Is Name-Hire Recruitment a Best Practice?

For some small businesses hiring is cause for anxiety and stress. As a small business owner conducting interviews doesn't happen every day, so it's often not a well-rehearsed skill set.

Typical of human nature we search for a short cut.

One way out is using name-hires. You have a colleague or staff member who knows someone or has a friend that would be a "perfect" fit for the job. The interview is fast and friendly, your new worker starts right away.

For example, an airline manager uses part-time baggage handlers at a regional airport. He hires mostly local off duty fire fighters and police officers. They have lots of training, good personal appearance, and understand shift schedules. There is no trouble with drug & alcohol tests and everyone loves the travel benefits. They also help pre-screen other new hires when needed. If they don't recommend, he doesn't hire. It's a quick and easy process.

Full timers for any business are a little different. They are usually working a full shift, Monday to Friday, or on whatever shift rotation is in place. When someone doesn't work out, it leaves a larger hole in the roster.

Be Cautious Hiring Friends and Family

If the response to your employment ad was dismal, using recommendations is an immediate alternative. When it works, it's great. When it doesn't you can have a nightmare.

Here's an example of a hard lesson:

The industrial site manager needed an administration person. The paperwork in the office was piled high and growing.

He got a recommendation and hired a woman over the phone.

She had office experience and knew what to do. She quickly cleaned up the mess and took charge of the other three office workers.

When it came time to hire a replacement yard worker, the manager didn't hesitate to hire the woman's son. A short time later a friend of her son was hired.

Both were hard workers, but the mother was a manipulator. She gained control of the shift scheduling and began assigning the overtime. Guess who was always her first choice?

The dissension had started.

Neither of the boys wanted endless overtime and the other employees were quick to voice their opinions about the favouritism.

Eventually they both started to burn out. Things went from bad to worse. One was fired for work abandonment after he just stopped coming to work.

The other got caught using drugs, was suspended, and then fired.

The mother continued meddling. She ended up quitting with two disciplinary letters on her file, one step away from being fired herself.

So how could all this drama been avoided?

Human Resources, or HR is a career in itself, even for the smallest business. It is not a process that should be taken lightly, nor should it be rushed. Hiring is always far easier then firing.

And there are lots of regulations concerning what you can and cannot do as an employer. Every business needs to have a working understanding of the rules.

In Canada, employers fall under provincial or federal regulations. Know which apply to your business and learn the basics.

In the U.S. there are federal and state laws. Find out how they apply to your small business.

Here is a checklist that can be used for the hiring process. Even if it's just one employee, the rules and regulations apply. Learn and follow.

- 1) Evaluate staff requirements. Put the cost in your budget and make sure it is absolutely necessary to hire.
- 2) Write a complete job description.
- 3) Build a recruitment plan. Where are you going to advertise? What will the ad say? How long will it run?
- 4) Decide who will do the interviews. Always use two people, even if one is just there as an observer.
- 5) Post the job in whatever media you have selected.
- 6) Review applications. Create a short list. Always check references. Former employers must be careful what they say. However, you can ask whether they would rehire. Yes or No.
- 7) Conduct the interviews.
- 8) Hire and present a written offer.
- 9) Complete the on boarding process.

Good employees are the backbone of every business. By creating a small hiring procedure, you will find the job becomes easier with each interview.

Practicing good HR will increase your confidence and the quality of the decisions you make.

Smart decisions are part of a strong and healthy business.