



Big Dreams, Small Budget:

The Essential Guide to Attracting Talent for Growing a Small Business.

Executive Summary



YOU AGAINST THE WORLD. When you started your small business, that may have been how it felt. You were the go-to person for everything: product development, marketing, sales, accounting. Your business was your baby and you wanted your hands on every aspect.

Now, though, it's time to grow. To grow you need to add people: people that can take tasks off your plate and give you time to lead. The right team members can help your revenue increase exponentially when they provide great customer service and bring fresh new ideas to the table.

You need people with skills, talents, and initiative, but where do you find them? What benefits can you offer them? How can you help them choose to work for you?

Many small business owners believe that they can't compete with larger companies to attract and retain top talent. However, small businesses have their own unique benefits and qualities to offer. It's just a matter of knowing how to attract the right people.

If you're a small business owner and you're planning to add new people, the following will offer solutions and suggestions for bringing top talent to your organization. The exact plan for recruiting and retaining talent will vary from business owner to business owner, based on the goals for your company, your personality, and your industry. Developing that plan can seem daunting, but our guide will help you think through your unique plan and create a system for finding the right people for your business.

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Introduction

THE MOTIVATIONS for launching a small business are as numerous as the business owners who start them. Flexibility. Freedom. A desire to be your own boss.

No matter what your reason for starting your venture, many small business owners begin with only one focus in mind: get started. At launch it's all about finding your niche and discovering those first few clients or customers who will buy into you and your vision.

52% of businesses reported hiring or trying to hire, but 45% of those business had few or no qualified applicants

As a business owner, it's easier to have your hands on everything when the company is small. At some point, however, you realize that you've hit a plateau. You want to add more clients, but there are only so many hours in the day and you've already maxed them out. There are certain parts of your business that you're great at — product development, maybe, or building customer relationships — and other areas that you're not as proficient in. Maybe it's time to add people who can complement your business with their skills and talents, allowing you to grow your customer base and your sales.



A 2011 article in the American Express OPEN Small Business Monitor reports that a semiannual survey of business owners revealed business growth had surpassed survival as the top priority for entrepreneurs. This was the first time since 2006 that growth was listed as the most important item on the top of business owners' lists.

However, many small business owners face challenges related to growth, specifically finding, attracting, and retaining the right people.

A report from the NFIB entitled "Small Business Economic Trends" in January 2016 showed that 52% of businesses reported hiring or trying to hire, but 45% of those business had few or no qualified applicants for the positions they were trying to fill. In fact, 15% of small business owners said hiring was their single most important business problem; it's the third problem on the list among all business owners, behind taxes and red tape.

In this guide, we will offer tools and strategies to help you find, attract, and retain the best people to help position your business for growth and success. We want to help you develop a plan for recruiting that is specific and unique to you and your business culture and goals. Let us help you hire efficiently and effectively!

It might be time to bring in new talent if you:

- Have more work than you can handle.
- Want to grow but all your time is spent working in the business.
- Are generating more leads than you can act on.
- Have identified specialized skill areas where you need support.
- Are finding bottlenecks within your business.
- Want to expand into an area that your current team does not have expertise in.

Good People Are Hard to Find.



ACCORDING to the NFIB report stated earlier, 97% of small businesses reported that they planned to grow or remain stable in 2016. However, finding and keeping talented people was a major concern for most business owners. Without the right people in place, businesses may have to turn potential clients (and revenue!) away. They may even have to hire the wrong people, resulting in lackluster customer service and damaging the business's reputation.

There are two primary areas where small business owners are struggling with the hiring process. They include:

1. Unable to find the right people.

Most small business owners looking to hire have a specific type of person or set of skills they are looking for. However, finding the right person and the right fit can be frustrating. How can the small business compete with larger companies in terms of benefits and incentives to recruit top talent? Where and how can small businesses find the right person with the right skills without breaking the budget?

2. Taking on additional expense.

Most small business owners know that hiring is an investment. However, it can be a struggle financially, especially while the company is experiencing the pain (and joy!) of growth. Owners may worry about being able to balance financially sustaining its worker base and maintaining its capital for the company to grow. Adding people may also incur previously unneeded costs, such as expense for more space or equipment so they can work.

So if the challenges of hiring are so daunting, why should a small business owner address these challenges head on to put a hiring plan in place? Good question.

Let's consider the benefits of hiring:

1

You'll have more time.

The irony of the hiring process is that bringing in people with the right skills will free up time for the business owner. It's just as true of time as it is of money: in order to make time, you have to spend time. But it's painful in the process of getting there!

2

You can focus on your strengths.

You love talking to clients. You hate putting together financial reports. Someone out there loves a good spreadsheet. Find that person, delegate the task, and focus on the talents and skills that are unique to you as a leader.

3

You can increase your bottom line.

When you have time to focus on your strengths, you have additional capacity to grow your customer base. When you grow your customer base, you grow your revenue.

4

Talented people attract talented people.

Surrounding yourself with talented individuals will help you learn and grow. This can help you acquire bigger, better, and more targeted (and possibly higher paying) clients. The people you work with may also have contacts that become potential clients for your business.

Additionally, talented people know other talented people. According to an article on business.com, 78% of recruiters find their best candidates from referrals.⁵ Next time you need to hire, you can potentially rely on the existing freelancer to refer someone great for your team.

5

A hiring plan may increase your retention.

According to a report on recruiterbox.com, 57% of employees who left their jobs in the last year did so within the first 12 months on the job.⁶ If you have a plan in place to provide incentives for people to stay, they'll be more likely to do so.

A good hiring plan can also increase your satisfaction among the people who work for you. If they have a clear, definite idea of the company's culture and their role within that culture, they will know what to expect and what is expected of them.

It's obvious that a clear, defined recruiting plan should be in place if your plans are to grow. But where do you start? Let's take a look.

You Need a Plan



WE'VE DISCUSSED why a hiring plan is important, but how do you implement it? Where do you begin? Each business's plan will look different. It will be unique and specific to your company. However, we've provided you with a framework to follow as you create your plan.

Following are seven things to think about:

1. Be extremely clear about your recruiting objectives.

It's not enough to simply say, "I need to hire someone." Be specific about the someone(s) you need to bring on. How many people do you need to hire? Who are you looking for? What kind of personality or skill set would help fill the gap in your company?

One thing you'll need to consider is a timeline. Decide on a target date for having your someone new fully up and running, and work backwards from there. How long will the onboarding process take? Is there a specific project that you are hiring for, and what is the deadline for that project? These questions will help you determine when you should be hiring.

One note about orientation and onboarding: Don't give it short shrift! It's especially easy to overlook when hiring freelancers, because those people tend to work remotely. However, it's probably even more important with freelancers. Onboarding includes making sure the new hire has a mentor for the first few weeks; setting them up with small, attainable tasks; and creating an atmosphere of excitement around the new addition to your team. Neglecting the onboarding process can lead to a new freelancer's early departure if they are feeling lost and not welcomed during the preliminary phase.

People who are invested in your company are people that stick around. More than half of employees who left their jobs in the last year did so in the first 12 months on the job. The cost to replace a mid-level employee is upwards of 150% of their salary.⁷ It costs a lot less to keep talented people engaged and involved than it does to replace them.

Get Clear on Your Recruiting Objectives:

- How many people do you need to hire?
- What skill set would help fill the gap in your company?
- Is there a specific personality type that would work best in this job?
- Do they need specific education and experience or is the work something you could train someone to do?
- Is it more important to hire highly-qualified candidates or budget-friendly junior staff?
- Would you prefer a specialist with deep knowledge in a subject or are you looking for a generalist who is happy wearing a number of hats?
- Would you need someone full-time, part-time or on a project-to-project basis?

2. Build a strong employer brand.

Does this sound familiar? "I don't agree with how things are done here. The company culture of this organization doesn't match my values." Or this: "I don't feel supported here. I'm asked to do the job of three people and that just isn't sustainable." Bad cultural fit is one of four reasons that make up 99% of the reasons why people quit.⁸

Why is cultural fit important? A 2005 meta-analysis by Kristof-Brown reported that employees who fit well with their organization, coworkers, and supervisor:

- Experienced greater job satisfaction.⁷
- Identified more strongly with their company.
- Were more likely to remain with the organization.
- Showed more commitment to their role.
- Demonstrated superior job performance.⁹

Highlighting your business culture will help potential candidates decide whether they're a good fit within your organization.



Communication about how your organization operates can be expressed in job ads and in-person interviews. Potential candidates will also gain much useful information about your company culture from your website.

Ask yourself: Does your organization appreciate its people, treat them with respect, and provide compensation, benefits, and perks that demonstrate respect and caring? If the answer is yes, how does your business do those things? Write them down. If the answer is no, what steps can you take to turn the answer into yes?

A small business culture has distinct advantages over a large company's. Highlight the benefits of working in a small business, including:

- Have direct access to management or the founders.
- Gain entrepreneurial experience.
- Exposure to all aspects of the business.
- Enjoy less red tape and more flexibility.

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It's easy to overlook the importance of company culture when hiring. It's slightly vague and intangible and as a business owner, you're likely more interested in finding someone with the skill set to solve your problems than explaining the nuances of your company. However hiring is a two-way street. Applicants want to work for businesses aligned with their values, where they see themselves fitting in and being allowed to do their best work.

At MommikinJobs, I've found that when we articulate our company values to job applicants, not only do we get a better response but they tend to be more the type of candidates we're looking for. You can often see their passion and interest already in their cover letters — this saves us time and effort weeding through generic job applications and gets us to a good hire faster.

— Larissa Pickens
Co-Founder MommikinJob

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3. Offer competitive compensation.

"Top talent or not, people want to get paid," says Steve Strauss, senior small business columnist at USA Today and author of fifteen books, including "The Small Business Bible."¹⁰ But what exactly does competitive compensation mean? It will vary by local market and industry, but compensation generally includes any benefit made available, including financial incentives, continuing education benefits, healthcare and insurance packages, and more.



Tying pay to growth-related incentives may be a great motivator for the people who work for you. A commission-based pay structure may encourage freelancers to provide the best customer service they can to existing customers while providing motivation to build new client relationships. You can also consider tying payment schedules to specific company milestones — completed projects, new program launches, or number of clients served.

37% of technology professionals would take a 10% pay cut for the ability to work from home.

Flexible working schedules and working environments are an incredibly attractive benefit for a growing segment of the working population. Flex and remote workers save companies money on taxes, office overhead, and even pay. It's reported that 37% of technology professionals would take a 10% pay cut for the ability to work from home¹¹

With so many people trading executive-level salaries for the freedom of flexible work, small businesses have a much bigger pool of talented freelancers to choose from. For example, many moms have traded in their former careers for freelance to better balance their time between work and family. By utilizing freelance talent, small businesses can have the advantage of work experience and skills with less overhead than generally incurred when hiring traditional employees.

4. Design creative perks and packages.

A company perk is usually a non-wage benefit that people receive as a result of working for your business. They can be tangible (tickets to sporting events, for example) or intangible (continuing education courses). Some creative perks might include:

- Tickets to events in the community, including sporting events, concerts, and theater productions.
- Provision of hardware and software, including laptops, tablets, and phones.
- Use of the company's products and services for free or at a discount.
- Events, including retreats, parties, recognition of achievements, and more.

The goal of solid perks and packages is not only to recruit new people, but also to motivate and reward your current talent.

When you take care of the people who work with you, you build loyalty to your business.

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5. Write great job descriptions.

Ahhh, the job description. How do you put your expectations for your team members into words? A great job description falls right in the middle of too vague (not enough direction) and too specific. In fact, if a job description is too detailed, it can actually deter qualified applicants from applying¹²

Tips for creating a job description that will attract and keep people:

1

Avoid generic statements. Phrases like "great opportunity" and "room for growth" don't tell a potential candidate anything about your business and what it's like to work there.

2

Catch the reader's attention in the first sentence. What is the bigger cause to which they will be contributing? How will they be making a difference in their community or for the world at large?

3

Be very clear in differentiating between required and preferred. What skills or traits are non-negotiable for your freelancer to possess? What qualities would you like to see candidates have, but won't be a deal breaker for you if they don't?

4

Keep the human touch. There is software out there that will generate job descriptions for you, based on data and keywords you put in. You are employing people. Don't rely on software to write for them.

5

Keep the application process simple. Candidates are overwhelmed when the application process is long, involved, and complicated. Make it easy. Give them a link to your email address or provide a simple form to submit. The first step to hiring good people is to get them to apply.

6. Broaden your pool of highly qualified candidates.

Technology has made it possible to hire the people who you may not have had access to in the past. And we're open to working remotely: 80%-90% of the US workforce says they would like to telework at least part time.¹³ But how do you find and target the right people?

Your online presence isn't just for marketing to customers; it's an incredible tool for recruiting freelancers as well. Expose people to your company culture through the use of blog posts on your website. Post your job descriptions on social media and share with your contacts.

Think beyond traditional recruiting methods, and consider general populations that you might target. For instance, many moms who had professional careers before becoming mothers already have the experience and skills you are looking for and are willing to trade their expertise for the work-life balance of freelance work.

There are a variety of jobs that can be easily outsourced such as virtual assistants, marketing consultants, graphic designers. Try out a potential freelancer on a project-by-project basis. This "try before you buy" plan gives you an idea for this person's work ethic and skill base, and you can either continue the relationship or part ways at the end of the project.

7. Keep your pipeline full.

The most important thing to remember: Always be hiring.

To make recruiting a less painful task, it's important to keep your pipeline full of talented people. They may not be on your payroll right now, but it's important to maintain relationships with talented people you meet. Keep your contacts informed about what's happening at your company. You never know when the time might be right for someone in your network to join your team.

The most important thing to remember: Always be hiring.



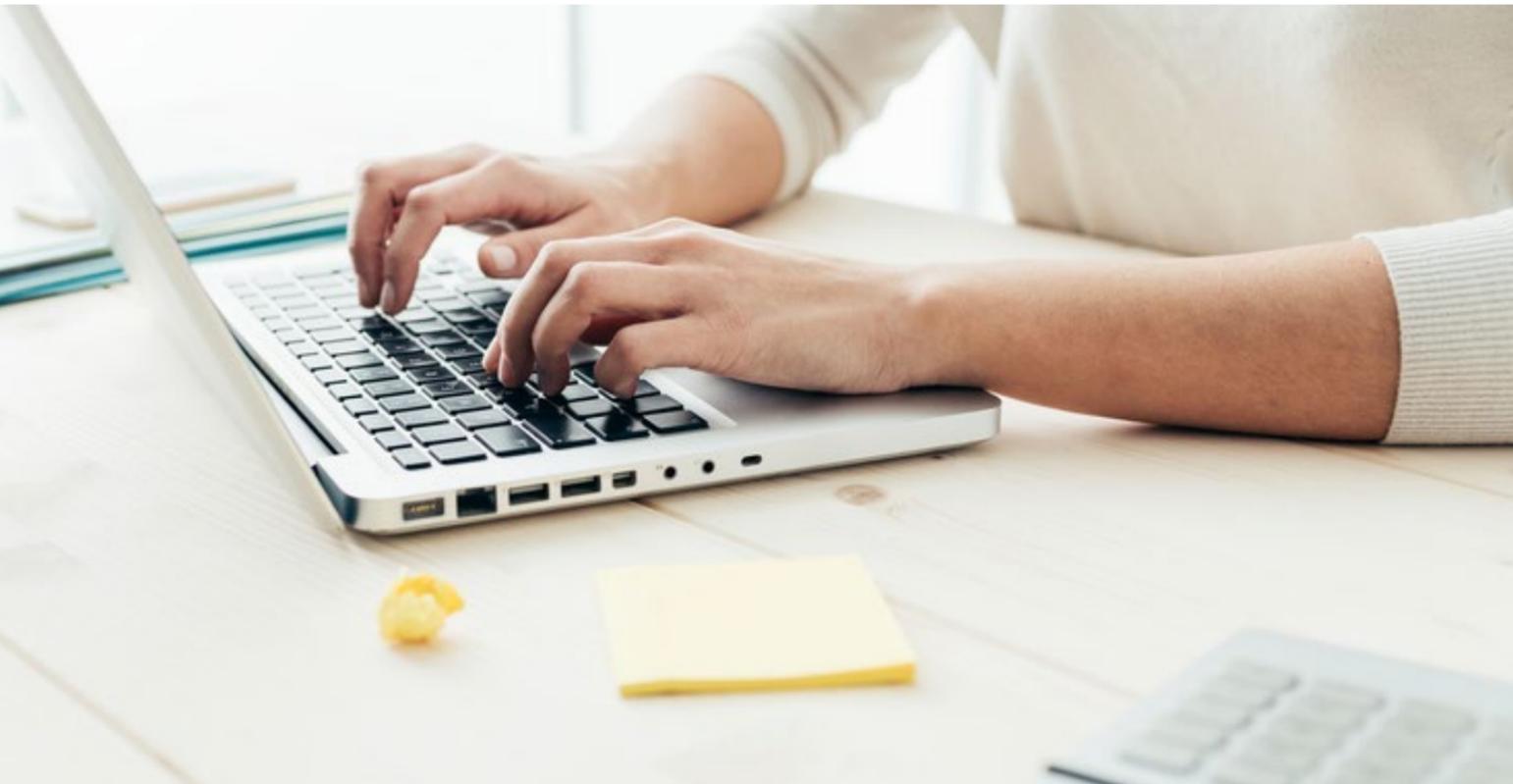
Conclusion

THE HIRING PROCESS can be overwhelming, especially for a small business owner who is ready to grow but has no idea where to start. The seven strategies we offer above can help you create a recruitment plan to set your company on a path to growth and success.

Many small businesses are competing for the same people from the same pool. How do you make your small business stand out from the others? When you highlight the benefits of working for your company, provide clear and specific job descriptions, get creative with your compensation and benefits packages, and broaden your recruiting efforts to target niche, talented groups – you make your company stand out to talented people.

It's time to make a comprehensive recruiting plan a priority. We can help you find passionate, smart, and hard-working talent this year.

Try Mommikin Jobs today to get access to more exclusive resources and to attract the most talented group of creative moms on the planet. Realize your entrepreneurial dreams by finding and growing a trusted team.



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