

Help Wanted

HIRING A MANAGER IS ONE OF THE MOST IMPORTANT DECISIONS AN ENTREPRENEUR CAN MAKE.

by Kyle Swenson

"Bad hires are painful," says Richard Hughes, president and CEO of MagnaHR Inc.



Richard Hughes tells it like it is. "Bad hires are painful," says Hughes, president and CEO of MagnaHR Inc., a Solon-based company that offers human resources and administrative solutions for small businesses. "Especially when you only have five employees, each doing 20 to 25 percent or so of the work."

When Hughes founded MagnaHR in 1994, he knew any wrong move in the hiring process could easily disrupt his venture. He wanted an employee who could fit in with the company's culture and have a positive impact on the fledgling business.

Randy Markey faced a similar hiring quandary.

"We wanted someone who would hit the ground running, not someone who would learn on the job," says Markey, a principal at Cleveland-based Capital Acceleration Partners, an advisory services and interim management firm. "We were looking for someone with a strong track record of delivering results. I didn't want to have to sit down and train them."

Inevitably, there comes a time in the life of most small businesses when entrepreneurs can no longer do all the administrative work themselves and must delegate some responsibility to a manager.

To do so, you first have to know what you are looking for, says Dave Sanders, a principal at Capital Acceleration Partners. Create a profile for the position you wish to fill.

"I think it's important that the business owner initially sit down and determine what they need, as opposed to what they want," says Susan Chermonte, an

HR resource line specialist at Employers Resource Council.

Require a candidate to not only possess the skills necessary to fill that position, but have the flexibility to wear many hats as well.

"One pitfall is trying to find the most specific person," Sanders says. "There is so much specialization out there, but the trap is falling in love with [a candidate] and then you find out they can't do anything else. This person must be able to do a lot." An individual who is able to perform many different tasks is vital to the growth of a small business.

An entrepreneur must beware of clones, Sanders says. A manager should complement a business owner, not be an exact copy. "You need someone who does things you don't want to do or can't do," Sanders says. "You don't want to trip over each other."

To assist with the hiring process, create

an interview guide that asks the same questions of every applicant, Sanders says. It is also essential that an entrepreneur check all the references a potential employee lists.


To find a good manager, seek out trusted advisers and other business associates in your network.

"The first place to look is the people who have advised you, helped you start your business," Sanders says. "Use your network — accountants, lawyers, etc." If an entrepreneur still has trouble locating potential employees through his or her own networking, Sanders advises posting a listing on an employment Web site. "You must be specific and be willing to weed through a lot [of applications]," Sanders says. "Knowing what you want helps."

Randy Markey's first manager was right in front of him.

"I just picked up my phone and dialed

my Rolodex," he says. Markey was lucky enough to hear about a qualified candidate through his network of business associates. However, when it came time to make an offer, Markey found himself reconsidering the salary he had budgeted. "We had a budget, but when we found the right person we went back to the drawing board," he says. In order to hire a reliable, qualified candidate, you may need to rethink your budget. "Her impact is worth it," Markey says in retrospect. "We did it right."

Ultimately, a potential manager must be a good fit for the company. "I make sure my staff always meets [candidates] and gives me their opinions," Hughes says. "You need to get who would be their peers into the process. They might work out on paper, but you have to make sure they fit." 



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