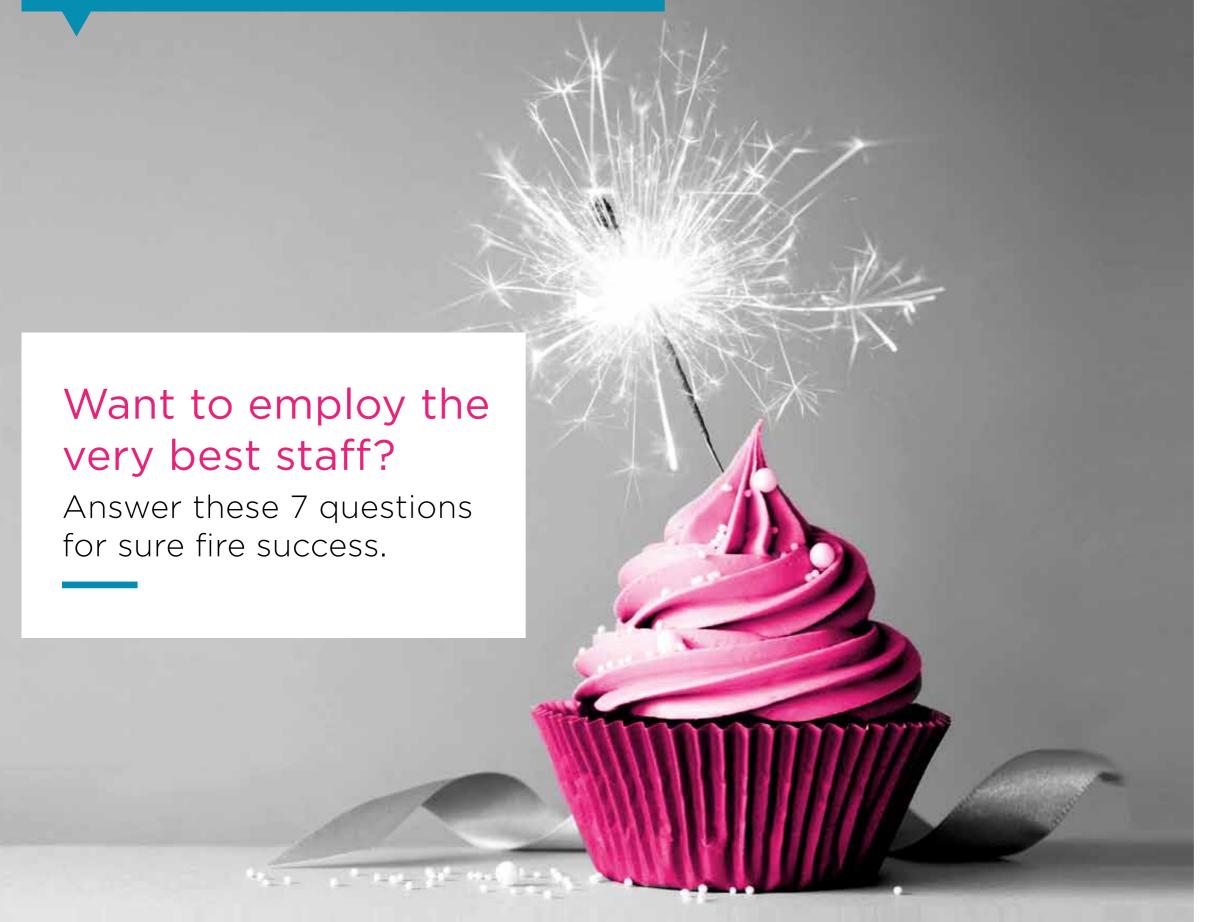


## 7 Questions

For sure fire success as an employer



vivoHR.co.uk



Before we go any further I'm going to let you into a little secret about successfully employing great people.

Guess what...
...It's all about you!

That's right - having
high performing
employees is about
what you do.

Most people (yes of course there are few exceptions and we'll discuss that later) come to work to do a good job so it's up to you to make sure you've got the right people at the right time doing the right job in the right way for your business.

So work through these questions to ensure you do just that, and if you need any help call us today

### Do I need an employee?

This might seem like a strange question to ask in a guide to employing but it's well worth the time to ask yourself if taking on an employee is actually the best option for you right now.

You have several options to consider:

#### WOULD A SELF-EMPLOYED SUB-CONTRACTOR BE MY BEST OPTION?

Whilst the charge per hour/ day is likely to be higher you will have greater flexibility, no accrual of employment rights and no NI, holiday or sickness costs to consider.

It has always been the case that this must be a genuine self-employment arrangement and not simply a way of avoiding employment costs, and never has this been more so than with recent tribunal cases putting this very point to the test.

There are tax implications that you must consider carefully. The HMRC have just introduced an online employment status indicator that I suggest you use to check if taking on selfemployed contractors is a legitimate option for you.

#### IS A TEMP THROUGH AN AGENCY WHAT I NEED TO HELP WITH A SHORT-TERM PROJECT?

Again, this can be more costly per hour than employing directly, but for a shortterm project it may be the

ideal solution. The worker is employed by the agency so they assume all liabilities in terms of employment costs and accrued rights.

#### DO I JUST NEED A CASUAL WORKER ON AN ADHOC BASIS TO HELP OUT FROM TIME TO TIME?

Casual workers are contracted directly to you so you pay the tax and NI on their earnings but they do not have the status of an employee and so do not accrue all employment rights. They are still entitled to holiday and sick pay though.

The relationship must be genuinely on an "as and when" needed basis or the worker may be able to claim employment rights over a period of time.

#### DO I HAVE A JOB ROLE FOR AN EMPLOYEE?

There are both pros and cons to taking on an employee. On the plus side, you have someone working directly for you who is committed to that job and who is part of your growing business. They do however have employment rights, some entitlements are from day one and some, such as the right to claim unfair dismissal or the right



to redundancy pay, are only accrued after two years' service.

If, after weighing up your options you decide that you do indeed have the need for an employee, your next consideration is to decide if this is a full or part-time role.

- How many hours of work do you need from your new employee?
- Are there core times of the day/days of the week when you need that employee to work?

Consider also the option of a zero-hours contract. Much maligned in the media but still a legitimate and reasonable contract option. A zero hours' employment contract gives you flexibility in not committing to a set number of hours work per week but the potential downside of this is that your employee isn't necessarily obligated to work any hours you offer to them. In reality, an employee will invariably want to work and earn money so it's not necessarily a huge risk.



#### What will this new recruit do?

Alongside making the decision above you need to consider exactly what it is you want someone to do in your business.

Take some time to really think this one through. When you first started your business you probably did pretty much everything yourself, most likely using the services of an accountant and maybe a bookkeeper (unless that is your business of course!) to keep you compliant with HMRC.

Now is the time to really look at your skills and preferences.

- What was the reason you set your business up in the first place? What is the stuff you love to do and want to carry on working on? Can you do all of that work alone or is there now too much of it for you to manage by yourself?
- What are the things you dread doing - you know - those things you keep putting off until you have no choice but to do them. Do they have to stay with you or could someone else take these jobs on?

- What are the things you are hopeless at - that take you far too long or that give you brain ache? What kind of skills would an employee need to be able to do these jobs instead of you?
- Do you want to add a new service or product to your business and need to employ someone with the right skills to do that?

A useful way to start this definition of a job role is to write down everything (and I mean everything!) you do in your business and then add to that list all the stuff that you'd like to be doing but just don't have the time or skills to do. Now categorise the tasks according to whether or not they will stay with you or be part of the job role you are going to recruit for.

What does your own role now look like - does it excite you? What does the list of tasks on the potential new job role look like? Are you happy to hand over everything on that list? Does it look like a reasonable grouping of tasks that make up a coherent job role? If the answer to any of these questions is no, then consider why that is. Resolve any doubts or hesitations you have before you start to recruit.

If you already have people working for you, do the above exercise taking their skills and preferences into account too. Expansion often provides a great opportunity to review the existing job roles, to put more structure in place to a system that may have developed organically over a period of time and it can offer chances for development to current employees.

Once you have done this you should now have a relevant job description for your new recruit.

It's time now to think about the skills, experience and knowledge the person you recruit will need to have. Consider those you deem essential that your new employee absolutely must have, and those that are desirable but not a deal breaker.

Consider also the type of person who will fit into your business best (see the later point about culture) - it is better to recruit for "fit" and train in skills than it is to recruit for skills and then try to fit a square peg into the proverbial round hole.



# What are the practicalities to arrange before I employ anyone?

Here's a list of some of the key considerations you need to have sorted before you place that job advert:

- Get the right insurance in place you will need employer's liability insurance.
- Decide where your employee will work do you have space for them?
- What about a work station do you need to purchase a desk, a chair, a computer or other equipment?
- Understand your health and safety obligations the HSE website is a useful resource here.
- Consider any other potential costs do you need to purchase software licences, a uniform, business cards, a phone or transport?
- Decide how you will handle payroll which includes your Real Time Information (RTI) reporting obligations.
- Find out when you will be required to set up and enrol your employee in a pension to meet the autoenrolment obligations and investigate the costs of doing so.
- Review your online presence if a potential employee looks up your business will they find you...and will what they find give them the best impression of you?
- Plan how you will recruit consider how you will advertise, whether or not to use an agency, where and when you will interview and what you will do to assess suitability for the role.

## What are my company values?

Getting really clear on your company values at the start will mean you can articulate these to your future employees to ensure everyone works within them.

#### Ask yourself:

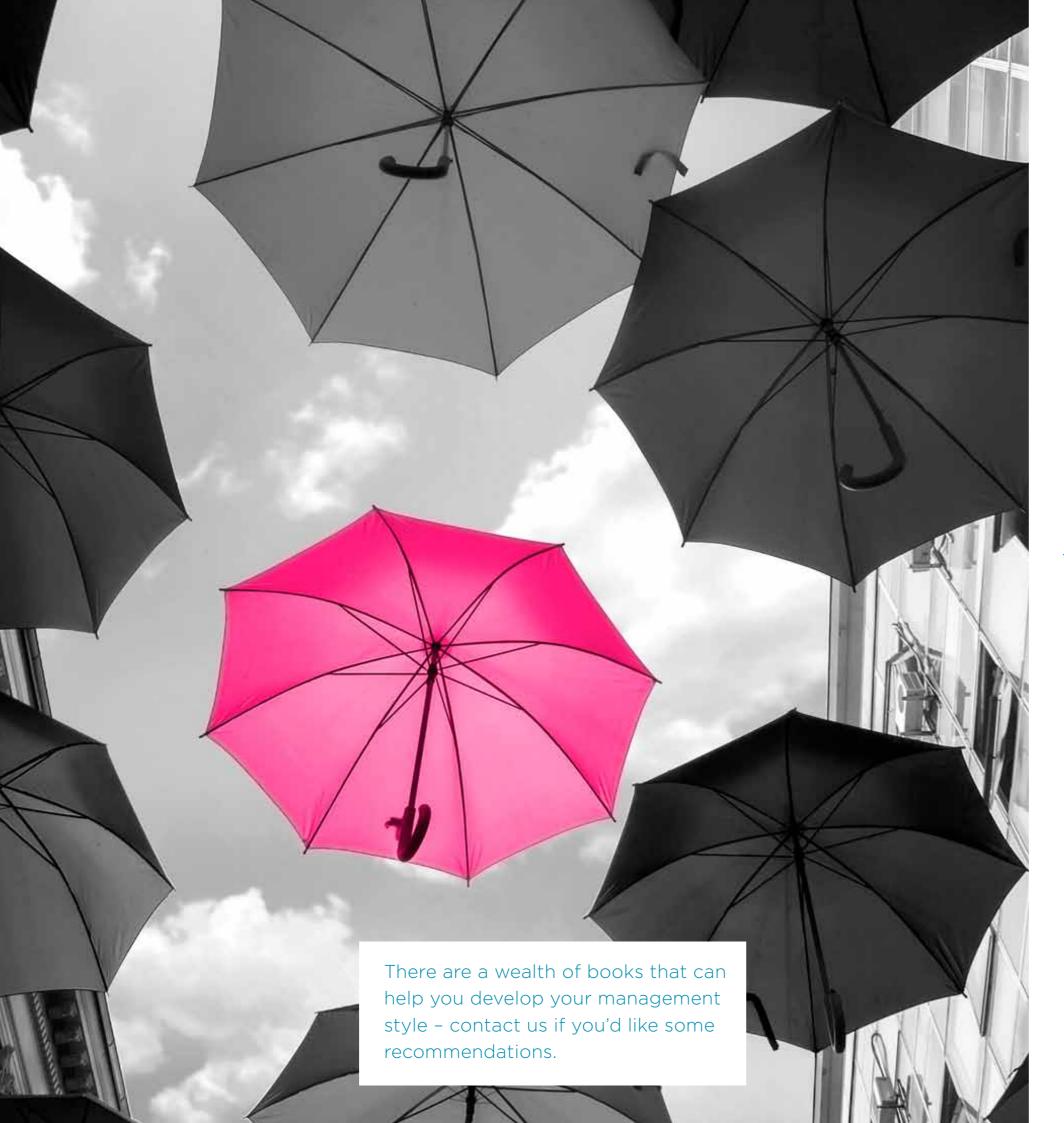
- Are you clear about your own values and how those are demonstrated in the business?
- How do those values translate into the organisational culture?
- What are the important company rules?
- How will you set out your expectations?
- What is your management style?
- What is it like to work in this business?
- What is "the way it is around here"?

It's not about expensive coffee machines, free biscuits or bowls of fresh fruit (although those are all great!) and it certainly isn't about ping pong tables in the relaxation zone (although that might also be great in your business!). It's about what people say about you and your business.

How will you share these key aspects of your business with your

How will you ensure they are clear about the things that are important to you, so that they work in the ways you want them to, so that you, the business, and they succeed?





# How good am I at managing others?

You asked yourself
"what is my management
style," now get honest
with yourself about
how effective you are at
managing people to ensure
you are enabling your
employees to succeed.

Whilst it is true that you are taking on more people because you can't do everything alone; initially a new recruit often takes up more time, effort and attention than simply doing things yourself. Plan time to induct them properly into your business – both in terms of the company culture and the work you require them to do.

Leading by example is by far the most effective way to manage - "do as I say not as I do" might (and it's only a might!) work with kids, but it rarely cuts it as an effective management approach. People pay more attention to the boss' actions than they do to their words.

Aim to be fair, transparent and consistent in your approach, effective communication and honesty are of course always valued by employees too.

Being able to flex your management approach is essential - think about the appropriate style of management for different employees at different times in their employment with you. Be aware of the appropriate times to closely monitor and supervise, when to provide more instruction or training, when to apply a more coaching style, and when it is time to step back and delegate more.

## What do I need to do if things aren't working well?

Consistency is key here. Being clear and consistent about your standards and expectations prevents many problems arising in the first place, and enables you to deal effectively with them if they do arise.

If there is a problem, taking prompt action is always the best approach. Don't allow things to go undealt with until they become significant.

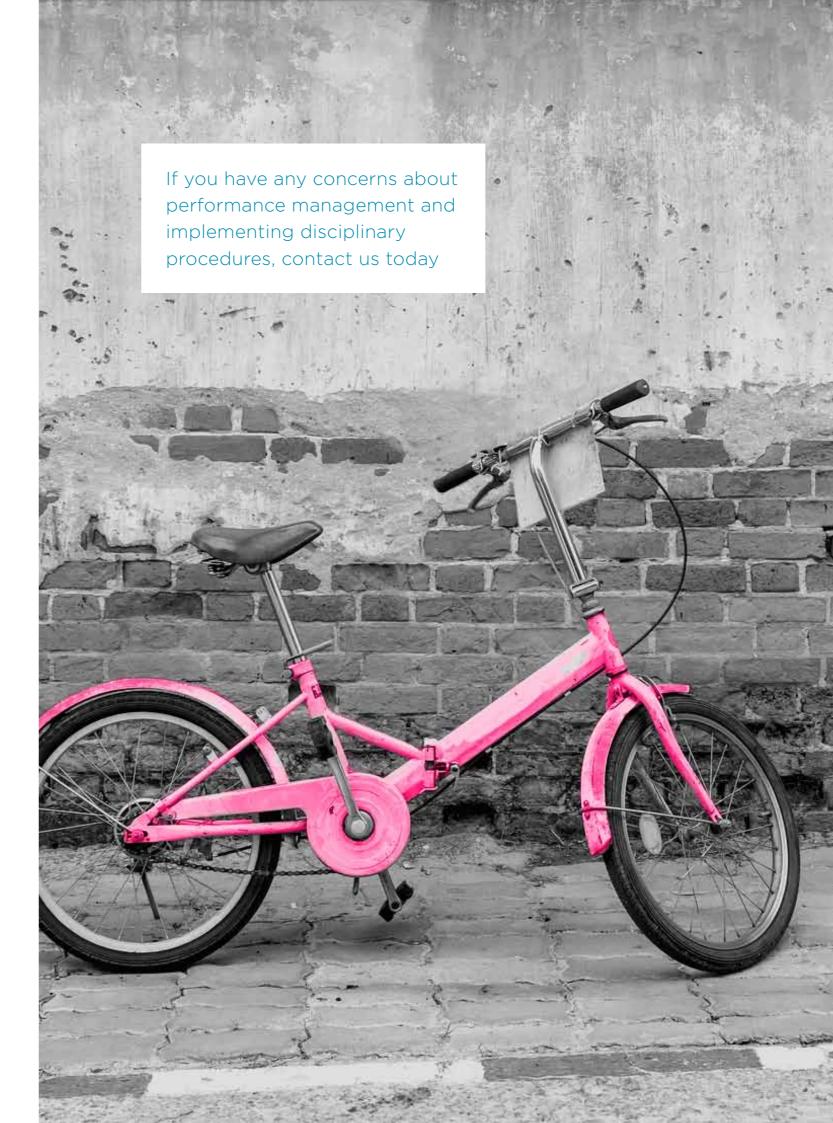
Usually an informal "quiet word" can nip any problems or issues in the bud if done effectively, so ensure you:

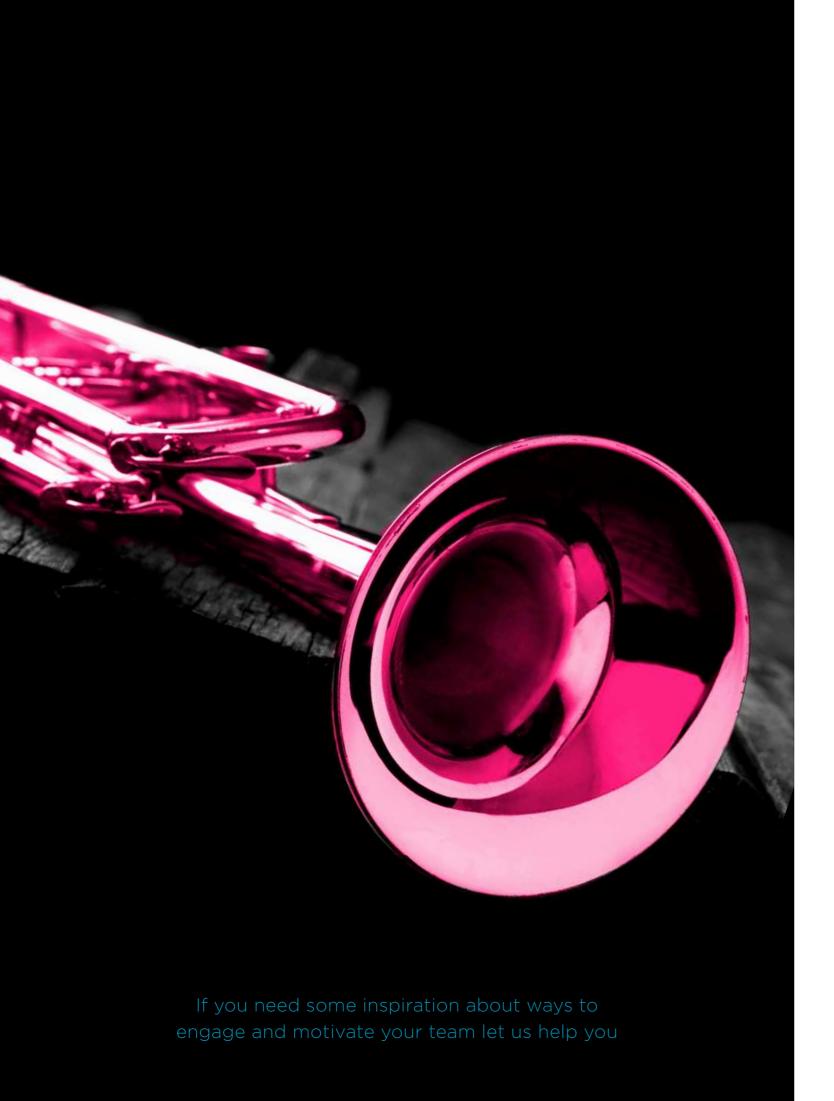
- Pick an appropriate time and place.
- Prepare with all relevant facts and information.
- Be calm, objective and rational.
- Focus on improvement not punishment consider setting targets for improvement where needed.

In the majority of situations appropriate early intervention gets things back on track quickly and effectively. This applies for cases of minor misconduct, under performance or issues such as high sickness or poor timekeeping.

Be prepared to implement your formal disciplinary procedure if things don't improve or where the initial case is more significant.

Remember however that if things really are not working out and your employee has less than two years' continuous service, you can simply terminate the employment without fear of a tribunal claim for unfair dismissal. Do be cautious with this approach and check all your risks first - seek advice before you act.





## How do I keep my employees engaged and motivated?

Research shows that the key factors to keeping employees engaged and motivated are relatively straightforward...and money doesn't feature highly on many lists.

Employees want to be able to do their job well, to have the right resources and support to achieve that, to know what is expected of them and how what they do fits into the bigger picture, to have opportunities to develop...and they'd quite like someone to recognise when they've done a good job.

Your role is to enable employees to succeed in their jobs, to fulfil their needs through regular review and feedback and to enable people to continue developing their skills, knowledge and expertise.

Of course, you do need to ensure you pay competitively for the job role and that this pay is reviewed regularly. Bonus

or commission schemes can work as great incentives to hit targets if they are appropriate and well thought out to reward the right behaviours and outcomes. If you want to add benefits into the mix, then ensure you consider what your employees would most value. There are lots of great options from cheap shopping to childcare vouchers.

Talk to your accountant about the real costs and the tax implications before you introduce any reward schemes. Remember however that rewards and incentives are great as part of your overall package but they are no substitute for good management.



I truly believe that the majority of people come to work to do a good job; that if you start with this assumption, and treat them in this way you will reap the benefits. Treat your employees like grown-ups, trust them, offer them respect and have confidence in their abilities, and they will most likely prove you right.

Your challenge is to do this and at the same time keep your eye on what is going on so that you can deal swiftly and effectively with those who fail to live up to the high expectations you set.

Work through the answers to the questions above and you will be ready to take the plunge as an employer.

If you are struggling with the answers to any of these 7 questions or you still feel you need more support to successfully employ the very best people in your business contact us today for a free 30-minute consultation call where we can find the answers to your specific concerns. Contact details are on the next page or you can book directly into my calendar by clicking on this link:

**Book A Free 30-Minute Consultation** Call With Sam



With a background that combines a Masters in Organisational Psychology with nearly 20 years' experience in HR and Training, Sam has a wealth of HR skills and knowledge to share.

Her straight talking, pragmatic approach has helped clients deal with everything from defining the organisational culture to team development, as well as managing operational concerns such as redundancy, disciplinary and grievance situations.

Sam's clients say she gives them the confidence they are doing it right & helps them to do it even better!

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