

# RECRUITING STRATEGIES For Start-ups

Startup companies face significantly different recruiting challenges than their more established, financially secure competition. In a startup situation, timing and efficiency are critical keys to your success.

Begin by building your recruiting timeline and staffing plan. Be sure to separate key profiles that you will be hiring on an ongoing basis over the long term from those key management positions that need to be filled at specific times during various growth stages. Once your staffing plan has been developed, you need to develop core job descriptions complete with proposed reporting structure and key responsibilities.

Next, identify your sourcing and recruiting options and budgets thoroughly. The Internet should always be a cornerstone of your recruiting strategy as it continues to be one of the most cost-effective recruiting resources available. Virtual Job Fairs involving multimedia (print advertising, online banner ads, Internet job posting, radio) can serve a dual purpose of providing marketing awareness of your new venture as well as creating excitement around your hottest employment opportunities.

## Build your recruiting timeline and staffing plan

Once your management team is in place, you're ready to create your non-executive staffing plan. Begin by spending some time with each hiring manager and key executive in your company to be sure you understand their individual goals as they relate to the corporate goals. Focus on each manager's vision of their department when it is fully staffed and their expectations of your role in helping achieve that vision. Discuss the manager's commitment to the hiring process and candidate selection feedback. Request a 24-hour response to any resume submitted for consideration with written or verbal feedback on the reason why the candidate would not be considered further. Once your staffing plan has been completed, ask the managers to sign off on it to secure their buy-in.

## Develop core job descriptions

Building job descriptions is fundamental to your ability to staff a company for the long term. You may be able to get by without formal job descriptions when the company has fewer than 15 employees who were hired on referral. However, once you exhaust your referral base and need to look externally, the job description will provide you with an invaluable guide for sourcing and pre-screening talent. The job description will also be key to attracting top talent who will want to know specifics of their role and responsibilities in the company. The first step in developing your job descriptions is to secure time one-on-one with your management team. Since they are probably working 80-plus hour weeks, we suggest you schedule time during lunch or breakfast to ask them questions. Have the managers describe, in detail, the personality characteristics of the people

they work best with as well as those they would never want to work with.

Be sure the manager understands that someone from a large, structured corporate background may not survive in a fast-paced, ever-changing, entrepreneurial startup environment. Extract specific technical, management, or functional skills, certifications, or educational requirements that are required for the manager to build his or her ideal team. Managers who describe someone who must have everything on their wish list of 25 points can present significant challenges in your recruiting efforts. Spend additional time with those managers to get them to tell you their top five key skills that are absolutely required to be successful in the job. If the manager is unwilling to accept people with less than everything on their wish list, have the manager detail alternative skills or experience they're willing to consider if you cannot find people that match everything.

### **Develop a strategic recruiting plan**

In developing your recruiting plan, consider the fact that startups typically have a small budget, no recruiting infrastructure, formal process, or applicant tracking systems. With this in mind, it's critical that your recruiting plan maximizes the limited internal resources you do have while minimizing expenses. To determine the resources needed, first estimate the number of resumes needed in total to staff the number of anticipated open positions. A rule of thumb is that 50 percent of the total resumes received are ruled out upon visual inspection and 20 percent to 30 percent of the remaining resumes are passed along for further consideration after they have been phone screened.

To generate your candidate pipeline, first target referrals from senior staff and executive management followed by an aggressive Internet job posting strategy and active Internet resume mining. Consider the use of job fairs and print ads as a supplement to your efforts if your timeline is aggressive or if you do not feel the Internet or referrals are generating enough candidates initially. Be sure you have identified your internal recruiting process with regards to candidate interviews, rejection notification, and employment offers.

Once your sourcing and recruiting plan and process have been determined, conduct a staff meeting with your hiring managers to present your plan and gain buy-in as well as suggestions for improvement. Involving the hiring managers early on will secure their cooperation throughout the recruiting process.

### **Search firms, outsourcing, and HR/recruiting consultants**

Search firms and recruiting consultants can be assets to startup organizations. When using retained search firms, you pre-pay a percentage of the total fee up front with the balance paid over a negotiated payout schedule. Contingency search firms charge their fee only when you make a hire of one of their candidates. As a rule of thumb, startup companies typically use a retained search firm for their higher-level executive positions and contingency firms for those one or two difficult to fill positions. For the multi-hire initiatives, recruiting consultants (contract recruiters or HR professionals) working on an hourly basis, on-site or off-site, can be more cost effective over search firms that charge on a per hire basis.

The value of working with recruiting consultants and outsourced recruiting solutions firms is that you leverage their years of knowledge and experience to help you build your own recruiting infrastructure. An added bonus is that they will leave behind a pre-screened database of potential candidates who may not have matched all of your current needs, but who may be perfect for a future opportunity with your company in six months.

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