conducted by recruitment professionals, but occasionally, the supervisor of the position being filled assists, especially with reference background checking.

Additionally, background checking of people who are candidates for the same job should be the same. A clear connection should exist between the background checks conducted and the requirements of the job or of basic employment.

Checking job or employment references is time-consuming and frequently unsatisfactory, as many employers, despite recent legislation, refuse to offer more than dates of employment, salary history and job title. Secondly, if you're not careful, each reference check can turn into a friendly chat during which you don't obtain the information you need to make an objective decision about hiring your candidate.

As with most Human Resources processes, a standard reference checking format is useful. You can easily compare candidates and ensure you are asking the "right" questions to make an educated decision before offering the applicant a job with your company.

The following template could prove useful:

(Verify that the candidate's reference checking permission signature is on your employment application before starting the interview.)

Name:

Reference Name:

Company Name:

Company Address:

Company Phone:

Dates of Employment: From: _____

To: _____

Starting Position: _____ **Ending:**

Starting Salary: _____ **Ending:**

What does your company do?

Please describe your **reporting relationship** with the candidate? If none, in what capacity did you observe the candidate's work?

Reason for Leaving:

Please describe the **key responsibilities** of the candidate in his/her most recent position.

How many **reporting staff** did the candidate manage? Their roles?

Tell me about the candidate's **most important contributions** to the achievement of your organisation's mission and goals.

Describe the candidate's **relationships** with his/her coworkers, reporting staff (if applicable), and supervisors.

Talk about the **attitude and outlook** the candidate brought to the workplace.

Describe the candidate's **productivity, commitment to quality and customer orientation.**

What are the candidate's most significant **strengths**?

What are the candidate's most significant **weaknesses**?

What is your **overall assessment** of the candidate?

We are hiring this candidate to (job title or quick description). Would you **recommend him/her** for this position? Why or why not?

Would you **rehire** this individual? Why or why not?

Are there **additional comments** you'd like to make? Is there a question I should ask that I may have missed?



Example Letter of Offer and Employment Contract

Once you've made your way through the mounds of resumes, completed multiple rounds of interviews, and performed the requisite background checks, the time has come to make the hire. While the actual offer should be made orally, the general consensus is that it should be followed with a formal offer letter laying out the terms of employment.

A proper offer letter outlines information regarding the employment terms, including the starting date, working hours, responsibilities of the position, agreed-upon salary, how and when the employee will be paid, what benefits they will receive, and so forth. Since job offer letters are legally binding documents, they must be drafted very carefully to avoid making any unintended promises. Otherwise, you could be locked into an "implied contract" with the new employee.

Here's an example of a Letter of Offer and Employment Contract:

Example Letter of Offer

Dear _____

Offer of employment as (insert position title)

We are delighted to offer you employment in the above position.

The terms and conditions, as we briefly discussed, are set out in the attached contract of employment. If you have any queries about these please do not hesitate to contact ... If you have specific queries you may wish to seek your own legal advice.

Please review this offer of employment, sign the note of acceptance and return it to myself. An additional copy of the contract is enclosed for your retention.

We look forward to welcoming you on date.

Yours sincerely

Name
Position

Example Employment Contract

This document outlines the terms of contract of employment proposed by ABC Solutions...date

Name of employee

Position

Commencement date

Location

You will be employed at the company's head office:

(address)

If the possibility of relocation was discussed at interview then include any assistance here, such as relocation allowance etc.

Hours of Work

State core hours if applicable, any breaks e.g. lunch, any flexible options such as working from home etc.

Responsibilities/duties

Use the work you did for the ad or a position description if you have one.

Compliance with company policies & procedures

Refer to policies and procedures manual or state particular policies relevant to your business e.g. safety requirements

Remuneration

State gross annual salary inclusive of the percentage of superannuation as discussed.

State pay period – fortnightly, monthly and when it will be paid e.g. the 15th of each month.

Highlight any overtime if applicable and the conditions and rates.

Emphasise any other benefits paid e.g. health care.

Leave

- **Annual leave** – confirm the specifics e.g. 20 days per year. Outline the monthly accrual days and provide information on how to apply for leave
- **Sick leave** – provide days of entitlement for first year of service and the number of days for each year following. State the cumulative e.g. 20 days. Also state when you expect a medical certificate e.g. more than two days. Make clear that unused sick leave will not be paid on resignation or termination (if applicable)
- **Long service leave** – state the time (in years) that the person will need to work in continuous employment with the organisation before being eligible for long service leave. Then indicate how many weeks per year following that
- **Maternity/paternity leave** – highlight how many years of service before eligibility and period (in weeks) of leave entitlement

Harassment/racial vilification/discrimination

Many organisations today provide employees with clear policies associated with behaviours relating to the above, and the consequences for not following them. Such policies refer to the responsibilities of employees, managers and the company in upholding these and the protection for those who complain.

Computer use/abuse

The organisation needs to state clearly its policy on personal use to protect it from viruses and law suits relating to copyright. You may also wish to include consequences for any unacceptable use of the internet.

Confidentiality

This information is to protect your organisation from misuse of confidential information by an employee. It may also refer to confidential and sensitive information relating to customers, e.g. commercial and financial activities. It cannot refer to information already in the public domain. It might also include information relating to intellectual property while the person is employed in the organisation, stating that all such information and copies thereof need to be returned to the employer on resignation or termination.

It may also include a covenant relating to restrictions by the employee, following their resignation or termination, about market sensitive information; maintaining a sufficient degree of confidentiality; and any clauses regarding working for a competitor.

Termination

State clearly the conditions that would warrant summary dismissal e.g. convicted of an indictable offence (you might wish to consult with legal counsel or your employer association).

Acceptance

I accept the offer of employment and agree to the terms and conditions as stated in this contract.

Signed _____

Date _____

