

# GENERAL COURSE



# TEAM

# Introduction

In 2014, Skipton Business Finance estimated the total value of the UK recruitment sector at £26.5 billion, thus confirming it as a significant part of the services sector. Although an astonishing figure, it highlights the importance of hiring good staff and keeping them.

Building a staff team is a key element of any business. The right team will contribute to the growth of your business, allow you to delegate responsibilities and benefit from additional expertise. Growing businesses can fail to recognise the requirement for additional staff or the assistance of outside agencies to help hire staff. Too often employers – whether they are sole traders, partnerships, limited companies or franchisees – do not properly plan for expansion; or when it happens at a quicker rate than anticipated, wrong decisions may be made regarding the hiring of new employees.





# Taking the Plunge

It cannot be emphasized enough how important it is for any business, no matter its status or size, to get the right mix of experience, education and dependability when hiring staff, whether for the first time or as part of the company's expansion plan. Quite simply, the recruitment process demands a lot of attention, primarily because it is time consuming if repeated, (and thus a drain on an employer's or director's time and energy). It could have serious financial and legal implications, especially when not planned properly, possibly damaging a business' expansion strategy.

From a practical point, if an employer recruits staff too early, that may lead to cash flow problems. Leave it too late, and it may result in panic hiring or in the inability to meet order demand for products or services because you don't have the manpower to fulfil these new business opportunities.

More importantly, finding the right people could also come down to how your company is perceived in the marketplace. For example, with the advent of social media, it's very easy for prospective employees to find out about companies and their policies, and prospective employees may know more about your company than you actually think. Remember – bad news travels fast.

This is where the brand is all important, for a recognisable brand with a good reputation can invariably lead to people wanting to work for you, rather than you having to find them at opportune times. An attractive brand can help you avoid the cost of a HR department or large recruitment budget.





# Steps to Building Your Team

The viability of any business depends on its offering in the marketplace and the people delivering that product or service. Too often employers fail to set realistic goals in the hiring process, and when that process has been completed, there isn't the support and training plan in place to help people grow into the culture of the company.

## Define the Goal

- It may seem obvious, but what are your goals? Local, national and international expansion? Perhaps you are happy supplying products/services in a confined geographical area or maybe your main goal is establishing your brand in an existing market. Be clear about where the business is going.
- An employer needs to analyse the strengths and weaknesses of the business and plan accordingly. For example, you might be a small manufacturing company with products acclaimed internationally. You may even have won an award. However, sales may be behind expectations. Is this because your pricing and packaging are wrong, or simply because you don't have the right team marketing and selling your award-winning product?
- You need to explain the business goals to your staff and imbue them with a company ethos and brand, otherwise your staff may be confused as to what's expected from them.
- As an employer, you need to establish clear goals and build a team that can deliver those goals.





## Company Culture

- By creating a set of values that your staff can share in, the first major hurdle in a building a successful company has been cleared. Not only does this set the tone while establishing the company's values, it will also help your employees feel part of the company as it grows and expands. Your staff need to 'buy in' to your vision so they will share your motivation to build a successful business. For example, if part of your ethos is to donate a percentage of turnover to local charities, what benefit would there be to the company in hiring someone in a senior marketing position that didn't value the services provided by charities?
- It is important to communicate your brand values and your company ethos. That way, you help people understand why they would want to work for you.





## Skills

- This naturally follows on from the culture you want to create within the business, as you will seek people who, in addition to the necessary skills to fulfil their day-to-day activities, will also contribute to the wider wellbeing of the company.
- You will need to consider the competencies, qualities and disciplines that are necessary to accomplish the goals you have established for the business. You may need to set realistic timescales as to when and how the company will grow with the staff resources required. You will need to be very honest with yourself to identify your own strengths and weaknesses. Identify the aspects of the business where it might be more beneficial to employ someone rather than you doing it, thus helping you to save time and money.
- You don't always have to hire in new staff; sometimes it is more effective to upskill existing staff and develop their skills. Establishing training programmes to help staff grow while working at the company is a key aspect of growing any business. These programmes should also help people better understand your goals and culture, and the part they can play in helping the business achieve its goals. On-going training programmes may seem cumbersome and time consuming, but they are critical for not only upskilling staff but also increasing their loyalty to the company. Ultimately, this should improve their productivity too.





## Behaviours

- A successful team is not just about skills but also concerns attitudes and behaviours. You need to think about the behaviours that will contribute to good team work and how to encourage these amongst your staff. These will need to be communicated to your staff. Creating and updating a code of behaviour setting out how you expect the staff to work together as a team should complement the job descriptions given to individual staff members. Identifying and communicating these behaviours and values will help you to achieve a high quality service, with corresponding high levels of performance and responsibility. These should be reviewed as the business develops.
- Features of such codes include: maintaining high standards across all aspects of the business by discharging responsibilities honestly and impartially; acting within the law; behaving sympathetically, fairly and promptly to fellow employees and customers; having respect for everyone within the company; conducting business impartially and with integrity; seeking to resolve concerns and grievances through the agreed channels; never seeking to use improper influence (for example, bribery) to win new business or influence policy makers; promoting the goals, objectives and culture of the company.
- Sometimes businesses underestimate the importance of behaviours and standards. You may hire people that are capable of filling the role because they have the necessary skills, but it is important to find people who, in addition to their skills, share your ethos and will be motivated to help you achieve the business goals. It's not simply a case of finding someone because you need to fill a job vacancy. By hiring staff that meet all your criteria (which you established at the very beginning of the process when you set goals and objectives), you will lay a solid foundation to create the right working environment to motivate your team.





## Rewards & Benefits

Sometimes it's not only about the pay. In today's modern work environment, there are many ways of rewarding staff. Your objective is to create conditions that will allow your team to bond and flourish. To develop a positive working environment and a motivated team, you need to understand your employees and know what rewards and benefits are important to them.

Be sure that you are both competitive and creative in what you offer your staff. Consider tangible benefits, for example longer vacation time, training, outings, as well as acknowledgement, increased responsibility and promotion.



## Finding the Right People

This is the holy grail of employment. However, it is not as difficult as it appears at first glance. Again, we go back to the goals and culture of the company. Once those are established and a plan is in place, the process of hiring staff to fill new or existing roles will become less arduous.

Forward planning is vital so you have time to properly consider how to build your team. You could promote someone in-house who already has the necessary skills or could easily be trained to upskill. You could offer a rewards scheme to existing staff if they can recommend someone for a position that you're seeking to fill.

Social media can also be harnessed, with platforms such as LinkedIn and 'Monster' offering an employment window into who is available for hire at any given time.

An external recruitment agency could be used to help you source staff. This can save you or someone else in your business a lot of time as the agency will handle the time-consuming tasks of advertising, sorting CVs and identifying potential candidates. However, this comes at a price: normally a percentage of the first year salary (up to 20%) is charged as a 'finder's fee'.





# Job Descriptions & Contract Types

As part of the recruitment process, clearly defining the job description is very important. Think about what the role will involve and be clear about the expertise and skills you need, as well as the type of person you're looking for. You don't want to waste time or money attracting candidates who decline your offer at the 11th hour or move on shortly after commencing employment because the position turns out to be not what they thought it was and not what they were looking for. By clearly defining the job description, you negate possible legal action at a later date but more importantly, you are likely to hire staff that can be part of a progressive team. This in turn will help build your reputation as a fair and honest employer. Be sure to communicate not just what you are offering now but also future opportunities for progression. Show why working for you is an attractive proposition.

As you'll see listed under 'Employer responsibilities', it is important to define what type of employee you want to engage and what conditions they will work under. Remember too that hiring staff as full-time or part-time employees are not the only options. You can engage staff to work for you under fixed-term contracts, as consultants or freelancers. For some positions, you might be happy to use agency staff. The goal is to match what works best both for the position you are seeking to fill and for the overall goals of the business.

The type of contract and employment status will have an impact on tax and employment responsibilities. You should consult a financial advisor to make sure you are fully compliant and avoid any costly oversights. The type of contract will also determine your obligations concerning working hours, entitlements to holiday and other time off (e.g. sick leave, paternity/maternity leave), dismissal, redundancy and resignation.





# Employer Responsibilities

As an employer, you are responsible for ensuring that all your employees receive certain basic employment rights. These rights are governed by employment legislation. When employing people or establishing a business that will employ people, you need to be familiar with your responsibilities and your employees' rights.

- **Definition of an employee** – a person engaged under a contract of service and therefore protected by the full range of employment legislation.
- **Eligibility** – ensuring that the person or people you are considering hiring have the legal right to seek employment in your country; this should also include employment checks with the relevant authorities, if for example your company works with children or vulnerable adults.
- **Contracts and terms of employment** – you must give your employee certain terms and conditions of employment in writing within 2 months of starting employment.
- **Employer insurance** – as soon as you have established a company or become an employer, employer's liability insurance is a legal requirement.
- **Salary, payroll and pension** – the salary needs to be clearly agreed (and must be at least the legal minimum wage). Payslips must be provided showing wages and any deductions that have been made. Additionally, employers who employ at least one person, now also have pension requirements through pensions auto-enrolment.
- **Hours of work, breaks and rest periods** -- the Organisation of Working Time Act 1997 sets down the rules governing maximum working hours and daily and weekly rest breaks..
- **Leave** – nearly all employees, full-time, part-time, temporary or casual have annual leave and public holiday entitlements from the time they start work. You are also obliged to allow employees to avail of statutory protective leave, such as maternity leave, health and safety leave, parental leave, adoptive leave and carer's leave.





# Employer Responsibilities

- **Tax and PRSI** – you must register as an employer with Revenue. An employer is legally responsible for deducting the correct amount of tax, PRSI, and (in Ireland) Universal Social Charge from your employees' wages and remitting these to Revenue using the PAYE system. You also pay employer's PRSI contributions.
- **Employment records** – as an employer you are required to keep certain records relating to your employees. This is to show that you are compliant with employment legislation.
- **Health and safety in the workplace** – employers have a duty to ensure employees' safety, health and welfare at work as far as is reasonably practicable. This also includes providing instruction and training to employees.
- **Appointing a Safety Officer** – whether you employ two people or several hundred, every employer is required to carry out a risk assessment. Again, this is governed by health and safety legislation (for example, there is a requirement to report workplace accidents if an employee misses three consecutive work days, excluding the day of the accident).





# Building Your Team Checklist



Identify the skills and expertise required now and in the future to meet the business goals.



Think about the growth of the business and plan when you will need to hire more staff.



Consider existing staff and identify those who can be promoted or upskilled.



Identify the business ethos and the kind of employer you want to be. Clarify the values you want to convey to existing and new staff.



Decide what kind of employee behaviour is important and communicate what you expect.



In addition to pay, establish staff rewards and benefits.



Develop job descriptions that accurately reflect the position – honest, clear and precise.



Source assistance with recruitment where possible.



Think about different types of employee contracts and the relevant responsibilities for each, identifying which best fits the needs of the particular position and the business overall.





# WHO WE ARE



Big Red Book is the largest and longest established Irish company that supplies accounting software to the small business market.

Big Red Book is designed for ease of use so you can spend more time running your business rather than worrying about the accounts.

We understand that doing accounts can be a challenge so we provide free training. We also have an expert customer service team ready to take your call and help you with any support issues.

In addition to Big Red Book accounts software, we also supply an easy to use payroll solution – Big Red Book Payroll. For those companies that want to use a cloud based accounts solution, we offer Big Red Cloud.



With over 20 years' experience providing accounting software and support to over 39,000 Irish businesses, we invite you to join our business community.

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