



PETRA
PEOPLE

HIRE SMART BY PROMOTING FROM WITHIN



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LIFE LESSONS for BUSINESS OWNERS

The clients we partner with on a daily basis are all in various stages of growth. However, whether they're a start-up or a Fortune 500 company, they all at some point have the same need: a new hire.

A strong hiring culture sets your company up with top talent and engaged team members. Before you post the next job opening on LinkedIn though, take a look at your roster of current team members.

A healthier bottom line

In a 2012 study published in [Administrative Sciences Quarterly](#), Wharton Assistant Professor Matthew Bidwell found that external hires were paid 18 percent more than internal team members in the same job position. Why? They have nothing to lose by "naming their price" for a new opportunity.

For money-conscious employers, this is a problem. Especially because many studies show that hiring an external applicant has a **lower success rate** than hiring someone already working at your company. In other words, the gamble doesn't pay off.

Outside hires also can be a drain on the time and energy of a team. External applicants take longer to get comfortable with company processes. Learning simple things like who to talk to about a computer issue or what steps to take when getting something approved will take time. Promoting a person who is already familiar with the feel of the office and company procedures will make the transition considerably smoother.

A positive team

In a company known for promoting from within, team members will work harder and presumably more efficiently as they work toward a promotion. Offer professional development opportunities and constructive feedback at annual reviews. Let them know where they are and where you see them headed. Providing career growth opportunities will give them a reason to stay engaged and provides purpose at work.

In his book "Drive," Daniel Pink says, "one source of frustration in the workplace is the frequent mismatch between what people must do and what people can do. When what they must do exceeds their capabilities, the result is anxiety. When what they must do falls short of their capabilities, the result is boredom. But when the match is just right, the results can be glorious."

Keep a temperature reading on your team and adjust. It's possible someone is already gunning for the next step or a new promotion.

A succession plan

Your star players won't be around forever, no matter how loyal. Retirements and resignations happen. Prepare team members now to fill higher positions in the future so you're not blindsided when there's an opening.

Identify key players that prove to be good fits for higher positions and start delegating more responsibilities to them. Have leaders in your company train them on key functions of a role. When the time comes, they'll be able to jump in the saddle quickly and transition into a new position with less training.

Hiring from within also shows that you trust the people you've already hired — even if their skills aren't fully developed. You're invested in their success.

There's a time and place for hiring external applicants that are applying for a position in your company. Taking steps to promote your own team members, however, could be more beneficial to your company in the long run. In the end, it's a better bet.

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THE PETRA EXPERIENCE

The Petra Experience is like a Mental Marathon of focused effort to create a specific set of priorities and a planned process to achieve them... as a team.

Looking to change your business life - forever?

The daily grind of growing a business is tough... it doesn't have to be that way. We work from our own business experiences while focusing on your business – as coach and an accountability partner. We implement the Petra Process in a way that ensures it “sticks” then we stay engaged to keep you on your path to success and less frustration. We don't want this to be just another thing you start – then it gets ignored and finally dies... let's stop that cycle in your business. The Petra Program 'clarifies' what is most important to be done – by whom, by when – **AND** creates an accountability structure to ensure **IT GETS DONE.**

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