

Recruitment: "Getting it right"

Cheat Sheet

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It's no secret... recruitment is challenging

1/4 of Australian SMEs find recruitment to be their biggest challenge.

Of course, the other 75% still consider it a challenge, it's just not their *biggest*.

Top 3 hiring challenges for brokerages:

1. Lack of knowledge on how and when to recruit
2. Lack of induction, training and management framework
3. A poor recruitment process.

Even with the best processes in place, it doesn't always work out. People can change their minds and they can be unpredictable.

It's our roles as business owners, to ensure we do everything within our control to reduce the risk and improve the likelihood of a successful outcome.

Attracting the right candidates

1. Be clear on what you have to offer

What's your employee value proposition? What do you uniquely have to offer them? Make sure you communicate that message throughout your recruitment process and to your existing employees for retention.

2. Build a talent pool

Create your strategy, allocate time for it, and list out your resources:

- Personal networks
- Professional networks
- LinkedIn
- Facebook
- Local community
- Broker industry.

Be strategic about your approach. Remember posting ads on Seek can be great but they also create a lot of work as you have to screen and respond to sometimes hundreds of applicants! You may not need such a wide approach; you may be better off with a smaller more targeted approach.

3. Use LinkedIn

Refine your search – *Examples of titles to search*

Loan Processor <ul style="list-style-type: none">• Loan processor• Loan packager• Client Services Officer• Client Services Manager• Broker Assistant AND <ul style="list-style-type: none">• Mortgage• Home Loan	Mortgage Broker <ul style="list-style-type: none">• Mortgage Broker• Credit Adviser• Loan Writer
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Refine your initial contact – *You can use this as a template*

Hi <<NAME>>,

Hope you're well.
I noticed we operate in the same space so thought I'd reach out to connect on LinkedIn.
I hope you don't mind.
Warm regards,

<<NAME>>

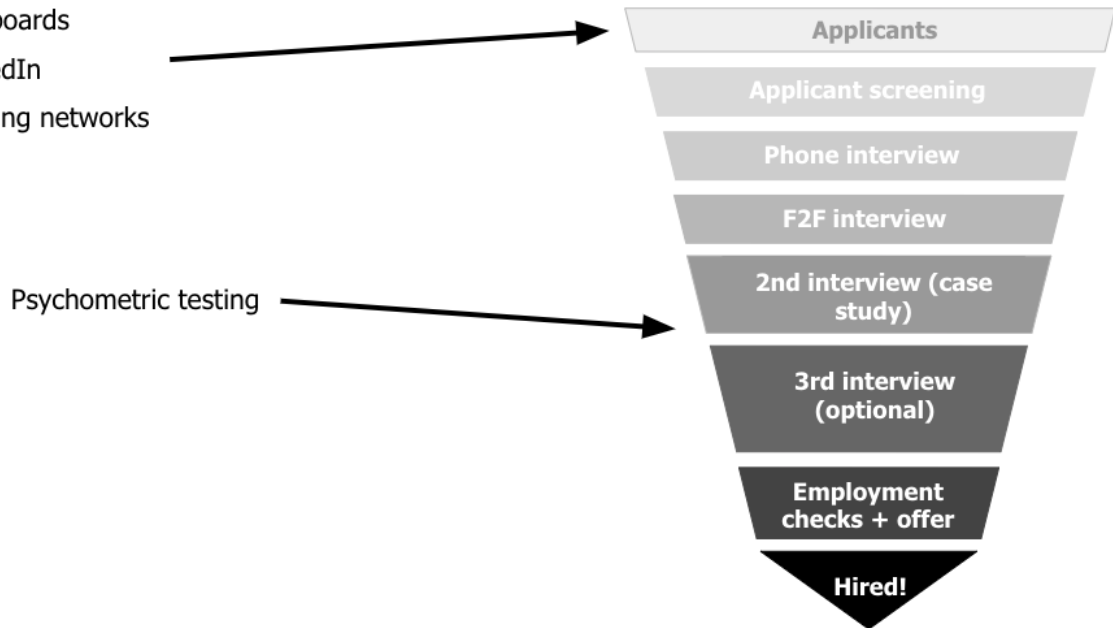
4. Attract your ideal candidate

Understand their needs (it's not always about getting higher pay), find out what's important to them, and be clear about what remuneration you can offer.

Retaining your staff & the recruitment process

A good recruitment process

- Job boards
- LinkedIn
- Existing networks






This may seem like too big a process for your business, and that's okay. It's an example of what sort of things you should be considering when developing your own recruitment process.

Systems, training, onboarding and management frameworks	Don't just do it all on the fly. Be organised and put thought and energy into this. Employees appreciate this more than you'd think.
The employee experience	Make it a good one! I.e. a welcome pack on their first day, take them out for lunch, weekly check-ins to see how they're settling in. They're an employee, but they're also a person with wants and needs. It's your job as an employer to know these things to ensure they remain happy and content.
Employee goals	Know what their goals are and what their 2–4 year career development plan is. It shows that you care, and is a crucial part of your retention strategy.
Culture	Be the manager you want to have. A manager that is organised, prepared and structured can show an

	employee the level of care and respect they have for their employees' success.
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The Three P's (Procedures)

Pipeline	People	Performance
Customer generation	Recruitment	Purpose
Referrer generation	Induction/onboarding	Target market
Loan Process	Skills development	Results
Customer management	Leadership development	High pay-off activities (KPIs)
Referrer management	Retention	Team behaviours

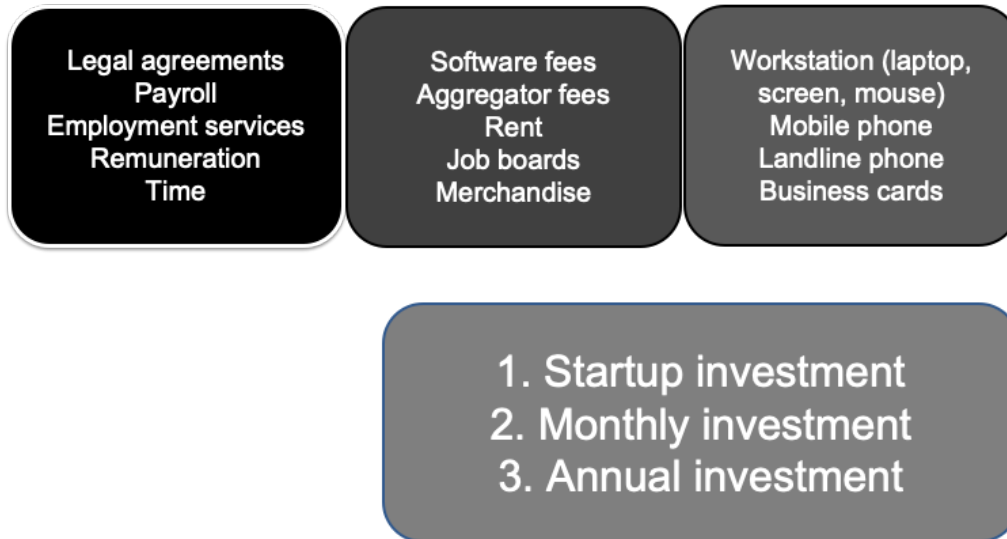
Position description	Onboarding framework	Management framework
		
<p>This will outline aspects of the role such as:</p> <ul style="list-style-type: none"> • Purpose • Target market • Results • High pay-off activities (KPIs) • Behaviours. <p>It's crucial that you put the thought into what you expect of this role and how you'll measure it.</p>	<ul style="list-style-type: none"> • What does your new employee's first week look like? • Will you send them on training? • Will you spend time with them yourself? • Do you have anyone in your team that will induct them in certain areas? <p>Build a detailed 2-week onboarding framework, and broader 3-month framework to set your newest employee up for success.</p>	<p>This is your personal procedure of how you'll manage your employee/s.</p> <ul style="list-style-type: none"> • Will you have a regular 1-1 meeting? • How will you ensure you're investing in their development? • How will you ensure they're supported to succeed? • How will you track their performance? <p>As an employer, it's your job to know how your team is going.</p>

Working out the cost of hiring

Plan your costs

List down your upfront and ongoing costs of hiring someone, to work out what you can afford and what your ongoing expenses will be to have an employee.

Work out what will be profitable for you. You might hire a loan processor who frees up 15 hours of your week. What other revenue generating activities can you be doing in that time to cover the costs of hiring them?



Some of the costs you need to consider when hiring.

Understand Remuneration

Mortgage Broker	Loan Processor
<ol style="list-style-type: none"> 1. Retainer + commissions 2. Base salary of \$70k-\$100k + super + commissions 3. Base salary + transition to self-employed/Partnership or equity/profit share 	<ol style="list-style-type: none"> 1. Average Loan Processor with 2-4 years' experience \$65-\$75k + super 2. Senior Loan Processor/Business Manager \$75k-\$90k + super (depending on experience)

Remuneration Structure Example

Annual Threshold = 1.2–1.4 X Base and Super package
 (for example, 1.25x \$100K package = \$125K)

Pro rata this quarterly (divide by 4) – For example this would be 1/4 of \$125K = \$31,250

Then build an incentive structure for all revenue that exceeds the quarterly threshold. Anywhere from 20-60% on upfront revenue above their threshold. This can be a tiered model (for example, first \$10k above threshold at 25%, next \$10k at 35% etc.).

Average salaries (the last 10 our agency has placed as of August 2019)

Processors		Brokers	
\$70K + Super		\$90K + Super	
\$73K + Super		\$90K + Super	
\$62.5K + Super		\$65K + Super	
\$65K + Super		\$70K + Super	
\$75K + Super		\$65K + Super	
\$65K + Super		\$65K + Super	
\$65K + Super		\$110K + Super	
\$70K + Super		\$75K + Super	
\$70K + Super		\$65K + Super	
\$88K + Super		\$70K + Super	
	Average = \$70.35K + Super		Average = \$76.5K + Super

Key takeaways

- 1. Attract the right candidates** – by working out what they want, building a quality talent pool, using LinkedIn and refining your recruitment process.
- 2. Retain your staff and nail the recruitment process** – by fleshing out systems and training processes, focusing on their goals and building an excellent culture.
- 3. Work out your budget/costs** – by getting clarity around what it will cost you to set up and maintain a new hire. Know your breakeven!