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How to Recruit Employees for Small Business

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6-8 minutes

Economists maintain that future demographic trends will contribute to a shortage of high quality employees and small business jobs will go begging. “[The labor force is not increasing anymore](#) and will not for the next few years. It will get much more difficult to hire people. Baby Boomers will be gone, and millennials are taking over with different expectations,” says Pierre Cl  roux of the Business Development of Canada (BDC).

But that doesn't mean that you should just give up on hiring any new staff because as a small business, you don't have a chance of attracting high quality employees. All things being equal, there are many people who would prefer to work for a small business. These tips for attracting staff will up the odds of attracting (and retaining) the people you need.

How to Recruit Employees for Small Business

1. Find out what the going rate is for the position and match it.

One [common mistake small businesses make](#) when creating a position is to base the salary on their [budget](#) rather than on the

market realities – in effect making sure that their [employee recruitment](#) efforts are going to be unsuccessful. If a retail sales person in a starting position in your area normally makes \$10 an hour, why would someone want to accept that position in your company for \$9 an hour?

[2. Offer an employee benefit program.](#)

In times when employees get to pick and choose, an employee benefit program moves from their wish list to their necessities list. If you're going to attract high quality staff, your company needs to offer high quality benefits and that means offering employees at least life, medical and dental coverage. If your small business does not have an employee benefits program, talk to your [insurance company](#) about setting one up.

One of the advantages of belonging to [business organizations](#), such as the [Chamber of Commerce](#), is that they offer more inexpensive insurance, including employee benefit programs, so check with the organizations you belong to first.

See also: [Definition of Taxable Benefits in Canada](#) and [Employee Gifts as Tax Deductions in Canada](#).

3. Make lifestyle part of your employee recruitment offer.

[Many employees](#) are just as concerned about the quality of life as they are about the amount of money a position offers. If you're fortunate enough to be located in an area with great skiing, beaches, extensive hiking/biking trails, excellent golf courses or other attractive features be sure to play them up when you're trying to recruit employees.

4. Emphasize the benefits your small business offers.

Make your company more attractive to potential employees by offering things such as flexible hours and [work at home](#) options. Among the more unusual benefits some small businesses offer are being able to bring a pet to work and allowing employees to power-nap during the day.

5. Be creative with perks.

As a small business, you may not be able to offer the perks large corporate companies are able to offer their employees – but you may be able to offer a reasonable facsimile. For instance, many large companies offer on-site health facilities such as a fully equipped gym.

Chances are good that as a small business, you're not going to be able to add one of these to your premises, but you could offer employees coupons to use local gym or spa facilities. Read more about the [Affordable Perks Your Small Business Can Offer Employees](#).

6. Offer employees some way to move upwards.

Most employees aren't looking for jobs where they'll do the same thing for the next thirty years. They're looking for positions that offer opportunities for advancement.

What will the position you're offering offer? The chance to develop [new skills](#)? A stepping stone to a position with more responsibilities? More money after a certain amount of time on the job? Whatever it is, in terms of attracting high quality staff, be sure to get the future possibilities on the table.

7. Create an employee incentive program.

[Employee incentive programs](#) not only reward [good employee performance](#) but give prospective employees something to look forward to if they come work for you. Whether it's an annual company-paid retreat or a program where employees collect points that they can trade in for cash, employee incentive programs can increase your chances of attracting the people you want to hire.

8. Institute a profit sharing program.

It's not for every business, but there's no better way to give employees a stake in a company's success. For businesses that look like they're going somewhere, [profit sharing programs](#) can be a powerful inducement to come work for you instead of for someone else.

9. Sweeten the pot.

When competition for employees is fierce, a plain old signing bonus may be what's needed to attract the high quality employee you want and get that person to work for you rather than for some other company. If you choose to do this, there are two things to keep in mind. The signing bonus has to be large enough to matter, and [the signing bonus](#) has to be contingent upon X amount of time of employment. (Otherwise, you'll be running a revolving door as people sign up, take the money and run.)

10. Widen the scope of your advertising.

It's not enough to place an ad in the Help Wanted section of the local newspaper anymore; your chances of attracting the

employees you want will be much better if you broaden your advertising. Place ads in places such as job websites and college/university campus boards, for example. Advertise in other towns or cities. See [7 Easier Ways to Find Employees](#) for more ideas on spreading the word about your employee search and hiring tips.

And if you have other employees, don't forget to get them involved [in the employee recruitment hunt](#). You can, for example, [offer signing bonuses](#) to those who successfully refer a [new employee](#).

Make Yours the Offer They Can't Refuse

There are qualified people out there who can do what you need done – you just need to attract them to the positions your small business is offering. Developing an employee recruitment policy based on the tips above will give you a better chance of attracting the high quality employees you're looking for.

See also:

[6 Ways to Keep Your Employees Happy](#)

[The Pros and Cons of Hiring Employees vs Hiring Contractors](#)

[10 Employee Perks Your Small Business Can Afford](#)