



## Introduction

**“If you hire the wrong people, all the fancy management techniques in the world won’t bail you out.”**

*– Red Auerbach, president of the Boston Celtics*

While I love Red’s quote, I once heard someone say it even better...

About ten years ago, at one of my seminars, I couldn’t help but notice a man in the front row, furiously taking pages of notes. I figured he must be new to supervising or managing because he was so keenly interested in every word I was saying. So, when I found out he actually had built a small empire comprised of 14 different businesses, I just had to ask why he was so extraordinarily attentive.

“I only have one job,” he told me, “and that is to hire the right people. If I hire the right people, I don’t have to do anything else. The most important decisions I make are hiring decisions.”

Just ask Siva Tayi, president of Houston-based Sai Software Consultants and winner of a 1997 Entrepreneur of the Year Award. He’ll tell you how one employee – the first he ever hired – single-handedly determined the success of his company.

Shortly after he started his computer software and consulting business in 1984, Tayi’s secretary – and only employee – answered a phone call from a natural gas company inquiring about Sai’s ability to work on a linear programming project. Without hesitation, she told the caller she would transfer him to the Linear Programming Department. Then she put the call on hold and alerted her boss.

The rest, as they say, is history. Today, the company has 425 employees, ten offices nationwide, annual sales of \$30 million, and is on track to become a \$100 million company by 2000. And all because an employee was smart, caring, and resourceful enough to say, “Let me connect you with our Linear Programming Department.”

People make the difference. These days, the only difference between you and your competition is the people you hire. You can have a great restaurant, in a prime location, and competitive prices, but if your employees deliver lackluster service, you’ll be out of business in six months. Yet, if you have a great restaurant, in an out-of-the-way place, staffed by employees who know how to please customers, people will flock to it.

Whether it’s the convenience store, grocery, hotel, hospitality, restaurant, healthcare, computer, or oil-and-gas industry, quality products and great customer service start

with employees. The success of every business hinges on its ability to recruit, select, and hire winners. The bad news is most business people put more thought and care into writing big-ticket purchase orders than they do into hiring new employees. How much research do you do and how much justifying documentation do you write before requesting a \$5,000 piece of office equipment? Did you ever stop to think about the cost of a new employee? The minimum a full-time person is going to cost is at least \$900 a month – that’s \$10,800 a year. Do you spend as much time and effort deciding who to hire – a

choice that's going to cost you more money and have a more dramatic effect on the bottom line?

Unfortunately, most hiring decisions usually aren't good enough. According to the U.S. Department of Labor, about half of the hourly employees hired are gone within six months. That's 100 percent turnover per year. And the total spent on hiring just hourly employees in 1996 was estimated at \$26 billion.

Instead of spending your time and money doing it over and over again, why not hire right the first time? That's what this book is about. It provides practical advice and proven techniques that will help you do a better job of hiring the right people – the first time.

When it comes to hiring hourly workers, hiring right is particularly important. These are the employees who determine the success of most business enterprises. They represent 79 percent of the U.S. labor force and hold the front-line positions – those closest to customers. If the president of a fast food franchise doesn't show up for work, how many customers will notice? But if the restroom doesn't get cleaned or the wrong food order is delivered, will the customer return? Not likely. The information in this book is based on more than 20 years of experience hiring and influencing the hiring of thousands of people, designing recruiting and selection systems for clients nationwide, and speaking engagements for hundreds of trade or professional associations and individual corporations.

If you have never interviewed or hired before, this book covers the tools, procedures, and systems needed to do the best job possible. If you have a lot of experience, this book provides some unique ideas and approaches that will save you time, energy, and money.