

## **GPI 222 - Pay employees for new 'good quality' hire referrals.**

Give your staff the opportunity to bring in new employees before paying fees to outside firms or agencies for running advertisements and finding recruits for current openings. Good employees may know great potential employees so ask for them if they are interested in the job first, or ask for their suggestions first.

**Ask if any current employees are interested first in the openings.** Interview those current employees who express an interest in the job opening. Inform them of the requirements and competency to be demonstrated. If an employee is interested but is not qualified, tell them the process to follow and what they need to do to be considered in the future. If no current employee is qualified or interested, then ask for their best referrals.

**Ask for employee referrals and give them a couple of days first.** Reserve two or three days after talking to internal interested employees to bring in employee-referred candidates before spending money on advertisements. Give a deadline for employee feedback on open positions before going to the market. Give them a deadline and advertise it on company bulletin boards.

**Use external sources last.** Place advertisements, call agencies and contact specialized recruiters as a last resort. If no employee brings in any qualified referrals, resort to your normal placement methods such as advertisements or agencies. Regardless of the outcome, try using current employees first.

**Bonus - Referral Fee Award:** You might want to give an award to the employee who gave out the referral. For example, if you pay \$500 to run an ad, you might consider awarding \$250 to the successful employee. Give it out 30 or 60 days after the new employee has worked continuously with no problems. You decide what is relevant to your firm but give your employees an opportunity to suggest good candidates for the good of the company.