

The
How to Hire
Handbook for Entrepreneurs
and Small Businesses

ATB

listeners

You deserve a high five, business owner! You've successfully turned your idea into a reality, and work is starting to pick up and become more steady (well, as steady as entrepreneurship can be). You may have been flying solo or working hard with your business partner up 'til this point, so how do you know when it's time to expand your team of one or two?

To give you a little help with your hiring process, we've sat down with our resident recruiting expert, Shahzia Noorally, to walk you through everything from creating a job posting to setting up payroll.

Three signs that it's time to hire

You're getting bogged down by admin work

If you're drowning under billing, emails, and paperwork, you won't be able to focus on being the creative leader you are! Hire an admin assistant or outsource some work to lighten your load, so you can get back to doing what you do best.

You've got ongoing work of at least 20 hours/week

Track the ongoing tasks of your business, and once they take more than 20 hours to get done, it's time to think about bringing in some help. Psst, that list you made of all those tasks? It will help you create a job description for your new hire.

You can afford to hire

Employees cost money—and more than just their salary. Some experts calculate that hiring someone costs an employer around 1.5 times the employee's salary. If you can afford more than a competitive wage for an employee, it could be time to hire.

Know the employment standards

The Canada Labour Code employment standards exist to make sure employees are protected and paid fairly. Standards that employers like you need to be thinking about include:

- Minimum wage
- Annual vacations and other types of leave
- Stat holidays
- Hours of work, including standard hours, overtime and emergency requirements
- Record keeping
- Taxes

What kind of business you run and where you run it will affect what rules you need to follow. This [Government of Canada page](#) is a great place to start your research.

Who's the right employee for you?

Should you hire two part time employees or one full time one? What about outsourcing? Contractors? Interns or co-op students? With so many options, it can be hard to navigate. Here some approaches for you to think about:

Hire remotely

Working with a mix of people based overseas or across North America can lower overhead costs.

Start with part time

Starting employees at 20–25 hours a week and increasing their hours over time helps you manage your costs and test out new team members.

Start with contractors

Hiring contractors on a project-by-project basis can help you manage, delegate, and collaborate with teammates before committing to full-time employees.

Hire students for a co-op term

Creating a comprehensive student internship program will help you attract university talent and expose your business to a whole new set of potential clients.

Ready to Hire?

Set these values as your foundation, and you'll be golden:

- **Mediocre isn't in your vocabulary.** Your business is the product of your hopes and dreams, and bringing the wrong person on board can derail your progress and rack up costs. Listen to your gut, do your due diligence, and take the time to make sure you're hiring right the first time.
- **Hire slow and fire fast.** Take your time making hiring decisions, even if it means waiting for at the right candidate to come along. If you make a bad hire, cut ties as quickly as possible.
- **Always be recruiting.** This will make it easier to fill vacancies as they come up. Network, hand out business cards when you get great service, and tell your brand story wherever you go—you never know who you'll meet organically who'd be a great fit for your business.

How to write a mind-blowing job posting

A good job posting makes the difference when it comes to attracting the right person.

Differentiate your business

Show your personality and passion—it can be as simple as listing the reasons you started your business in the first place. This can be a huge motivator for Millennial talent, who look for purpose in their work and want their beliefs to align with who they work for.

Differentiate your posting

Let's be real, people don't read a job posting—they scan it. Be creative in how you set your business apart and attract candidates' attention. Try using infographics or a video that describes the role and your ideal hire.

How to keep your recruitment costs low

- Add an employment section to your website
- Create a separate email account for resumes and applications
- Post the position on industry association websites and send it to membership lists
- Give the job description to employees, family, friends and colleagues in case they know the right person
- Use social media to engage people who already know your company, and their connections

Red flags when reviewing resumes

No cover letter

Including a cover letter shows a candidate's commitment to the job, and gives you an opportunity to learn more about who they are and why they feel a connection with your brand.

Short, unexplained employment records

Switching industries and companies often indicates a candidate hasn't found their calling.

Spelling or grammar mistakes

The care a candidate puts into their application usually reflects the care they put into their work.

Tips for an enjoyable interview

- Show up on time—this proves to the candidate that you respect them and their schedule.
- Empower them to be prepared. Give them all the information they need to be ready, including background on your business and the position, and who'll be interviewing them.
- Don't ask trick questions—nobody benefits.
- People always remember how you make them feel, so be authentic and make your candidate feel valued throughout the process.
- Ask for specific examples of things they've done in the past. The past is a pretty good indicator of what they'll do in the future.

Red flags during the interview process

- The candidate doesn't ask questions. This might mean that they're desperate for a job instead of being excited and invested in your company.
- The candidate only asks questions about pay and logistics. Again, they're probably just looking for a job as opposed to your job.
- The candidate shows up late or unprepared.
- The candidate provides short answers without context.

A pre-hiring checklist

- Do a criminal background check. Be upfront about this, giving them the opportunity to tell you anything beforehand. The [Government of Alberta](#) has some great resources to help you out.
- A credit check might also be a good idea, depending on the nature of your business.
- Do an informal reference check through your professional network. The references given by your candidate will be from people they trust and know will give a good reference.
- Send an offer letter to the employee before doing criminal and credit checks, but make it clear it's dependant on them passing these checks. This gives you the right to pull the offer if you're dissatisfied with the results.
- Consulting a lawyer is worth the investment when making formal employment offers—they can help you run background checks and draft confidentiality or non-disclosure agreements, and look over your offer letter.
- The offer letter is an opportunity to wow your new employee. If you're excited about bringing them on board (as you should be!) include a handwritten card or something personalized so they know you're all in.
- Don't forget about your new hire between sending the offer letter and bringing them on board. Keep communicating with them so they stay in the loop.

Top tips for onboarding

- Be prepared. Make sure your new hire is set up for success from the start. This includes equipment like their computer and phone, and whatever training resources they'll need.
 - Communicate with them to make sure they know where to go and when to be there. There's nothing more anxiety-inducing than getting lost on your first day!
 - Be there to greet them and make sure they're taken care of.
 - Build the emotional connection. During the interview process you might have picked up on some little things that are significant that person.
- For example, if they love Starbucks, grab them their favorite drink or a gift card. It shows that you really listened during their interview and care about their experience.
- Set up an agenda so they know what to expect on their first days and weeks, and aren't left to fend for themselves. Connect them with colleagues they can lean on, so they can start building a network for themselves and learning more about your company.
 - Get your new hire to start a little later in the day—say 10am instead of 8am. Shorter days mean less stress for them and gives you time to fully prepare for their big arrival.
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Investing in your employer brand

As an entrepreneur, your story and core values should form the foundation of how you bring new employees into your company. Remember:

- Every employee you bring on board is a reflection of your business. Think beyond the resume when considering a hire—the best employees share your values and vision.
- When you're clear on your core business values, you can establish that you're a business that invests in people. Use your core values to assess talent in the recruitment process and hold team members to those expectations once on board.
- Being clear on your core values sets you apart as an employer. Making a public statement about how your business operates tells candidates what to expect, making it easier to attract great hires and avoid mediocre ones.

Attracting talent using your story and core values

- Tell your company story with clarity and conviction in all your communications—especially job postings.
- Weave your core values into all your talent screening and assessment tools.
- Use social media to rep your employer brand, share job postings and spotlight team members. People buy into your business and story when they choose to follow you, and those followers are potential employees or brand ambassadors.

Need some examples of a great brand story and clear core values?

Look no further than local Alberta businesses like [Fiasco Gelato](#) and [Rocky Mountain Soap Co.](#)

Try relationship recruiting

Five minutes screening a resume. 30 minutes on the phone. Five minutes setting up an in-person interview. 60 minutes in that interview. That's a total of 100 minutes to decide if a person is right for your team, your clients and your company.

Is this enough time to really assess potential talent?

When it's not, there's relationship recruiting—a way to build long-term professional relationships with people you might hire in the future. It's about being three steps ahead, planning for vacancies before they happen, and about getting to know potential talent over time, whether or not they're looking to make a career change.

Relationship recruiting works because:

- You get to know people in more than one context over time.
- It helps you find employees who care about your company and your story. Anyone who only engages with you when looking for work may be desperate rather than mindfully choosing you.
- It's proactive instead of reactive.
- It allows you to hand-pick people to join your team.

Four tips for relationship recruitment

Figure out who you need to hire right now and who you're likely going to need to hire in the future. Are there people working for you right now that would hurt your business if they left? Do you have a successor within your business who could fill that seat or is it a role you'd have to recruit for externally?

Assess the team you've assembled. Look at your current employees and be clear on the skills and competencies needed for success in each role. Are they ready for a new challenge? How long do you think they will wait for more responsibility? This allows you to be mindful and proactive in your recruitment decisions

Always have a recruiter mindset. Approach recruitment the same way you approach new business development—be open to conversations about future opportunities at all times, not just when you're actively looking to fill a role.

Embrace social recruiting. It's the new norm, so don't be afraid of going online and having a social media presence. This is where top talent lives and looks for information about your business, hiring process, team and leadership philosophy, and decides if your company is where they want to be.

Social recruitment

No matter how large or small, every company has two major assets: people and brand. Attracting the right employees and generating new sales are equally important. Social recruiting can help your company do both at the same time. Here's why:

- It's a cheap and effective way to reach future talent and build connection without having to be physically present in every community you sell to.
 - Being active on social media as a business or business owner can set you apart from other small businesses. It demonstrates to potential hires that you're invested in non-traditional ways of communicating with candidates. Plus, it allows you to create awareness of your brand and leadership philosophy while drawing like-minded people to your network.
 - Social media allows you to spread the word about what company's doing and create brand awareness focused on future talent and future clients.
 - Social media makes greater transparency possible—in both directions. Candidates can see "behind the curtain" at your business, and you can see job applicants as more than a resume.
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Extra tips for the hiring process

- On your new hire's first day you'll need to collect their SIN number and have them complete [Form TD1](#) from the CRA.
- Download the [Employment Standards Toolkit](#) to learn more about setting up your business for employment success. It covers hours of work, payroll, overtime, holidays, vacation pay, protected leave, termination, adolescents and other employment standards.
- Download the [Occupational Health and Safety Small Business Toolkit](#) and review it for information on employee and workplace health and safety.
- Most industries in Alberta require workers' compensation coverage by law, which means you must open a WCB account as soon as you hire someone. [Check here](#) to see if you're exempt.

Setting up payroll for your new employee (in five almost-simple steps)

1. Open a payroll program account with the Canada Revenue Agency.

You'll get a 15-character payroll program account number which includes your nine-digit business number. You'll need to do this before your first remittance due date—the 15th of the month following the month you started paying your employee and making deductions.

2. Calculate the deductions you have to take off their pay.

Calculate federal and provincial tax, Canada Pension Plan (CPP) and employment insurance (EI). The CRA's [online payroll deductions calculator](#) can make this process less of a headache.

3. Send the CRA the deductions you withheld from your employee, and your own share of CPP and EI.

In order to remit you'll need to know:

1. Your CRA payroll account number.
2. The payday(s) you're remitting for.
3. Your remitting period end date (the last day that you paid remuneration).
4. Gross payroll in the remitting period.
5. The number of employees that you paid on your last payday of remitting period.
6. Your remitter type. As a new employer you'll most likely use the quarterly type but you should double check to be safe.
7. When your remittance is due. The CRA needs to receive your remittance on or before your due date, or you'll get charged penalties and interest. If you're a quarterly remitter, your remittance is due the 15th of the month following the last month of your quarter.

Here's a handy reference for you:

- January to March: due April 15.
- April to June: due July 15.
- July to September: due October 15.
- October to December: due January 15.

8. How you're going to remit. You have several options:

- [Electronically](#) (keep it simple).
- In person at your bank with an [original remittance voucher](#).
- By mail, for those who prefer the old-fashioned way. Make your payment payable to the Receiver General, print your payroll program account number on it and mail it with your remittance voucher to:
Ottawa Technology Centre
75 Heron Road
Ottawa, ON K1A 1A2
- Report your employees' income and deductions on a [T4 or T4A slip](#).
- Keep a record of:
 1. Hours worked by each employee
 2. The amounts you withheld for CPP, EI and taxes
 3. Form TD1
 4. Any slips issued
 5. All returns filed
 6. Registered pension information
 7. Any CRA letters of authority

Here are a few handy references for you—hopefully they can save you some time that you would have spent Googling!

[Form TD1](#)

[CRA information on calculating deductions](#)

[The Employers' Guide: Payroll Deductions and Remittances](#)

[The Employers' Guide to Taxable Benefits and Allowances](#)

[Opening a payroll program account with the CRA](#)

[Work Alberta's Employment Standards Toolkit for Employers](#)

[Work Alberta's Occupational Health and Safety ToolKit for Small Business](#)

[WCB account registration](#)

[The Alberta Government's guide to available labour](#)

[Bringing Foreign Workers to Alberta](#)

[Employment equity and human rights](#)