

EMPLOYING STAFF — GETTING IT RIGHT



Another Community Resource for the Not for Profit Sector

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EMPLOYING STAFF – GETTING IT RIGHT

INTRODUCTION

Employing staff is one of the most important tasks of any organisation. It is important that it is done correctly otherwise a number of problems can result from one bad decision.

This guide will step you through a recruitment process that needs to be carried out with diligence and integrity to avoid legal challenges and personality clashes.

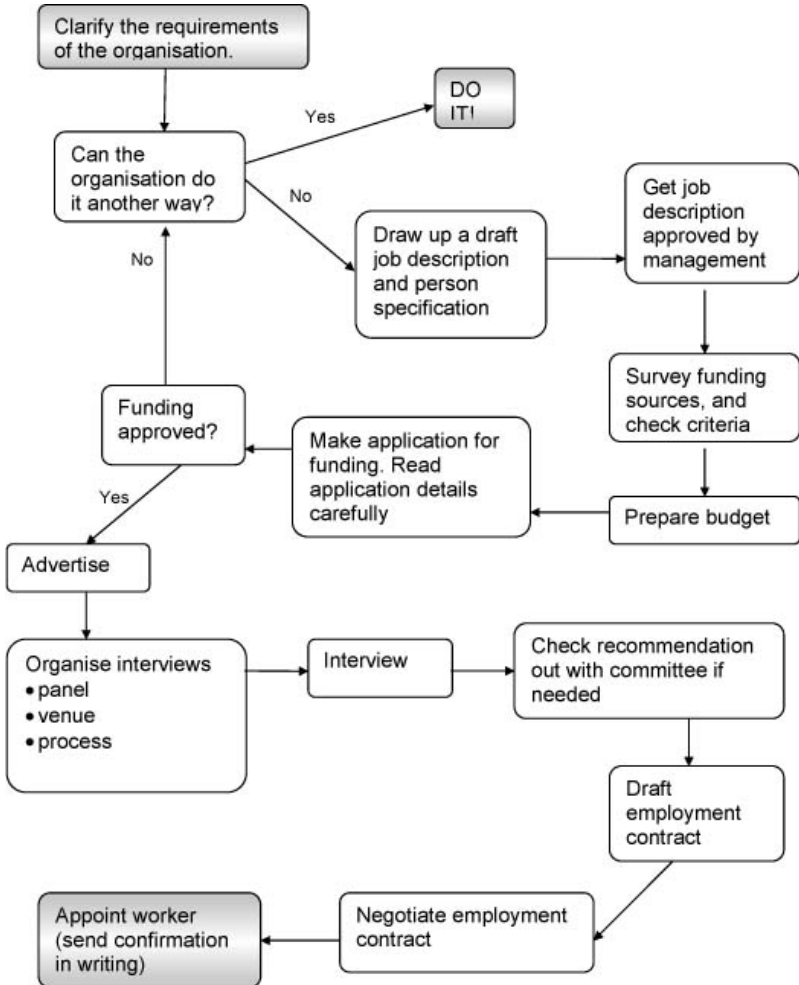
There are two reasons you fill a position

1. To replace an existing employee who may be leaving or moving on in the organisation
2. A new position due to growth in an organisation

In either case you need to think carefully about your recruitment process. The saying “hire in haste and repent at leisure” has never been truer than in the employment climate of today.

STAGES OF THE PROCESS

The following chart is provided by Internal Affairs and is an excellent check list



WHERE TO START - PREPARE A BUDGET

Preparing a budget is important to ensure you can afford the salary and associated costs of recruiting and retaining staff. Include:

- ✓ Advertising
- ✓ Vehicle expenses
- ✓ Travel and accommodation if required to work out of town
- ✓ Equipment – do you need to purchase a computer, desk etc.
- ✓ Other equipment.
- ✓ Ongoing costs of:
 - ✓ Salary (including PAYE and ACC levies, holiday pay, increments, perhaps bonuses)
 - ✓ Relief staff in case of illness
 - ✓ Professional fees if the position warrants membership to a professional body
 - ✓ Training and supervision costs
 - ✓ Office costs
 - ✓ Project funding: materials, advertising, postage etc
 - ✓ Hire of other venues as required;
 - ✓ Repair and maintenance of equipment

When considering your budget remember that if you employ a person half way through your financial year you will only need to budget half the total costs for your current financial year, but of course will need the total costs (plus inflation costs) for the next financial year. This is important as some organisations only budget for the current year which may be different from your financial year.

Now that you have signed off all the above you need to prepare the Job Description

PREPARE A JOB DESCRIPTION

This step is vital as it sets out the tasks expected of the new employee. If you do not have a clear job description, it is almost impossible to have a successful performance appraisal, as there are no standards or expectations to evaluate. The first step is to ensure your job descriptions are clear and adhered to.

When a person is interested in applying for the position usually the main source of information about the position is contained in the job description. It is important for it to be as accurate as possible with key performance indicators clearly stated.

There are a number of possible ways to format a job/position description. The main requirement is that both employer and employee understand what the job is and how it is to be done.

The headings below are for a detailed job description that would be sent to prospective applicants. This job description should include:

Name of organisation:

Position title:

Responsible to: the person or people who will directly supervise the worker.

Responsible for: name of any positions the worker will be responsible for supervising, and any amount of money the worker is directly responsible for (note: budgets are usually spent within boundaries set by the management committee).

Location: where the job is based. Specifically describes the area covered by the job e.g. if the organisation works in a particular suburb, name it.

Salary Range: the minimum and maximum amounts the organisation can pay for the job. An organisation should not name a maximum they cannot afford to pay.

Working Relationships: names of the people inside and outside the organisation with whom the worker will have a significant and ongoing working relationship (including clients).

Purpose of the Position: a one- to three-sentence statement of the worker's main area of work - making sure it is understandable and attainable.

Services Provided: no more than three or four for the whole organisation. They should be lifted directly from the annual plan, so there is a good fit between the organisation's overall objectives and what the worker is doing.

Key Tasks: for each service there should be a list of key tasks that enable the service to be provided. Example of a key task: publish three newsletters a year, in April, August, December. Avoid detailed, specific lists that deal with technical matters.

Performance Standards: some statement about how the performance of the person doing the job is measured. It is important to assess service delivered rather than the task completed (the standards must relate to the services and tasks).

The Organisation should think about:

- measuring the quality of the worker's services as well as the quantity;
- having objective performance standards that are easy to measure; and
- having clients as well as organisation members help to measure the performance.

Ideal person specification: this lists the qualities and experience you would like the employed person to have. It should also note any educational qualifications required. Some of the attributes will be essential to the person's ability to carry out the job, and others will be desirable only. The person specification is a useful tool during the recruitment process, because from it you can develop critical factors against which the suitability of applicants can be measured.

Date:

SAMPLE OF A FINAL JOB DESCRIPTION

This job description would be attached to an employment contract.

Organisation: XYZ Community Centre

Mission Statement: To provide a venue to provide services for the isolated elderly

Location: 123 Second Avenue, The City

Hours of Work: Mondays, Wednesdays and Fridays between 9.00am and 2.30pm

Position: Administration Assistant

Primary Objective: To assist with the administration and office duties

Responsible to: Centre Manager

Working Relationships: With the 3 members of administrators, visitors to the centre and service providers.

Key Tasks:

- Efficient management of administration and database
- Acting as receptionist both on the telephone and for people visiting the office
- Processing correspondence and word processing as required
- Contributing to the efficient and professional manner in which the office is run
- Photocopying
- Collecting and posting the mail on the days worked

Required Outcomes

- Providing a friendly, helpful face for the organisation through the telephone, in correspondence and in person.
- Providing efficient administrative service to clients and other team members.

Skills Required

- Ability to communicate effectively
- Ability to use Microsoft Office programmes including Word, Outlook, Publisher, Excel and Access
- Ability to confidently manage both in sole charge and pressure situations.
- Drivers Licence
- Maturity of thinking and outlook

Date 01 April 2007

PREPARING THE JOB ADVERTISEMENT

It is important to word the advertisement so that it clearly states the role, skills required, how to apply and the closing date. There is an old saying “sell the sizzle not the sausage” but be careful not to over-glamorise the role.

Advertising is expensive and usually charged on a line by line basis so you need to conserve your words and make every one of them count! Do not put too much detail, leave that for the interview.

Put the emphasis on the environment e.g. youth, social services, health, then what is expected e.g. event management, fundraising, youth work, database management etc, the experience you are looking for e.g. “those applying will have experience in..... “

Include a bit about the personality you are looking for “caring, sole worker, entrepreneurial, ambitious etc.

Outline the academic qualifications or experience you require e.g. “This position would suit a person with a Degree in Nuclear Science and/or a number of years experience in line management”.

Finally state how people can get a copy of the job description and the application process whether by email, via the website or by fax or post together with the **closing date for applications**.

Notes of caution. If handwriting is important to the position ask for handwritten applications.

ADVERTISING THE POSITION

How do you find the right person? There are a number of ways such as:

- Internal selection
- Media
- Internet – there are a number of sites available at varying costs
- CommunityNet Aotearoa (www.communitynet.org.nz) is free
- Community Networking – community newsletters or at networking meetings
- Local newspapers
- Community email networks

If the position is a high level position you may wish to advertise nationally or internationally to create more interest. This is a more expensive option but necessary to attract professionals or high level skills.

THE INTERVIEW PROCESS

INTERVIEW PANEL

At this point you need to gather together your interview panel to read all the applications and shortlist them. Do not include people who have a strong conflict of interest e.g. family members, personal friends etc. All the interview panel should be involved in this process and you need to agree on who is to be interviewed.

The number on the interview panel is always tricky. If there are too many people it is very intimidating for the candidates. The ideal number seems to be three, (make it an uneven number and then agree on a majority decision).

One of the most important initial roles for this panel is to decide what aspects of the interview each member of the panel is going to deal with. For example if the three people on the panel were (1) The Chair of the Board, (2) the Manager and (3) the Treasurer they could be divided as follows:

The Chair - outline the structure of the organisation and the relationships with staff.

The Manager - outline the role and expectations

The Treasurer - outline the relationship to other staff and the logistics of the position e.g. workspace, expenses etc.

The panel also needs to agree on a scoring process (see Scoring Candidates section on page 8).

SHORTLISTING

The shortlist or interview list is considered the “first cut” of applicants identified for interviews. This list is formed against your person specification and job description.

There are varying opinions about the number of people you shortlist. The simplest way is to choose a maximum of five and if none of them meet your expectations go back to your applicant list and see if there are any others you would prefer to interview.

It is therefore not wise to advise applicants they have been unsuccessful until a person has been offered the position and appointed.

ARRANGING THE INTERVIEW

You need to arrange a room that is quiet, comfortable and not intimidating. This must be a space where you will not be interrupted by the telephone or other people.

You need to advise the candidate the time and place of the interview and who will be on the interview panel. To get the best out of an interview it should be as stress free as possible so try to give clear directions, parking arrangements etc. as it all helps.

When candidates attend an interview they are usually nervous. It is important that they are greeted warmly and the panel acts professionally to give a good impression of the organisation. It is also important that the panel appears well organised, punctual and treats every candidate with respect.

All the CV's of the candidates need to be studied by the interviewers before they interview so they are familiar with the experience, qualifications and interests the candidate could bring to the position. This information will lead to many of the questions asked at the interview.

SCORING CANDIDATES

Below is a guide to scoring candidates. This means that everyone is working with the same system and provides opportunities for the panel to discuss the reasons why they scored particularly high or low. The scoring is just one indicator that should be used and often experience of the panel, chemistry or gut instincts are equally important.

JOB:

Name of applicant: _____

	Score out of 5	Total
Experience in (area required)		
Communication skills		
Innovativeness		
Listening skills		
Ability to relate to the panel		
Understanding of the role		
Leadership ability		
Total score		

THE DO'S AND DON'TS OF INTERVIEWS

- Don't ask too many questions
- Don't ask discriminatory questions
- Don't talk about yourself
- Do keep focussed
- Do allow the candidate the opportunity to ask questions
- Do ask open ended questions. This opens up the interview as the candidate cannot answer just yes or no. "What do you think...?"**not** "Do you think...?" to which they can just answer "Yes" or "No".
- Do treat the candidate with respect and sensitivity
- Do use behavioural techniques e.g. "How would you handle...?" "In your experience how did you deal with...?" **not** "Would you treat ..."
- Don't try and fit the job into the person. You have a clear view of what skills and personality type you want, you know the culture of the organisation so don't be drawn by a particular personality and try and make the job fit that personality or skills base.

- Do ask them if they were offered the position would they accept it. Many applicants will make a comment such as “I would need to give it some consideration” which indicates they have some doubts.
- Don’t allow the candidate to leave with unanswered questions – particularly the salary range and the process from this stage on, such as when a decision will be made.

The last “don’t” is important as if these points are not clarified you could be wasting everyone’s time as the candidate may need a job now, not in 6 weeks time when you planned to start or, they may be expecting a salary much higher than you are offering.

A first interview should take about 45 minutes. In that time you will have assessed whether the person is suitable, has the skills and is worth considering going forward to the next stage of a second interview.

SECOND INTERVIEWS

Usually only two or three people are called back for a second interview.

The purpose of the second interview is to clarify some points that may have arisen and to get to know the applicants better.

Second interviews are often requested if there are two or more applicants with similar scores and the panel may need to meet with them again before making a final decision.

Do not ask applicants back for a second interview when you have no intention of employing them, as it is only wasting their time and yours.

AFTER THE INTERVIEWS

It is important that the interview panel debriefs immediately after the interview and discuss any concerns or issues they have about the candidates. This discussion helps the panel reach a consensus and often confirms the numbers on the scoring sheet.

If the panel is not confident any of the applicants are suitable, the position should be re-advertised. If this is done the advertisement should include the words, “previous applicants should not apply”.

CHECKING REFERENCES AND QUALIFICATIONS

You will need to do this before you offer the position to a candidate.

When you phone a referee you are doing so with the permission of the candidate and need to have clear questions you wish to ask. It is important you establish the relationship between the candidate and the referee to ascertain any conflict of interest. Most mums will speak highly of their children!

It is always useful to get a mix of personal referees and business referees.

All information is confidential and should validate what you have already learned from the application, CV and interview process.

ADVISING APPLICANTS

Sample Letter Of Acceptance

Dear

Further to our phone call we have pleasure in offering you the position of at(name of organisation).

Attached is a draft employment agreement for you to look at. You may wish to take the advice of a lawyer or other person before we discuss the agreement further.

Please contact me as soon as possible to arrange a suitable time to do this.

If for any reason you are unable to take up this position would you please contact me as soon as possible.

Yours faithfully

.....

Sample Letter To Unsuccessful Applicants

Dear

I am sorry to advise that your application for the position ofwith (name of organisation) has been unsuccessful.

We wish you success in your search for employment and return your cv for your records. (It may be that you need to put something like “Unfortunately none of the candidates met our requirements and we will be readvertising this position”.

Yours faithfully

.....

Often, at this point, the job description is modified to suit both the applicant skills and the organisation’s needs.

EMPLOYMENT AGREEMENTS

Employers and employees have rights and responsibilities in the employment relationship.

TYPES OF EMPLOYMENT AGREEMENTS

There are two types of agreements - individual and collective:

Individual Agreements - are binding on only one individual and one employer.

Individual contracts can be verbal or written. An employee must be given a written copy of the agreement and can request a copy at any time. Individual workers may be bound by more than one contract.

Collective Agreements - involves one or more employers and two or more employees.

These must be in writing. A copy must be lodged with the Secretary of Labour, P.O. Box 3705, Wellington.

BASICS OF AN INDIVIDUAL EMPLOYMENT AGREEMENT

Anything can be included in an employment agreement, provided both parties agree, though there are minimum statutory requirements, covered in the following legislation:

- Employment Relations Act 2000
- Holiday Act 2003
- Minimum Wages Act 1983
- Wages Protection Act 1993
- Equal Pay Act 1972 and Human Rights Act 1993
- Parental Leave and Employment Protection Act 1987
- Accident Rehabilitation Compensation Insurance Act 1992

Employment Agreements Must Include

- Effective personal grievance and dispute procedures
- Specify (for collective agreements) an expiry date
- Minimum wages for those over 16 years of age
- Protection against unlawful deductions from pay
- Paid statutory holidays and annual leave
- Paid special leave for sickness, domestic and bereavement reasons

Employment Agreements Should Cover

- Rates of pay, wages and allowances
- Hours of work
- Type of work
- Holidays and other entitlements

Other clauses you may wish to include:

- Pay Review Agreement:
- Jury Duty
- Media Spokesperson
- Breaks e.g lunch/morning and afternoon tea
- Dress Code
- Superannuation
- Use of employer's vehicle
- Medical insurance
- Pay Review Agreement

Trial Periods

You may include a trial period of say 3 months in an employment agreement but the employees rights e.g. personal grievance will be the same as any other employee during that 3 month period.

For more information on employment agreements, see our community resource titled "Employment Agreements Including Changes up to July 2005"

SAMPLE EMPLOYMENT AGREEMENT

This agreement is made under Section 62 of the Employment Relations Act 2000

The parties to this individual employment agreement are:

..... (Employer) (Employee)

POSITION:
(Job title)

DUTIES:

The duties to be undertaken include those, which are set out in the attached Job Description. Other duties may be included, following agreement in writing between the parties, should the need arise.

The term of this contract is for Commencing on and ending on
For fixed term agreements add “due to....” (reason – maybe you only have funding for one year). This must also be confirmed by letter.

PLACE OF WORK:

The employee shall perform their duties at
(location of premises)

HOURS OF WORK:

The usual hours of work for this position are from to
An employee may be required / requested to work additional hours. Additional hours shall be:
Compensated for by paid time off during standard working hours.

PAYMENT:

The wage is \$..... per hour in return for completing the tasks set out in the job description and adhering to the terms and conditions of the employment agreement. The net salary will be paid (weekly/fortnightly/monthly) in cash/by cheque/direct credited into a bank account of the employee’s choice.

HOLIDAYS AND LEAVE

Annual leave:

Employees are entitled to 4 weeks paid annual leave which can be drawn upon on a pro rate basis after 2 months employment. Public Holidays shall be in accordance with the Holidays Act 2003. Minimum entitlements apply.

Sick Leave

After 6 months and employee is entitled to 5 days paid sick leave during the next 12 months. Sick leave can be taken for themselves or to care for a spouse, dependant child or parent. Unused sick leave can accumulate up to 20 days.

Bereavement leave

After 6 months and employee is entitled to paid bereavement leave of 3 days on the death of a spouse, parent, child, sibling, grandparent, grandchild or spouse’s parents. Or 1 day if the employer accepts that the employee has suffered a bereavement.

Public Holidays

Public Holidays shall be taken and paid in accordance with the provisions of the Holidays Act 2003.

TERMINATION:

This agreement may be terminated by either party giving (weeks/months) notice, with full benefits being paid up to the date of termination. In case of serious misconduct, the employer may terminate the agreement without notice.

Abandonment of Employment:

If you are absent from work for more than three days without the consent of or, notification to, the employer, your conduct will be deemed to be terminated.

RESTRUCTURING AND REDUNDANCY

In the event of re-structuring, the(Employer) will provide information to(Employee) on the restructuring situation, meet to provide relevant information about the proposed arrangement and give(Employee) an opportunity to comment on and respond.

RESOLVING PROBLEMS

Variation of Agreement:

This agreement or any part may be varied by mutual agreement between the employee and the council, and recorded in writing.

Personal Grievance:

Any personal grievance arising from this agreement shall be dealt with in 90 days of when the facts that give rise to the grievance occurs or comes to their attention. A grievance can only be raised after 90 days in exceptional circumstances.

Conflicting Business Interests:

You shall not be employed or be engaged or concerned in the conduct of any other conflicting business for which your receive payment except with the prior written consent of the employer.

Confidentiality and Non disclosure:

As part of normal duties, the employee may have access to, or obtain, confidential information concerning clients/the employer’s affairs. This information is not to be disclosed to any party, except as required in the conduct of the duties as specified.

DECLARATION:

The terms and conditions set out in this agreement replace any previous agreements and understandings.

Signed by(Signature of employer or representative)

.....(Signature of employee)

Date:

BEING A GOOD EMPLOYER

Salaries

The level of salaries is a hot topic in the not for profit sector. When considering the salary consider what other benefits you can offer. If you look at the results of the following survey you will see that salary is not a huge consideration as long as it is a fair wage. Usually the sector cannot compete with the commercial world but we can often offer more job satisfaction and benefits. You may be able to offer free carparking, flexible working hours, time in lieu, Christmas shopping days, a holiday on their birthday etc. The latter four incentives do not cost you much but do make a position more attractive to a candidate.

A recent survey on job satisfaction listed the following top ten attributes that make a job enjoyable:

1. Career growth
2. Exciting work
3. Meaningful work
4. Great people to work with
5. Being part of a team
6. Good Boss
7. Recognition of work well done
8. Sense of control of work (autonomy)
9. Flexibility of work hours and conditions
10. Fair pay and benefits

Performance Appraisals

These should be done on an annual basis and should be no surprises. If you are not happy with performance deal with it immediately and do not wait until the performance appraisal.

See our community resource called “Performance Appraisals” for an in-depth look at Performance Appraisals.

Staff Records

It is important to keep staff records noting starting dates, qualifications, review outcomes, employees expectations and ambitions, training courses undertaken etc. Staff must know that these records are treated as “confidential”.

WHAT IS A GOOD EMPLOYER?

- One that does not leave a worker without direction
- Supports but does not dominate
- Empowers and encourages
- Has expectations after clear guidelines
- Provides a good job description
- Provides training opportunities
- Provides comfortable working conditions
- Provides necessary tools to produce expected results
- Provides resources for independent supervision
- Does not expect worker to raise own salary
- Says thank you – it costs nothing
- Allows the employee to be a valued part of the organization not someone who presents a faceless report
- Provides regular feedback – good and bad
- Provides opportunities for communication (other than in writing) so difficulties and differences can be resolved before they become conflicts.
- Provides regular performance appraisals and use these as a tool to help workers, strengthen and develop the agency and move forward
- Does not focus on personalities but rather on performance
- Has policies and procedures in place to protect both employees and the Agency
- Does not use employees as a scapegoat for their own power trip.

CONCLUSION

If you follow the steps outlined in this resource book you will have planned and carried out the process methodically and with integrity. Sometimes, despite your best efforts and planning the end result is not what you wanted. Do not rush your decisions. If you are not happy with your candidates at the interview stage, don't appoint just anyone – this can be disastrous and costly. Have faith in your own judgement. You know the organisation and what type of person would compliment the current culture.

FURTHER RESOURCES

Internal Affairs - Community Development Resource Kit at www.dia.govt.nz
Employment Relation Service at www.ers.dol.govt.nz or phone 0800 800863

Our community resources:

Employment Agreements Including Changes up to April 2007

Performance Appraisals

Being a Good Employer