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Preliminary Report on Research for Minimizing the Risk of Recruitment, Assessment and Retention for Small to Medium Sized Entrepreneurial Organizations

We have completed 14 surveys involving a variety of companies including distributor, manufacturing, professional and financial services, real estate, technology and service organizations. By the end of the survey we hope to have at least twice that many participants. However we have gathered up enough information to see some clear trends in the responses.

Research Data.

Over 70% of the respondents see recruitment as a significant concern over the next 3 to 5 years. Networking through personal, staff and business contacts seems to be the favored method of identifying potential employees. This method is sometimes successful but not always as the examples shared demonstrate.

Assessment is generally done by 'seat of the pants'. Little formal or structured assessment is done and assessment tools are widely misunderstood.

There is no common or substructure approach to retention. Most companies leave it to fate. Related to retention, performance appraisal was frequently mentioned as a challenge and a disappointment.

Recommendations.

The simple and basic answer to recruitment challenges is structure. There are a number of processes that can be easily used to minimize hiring the wrong person. Two common ones are spending time at the front end identifying what is needed in terms of experience and skills for a particular opening and using a behavioural interviewing approach when interviewing potential employees. Both these practices are easily learned and are highly successful in making recruitment more effective.

Behavioural interviewing will greatly enhance your company's ability to assess potential new hires. There are a myriad of tools and tests one can use that are easily learnt and administered. They do give you an insight into the person's style, but must be used as a way to understand the candidate better and help you ask more effective questions as opposed to being used as barriers to hiring.

Retention can be improved by using well tested processes and techniques that are neither time consuming or difficult to master. Performance appraisal systems need to be simple and easily applied to be successful. Complexity and sophistication in performance appraisal systems, is a recipe for trouble.

We look forward to provide more extensive data and recommendations when we complete the research.

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