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Is Your Company Doing All It Can to Hire Great Employees?

A diverse group of Chicagoland small business presidents, CEOs and owners recently learned the key recruiting and hiring steps that they must get right to succeed during these challenging times – and what hiring mistakes really cost their companies when they don't.

At an October Speaker Event hosted by Presidents Advisory Committee (PAC) Chuck Smith, President of NewHire (www.NewHire.com), a member firm of PAC which offers a pre-hiring software suite to small- and medium-sized businesses, reminded his peer business leaders that “while every hire is critically important to the success of your business, the biggest problem is getting the fit right.” He went on to say, “small businesses are living with people that just don't fit.”

How much does a hiring mistake cost? Studies estimate costs can be 14 to 28 times the bad hire's base pay. It is no wonder employers are anxious about making the wrong decision.

Lee Singer, partner at accounting firm FGMK (fgmk.net) said Mr. Smith's discussion and the *PAC Tool for Success™ Attracting Great Employees Worksheet* are valuable to corporate leaders. “My CEO clients can use Chuck's lessons to avoid hiring mistakes that will hurt them later,” he said.

The first step is to understand that a job candidate has three dimensions: experience, attitude and aptitude. “Companies can evaluate relevant experience but tend to do poorly on the other dimensions,” said Mr. Smith. “We tend to hire people for what they know but fire them for who they are.”

Mr. Smith told the audience of business owners and presidents the four things they need to get right – and too often get wrong:

- **Know who you want.** Articulate in writing the job's profile and description.
- **Operate an efficient recruiting process.** Document the key steps, be clear in responsibilities, provide effective support tools and measure results.
- **Conduct structured interviews.** Each interviewer should follow the same interview outline for each candidate so comparisons are on an “apples-to-apples” basis.
- **Maintain a hiring pipeline.** Keep in touch with your best candidates even if they are not hired right away. This helps avoid crisis-mode hiring.

Nick Arvis, Founder of PAC, added that PAC members recommend establishing measurable performance targets in agreement with candidates. “Establishing milestones and checkpoints for the first 30-days, the first quarter and the first year helps CEOs evaluate the candidate's progress and decide early if the hiring decision was the right one.”

About Presidents Advisory Committee

Presidents Advisory Committee groups are roundtables of small business presidents, CEOs and owners who meet monthly as a peer advisory board. PAC members provide objective feedback to each other in a safe and trusting environment. Members apply simple, but effective *Tools for Success*[™] to analyze growth areas, set long-term goals and prioritize issues. These tools are especially powerful when working with other business owners, presidents and CEOs dedicated to each others' business success.

PAC blog: PAC.liquidprint.com/blog/

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