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Rise to the recruiting challenge

Few would argue that it's the people that make the company, and fewer still would disagree that it's the right people that are hardest to find. **by Carolyn Heinze**

While unemployment rates across the United States are among the highest in years, just because there are more job seekers doesn't necessarily mean that recruiting has become any easier. "With the huge number of unemployed and underemployed people, there is an impression that there is this large pool of qualified talent lined up outside the doors," said Ted Konnerth, president and CEO of Egret Consulting Group (egretconsulting.com), a recruitment firm headquartered in Mundelein, Ill. "The fact is that the unemployment rate for college-educated people is less than 5%." There is also a certain level of protectionism from the employee perspective, noted Phil deLoache, president and CEO of First SOURCE Electrical in Houston. "Because of the economy and because fewer people are employed in electrical distribution, the people you would want to recruit are very reluctant to move from their current employer if they are in a stable position—even if the new opportunity looks like a great one," he said.

"In the past," deLoache noted, "an attempt to recruit someone would almost always be met with agreement; now most people don't even want to meet."

Coupled with this trend is the demand for better ROI—the combination of which has rendered the recruitment field much more aggressive, noted Prudence Thompson, partner and director of electrical distribution at Egret. "The bar is raised relative to the candidates' qualifications and how fast they can pay for themselves," she explained. "The barrier to entry is much higher in a

recession because companies want to hire people who can bring business with them or make margin improvements faster than somebody their competition has let go.”

One of the challenges that First SOURCE faces is that it’s a relatively new company, having been in business for two years. “People think of us as a start-up, which they instinctively believe is a risky proposition,” deLoache said. “What I’ve learned is that the quickest and most successful way for us to recruit is to use a recruiter. Yes, we can network

with people in the industry, and we often find good candidates that way. However, our ability to reach out successfully to a larger number of people is enhanced with a recruiting service.”

For those firms considering the enlistment of a recruitment firm’s services, deLoache counsels distributors to work with an organization that’s familiar with the industry.

“If you have someone who understands your business and the space you work in, you don’t have to educate him or her on the industry and the type of

people you need,” he said. DeLoache added that it’s important to be very clear on the qualifications you are seeking, as well as the job itself, including salary range and benefits package. “Beyond that, if you’ve got the right person, it basically manages itself,” he said.

QUALIFICATION COUNTS

Gayle Davis, vice president of human resources at United Electric Supply in Wilmington, Del., recounted that over the last several months, the company has increased its recruiting efforts for

SMART OPERATIONS: A HIRING HOW-TO

Employee turnover represents one of the highest costs a company incurs. In addition to the actual physical costs—including recruitment expenses, uniforms, training hours, office supplies, etc.—there are the immeasurable costs, such as weakened company image, poor morale, mistakes, and confusion with customers. With all the different ways that a poor hiring choice affects a company, it’s critical to make the right decision the first time. The correct decision potentially yields years of productivity, while a wrong move can result in expense, heartache, and headache. Here are 10 tips to help ensure that the next person you hire is the right person for the job—and your company:

1. Use the Internet wisely. With the subscription rates in newspapers on the decline, it’s critical to use all the available online recruiting tools. Post job listings on career sites, local hiring websites, and even Craigslist. Research the smaller specialty websites in your area that focus on recruiting.

2. Do a group interview session. At the start of the search, bring in several candidates at a time for a group information session. Between canceled appointments and courtesy interviews, a group session can save hours. After providing a general outline of the position, decide who should come back for one-on-one interviews.

3. Design the right employee application. Ask a labor attorney to build in an authorization to check an applicant’s driving record, criminal record, and credit history. The authorization should also include the ability to require a drug screening.

4. Develop strategic questions. Ask a few unusual questions over the course of an interview—something like: “If you could meet one person, who would it be?” Pay attention to how the candidate responds to the question vs. the actual answer. Was he or she caught off guard or relaxed and confident?

5. Do a criminal check. Employers often forget about this step once they are deep in the interview process. If a candidate is serious about the position, he or she will obtain the background report without questions.

6. Get testy. Tests continue to represent the primary means of evaluating knowledge in schools and universities everywhere. Shouldn’t businesses do the same? Use the Internet to find a series of short tests that evaluate basic math aptitude, reasoning skills, and personality traits.

7. Perform credit checks. While never fool-proof, a credit check usually provides insight as to how an employee lives. A relatively clean report probably represents a more responsible and careful candidate who lives within his or her means, while a report with a few red flags might reveal a candidate prone to poor decision making or might allude to other problems, like child support issues, bankruptcy, etc.

8. Do a previous address search. Once again, the Internet serves as a powerful tool for this step. Does the applicant list a different address every two years? If so, chances are he or she won’t last at the position. Look for established candidates who are committed to the areas in which they live.

9. Perform drug testing. Keep the drug test under wraps until the end of the recruitment process, when you believe you have a serious job candidate. Schedule the test for the same day or next day to garner an accurate response. If the candidate is looking for a job, there shouldn’t be any timing conflicts. Pay attention to waffling or “rescheduling,” as these are telltale signs that the candidate has a problem.

10. Go with your gut. Steps one through nine utilize the brain for the hiring process. Now, let your gut handle some of the thinking. Reflect on the process. Does anything stick out that either bothers you or impresses you? Were there any unusual responses, questionable outfits, or funny questions? Once you look back and generate an overall gut instinct, add that to the equation and make your decision. ■

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everything from warehouse staff and accounting clerks to sales trainees and managers. She noted that while the response has been almost overwhelming—she recently received 348 resumé over the course of two days for a warehouse backup driver position—the level of applicant is often far below what the job calls for.

“Of those 348 applicants for the warehouse position, for example, you can usually immediately eliminate half of them because they are not qualified for the job for which they are applying,” she explained. Davis added that the most difficult positions to fill continue to be those in the sales department—especially sales trainees, which United Electric often recruits out of college. “A lot of students have decided to go to grad school and wait it out,” she said.

Sifting through hundreds of applicants is time consuming, and Davis explained that United Electric has moved to an exclusively electronic format—in this case, Career Builder—to streamline this process. “It’s a lot easier to manage applicants and resumé electronically than it ever was with paper,” she said. Still, when the volume of candidates reaches into the hundreds, the process remains labor-intensive.

Like deLoache, Davis hasn’t witnessed much employee movement between companies. “People are holding on to their jobs—our turnover rate has been minimal,” Davis said. “Until there are very clear signs that the economy is improving, I don’t think there will be a lot of movement.”

This all stands to change when the economy picks up, however, which

means that retention efforts should still remain a priority. While employees may choose to remain where they are for now, if they are at all dissatisfied or if they feel they have been exploited or poorly treated during tough economic times, chances are they will begin seeking new opportunities when the climate stabilizes.

“I believe that there is a pent-up demand of people who perhaps don’t like their current situation, but it’s a secure situation so they are not moving,” deLoache said. “The number of candidates available will improve as the economy does, and people will become more mobile.” ■

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