

Business

Team Hiring: A Group Decision

by Daniel Mackey

I'm a remodeler in Northern California and do about \$1.5 million per year in kitchens, baths, and whole-house remodels. Much of the work is subbed, so we can do this volume with a relatively small full-time crew; currently we have two in the office and three in the field.

Like a lot of builders, I have a hard time finding and hiring successful employees. This is especially true in the remodeling business, because employees need to interact with clients. We're looking not for short-term employees, but for people who want careers.

A Big Investment

Training new employees takes time and money. Even if a new hire has good skills, he or she still has to learn our policies, procedures, and company culture. At best, it takes four to five months to bring someone up to speed.

We also have to consider other, related costs. The senior employee who does the training, for instance, may be less productive while he's concentrating on the new hire, so the schedule may slip. And that can reduce our yearly volume. In the past we've lost as much as \$20,000 per month of volume because of delays, loss of productivity, and mistakes made by untrained employees.

Customer relations may suffer. We do a lot of repeat business and customers are happier if they recognize the person who shows up to work on their home. If they see new people, their usual reaction is, "What happened to so-and-so? Why doesn't he work for you anymore?" Then we have to spend time explaining the departure and reassuring the customers that we still have a great team and will take care of them.

Crew Input

And so, for a variety of reasons, it's important that each new hire succeed. That's why we now involve our three field employees in the hiring process — to increase the likelihood of that happening.

This involvement begins even before the interviewing stage. Whether we actually need a new employee is a company-wide decision. We have regular monthly planning meetings to review the status of our jobs. If there's some slippage from original estimates, we discuss ways to correct it. The crew is out there every day, so when there is a problem, they usually know about it before I do. They are also in a better position to judge whether our workload has grown to the point where we need to hire another person. If I make that decision unilaterally, I could end up solving the wrong problem. I



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might think, for example, that we're behind schedule because we need more people, when in fact the problem is more of a management issue.

In my view, it's only fair to involve team members in this decision, because they're the ones who will deal with the new employee every day. Furthermore, when crew members have a say in who is hired, they are more likely to go the extra mile to make sure that person does well.

So we never decide to hire someone until we've discussed it at a meeting and the whole team agrees it's the right thing to do. Although this approach wouldn't be practical for a large company, some variation on it — say, allowing a core group to be involved in hiring decisions — might work.

Preliminary Screening

Once we've decided to make a new hire, we ask for recommendations from our current employees, place ads in the local papers, and post the position on Internet job-search sites like Monster.com and Craig's List. Applicants we find via the Web are more likely to be computer-savvy, which is important because we use computers for scheduling, exchanging e-mail, and sending job-site photos back to the office.

When the resumes arrive, our office manager screens them to eliminate obviously unsuitable candidates. I go through the rest, and invite the most promising applicants to our office for a preliminary interview.

At this point, the team's not involved; it's just the applicant and me, and sometimes my wife, the company's production manager. This initial meeting includes some screening on "technical" field skills and lasts about an hour. I might talk with as many as four or five applicants at this stage, and I might select two or three of them to return for a team interview.

We schedule the team interview as soon as possible, usually the next day, to keep the applicants interested and the process moving forward.

The Interview

We hold the team interviews in the morning over coffee and donuts at a big conference table at our office. Some applicants can get a little flustered facing a group, so I try to ease the tension by saying something like, "We wouldn't put you through this if we didn't think you had potential."

Questions from the crew. This is the meeting where I sit back and allow the rest of the company to ask the questions. Each person brings his own perspective to the process. Technical ability and experience are obvious concerns, but we also

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want to get a sense of how well the candidate would get along with the rest of the team, and how likely he is to work well with customers. The group approach has a way of uncovering those kinds of issues.

Not a good fit. For example, I once brought in an applicant I thought would work out well for us. Like me, he had 30 years of experience as a builder, and although we weren't close, I'd been camping with him and he seemed likeable.

But when we started talking about his job experience at the team interview, some significant problems emerged. It turned out that most of the work he'd

done was new construction. He admitted he didn't like the idea of having to spend time keeping the job site clean and neat. And it soon became clear he wouldn't be good at dealing with homeowners, which is a critical skill for anyone in remodeling. We ended up not hiring him, which saved both us and him a lot of trouble.

Passing Judgment

The team interview usually takes about an hour. Once everyone has had his say, we ask the applicant to step into the next room while we make a decision.

Unanimous decision. This part usually doesn't take long. We vote with a show of hands and often come to a unanimous decision right away, although sometimes it takes a brief discussion before everyone can agree. Now and then, we'll have a situation where we can't come to a decision, and then we have to tell the applicant we'll get back to him. If there is that much dissension, though, we usually end up not hiring the person.

Our employees take this responsibility very seriously and have consistently chosen the candidate with the most applicable skill set — not the person from their own age or peer group.

In fact, the employees we've hired this way have been more successful than the ones we've hired without input from the crew. Before we began the team approach, new applicants and our existing crew needed time to adjust and get to know each other. Now new hires can hit the ground running, because the people they are working with have already gotten to know them and have a stake in their success. At a very minimum, team hiring has helped enormously to weed out applicants who were not a good fit for our company.

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