

Good Vibes

Bad

The interview process is more than basing your hiring decision on a “good feeling.” The Society for Human Resource Management estimates that it costs \$3,500 to replace one \$8-per-hour employee when all costs – recruiting, interviewing, hiring, training, reduced productivity, etc. – are considered.

There are two categories of employee turnover expense. The first is the direct cost, and the second is opportunity costs. The direct cost is the out-of-pocket expenses of recruiting, the cost of doing an exit interview, unproductive time spent on someone’s last day at work, the going-away party, interviewing for a new hire and the unproductive time while the new person is in training. The opportunity costs are lost sales and poor service.

You can use different methods to calculate turnover cost, and many of the numbers are intangible. There are no hard numbers to tally when your staff is not providing excellent customer service and a resident gave notice because the person you hired on a good feeling is not qualified to do the job.

WARM FUZZIES WON'T CUT IT

The No. 1 rule in hiring is to never hire a person based on just a good feeling. Think about a time when you had a good feeling about a future prospect and the person skipped or was always late with rent payment. You had a good feeling and maybe skipped a step with the move-in process, gave the person keys before having all the paperwork signed or waived a deposit fee. What was the percentage of times the person didn’t make a good resident when you had that good feeling – 80 percent to 90 percent?

If these examples don’t resonate with you, just think about dating. Perhaps you met a person, got the warm and fuzzy feeling, felt great about the person – and quickly the relationship ended. You rushed into the situation not knowing what was needed to sustain a reliable relationship. The same mistakes are made in the workplace.

A gut feeling is good to use when it is a bad feeling. It is usually in your best interests not to hire a person when you have a bad feeling. Recall a time when a future resident passed all the rental criteria and you still had a bad feeling that something was wrong, and sure enough the person skipped. You said, “I knew that he was going to do that!” Or you dated a person who looked great on paper so you gave the relationship a chance, and in your gut you had a bad feeling but you dated the person anyway. Are you still with that person? You had that bad feeling the entire time and ignored the signs. It is the same when it comes to hiring.

In short, you must know what you want, have a plan, ask questions, get the opinions of others and make an offer.

TOOL NO. 1: THE JOB DESCRIPTION

You need four items to conduct a successful interview: a job description, a goal planner, a rate sheet and a list of questions. A job description provides the details of the type of person you want to hire and skills needed to do the job. An example is, “Leasing consultant with minimum six months experience, speaks Mandarin Chinese, has high energy, knows Yardi and has the strength to float between two properties.”

Wise

Hire wisely by adhering to a strategy for interviews rather than relying on emotional reactions to candidates.

By **TOD GRICE**, BG Personnel Services

TOOL NO. 2: THE GOAL PLANNER

The goal planner is a 30-60-90 day planner used to determine what needs to be accomplished during each time period. The goal planner is quantitative and allows you the time to think about exactly what is needed at the property. For example: "In 30 days, complete 33 percent of the 54 open work orders." Or "Increase collections by 3 percent in 90 days."

When formulating the goal planner, think about the specific needs for that property, not a general job description. It can also be used during the interview to confirm that the candidate can complete the tasks. For example, a question can be, "How will your previous experience help you increase collections by 3 percent in 90 days?"

The goal planner also allows the person to know what your expectations are and the conditions at the property. Consider a property with 54 open work orders and half are A/C tickets and the A/C is on the roof. You will want to communicate that information to help determine if this person is correct for the position. When I was an on-site recruiter for a management company, I would show the person the goal planner and at times had the person stop the interview because she knew she couldn't do the job.

The goal planner helps establish a game plan for the next three months and can be used as a job review tool to evaluate strengths and weaknesses. One of the top reasons new hires fail is because of unclear expectations of their jobs. Being specific in the interview by using a goal planner helps alleviate this problem. The goal planner also aids each party with determining whether the job and the person make a good match.

TOOL NO. 3: THE RATE SHEET

The rate sheet is used to rate the interviewee's skills on a scale of 1 to 5 in specific categories. For example, the categories for leasing can be customer service, formal presentation, negotiation, sales ability, culture, etc. In other words, does the person fit the culture of the property and company? Also include an average score. At the bottom of the sheet,

include the question, "Should this person be hired?" Answer yes or no and tell why.

The rate sheet should be used by everyone who interviews each candidate. That means if three people interview the person, then three rate sheets need to be completed. If you are the decision-maker in the hiring process you will want to review the rate sheets and how each person scored the interviewee. The rate sheet forces the interviewer to produce hard numbers to justify why a person should or shouldn't be hired. If you see that the person interviewing for a leasing position scored low in sales and negotiation and the goal planner states that the job requires leasing 20 units in 30 days, you have an unqualified applicant.

The rate sheet also helps track the hiring practices of managers, human resources personnel and supervisors. If the HR person and supervisors say no but the manager says yes and hires a person who fails within a month and that trend is repeated, you can easily identify the hiring problem.

TOOL NO. 4: ASK QUESTIONS

Be sure to ask open-ended questions during the interview. This is a key way to determine if the person can do the job. Keep your list of questions on your desk. Having the list available helps prepare you for the interview and can help protect you if you are sued for hiring discrimination. The questions should be arranged in each category of the rate sheet. For example, in the category of negotiation, you could ask, "How would you persuade a prospective resident to lease with you?" For the category of sales ability, try, "Think about a specific sales situation and tell me what you did to close the sale." A very powerful question is, "Why should I not hire you?" You will be amazed at what people tell you!

Remember these three important steps when asking questions: Ask the question, listen and watch the body language of the person. How a person acts and responds to you is how he or she, as an employee, will conduct him- or herself with residents. Using silence is very powerful! It will give clues to

how the person handles awkwardness, uncertainty and the ability to handle situations assertively with residents. Also check that the verbal answers given are the same answers on the application and that the dates match on the resume and application.

PRESCREEN APPLICANTS BY PHONE

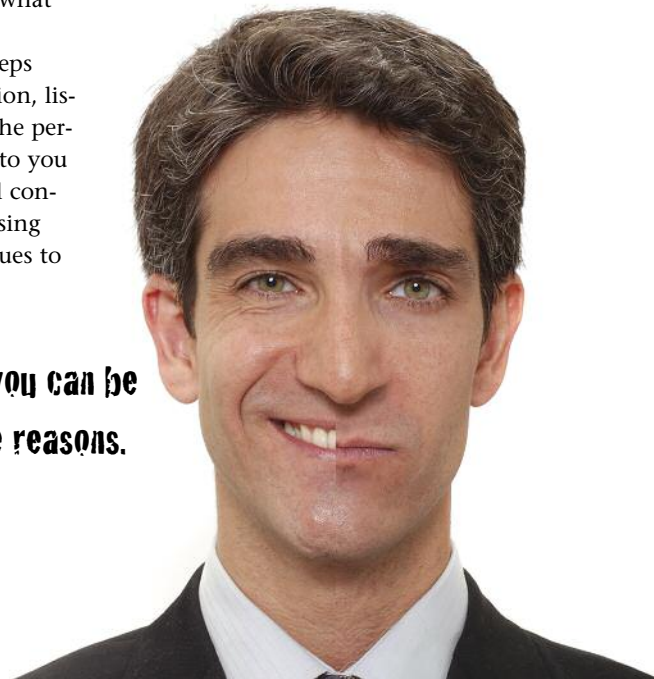
Screening the applicant over the phone is a beneficial step before bringing a candidate in for an interview. Questions to ask are: What area of town do you live in? What was your rate of pay at your last job? Why did you leave? These three questions will help to determine if an interview is warranted. If the job is in Katy and the person lives in the Greenspoint area, it is very unlikely that the person will remain a long-term employee.

The desired rate of pay will let you know if you can match the pay. Learning why the person left the previous jobs will let you know if the person has what it takes to work with your company's culture. If the person says, "I left because of personnel reasons," you can be assured that he or she will leave your company for the same reasons. Past behavior is a good predictor of future behavior.

USE MULTIPLE INTERVIEWS

The number of times a person should be interviewed is a minimum of twice – once with the hiring authority, and then conclude with a group interview. It is best to get everyone who interviewed the person back in the same room together with the interviewee. This is a test for the interviewee. After the applicant leaves, the group can compare notes. Make sure the story is consistent with everyone. Also, the group can review each other's rate sheets and decide whether the person should be hired.

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MAKING THE OFFER

If the job offer is made over the phone, it is critical to start the conversation properly. Most times, it is wise to make the job offer in two steps. When you make the phone call, introduce yourself and ask, "Are you still in the job market? What has changed since we last talked? How interested are you in working with ABC Company as a manager? What other questions or concern do you have? If we were to make you a job offer, who else would be involved in the decision?"

You want to make sure that the person has spoken with everyone who has influence over him or her. It is very frustrating to make a job offer and have the person respond with, "I was talking with a friend, and I should be making more money," or, "My spouse says"

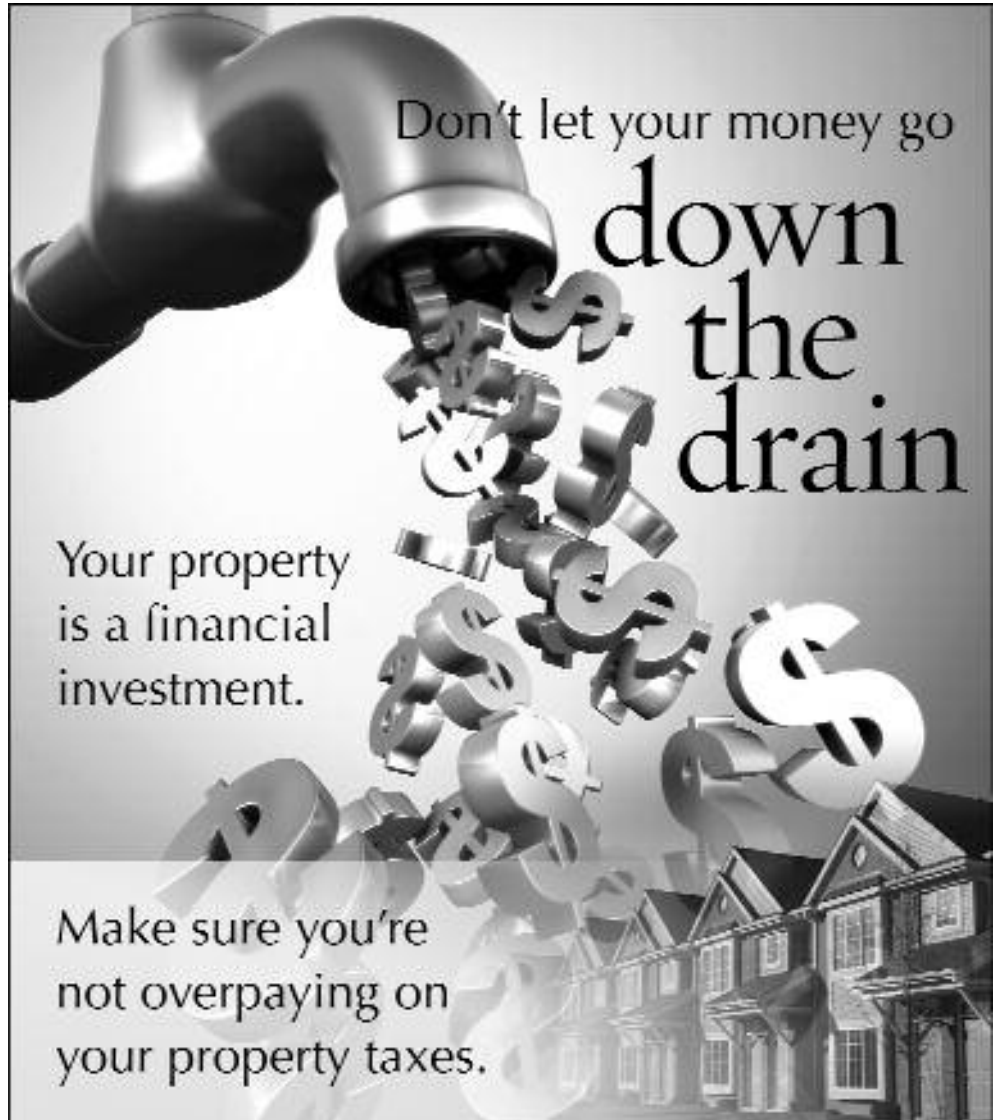
If the person has satisfied your inquiry, ask if you can call back. You are confirming that you have control. Once you extend the job offer, the candidate is in control. Call the candidate back that day and make the job offer.

CONCLUSION

Clues that will help you make the correct hiring decision are given as soon as you receive the resume. It is a telling signal when the resume has the phone number scratched out or has an inappropriate e-mail address. Voice mail messages and ringtones will also give you valuable insights into to a person character. Other clues are how long it takes to fill out an application and if the person was talking on his or her cell phone while filling out the application. Was the person early, on time or late to the appointment, and if late, did he or she call? If the person is 15 minutes late to an interview and didn't call to inform you, what are the chances the person will be on time to work?

An interview should end with the good feeling for you that you and your team made the best effort to evaluate the interviewee and for the new employee that he or she knows what is expected and has a good feeling about working for your company.★

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