BUSINESS BASICS!

HIRING FOR PEAK PERFORMANCE, PART II

Steps to follow when interviewing and hiring a new employee.



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Editor's note: This is the second installment in a two-part series outlining the employee hiring process. For Part I, please see Performance Business, July 2010.

f you've never hired anyone before, the process can be somewhat intimidating and overwhelming. Actually, let me tell you from experience, if you *have* hired someone before, the process can still be somewhat intimidating and overwhelming. I hope this article will help take the "over" out of "overwhelming."

If you follow a simple step-bystep approach, it can be a little easier process to navigate. In Part I of this article, I discussed the steps necessary to finding qualified applicants. Now we'll concentrate

on finding "the one" to hire.

It can be tough, especially if you don't know what "the one" looks like. That's why I think it's vitally important to have a job description to measure your candidates against. The objective isn't just finding someone who has a list of skills and experience, but someone who is a fit for the personality of your shop.

Finding the Best Prospects

Imagine you have a stack of resumes/applications on your desk. The first step is to turn that into two stacks: "maybes" and "maybe nots." Don't throw out the "maybe nots," yet. But focus on the "maybes."

Say you're hiring for an experienced tech versus hiring an entry-level counter worker. The tech will have worked in the field for a while. The counter worker may not have automotive experience, but have worked in sales or retail. Where the experienced tech will warrant more pay, the entry-level counter worker will require more training.

On the other hand, if you were looking for an entry-level tech, you might be looking for someone fresh out of tech school with good grades and a steady part-time job history.

Aside from Divine Revelation, there is no sure way to separate the likely candidates from the unlikely ones. That's why you'll do a short phone interview, a longer face-to-face interview and testing before you make any commitments.

Once you've identified the "maybes," it's time to do some phone interviews to decide if they warrant a face-to-face interview. The telephone interview process is a brief conversation with the applicant to decide if you feel it would be worth your time and theirs to meet.

Remember you're not just deciding if you feel they're a fit, you're trying to help them decide if your job will be a fit for them, too.

With such a large unemployment rate currently, this can be hard. A lot of people are feeling desperate and will push to get anything with a paycheck. They're willing to settle to get a job. You, however, should not be willing to settle.

Draw up a list of four or five simple questions to ask every applicant. These can be as general as, "Why do you want to work in the racing and performance market?" to as specific as, "Why do you want to work here?" Listen carefully to their answers and make notes on the side or back of their resume/application. It's important to take detailed notes to keep each applicant straight.

You also should consider having one or two specific questions for each candidate about their resume/application. Perhaps it's to clarify something such as, "It says you were a clerk and a supervisor at ABC Parts for over three years. How long were you a supervisor?" Or your question might be just to get more details about the personality of the candidate like, "What was the hardest part of the job at ABC Parts?"

Try to keep the call between 10 and 15 minutes. Don't look for long answers or ask hard questions. You just want to get a feel for each candidate's personality.

Also, don't call the candidate and just start firing off questions. Call or email them in advance to schedule an interview.

If your candidate is working or has a busy personal schedule, you can't expect them to take your call and comfortably answer your questions when they're manning the counter at work or sitting at lunch in McDonald's Playland with their kids. You need to be willing to call them before work, over lunch or even after hours to accommodate your candidate's schedule, especially if they are already employed.

After each call, rank the person on a scale of 1 to 5 (one being best, five being worst). Remember, every candidate will be a little bit nervous, so cut them some slack. But in 10 or 15 minutes, you should have a feel for who you are talking to.

Once you've screened the candidates by phone, it's time to meet the best ones face-to-face.

Interviewing

Sort your candidates' resumes/applications by rank, putting your best candidates on top of the stack. You'll want to invite the top candidates in for an interview. Again being sensitive to your candidate's schedule, make time for meetings before, during and after work hours. Depending on the job, you might call in three to five prospects.

Set aside a quiet place for your interview where you'll be free from interruptions. If you are the only person in the shop, it's best to schedule your interviews outside of your working hours, lock your door and let all your calls go to voicemail.

You want to give each candidate your undivided attention. It's not fair to an applicant if their interview is interrupted while other candidates don't have to compete for your attention.

When you first meet the candidate, try to put them at ease. Offer them a cup of coffee or a glass of water. Make some small talk. Maybe take a couple of minutes to show them around the shop a little before you sit down to the interview. Remember, this is an interview, not an interrogation. Your job is to pull out the real person.

Have a list of 10 to 15 interview questions. I'd give you a definitive list of the best interview questions to ask, but every job and every shop is different. Although there is no definitive list, there are three common types of questions to cover:

- *Experience*. Ask questions about former jobs, classes or training. Try to get a feel for their technical knowledge and job skills.
- Work Personality. It's important to distinguish work personality from their personal life. Knowing someone likes jazz music and mountain biking may be interesting if you're looking for a

- spouse. But if you are looking for an employee, stick to the job description. "What are your job strengths and weaknesses?" is a nice general question to get started.
- Goals & Ambitions. Someone who wants to "learn and grow" is always a better candidate than someone who just wants to "earn and go." Ambition can be a powerful driving force, so find out what the candidate's goals and dreams are in this field.

After the candidates leave, rank them on the 1 to 5 scale again to determine which ones you feel fit the job best. I tend to look for a good attitude over straight technical knowledge. I believe someone with the right attitude can always learn the technical aspects of most jobs (within reason). Someone with technical skill cannot necessarily learn to have a good attitude. This may be my personal opinion, but I'm not alone.









When you first meet the candidate, try to put them at ease. Remember this is an interview, not an interrogation. Your job is to pull out the real person. (Photos by Beth Sasso)



Taming the Payroll Paperwork Lion

ne headache that comes with hiring a new employee is payroll. Doing the paperwork and filing payroll taxes can be overwhelming: FUTA, SUTA, FICA, it all starts to look like alphabet soup after a while.

Whether you like it or not, it has to be done every week or two for as long as you have any employees.

Even if you're incorporated and you are the only employee of your corporation, having a payroll service can make keeping accurate records and paying your payroll taxes on time a lot less work. I chose to use a payroll service for my company only after I had my first employee and the government slapped me with a penalty for a miscalculation/missed deadline that cost me close to a year's payroll service fees.

A payroll service can make the paperwork and deadline nightmares a lot easier. You can fax in your employee hours every period, report them online or arrange to get a call from the service so you don't forget.

They'll do the rest—calculate wages, overtime, bonuses and deductions, pay the appropriate government agencies, deal with garnishments and, if you want, deliver checks to your door complete with documentation for your accountant or bookkeeper.

Most will even deduct their payroll taxes and their fees directly from your checking account so you don't have to worry about writing and mailing a check.

Many services will also pay the penalty if they make a miscalculation (ask for confirmation in writing). They'll even prepare end-of-year reports and W2s for your employees.

Fees vary, but generally the barebones service runs about \$35 a pay period plus a buck or two per check. Quarterly and end-of-year reports and paperwork are usually an extra cost. Here are some of the best-known payroll services:

- ADP Payroll Services www.adp.com
- Corporate Payroll Services www.corpay.com
- Paychex www.paychex.com

Another option, if you're comfortable with a computer, is online payroll solutions. The best-known online service is from Intuit, the maker of Quicken and Quickbooks, (Intuit Online Payroll – www.payroll.intuit.com.)

- Phil Sasso

Pen & Paper Testing

"We believe that attitude predicts performance," says Tom Cormack, president of Personnel Systems Corp. (www.persysco.com) and a former race car driver. His firm publishes a series of self-scoring paper-and-pencil tests that help assess candidates' general abilities, behavior and/or character.

You can hire a performance technician that does excellent work but doesn't show up to work on time or is belligerent to other employees or customers, says Cormack. By giving a quick 15- or 20-minute test to your top two or three prospects, you can possibly uncover things that didn't come up in the job interview.

Once you narrow your field of candidates, I suggest you ask them to come in to take a brief pre-employment test. Proven tests like those from Personnel Systems are available for order online and can give you a uniform method to measure candidates for likelihood of substance abuse on the job, negative work ethic or integrity issues

"In today's environment, many former employers are wary about giving a past employee a negative reference for fear of litigation," says Cormack. Non-discriminatory pre-employment screening surveys can provide a reliable indicator of factors like work ethic, reliability, trustworthiness and drug/alcohol attitudes. (Check with your state employment services agency or legal advisor about pre-employment testing in your area.)

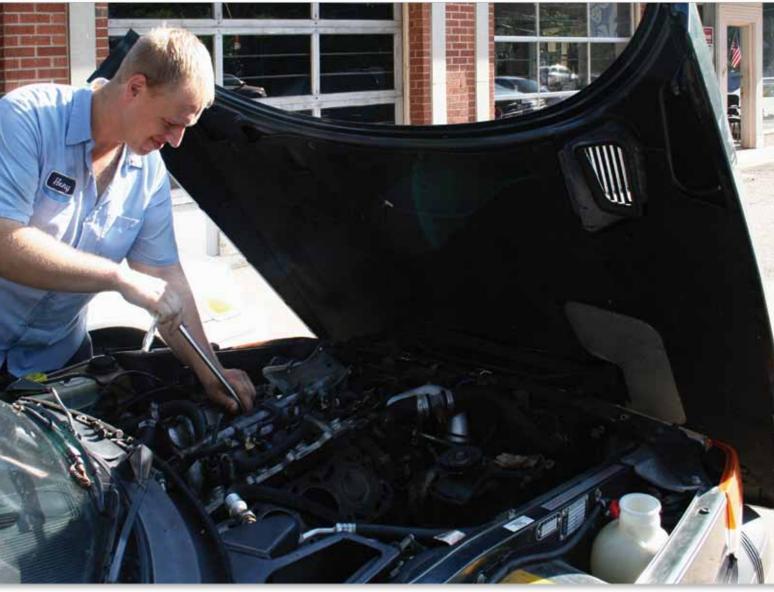
Next, it's time to check references. Let me admit, I've failed at checking references and calling former employers for job candidates more than once in my own business. I've promised myself I'll never neglect it again.

It may seem that no job applicant would give you a personal reference that would have anything negative to say about them. And in this legal environment, very few employers would risk saying anything negative about a former employee.

But sometimes, it's what they *don't* say that can be as powerful as what they do. A raving review of a candidate can be a good sign; an empty, neutral review may speak volumes.

You may also find that your candidate has mislabeled his job title, misstated his salary history or miscalculated his employment dates by a few months—or a few years. Some candidates may even list schools they attended but never graduated. Interpreting if these are innocent mistakes or not is all part of the hiring process.





There's nothing more rewarding than calling an employee into your office and telling him that his trial period is over—and you'd like him to stay. (Photo by Beth Sasso)

You're Hired

Once you've decided on a candidate, it's time to offer him or her the job.

For some positions and shops, you can do this with a simple phone call. Depending on your style, you may want to do it face-to-face instead.

You may also prefer presenting your salary and benefit offer in writing, so there's no confusion. This can be done in person or with a follow-up email after you call to offer them the position.

For full-time positions, you'll want to give them a few days to think about your offer. While a part-timer may start that afternoon, expect full-timers to take a couple of weeks before starting. Allow anyone currently employed to give their employer at least two week's notice. You'd want the same courtesy if you were on the other side of the table.

Finally, it's best to have a trial period with any new hire. This can usually be 30 to 90 days where the employee understands he or she needs to meet certain job requirements to maintain the position. (Ask your payroll company or legal adviser about any relevant laws in your state or municipality.)

There's nothing more painful that to have to tell a new employee he or she is not working out. Having a thorough hiring process can help you reduce the chance that you'll have to do that.

On the flipside, there's nothing more rewarding than calling an employee into your office and telling him that his trial period is over-and you'd like him to stay.

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