

Four “Building Blocks” That Help You Hire Well and Set Employees Up for Success (Part Three of a Three-Part Series)

Description

Today we'll wrap up our series on the structural “building blocks” small businesses need to put in place in order to thrive long term. We kicked off this topic about a month ago by explaining why entrepreneurs and small business owners need to follow the lead of larger organizations in this area (and why many of us tend to shy away from structure). Click [here](#) to review. Then, over the past couple of weeks, we explored some of these recommended building blocks in a little more detail. Click [here](#) for Part One and [here](#) for Part Two.

As you may recall, putting in these building blocks provides the solid foundation that employees crave. People like knowing the rules. We like clarity. Without it we feel anxious and uncertain and can never be sure that we're doing the right things. And when a business doesn't have well-defined and well-communicated systems and guidelines, people are bound to make preventable mistakes. Enough of these mistakes and performance falters and the business might even fail.

So, for our final column in this series, we'll address a few business blocks that have to do with selection and employee performance. In any size company, it's important to get the right people in place, make sure they understand what they're supposed to do, and reward and recognize good performance. But in a small business, these things are absolutely crucial, because often there aren't enough resources to cover the impact of a bad hire or a poor-performing employee. All employees must carry their own weight and do it well.

That said, here are some foundational building blocks every small business should put in place:

A Well-Defined New Employee Selection Process

Small companies often hire quickly because they're overwhelmed and feel it's crucial to get a warm body in place. Yet when someone is hired and they don't work out, everyone loses: the organization, the manager, and the employee. Turnover is expensive. Sometimes it can take minutes to hire and years to fire—and having the wrong person on board can drive high performers away, alienate customers, and hurt your business in countless other ways.

That's why you need a solid process to make sure that you select the right employees up front. One tool I have had success with is behavioral-based interviewing. Essentially, you ask questions that reveal how an applicant has handled situations in the past related to teamwork, customer service, problem solving, time management, communication, and motivation/values. It can also help to include peers in the interview process—no one knows better what it takes to do the job than the men and women who will be working with the new hire.

Job Duty Descriptions

As I said earlier, people like clarity. Uncertainty makes them anxious. Employees like knowing exactly

what they're responsible for and what they're being judged on. This is why I am an advocate of creating well-written job descriptions. It gets people started on the right foot and gives them a sense of confidence so they can move forward without second-guessing themselves.

Of course, it's important to balance this clarity ("Here's what we expect of you") with enough leeway to allow for employees to grow and take on more responsibility that might be outside their job description. Also, job descriptions evolve as employees evolve—so there needs to be a mechanism for revising them on a regular basis.

A Job Performance Feedback System

Small businesses don't always hold performance reviews. Leaders may feel that they're too busy or overwhelmed to do them. But I find that when they are done right, people actually like them. Employees *want* to know how they're doing. They *want* to connect with their managers. And reviews give leaders an opportunity to measure performance results, reward great employees, and move not-so-great ones up or out. They can actually have a positive impact on your culture and even help you attract great talent.

That being said, the annual performance review isn't always the best approach. It can help to think of these meetings as *a process*, not an *event*. When you give feedback all year long through tactics such as rounding on employees, holding quarterly reviews, and linking feedback to organizational goals and objective metrics, you're coaching employees rather than judging them. Hardwiring a consistent feedback system allows employees to grow and improve their performance, which in turn transforms the performance of your entire company.

Ways to Recognize Good Performance

Reward and recognition are powerful. When an employee is complimented for a specific behavior, not only will they feel good, they'll be more likely to repeat it. Coworkers will see what's being recognized and copy the behavior. And when the supervisor consistently recognizes good performance, they build strong relationships with employees—which in turn reduces turnover, increases engagement, improves culture, etc. This is crucial in small companies, which often cannot afford high salaries and lavish perks.

But reward and recognition don't come naturally. In fact, most leaders became leaders because they're good at solving problems—which means they are predisposed to look for the negative. Research shows that it takes three positives to one negative for an employee to feel good about the messenger. That's why companies must hardwire a system for reward and recognition into their culture; if they don't, it won't happen.

I hope you have enjoyed this series. There has always been a special place in my heart for start-ups and small businesses. I love the energy and excitement they generate and the wonderful benefits they bring to our community. Providing tactics and insights to help small business leaders succeed is one of my greatest passions, and I am grateful for the opportunity.

As always, thank you for reading. It is my hope that something you read here will make a positive difference for your business, your employees, and the customers you serve.

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