



## WHY YOU NEED A STRATEGIC HIRING PLAN

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In case you've been living under a rock for the last five years, you've likely noticed that finding good people is becoming more of a challenge. There are "hiring" signs in the windows of many businesses. If you were a company that hired a lot of minimum wage workers, paying the minimum wage is the least of your worries – you may be challenged to find people to work for \$15.00 an hour.

Return on Human Capital (ROHC) is the newest buzz word in business today. Frankly, I don't like it. How about we just call it getting the right people in your company doing the right things at work? That makes for a strange acronym – RPCRTW.

The old ways of hiring just doesn't work as well anymore. In the past you could slide by on the seat of your pants due to the abundance of qualified people waiting to work for you. In today's environment, the shoe is on the other foot. Employees want jobs that fit **their** lifestyles, not yours. They want flexibility, benefits, and a sense of purpose. Putting an ad in the paper or on an internet job site won't cut it anymore.

### **Hiring today is all about sales.**

I'm not talking about the sales people you hire; I'm talking about selling your company as one of the best places to work in your industry or geographic area. You've likely already decided on which business model you operate; you may be a low cost provider, focus on great service, or present yourself as being the expert in your field.

Similarly, you now have to compete for people. Stop now.

Write down the five key attributes of your company that makes you attractive to potential employees. If you couldn't come up with three, I'd bet you have unacceptable turnover levels or hiring challenges in your company.



If your key attributes consisted of things like, fair wages, decent benefits and safe working conditions, you also have some issues to deal with.

If your key attributes were similar to a “team of people working toward a shared vision”, “flexible leave policy”, “rewards based on performance”, “educational support”, “positive work environment”, you’ve probably off to a good start. While an HR specialist can help you put your strategy into action, it’s up to you as the owner or leader of your company to decide what kind of company you will have and what kind of people you want to hire.

### **Look at your existing Culture/Team**

1. Look at your existing team – who are your leaders? Your potential leaders? How do they fit into your culture? What needs to be done to move your potential leaders up?
2. Ask them what it is they like about working for your company?
3. Who are your legacy employees? What can be done to turn them around? Is it a skill/personality issue, or are they just not a cultural fit?
4. What does your last Employee Engagement Survey tell you about your culture, and how your team views their engagement with your organization? You do conduct Employee Engagement Surveys right?.....

There are many ways to examine your existing team, but these four steps can often provide you much of the information you need to build a plan **to RETAIN** your best employees.

Once you have identified and protected your best, you can begin to work on a strategy to **RECRUIT** the best people for your organization. Looking at your business plan I challenge you to sit down and map out how many people you think you’ll need to hire going forward in order to meet the goals established in your plan. You do have a 3-year plan that has been clearly cascaded to your team, right?



We understand that it is more and more difficult to find the right people, but the “warm body” approach is extremely expensive. The cost of a bad hire has been estimated to be **4 to 6 times** the employees’ salary. This includes the salary wasted, training costs, time of other workers, re-hire costs, lost opportunity, management distraction etc;

We all have a tendency to hire people we like. This is a big mistake. If you are an entrepreneur, the last thing you need is a company full of people like you. You do have a system to profile your best people, systematically analyze job requirements, and recruit based on these profiles, right? It’s not expensive and it works.

You need to develop:

1. Common traits of your ideal candidates.
2. Position traits for the job
3. Develop interview questions so that
  - a. Interview 1<sup>st</sup> for Cultural Fit
  - b. Interview 2<sup>nd</sup> for Position Fit
  - c. Interview 3<sup>rd</sup> for Personality, Skill and Profile fit.

The biggest challenge is finding the time to do this, since most business leaders are buried under the NOISE that we all have to deal with on a daily basis. On the other hand, people are the engine that drives every business. Trying to operate your business without the right people in place is like putting a small engine in a large SUV; It will function, but the level of performance will suffer.

If you are challenged in creating a Strategic Approach to hiring, we have a number of tools available to help break the process down into manageable steps that can help you get where you need to go. Just speak with your representative at (709)753-3210 or email [info@wedgwoodinsurance.com](mailto:info@wedgwoodinsurance.com) .