

Guide to flexible recruiting ideas for start- ups and small businesses

Executive summary

There has never been a better time to start and run a small business than now. Figures published by the Federation for Small Businesses, show that the number of new business founded in the UK between 2016 and 2017 rose by 197,000. This is 2.2 million more than in 2000. Over the next 12 months, 60% of small businesses expect to grow and, in Oxfordshire, the rate is particularly strong.

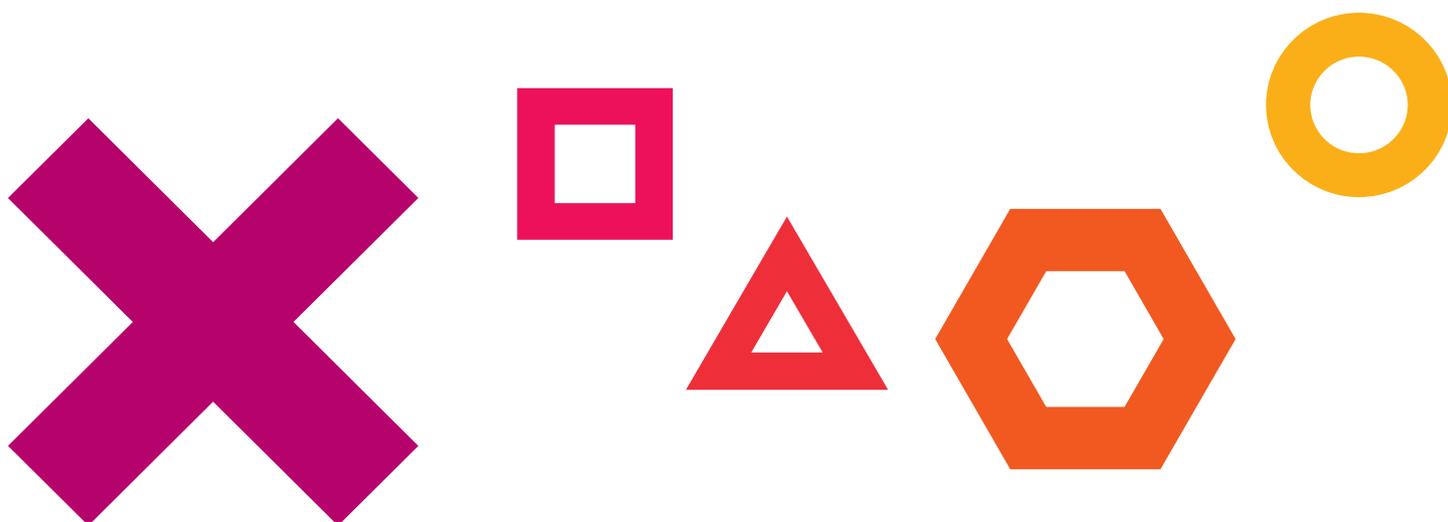
Indeed, around 1,178 new business opened their doors for the first time in 2017, compared to 996 the year before - an 18.32% increase year-on-year. This figure has the potential to rise even further according to research undertaken by .UKDomain.

Their analysis of 154,000 Google search terms across 54 towns and cities in the UK, found that demand for local services versus supply is highest in Oxford than elsewhere in the country. This, they assert, makes Oxford the “best place for budding entrepreneurs” willing to take advantage of the demand within the city. All of which is great for the local and wider regional economy.

However, it also brings a particular set of challenges too. While the rise in the number of small businesses is to be welcomed, many of those who begin, and continue, to grow will struggle to realise their full potential. One of the biggest reasons for this is capacity.

To meet the increased demand for their products or services, businesses need to have the right people in the right roles to service their customers effectively. But it is getting harder to find the talent needed to fill these positions. Thanks to record-high employment in the region, there are fewer people proactively looking for new career opportunities – the pool of readily available talent is getting smaller, and knowing how to access it is the challenge that Employers of all sizes increasingly face.

In this Guide, we will look at how small businesses with high growth potential can maximise their impact on economic growth, by addressing their existing Recruitment strategy and adopting a more flexible approach. In doing so, they can, not only achieve significant benefits and a positive impact on their bottom line, they will also be better positioned to take advantage of positive trading conditions to take their business to the next level.



What is meant by ‘flexible’ recruiting?

Flexible recruitment takes two forms. The first refers to those businesses that retain a core of Permanent employees who are supported by Temporary workers at times of excessive demand. The second relates to the working pattern adopted by Permanent employees. This can take a number of different approaches:

- **Part-time:** Officially declared to be someone who works less than 30 hours a week, typically structured over a three-day period.
- **Flexitime:** Increasingly common within small and large businesses, flexitime enables an employee to work their contracted hours around their existing commitments. So, instead of the traditional 9-5, they could opt to work 11-7 or 8-4, for instance.
- **Job sharing:** This is when two people share the responsibilities, pay, and all other benefits across a wide range of roles, from entry level up to the most senior positions within the business.
- **Compressed hours:** This method of working is typical within public services and sees employees working their full-time hours within a shorter period of time, such as over four rather than five days.

Being a ‘flexible Employer’ is something that small businesses often boast about. However, while it is a great way to attract talent to apply for the role you need filling, it often fails to live up to the expectations of the candidate in question. This is because what the Employer considers to be ‘flexible’ is often different how it is manifested in practice.

For instance, a candidate might find that while they are permitted to leave work in time to collect their children from school, they’ll be expected to work late to ‘make up the hours’. It’s a complex issue but get it right, and the benefits for small businesses can be huge.

Supply and demand

There is no escaping the fact that there is a skills shortage across Oxfordshire and throughout the rest of the UK. To overcome this and attract the people you need, a shift in mind-set, in terms of how you approach your Recruitment, could be part of the solution. Different people have different needs both inside and outside the business, and recognising – even encouraging – this can be of benefit to the organisation too.

Indeed, flexible arrangements can see you tap into one of the largest yet under-utilised pools of talent – women returners. According to PwC, 1 in 4 (23%) women believe there is a negative bias on the part of Employers towards women with young children looking to return to the workplace. Yet enabling them and others to work on a flexible basis has been shown to reduce absenteeism, boost productivity, and enhance employee engagement and staff loyalty.

Flexible working isn’t just about re-integrating parents into the workforce. Agile and flexible working patterns can greatly increase the pool of talented, skilled and experienced people keen to work for you. This in turn raises your profile as an Employer of choice, and enables you to build a pipeline of talent that you can use to fill your current and future roles

Planning for growth

Difficulties recruiting staff is a major obstacle to growth for

36%

of small businesses

“First comes thought; then organisation of that thought, into ideas and plans; then transformation of those plans into reality. The beginning, as you will observe, is in your imagination” – Napoleon Hill.

A report published by the Department for Business Innovation & Skills, revealed that 75% of small businesses state that they intend to grow over the next 12 months, with 1 in 5 indicating their intention to drive sales by a further 20% or more year on year. Yet, more than a third, (36%) are constrained from doing so due to difficulties in recruiting staff.

If the recession taught businesses anything, it is the importance of planning for sustainable growth. During periods of boom like we experienced before the crash, businesses recruited new employees quickly to meet the demand in the here and now. It was rarely planned – more a case of seizing the opportunities that were presented at the time.

However, subsequent downsizing followed by economic recovery saw many of these businesses begin to grow once more, with certain lessons learned; one of which was to formalise their Recruitment processes rather than relying on existing contacts, friends or relatives to fill their roles.

Finding the best candidates and encouraging them to work for you is a challenge that is made easier when you have a long-term Recruitment strategy in place – even if those roles are unexpected and require immediate action

to get someone in place. It needs to be central to the business plan itself and not a flexible option that is only exercised as a knee-jerk reaction to spikes in demand for your products or services.

There are a number of steps to be taken to ensure the successful fulfilment of your recruitment requirements, whether planned or otherwise. The first of which is ensuring that your business is an attractive proposition for the talent you need to attract.

Effective Employer branding

For many, the notion of an ‘employer brand’ is attributed solely to the behemoths of the corporate world – think Coca-Cola, Amazon and Virgin et al. Not so. Any business, regardless of size, that employs more than one person has an employer brand – you might not recognise it as such, but it does exist and it is your job to identify what makes yours differ from everyone else. Easier said than done. Perhaps.

Employer branding is really just another word for reputation – the way others perceive you as an Employer. Glassdoor, Great Places To Work, The Job Crowd and other employer review sites make it easier for prospective employees to get an idea of what it like to work for your company. So, how can you create a positive employer brand for your small business?

Like anything worth taking note of, building an Employer brand is about taking action (without the need to spend vast amounts doing so):

Communicate your value proposition: The first question any Candidate wants answered is ‘why should I work for you’? The answer comes in the form of having a compelling employee value proposition. But to get to that stage means asking yourself a broad set of questions: What do we do and why do we do it? Why does it matter? Who do we need to help us do what we do? What matters to them and how can we support their career agenda? In other words, what will the business offer its people and what does it expect to get in return?

Promote your employee's stories: Your exciting people are your greatest source of talent attraction, and it is they around whom you should be creating your Employer brand. So, get their stories. Publish a Q&A on your Careers or About Us page that gets them talking on the subject of why they joined the business, what they like most about working there and the challenges they face. Ask them to describe what a typical working day involves, why they stay there and what advice they would give for those considering applying to work there.

Get social with your target audience: Social media provides business with the opportunity to address two audience groups at the same time – customers and crucially, candidates. Maintaining an up to date social media presence is, quite simply, essential. It provides a great opportunity to show off your team and workplace.

Candidates don't want to be told what your Employer brand is, they want to see it. Share pictures of company events, team nights out, weekly meetings, examples of work and key projects you've worked on – all things that are authentic, transparent and give potential new recruits an insight into how they might see themselves working in that environment, regardless of how small or large your business is.

Show off your expertise: Great marketing can sell any message to anyone, but candidates want to see behind the hyperbole. They want confidence that the company they join really does know their sector inside and out, and one of the most effective ways to demonstrate this is by writing about it.

Your company blog or News page is the perfect platform to write and share articles that tackle some of the challenges your market faces. This not only positions your business as a potential solution to some of the challenges, it shines the light on you as both a provider of choice within your market and an Employer of choice, too.

Become famous: The more people talk about your company, the more opportunities there are for your business to be seen by customers and future employees. This can lead to a better chance of attracting the talent you need to help you grow. Get in touch with the media who publish stories relating to your field, and let them know who you are, and what you are all about.

Journalist and editors on local and national newspapers and those working on your industry's key publications, are always looking for new businesses to provide insights, commentary and opinions on the key matters of the day. It helps them out and it raises the profile of your small business at the same time – if a potential candidate sees that the company they are applying to is featured in the media, it boosts their perception of you as a business that is respected, and one that will be good to work for.

Finding employees through Recruitment Agencies

Advertising has its limits, and word of mouth referral is not of any use if you need to fill a role quickly – you may get a few leads comes through, but will the talent you really need be among them? Few businesses can afford the risk of hiring the wrong person, so that's when utilising the support of an external provider can make the difference between the right or wrong hire.

As we mentioned earlier, the talent pool of available candidates has been shrinking over the last few years, with demand for both Permanent and Temporary placements remaining consistently strong since 2013. This is thanks to an improving economy that has seen employment levels rise to their highest since the early 1970s.

While this is certainly welcome, it also leaves small businesses with the twin challenge of reaching both active job seekers and those 'passive' candidates – the ones who aren't actively seeking a new job. It is here that Recruitment Agencies can help, with demand for their

services increasing apace. According to the Recruitment and Employment Confederation, 56% of all vacancies will be filled by Recruitment Agencies over the next 12 months.

Consider your choices

Of course, partnering with an agency isn't essential to securing the talent you need. But to achieve a truly flexible recruitment solution, and one that is both time efficient and cost-effective, doing so can be a sound strategic move. When deciding which agency to approach, choose wisely.

Look for one that has a track record in the type of roles you need to fill in the immediate future, as well as those you may require further down the line. It is easier and better to have a recruiter who truly understands your business, the culture, and the expectations that you as an Employer have of all new recruits.

This ensures that a) at the interview stage, you only get to see those candidates who match your exact requirements, and b) when it comes to an immediate requirement for a role to be filled your recruiter knows precisely what you need and more important, how to find that talent for you. That's what flexible Recruitment is all about.

Temporary to permanent hiring

On the face of it, basing your recruitment strategy on the fluctuating needs of the business may seem like a good approach – people are brought on board to manage peaks but let go during quieter periods.

But this cyclical method can be disruptive and may even see you alienate some of the great talent you have worked so hard to attract in the first place. The most effective strategy is one that is flexible with a rich mix of permanent employees and a bank of highly-skilled professionals who can be called upon when needed.

For instance, if the demand of a new project has created the need for a previous filled role to become available once more, a flexible Recruitment strategy serves as a prompt to think about it differently. Have your needs changed since the role was last occupied? Would this and other projects actually benefit from the role being made Permanent rather than Temporary? Or perhaps a mix of both would be better as it means you can attract a greater mix of skills?

Hiring people on a Temporary basis, not only enables you to fill a much-needed gap in the short term, it also provides the opportunity to trial someone and see if they could be a valuable asset for the business over the long term – to be crude, try-before-you-buy. Furthermore, research has repeatedly shown that workers who are hired on a Temporary basis often prefer to remain with to the same Employer once their contract comes to an end.

Benefits of having a flexible recruitment strategy

So far, we have talked about the need to organise your Recruitment strategy in line with the planned growth of the business, how to build your employer brand, what to look for in a Recruitment Agency, and the importance of having the right mix of Temporary and Permanent staff within your workforce. Now we'll take a look at what all of this means to you in terms of tangible benefits of having a flexible recruitment strategy are to the business itself.

- **Your staff overheads are kept to a minimum:** By retaining a permanent team, you can better control the business's expenses and only pay for the additional talent as and when you need it. Plus, you will keep the costs set aside for Recruitment and staff training to a minimum, while reducing overtime expenses at the same time.
- **You increase staff retention levels:** One of the biggest reasons employees give for leaving an organisation is the sense of not feeling valued by their Employer. Maintaining a core team of workers

that will remain in place regardless of whether there is an upturn or a downturn can increase their sense of worth, job security, and satisfaction, that when combined, increase staff loyalty.

- **You reduce instances of workplace stress and sickness:** Staff absenteeism levels in the UK have been rising sharply over the last 10 years, largely as a result of working long hours, excessive workload and tight deadlines. Having access to a pool of available talent that can be drafted in to support the existing team at busy periods can alleviate much of the burden felt by your current employees, as it shows that you are considering their needs.
- **You increase your competitiveness:** Being able to move from relying solely on your permanent employees to utilising the support of an external network of talent will improve the speed and efficiency at which you can take advantage of unexpected opportunities. It is this flexibility that can give you the edge over your competition whose rigid staffing structure could slow them down.
- **Productivity levels rise:** Research has shown that flexible workforces can be up to 30% more productive than their traditional counterparts.
- **You save time:** It can take anywhere from three weeks to three months (or more, depending on the seniority of the role) to complete the hiring process for a new member of staff. In the meantime, whether you are looking to fill a newly created role or replace someone who has left the business, there is still a job to be done: cue, Temporary support.
- **You grow your talent pipeline:** Hiring someone to cover your short-term requirements not only plugs the immediate need you have, the person you bring on board could be a potential long-term hire too. You will have time to assess their suitability for this or a future role and they will gain first-hand experience of the business itself, meaning they could hit the ground running if hired on a Permanent basis further down the line.

Conclusion

At a time of increased competition between organisations across all sectors, business leaders need to ensure they have their current and anticipated Recruitment requirements planned to the Nth degree. In doing so, they will find that effective processes are in place to ensure there is always a solution waiting in the wings that will deliver ongoing value to the business.

The next few years will see the greatest workforce shift in history. Never before has a single generation evolved at such a rate that within the space of two decades it will have come to represent three out of every four people in the workplace. The Millennial generation is supremely talented and the challenge for Employers will be figuring out how to find and attract the best of them while working out how to manage and meet their expectations in a bid to retain the top talent they already have.

Allen Associates has partnered with many of Oxfordshire's most exciting fast-growth and large-scale Employers over the last 20 years. We are one of the largest independent Recruitment Agencies in the area and have recently been awarded Gold status by Investors in People for the second time. The investment we make in our own people reflects the investment we make in ensuring you get the right people for your business. Let us help you with your next hire.

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