



The Complete Hiring Guide for Startups

Fast-growing startups have several priorities to manage but you can make the case hiring is the most important one. In the early days, you probably have a few people working on turning an idea into a reality. But as the concept takes shape, you'll need to add more people to the team.

Hiring seems like a straightforward practice but without the right approach, it can be a long process that leads to unfavorable results. And startups – unlike established companies – can't waste time or make bad decisions.

In this guide, we'll provide a complete plan startups can use to make great hires. We'll outline how to create a hiring strategy, source candidates, effectively interview and come to an agreement with a new hire.

Step 1: Create a hiring strategy

Before you start hiring people, you should first get all your resources in order. It's important to come up with a smart plan and gather all the tools you will need to execute it. In this section, we'll cover how your company can form a comprehensive hiring strategy.

Align your hiring strategy with your business roadmap

Your startup likely has a business roadmap detailing everything it wants to accomplish throughout the fiscal year. It should be comprised of the business developments and revenue targets the company hopes to achieve in the foreseeable future.

You can replicate this roadmap into a long-term hiring plan that will guide your recruiting team. Work backward from the organizational targets and consider what positions your company will need to have to accomplish each goal. For example, if your company hopes to hit a certain revenue milestone by Q3, how many salespeople and other support positions will you need to do it?

Your hiring roadmap will be your master plan so make sure it is as detailed as possible. Meet with the heads of each department and ask them what their specific goals are for the future and plan the positions they'll need to add to their teams. Then consolidate each team's plan into a single hiring roadmap. Try to define the dates hiring efforts will start for each position and when each one will need to be filled. Be sure to give your recruiters more lead time for the positions that will be challenging to fill.

Once you start hiring, try your best to stick to the strategy defined on your roadmap. You'll likely need to adjust along the way as you learn where the bottlenecks are in your hiring process.

Consider hiring generalists early on

One of the biggest differences between startups and established companies is that startup employees are required to wear a lot of hats. If someone sees a problem, they're expected to solve it. If they identify an opportunity, they should take the initiative to seize it.

Since every day is a bit different in startup life, it makes a lot of sense to hire generalists instead of specialists. For example, instead of hiring an email marketing specialist, you can hire a digital marketer who is an expert in all facets of online marketing. In all likelihood, your company probably doesn't yet have defined processes so you can bring on people who can experiment and figure out what works best.

This approach also simplifies your hiring process. When you set out to hire candidates with a specific skill set, you'll often find there are only a few people who fit the bill. However, hiring a generalist opens the door to consider a lot of different people. You can meet with the promising ones and determine who is smart, ambitious and the best overall fit for your company.

All that being said, you will need to hire specialists for certain positions. Generalists may work for marketing, sales, HR and administrative roles. But for technical roles, like software or product development, you likely have established procedures that require specific skills and knowledge.

Create a positive employer brand

One challenge many startups face is candidates aren't yet familiar with their company. A qualified job seeker might come across a posting that catches their eye but will want to learn more about the employee experience before they apply.

It's important for startups to establish a strong employer brand early on. Don't just use your careers website to list the roles you're hiring for. Also, use it to describe your company culture. Include photos of happenings in your workplace, highlight the benefits you offer and cover what is generally great about working for your company. It's not a bad idea to create a recruiting video that provides this information in a compelling format.

You should also keep in mind that your employer brand extends outside of your company's website. It's important to have a positive presence on Glassdoor so talented job seekers aren't deterred from applying. This naturally can be accomplished by treating employees and candidates well but it also helps if your recruiting team engages with people who provide reviews and populate your company's page with as much information as possible.

Use hiring software to your advantage

Startups understand that the right software can be used to automate processes and make smart decisions. Hiring is no exception. Since it's a multi-step process with many variables, an applicant tracking system (ATS) is a must.

An ATS will connect with your careers website so candidates can apply for open roles through a modern online application. You can customize it with questions that help you learn who the top applicants are before you start the interview process.

On the backend, you can define the exact steps in your startup's hiring process. When a candidate applies, their resume will be converted into a consistently-formatted candidate profile. You can easily make sense of each person's background and advance the ones with the right qualifications onto the next step. You'll always know what step in the hiring process each role is at and how many candidates are still under consideration.

The right hiring solution will also help you keep the interview team involved. You can assign candidate evaluations and interviews to each person and they'll receive a standard email notification or calendar invite. Everyone will stay involved in the process without having to adapt to using a new solution.

Step 2: Sourcing candidates

Now that your startup has set itself up for hiring success, you can start executing the plan outlined on your long-term hiring roadmap. The first thing you'll need to do is take a smart approach to sourcing candidates. We'll outline how you can do so in this section.

Write an attractive job description

Writing a job description might seem like a simple exercise but too many companies leave off important information. Some companies can get away with sparse job descriptions and still get applicants but startups need to give insight into the role and company.

It's easy to replicate a job profile into a job description by just outlining the required skills and experience. However, you should go beyond daily responsibilities and cover what you want the hire to achieve in the long term. Talk about what your company aspires to be and how you expect this role to contribute.

You should also provide details on the employee experience, the benefits your company offers and the compensation for the position. Some candidates worry startups expect long workdays and can't pay as much as an established company. Be clear on what your company expects and what it offers in return so the right candidates apply.

Prospect passive candidates

Posting job descriptions and hoping good candidates apply isn't a complete sourcing strategy. You'll also need to be proactive and look for suitable candidates to pitch your opportunity to. Some of the most talented professionals are already employed but could be open to making a career change if the circumstances are right.

There are a lot of different places you can connect with passive candidates. LinkedIn is the most obvious starting point since nearly every professional has a profile on the site. But how do you get the most out of the world's largest professional network beyond its standard search functionality?

A good approach is to explore the LinkedIn pages for established companies your startup aspires to be like. You can see a list of each one's employees and find the people with job titles similar to the positions you're hiring for. From there, you can send them a message and ask if they're interested in making a change.

There are also a few other places you can prospect candidates from outside of LinkedIn. Social media, online communities and in-person

meetups and conferences are all great ways to connect with talented professionals and find out more about their career goals.

Consider hosting a hiring event

In addition to attending meetups and conferences, you can connect with candidates by hosting your own events. A hiring fair will bring in a lot of candidates but many of them will be active job seekers who would have applied to a posting on a job board.

A better approach can be to host a networking event that doesn't necessarily have a recruiting focus. Putting on a hackathon, a speaking event or a standard networking event can bring in a lot of talented people who are passionate about what they do. They'll learn about your company, see your office and get a sense of your culture. When you do reach out to them, they'll have an idea of the employee experience your startup offers, increasing the likelihood they respond.

Step 3: Interviewing and hiring agreements

After you gather a pool of suitable candidates for a role, you need to identify the best one for the job and come to an agreement with them. A bad hire can set your startup back but the right one can take the company to new heights so it's important to get this step right. In this final section, we'll cover how to effectively interview and reach employment agreements.

Assemble a strong hiring team

It's important to collect a variety of opinions when hiring. While the final decision should be made by the hiring manager, other people can lend different perspectives that must be considered.

A solid team should be comprised of the future hire's immediate team members. They understand the objectives of the role and the goals the new hire needs to achieve. They'll also work closely with their new team member and need to ensure whoever is hired is someone they can collaborate with.

It's also a good idea to have the final candidates participate in a culture-fit interview with people for other parts of the company. It's especially important for startups with small staffs to bring people aboard who gel with everyone. Many startup founders chose to conduct these interviews since they have an idea of the type of culture the company will have as it grows.

Consider evaluation exercises

An interview will only tell you so much about a candidate. Some people excel at pitching themselves in a formal setting but others struggle to articulate why they are qualified for the job. There's a chance you could select the wrong candidate if you rely only on job interview performance.

Evaluation exercises are a better barometer for identifying an ideal candidate. You can ask each person to complete a take-home test or sample project so you can understand who has the best aptitude for the job. Ask the hiring manager to come up with an exercise based on the requirements in the job profile that will the team select the most qualified candidate.

It's important to make sure candidate evaluation exercises are comprehensive but not excessive. You want to build on the learnings from the job interview without dragging the hiring process out longer than it needs to be.

Coming to an agreement with a new hire

Once you choose the best person for the job, you need to get them to agree to join your company. As we said earlier, many candidates worry that

a startup won't be able to pay them the same salary as an established company so this final step can be a challenge.

If your startup is already profitable or backed by venture capitalists, then you should be able to pay market rate for the different positions you're hiring for. If that's not the case, you might need to get creative with salary negotiations.

Some startups supplement salary offers with stock options. It's a great way to motivate employees to help the company grow so both parties benefit in the long term. You can also entice candidates by offering great secondary benefits, like a flexible work schedule, education reimbursement, a wellness program or even a cool office to work in.

You should also keep in mind that many people are attracted to working at a startup for the experience. Instead of spending their days in a stuffy corporate environment, they want to work for a hip company that aspires to do groundbreaking things. That alone can be enough for some candidates to forgo a few dollars.

Conclusion: Establish a solid strategy and efficiently execute it

Hiring boils down to having a plan and executing each step in a smart and timely manner. Know what roles you need to hire for then bring together a solid hiring team to find the right person for each job. Follow the advice in this guide and you'll see your startup grow into a successful company made up of great employees.