

THE WHOLES LE FORMULA

Module 6 – Hiring an Employee

In this video, we will be going over the steps you will need to take to hire an employee. This can be a monumental step in any business, and can be fairly intimidating. Fortunately, we are here to help guide you through that process.

Hiring an employee can be done for many reasons. However, we think the reason that most people do it is for the absolute wrong one. They want to work less and off load some of their more annoying tasks. We think that employees should be hired as an asset to your team, and with the strategy of making your company stronger. Remember, hiring a body, is much different than hiring a teammate.

We don't view our employees, as simply, employees. Our employees are valued members of our team from whom we value their opinion and incorporate those opinions into our business.

Hiring an employee can teach you a lot. We learn tons of valuable information and strategy from our team, but it's because we have built an environment that fosters that type of interaction. This isn't possible if you are filling seats with bodies. If you want to hire someone, you have to invest in their success and hope that they buy into your culture and become a critical asset to your company.

We give regular feedback, as well as let them know about upcoming changes in hopes that they will be able to offer insight as well. Another core concept is that we don't punish people for mistakes. We love people who take action, and if our team members make a mistake due to taking action we'll go back through it and break it down, and we'll try to always use those as opportunities for growth.

Learn the strengths of your employees and try to focus their job around that. You will get the most out of them, as well as leave them with the most rewarding experience possible. Listen to them, and test their theories. This will be invaluable in having them feel like they can actively contribute to the company's success. At some point, they will provide insight into a problem that you otherwise couldn't solve. But, that takes an understanding AND the right atmosphere, such that they feel comfortable making suggestions.

Employees are the lifeblood of any company. If you construct your company correctly and build the right team, you can get it to the point where it runs independently of you. If you build a company around micromanagement, you will always have to facilitate that role. Keep in mind, if you hire people who need to be micromanaged, cut your losses and find someone else. You need independent thinkers who are resourceful, capable, and passionate.

Think of your team as a daily mastermind, and treat them as such.

Next up, let's discuss a couple of pitfalls that you can easily fall into. The first one is a very common mistake, but it can lead to major problems for your business. Don't hire friends and don't hire family. That's our first instinct as new business owners, but it can be catastrophic. It always starts out perfectly smoothly, but most people find it very difficult to address errors made by friends and family. They don't want to compromise their relationship, so the friend or family member ends up getting preferential treatment which is unfair to other employees.

Hiring a friend or family member will not help you grow as a boss, and could have the opposite effect. Instead, take the hard step and start interviewing people beyond your comfort zone. It will be a great learning experience, and you will end up with a better perspective and prospect than if you simply took the easy way out and defaulted to hiring someone you already know.

I touched on this earlier, but if the goal of hiring an employee is to grow your business, then that's exactly what your focus should be once they are hired. Hiring an employee to process products so that you have more time to relax is not growing your business. Remember that the purpose of new employees is to free up your time so you can spend it on the most valuable tasks for your business.

Next up let's discuss the importance of résumés, the questions you should be asking regarding those résumés and specific interview questions. This is probably the most important part of process. In terms of résumés, make sure that you *always* collect them. Then, after the interview, follow up with their references. Ask former employers how they performed, why they left, if they were punctual, as well as what reason they were terminated if it is relevant. Next, contact their non-employer references. Their references will let them know that you contacted them, which will show that you care about them and the job that they will do for you. In terms of their references, ask them things like:

How long have you known them?
Are they a reliable person?
What can you tell me about them?
Have you worked with them?

During the interview, it's important that you ask questions regarding their work history, experience, skills, and even the résumé quality. If you see gaps in employment, ask them why. If you notice a pattern of short-term employment, ask about it. If you see a misspelling, ask them if they used a spelling or grammar check and this will give you insight to their attention to detail.

Ask them questions about their skills. If they put them on their resume, ask them about them. For example, if they put they had experience with computer work, ask what software they have used, and how familiar they are with them. You can also give them a small test to check their claims such as a short typing test. Don't be overbearing, but see if their claims check out. Pay close attention to their answers and take note of how they react to your questions.

Here are a few general questions that we like to ask during the interview process. My suggestion is to pick and choose from them.

Tell me about yourself?

This will reveal how well they handle open-ended, casual questions. It will also tell you how prepared they are for an interview. The ideal response is one that covers how they're skillset will benefit your company.

Are you currently employed (skip if was just answered)? When can you start?

It's possible that you need people asap, so this can rule people out that can't start soon. Also, if they claim to be employed, this will let you know if they will "up and leave", or "give notice". Learning either of those things are very important for you.

What relevant experience do you have concerning this job?

Here you're trying to find out if they have any manual labor experience. They don't necessarily need warehouse experience, specifically, but someone who is experienced in manual labor will take to the job much better than someone who isn't. We like if they mention doing repetitive tasks, and enjoying it, but that is uncommon.

Why do you want this job?

Finding out people's motivation for employment can tell you a lot about their reliability and stability.

Why should we hire you?

Anyone familiar with the interview process should be expecting this question. This is their chance to list their experience and skills relevant to the job.

Describe a situation where you worked with a team? Tell me about a problem you had with a team member and how you resolved it.

The goal here is to find out if they work well with others and how they handle conflict in a team setting.

How do you handle stressful situations and working under pressure?

This can tell you more about their job experience and how they handle pressure and stress.

What days and hours are you available to work?

This is to confirm they are available to work during the hours you need them.

Are you able to lift boxes up to 50lbs repeatedly throughout the day?

This will tell you if they are physically able to reliably perform their job duties.

Have you ever been convicted of any felonies?

You are not allowed to discriminate based on their answer, but this is important information

nonetheless.

What is the one achievement that you are most proud of?

This will offer incredible insight as to the things they value. This is actually more telling than asking someone a question about their passion, or where they see themselves in X years (both of which are common questions). Those questions are easily prepared for or made up on the spot. If someone truly answers this, you will see their whole demeanor change.

If you were an animal, what animal would you be, and why?

This is a rather light-hearted question, but it will tell you quite a bit about their personality and how they perceive themselves as being viewed in the world. We personally feel like the vast majority of people will say an animal that resembles the personality that they want others to perceive that they have.

Here are some example questions that are reflective of our Core Values:

1. What will you do to quickly learn how to become an effective member of our team? (Imitative & Excellence)
2. If you were to tear a products packaging removing it from the case, what will you do? (Initiative, Excellence & Integrity)
3. If we are pressed for time on a time-sensitive project and it is time for your to leave, what will you do? (Excellence & Commitment)
4. If you break a tool that we don't use very often, would you approach me about it and what would you expect? (Integrity)
5. As you become better at your job, will you look for new ways to help the company grow, even if that means more work OR taking on new responsibilities? (Initiative & Excellence)

These were simply some sample questions. Develop your own around your Core Value structure. Remember, we focus on hiring the person, not the position. We also recommend that you have them answer these questions in written form and then go over them. This provides you with a physical copy if you decide to hire them. This can be useful to reference in the future as breaking these conditions can be grounds for termination and can be used to fight unemployment claims.

Next, we are going to cover a few things that you should be paying close attention to as you are interviewing candidates. These are red flags that we typically associated with potential problems. As you are interviewing them, pay close attention to the following:

Hygiene – if you notice anything less than good hygiene during the interview, this is an immediate red flag. If someone comes to an interview with poor hygiene, they are probably not very dependable.

Communication – it's important that they are understanding your questions. If they're lacking comprehension skills, that could affect how well they understand orders, task, etc.

Body Language – You can glean important information from a person’s body language. The following could be a sign of a short attention span, lack of motivation, or poor work ethic, but not necessarily:

- Lack of eye contact
- Poor posture
- Weak handshake

These cues are especially important for someone who is applying for a laborer position as they are intended to determine if the candidate is **reliable, trustworthy**, and has a **strong work ethic**.

So, what do you need to start hiring employees? The first thing we recommend is that you talk to a professional about employee payroll. Even though it may seem convenient, do not pay your employees under the table. There are tax breaks for you in paying legitimately, as well as it simply does not work building a business on a faulty foundation. If you aren’t familiar with taxes and worker’s comp insurance, look into utilizing a professional service to outsource these things to. We utilize a payroll service called AAP Payroll. They take care of paying our employment taxes, handling employee withdraws, paying workers comp insurance and issuing checks/automated payroll. It makes our lives easier, and makes sure that these things are done correctly.

If you are utilizing, or plan to utilize one of these services, speak with them before interviewing to get a list of what they need for you to get your employee started.

In addition to that, you should keep copies of the following:

Employee Profile Sheet: Name, Address, Phone, Email, Emergency Contact, Social Security Number, Starting Pay, Planned Review Times (these are the dates you plan to review their work performance with them), copy of their driver's license and insurance.

Lastly, I want to briefly touch on developing a company culture. This may sound weird, but we LOVE to go above and beyond for our employees. We want our employees to WANT to come to work, and commit to making our company better. That starts with you. Always be cheerful with your employees. Don’t take your frustrations out on them, and let them always see the best you. Don’t fight with people in front of them.

We provide: Free Snacks (Health Bars) & Drinks, A comfortable work environment (we spare no expense on equipment), things to do during their break times, we actively encourage break times, we give them unannounced bonuses, ask their opinions and include them in decisions. If we can tell they are frustrated, we encourage them to take an extra break and walk around or do something not work related. We always try to show them that we truly care about them, and constantly give praise.

When our employees make mistakes, we focus on learning from them. We never chastise our employees for doing something that took initiative. We are focused always on what is in front of us, instead of what is behind us. If they make a costly error, and they had their best intentions behind it, we

eat that as a company expense and simply work to develop a system that won't let it become a common problem. Remember, the fault lies on you as much as it does them. Whether it be training or something else, fault lies on you.

In closing, adding quality team members will not only be a valuable experience for you as an entrepreneur, it will help your company grow and become independent. Take the time, and take the care in making sure that you hire the right people for the job. Also, focus heavily on retaining your superstars. Go above and beyond their expectations, and make them want to help your company grow. That wraps it up for this video; thanks for watching.

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