

Your guide to hiring employees



# Could you use another set of hand 8?

Congratulations! If you're here, you're probably adding an employee to your team or you're looking for tips on how to care for the ones you already have. Either way, this is a good thing and we're happy to offer some advice on both!

The pages of this guide contain tips on just about every stage of the employee journey, including:

- Knowing when and how to hire
- Keeping and developing people
- When and how to let an employee go
- How employees can affect your insurance

We've written each page so that this guide can stand alone as a printed resource. However, the saved PDF version does contain hyperlinks to the Simply Business **Resource Center** for additional information.



### Knowing When & how to hire

There are often signs it's time to hire someone. Work might be picking up or new constraints on your schedule have arisen, leading you to the conclusion that you just need more help.  $\rightarrow$ 



### Knowing When to hire

If you're teetering on the edge of making that decision and just need a nudge, we've collected a few **tell-tale signs** for you to help assess your situation:

#### 1. You have to turn down work, clients, or customers.

While hiring new employees comes with a cost, consider this: how much of that money would you recoup with the jobs you're turning down due to being short handed? Estimate how many hours a prospective job will take and compare it to how many hours a full- or part-time employee typically works. If it's only one 12-hour job, it may not be worth it to onboard a new candidate. But multiple 12-hour jobs could add up to a new-hire.

#### 2. You're in a constant state of stress.

Many business owners assume that constant stress is just part of the job. Sure, running a business is bound to have stressful moments. But if you're in survival mode all the time, it may be due to lack of professional support. Bringing extra help on board could help take some of the weight off your shoulders and allow you to delegate responsibilities.

### 3. You want to make more money or have plans for a new product, service, or new location.

You have to spend money to make money, as the old adage goes. While it's not always that simple, it's true that growing your business takes investment. You can't always do everything yourself. If you want to boost profits, launch a new product, or open a second location, you'll most likely need more help than you have so you — and any current employees — don't burn out.



### Knowing how to hire

Your first step should be to **determine what kind of help you need**. What type of support would benefit your business the most? Depending on what kind of business you have, you might consider:

- Clerical and office someone to help with administrative tasks
- **Skilled** a candidate skilled in your field with similar qualifications
- Marketing a social media manager or graphic designer to help boost your brand

Once you've figured out where your business needs the extra help, work out your <u>hiring budget</u>.

Based on your budget and how much support you need, decide whether you want to hire full- or part-time. Keep in mind that you may be expected to offer benefits to full-time employees, and these costs should be factored into your budget. And don't forget to decide if the position will be permanent or temporary/seasonal — this will help you get the right candidates and save some confusion.

Take some time to **perfect the job description**. This can keep you organized and make it easier to create **enticing job listings**and, ultimately, make it easier to narrow down your applicant pool down the road.





# Interviewing

After the position has been posted and applications have started rolling in, **start planning your interview process**. Put some thought into the questions you want to ask your candidates. In addition to basic professional inquiries, some **creative interview questions** to consider could be:

- How would you describe your communication style?
- Explain something I don't know about.
- Tell us what makes you unique.

Keep an eye out for promising candidates. Flag any standout applications to set up a time to meet. Our best <u>interviewing advice</u> is to remember:

- Experience isn't everything. Pay attention to attitude and intelligence.
- Body language speaks volumes. Look for consistent eye contact.
- Ask yourself whether the applicant fits with your team and workplace culture.





### Keeping and developing people

So after combing through and vetting your applicants, the interview process is finally done. You've found candidates with the right background and attitude, and they feel like the right fit for your business. Now what?



Once they've accepted your offer of employment, it's time to **onboard your new hires**. Onboarding is an ongoing process to help get new employees up to speed. This process will typically involve training and familiarizing the employee with whatever the job entails. Onboarding can take anywhere from a few weeks to several months. Don't rush the process - you may even want to introduce the hire to one task at a time so they can devote their full attention to it.

### What makes onboarding so important?



- The ongoing support can improve employee retention
- It helps the employee develop a clear, cohesive understanding of their role
- It can minimize workplace risk by establishing codes of conduct and safety procedures

Once an employee is completely onboarded and proficient at their job, **prioritize retention**. Hiring and training take time and resources — don't let all that effort go to waste. Focus on keeping employee morale high by:

- Showing your team you value their opinions by soliciting feedback
- Celebrating employee accomplishments
- Focusing on benefits, such as **health insurance**, employee discounts, and bonuses (if possible)

Another crucial way to support retention is to invest in employee development. Proficiency is good — excelling is even better. Offering training and education beyond the immediate scope of the role is a great way to show you're committed to your team's professional growth, not just your bottom line.





<u>Training your employees for your job</u> is a good place to start. Nobody wants to be replaced, but having workers ready to help with your responsibilities can be a lifesaver. Some of the benefits of training employees for higher level tasks are:

- Having support ready when your plate is full
- Being able to keep things running smoothly when you're out of office
- Building customer confidence by having employees who don't need to defer to a manager as often



### When and how to let an employee go

The decision to fire someone is not typically one a business owner makes lightly. When a candidate who looked great on paper isn't meeting expectations, the question of letting them go may be unavoidable. How will you know it's time? Here are some telltale signs an employee's tenure may need to come to a close:

- 1. They complain or display a poor attitude at work a lot
- 2. Their productivity has tanked and interventions haven't helped
- 3. They fail to adhere to company policies, such as frequent unexplained tardiness or not following safety requirements



These <u>warning signs</u> are just the tip of the iceberg. Now that you've decided it's time for you and the employee to part ways, make sure you go about it the right way. Here are some steps to take before severing ties:

- If the employee's work is consistently substandard, be sure to give them **advanced warning** to allow them to course correct. You might institute an improvement plan for them to see if they can turn the ship around.
- **Document everything**. Take notes after every one-on-one meeting with the employee, and keep a record of any poor or unsatisfactory behavior. This is critical if the employee sues after being let go, you'll want every infraction on file to support the firing.
- Speaking of potential lawsuits, don't assume the former employee
  won't pursue legal action. Seek advice from legal and human
  resource professionals. They can help make sure you go about
  the firing process the right way by offering expertise on local
  employment laws and company policies.

Letting someone go is never easy. In an ideal world, you'd never have to. But sometimes there's no way to work around a bad fit. You're not doing yourself or your business any favors keeping them on board. And if a worker is underperforming, there's a good chance they're not particularly happy to be on board anyway.

Approach the process with grace and professionalism and try to make things as painless as possible. As awkward as it might be, just know you'll both be moving on to better opportunities afterward.





### Employees and business insurance

We know small businesses. Insuring them is our specialty. So we'd be remiss if we didn't at least give a brief overview of how business insurance can help you — and your employees.  $\rightarrow$ 

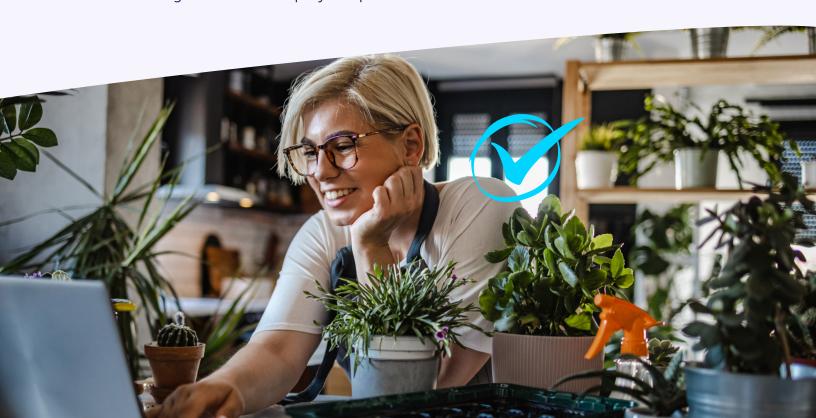


If you're hiring your first employee or adding more people to your team, now is a good time to reassess your insurance needs. Most businesses with one employee or more will need some kind of business insurance.

Workers' comp, for example, is required in almost every state for companies with employees. Exact requirements vary based on your location and number of employees.

Workers' comp insurance can be a lifeline for small businesses and their employees when a workplace injury occurs. If an employee is hurt or develops an illness as a result of their job, your workers' comp policy could help you avoid having to pay for their care out of pocket. Workers' comp will typically cover eligible expenses such as:

- Medical payments
- Lost wages
- Rehabilitation
- Death benefits
- Legal fees if an employee opens a lawsuit



Having workers' comp doesn't only benefit your wallet. Employees may be more likely to trust their employer if they know they're covered in the event of a workplace catastrophe. No job is completely without risk — knowing your employer has your back with workers' comp is added peace of mind.

Another type of insurance employers should consider is **general liability**. While it's not typically required for small businesses, whether they have employees or not, it can mean added financial protection. General liability generally covers:

- Third-party bodily injury and associated medical payments
- Third-party property damage
- Personal and advertising injury
- Claims resulting from product liability

If a client is injured on your business's premises or you're accused of slandering a competitor, paying those damages out of pocket could put your business at risk of financial instability or even shuttering completely. By safeguarding your business against general liability claims, you're also protecting your employees' jobs.

**Learn more** about how Simply Business can help you find the coverage your business needs, as well as policies recommended for your industry.



## A good problem to have

They say good help is hard to find. Sourcing and vetting candidates can feel like a full-time job on its own. It takes some creativity. It takes patience. It takes hard work, and a little bit of luck. Just like everything else in running a small business.

When you're swamped with orders, overwhelmed by incoming calls and emails, or your store has a line out the door, you'll realize that finding extra help will be well worth the effort.

The need to hire people means your business is growing. You're succeeding. If business is booming, but you constantly have way too much on your plate, it might be time for you to bring more people on board. Being a small business owner means wearing a lot of hats — the right employees can doff some of those hats for you and take a little weight off your shoulders. You don't have to go it alone.

While Simply Business focuses on providing insurance for small businesses, we also believe in **sharing information and insights** that can help businesses like yours ike yours enjoy all the good problems that come with success.

### Reference Guide

#### <u>Simply Business Resource Center</u> →

#### Knowing when and how to hire

The 10 Signs You Need to Hire More Employees →

Hiring Your First Employee: Here's How to Do It →

How to Hire Seasonal Employees →

<u>6 Essential Recruiting Tips for Small Businesses</u> →

#### Interviewing

6 Questions You Should Ask a Potential Employee →

Hiring Employees: How to Find the Best Employees For Your Small Business →

#### Keeping and developing people

Got a New Employee? Here's What Small Business Owners Need to Know ->

10 Easy Ways to Boost Morale in Your Small Business →

A Guide to Small Business Insurance - What You Need to Know -

Why You Should Train People to Replace You →

#### When and how to let an employee go

How I Knew It Was Time to Fire My "Best" Employee →





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