A PROACTIVE RECRUITMENT PROCESS By: Eric J. Morin, MBA

It's been said that organizational health is the #1 contributor to profitability. What you invest in culture, you return with high retention, production and satisfaction. Growing the right team to uphold such culture and profitability requires you to be proactive in your selection process.

The difference between being proactive and being reactive in your recruitment process is how you pool your candidates. Being reactive is not actually a selection process. It is a means to defend your business at any cost. The need to fill a position is greater than the need to find the right candidate for said position. Being proactive, however, allows more time and deliberation to consider the position, as well as the candidate. You are fully aware of what your business needs, and ready to begin your selection process.

Being ready for new hires requires you to fully understand your Labor Efficiency Ratios (LER) by knowing what positions need to be filled, how much cash these positions require, what each position's return on investment would be after 90 days, as well as compensation specs, like a hiring bonus and increased expenses for benefits, technology, and culture. You can reframe your view of these labor expenses as something that you utilize to return profits. Knowing where this cash is going to be allocated is the first step to being proactive in your recruitment process.

While it is important to have a full grasp of your LER and cash allocation, it is just as important that your culture and core values don't take the back seat, just to save a buck. Your culture and your capital management should work together to continue to build your A-Team!

Think qualitatively and quantitatively when considering your candidates for any position. The right hire will not only fill the quantitative needs of the position while delivering a return on investment, but they will also meet the qualitative needs of company culture and core values. This is where your team comes in. Having your team assess your new hire is extremely beneficial in making sure you are moving forward with the right person for the position. Your team will be able to gather if this person increases the organizational health, should they join the team.

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If you look around your office, you will probably find that you tend to hire people you like. Sometimes, as business owners, we must be willing to invest in the right personality and attitude over what our numbers are telling us. In fact, being too focused on your cash allocation for a new hire could impede whether you choose the right candidate for a position. This is a gut feeling, and something that you only get to use if your recruitment process is proactive. By pooling your candidates, rather than rushing to fill a position, you can make a clear, educated decision on your next great hire.

Take a minute to think about what or how you are investing in your culture, and how it affects your recruitment process. Remember to be proactive, think quantitatively and qualitatively, consider your Labor Efficiency Ratios and leverage your team.

Great people are out there. Go find them!