HR documents every startup should have

Job descriptions, postings, contracts, policies and reviews: the paperwork that turns a great idea into a team that works.

BY EVERT AKKERMAN · FOUNDER, XNL HR

For startups, having the right tools and guidance from mentors usually makes a big difference. You, the visionary entrepreneur, have a great idea, and then you need to operationalize and monetize it. Since one person can't do it all – especially as your business takes off – you'll need to start hiring so you can delegate to others while you focus on your genius. This is where the need for structure comes in.

Small and midsize businesses have HR needs but not the scale for an HR department, and fractional service providers can be the answer. The beauty of HR is that companies can avoid operational and legal pitfalls by putting a few key documents in place: job descriptions, job postings, contracts, policies, and performance reviews.

As you know from publications, radio ads, and neighbourhood barbecues, hiring and firing can be extremely painful and expensive when it's not done right. You'll need a structured approach to help you determine which applicants have the skills you need. The first step is written job descriptions. This is not something you pluck from the Internet – what I'm talking about is content tailored to the needs of your unique company.



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Over the years, I have seen many examples of flawed hiring. Business owners pick people because they "seemed nice." Yup, most job seekers can hold it together for half an hour. Other reasons are "I know the family," and "We play soccer together." Wonderful, but not necessarily right for the work you need to get done. Being a great soccer player doesn't automatically make someone an awesome salesperson, programmer, or receptionist.

I get it: hiring friends and family is tempting because they're a known quantity, so it feels safe. All is well as long as things are going well. However, if there's an issue and you need to let someone go, you suddenly have two issues, as you still see them on the other side of the turkey once or twice a year.

The success of your brand-new company depends in large part on how you impart your expectations on employees. Job descriptions, job postings, contracts, policies, and reviews are ideal tools for this. A job description is, first and foremost, a communication piece. If you don't have responsibilities and desired outcomes on paper, you will have an idea of what the job entails but the candidate will have their own interpretation. This is a recipe for trouble: it's a well-known statistic that people often quit in their first few days on the job, typically because it wasn't what they expected—or had been led to believe.

I've met scores of business owners who consider themselves excellent interviewers. There's nothing anyone could possibly teach them, let alone an HR consultant. They're James Bond in a messy office and have been making split-second hiring decisions for years, because, well, "they can just tell by looking at people." Rather than probing for skills and experience, the interview is about the weather, hockey, and family. Way at the end, there may be questions like "Do you think you can handle the job?" and "Are you used to a busy environment?" to which the answer is always "Yes." And since they don't feel the need to take notes, the only thing the boss recalls about candidate number three is that they were nervous and backed into a planter.

For better results, start with the basics:

01 Create a job description that reflects what the job needs to do for your business. This document outlines key tasks, skills, qualifications, and expectations.

02 Write a job posting that reflects the key points of the job description, and post this on your company website and one or more job boards. This document should read like a marketing tool, as you want to sell candidates on your company – you're competing with tons of other employers on Indeed, so why should candidates choose you?

03 Screen applications and shortlist candidates who closely match the requirements.

04 Ask each candidate the same questions based on job requirements, take detailed notes, and then compare candidates' answers.

This approach will greatly increase your chances of making a quality hiring decision, which will directly impact your company's growth and profitability. A side benefit is enhanced credibility of the process, should anyone ever challenge you. And keep in mind that you can't build a great business with the wrong people on board.

Evert Akkerman *is an HR professional based out of Newmarket, Ont., and founder of XNL HR. He can be reached at info@xnlhr.com.*