

HIRING YOUR FIRST EMPLOYEE:

A STEP BY STEP GUIDE



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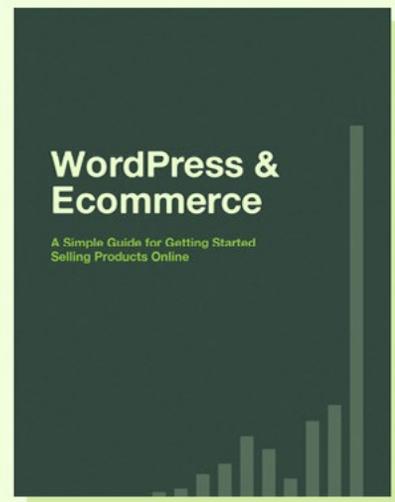
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About iThemes

iThemes was founded in 2008 by Cory Miller, a former newspaper journalist and public relations/communication practitioner, turned freelance moonlighting web designer, turned full-time entrepreneur. Miller founded iThemes in his home, fulfilling a lifelong dream of running his own company. Since then, iThemes has grown into a full enterprise providing professional, premium themes, plugins and professional WordPress web design and developer training at WebDesign.com.

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Introduction

One of the most frequent questions I (Cory) get asked by solopreneurs, developers and freelancers is about **hiring their first employee**.

I love the question but it's a tough one. There are so many nuances of why, when and how to hire and every business and entrepreneur is different. But I've been mulling it over for the past couple of months, making notes, and I want to share my experiences, thoughts and ideas about hiring your very first employee.

The Why: Common Reasons for Wanting to Hire Someone

- **To grow** – You want to increase your business and know you need more help to do so.
- **To do more** – You simply want to offer more or be able to take on more customers and business.
- **To do better** – Maybe there are areas you know you're not offering the best to your clients or customers.
- **To have more balance, sanity and happiness** – You're doing all the work and need help so you can take a vacation or be at your son's baseball game.
- **To multiply yourself or replicate your formula** – You've got a great system, a unique offering and you want to offer it to more people. (Go read [The E-Myth](#) right now.)
- **To do something bigger than yourself** – This is one of my favorites. Even though I had a combination of these reasons for hiring, ultimately, I wanted to build a team that would do great things together.
- **To make more money** – Having more people simply means you make more profit.

Why Entrepreneurs Don't or Can't Hire

Here are the common reasons I've heard solopreneurs, independents or freelancers give for why they can't or don't want to hire anyone:

- **You have no money** – This is probably the most common reason I hear of why solopreneurs don't hire or can't. The finances simply aren't there.
- **You have no time** – You're too busy doing the work that you can't possibly stop to think about, let alone recruit anyone.
- **You have no energy** – Recruiting, hiring and then managing people takes time and a ton of effort and you simply don't have it to give.
- **You have no confidence or experience** – You don't know where to start. Or maybe you don't feel like the finances could support a hire.
- **You can't or don't want to trust** – You know you will have problems letting go and allowing others to do some of the work.

- **You aren't growing or don't want to grow past where you are** – If you know this and admit it, you're in a great place in my opinion. You simply want to stay put. This article isn't for you, by the way.
- **You don't want the complications or heartburn** – Again, totally understandable and respectable. Managing people is complicated sometimes. I've had my share of heartburn too over payroll and personnel issues over the last 6 years.

So with that foundational of why and why not ... now it's time to ask:

When Is The Right Time to Hire?

1. Where are you going? What is your big compelling dream and vision?

From the get-go I wanted to do bigger things than I could tackle myself. I had none of the skills needed to actually do the things I wanted to do. But I had the vision, finances and support to start the journey and enlist others to join me.

Typically with any new endeavor or the one we had in the first year, I think of a mountain summit. It's this big goal far ahead. I know it'll take a team to get there. And if I can set my sights on the summit clearly, with a solid understanding my own unique strengths and skills related to it, I can start thinking about what roles, what people, what help I need to make it there.

So, what is your big compelling dream and vision? As best as you can, describe and detail it out.

The clearer you are on where you're heading, the better you'll know what and who you need to get there.

2. Why?

This is a sobering question but I have to ask. I'm sorry to put on the brakes right here as I know you're excited. But before you ask someone else to get in your boat and row, investing their time, skill and energy ... you need to know where you're going and why.

So what are your motivations? Are you trying to grow, expand, do more, make more, do better? Or do you simply want more sanity?

By the way, if you have a big vision and an even better why ... it'll make attracting, recruiting and hiring key people for the journey so much easier and better. Passion with purpose is contagious. Now, let's talk about connecting with the next element — people.

3. Now, who do you need to get there?

You know what and why ... now it's time for the who.

[Knowing yourself first](#), and your unique talents and skills, helps make this part a lot easier. With the summit and your own skills in mind, think about what it'll take to get there.

What role, tasks, help, results will you need for the journey?

Then ask yourself: What one person could make the biggest impact to get you to your summit?

Looking back, some of the best hires were people I already knew. When the opportunities opened up, I knew exactly who I wanted to recruit for the journey. (It took me about 3 years before I got to actively recruit and hire [Glenn](#).)

In our first year, it was a full-time front-end theme developer to produce the only products we were selling — WordPress themes.

We had bottlenecked on theme production. We had an opportunity that we wanted to seize and we had the revenue to push go on it. And for me, it was easy to say, this is who we need. And I knew I surely didn't have the skills or the time to do what we needed.

Here are some more questions to get you thinking about WHO that first hire is:

- **What are your bottlenecks to growth?** Complete this sentence: If I only had [_____], we could take this thing to the next level. Take the X and start asking how you can get it. If it's more time, how do you get more time?
- **What aspects are you weak or deficient in, or simply drain your time and energy yet are absolutely vital to growth?** Are you a great coder but terrible at sales?
- **Think of someone who would make the perfect partner or sidekick.** The one person who you know you could tackle the world with. What complimentary attributes, personality or skills do they have?
- With your big vision in mind, **map out the complete organizational chart**, with titles and duties, of your business if it were real today. Then with that in mind, ask which hire makes the most sense now and builds to the future.

This helped me immensely as I assessed the current workload we needed to do and anticipated the stuff we'd need to do to get where we wanted to go. (By the way, I still think about an org chart, more in my head though, when we're looking to grow even after 6 years.)

This is the tough part of hiring — getting crystal clear on what and who you need. I readily admit it's tough. Each new person takes some deep thought and reflection and careful consideration.

Which brings me to the next key question...

4. Are you ready and able to delegate?

Do you have time, energy and interest to manage, lead and train others? The day I hired our first employee was the day I transitioned part of my role and job from a doer of all of the things, to a manager of doers of most of the things. I still did a lot of the same work, but I added a new role to my job, with new demands on my time and energy.

Don't underestimate the time and energy it takes to properly delegate, communicate, manage and lead ... while still doing the bulk of the work coming in.

If you're ready to hire and delegate, start buffering time now in your schedule to teach and train your first hire. From experience, I'll tell you that each new hire pushes you more into a manager than a doer of the work. So be prepared. This time is typically a tough time but a good one (which is why knowing your Why is foundational).

5. Do you have the finances to support it and feel confident in the steady flow of business?

I remember when we made our first hire then our next three (spaced about 2-3 months between each). We were seeing revenue ramp up each month. And I had a good feeling that it would continue and we could support the people we eventually hired. It was an informed gut decision based on confidence that our business would keep growing and allow for the extra financial overhead.

But as you're looking at your finances and budgeting, remember to add another 20% or so on top of the salary you're thinking about for taxes and other overhead of having a full-time salaried employee. But don't rely on me (I'm not an accountant or financial adviser) .. talk to your accountant to get more solid estimates of what it's really going to cost you to add a new employee. And if you're offering insurance and other benefits, you'll obviously need to build those in as well.

All of this should help you make a more confident and informed decision.

(One quick tip: Look into payroll services companies, like [Paycom](#), which we use now and is based in Oklahoma, or [ADP](#). I wish we had used a service like this from day one. You'll have an account rep that can help walk you through the nuances of payroll, taxes, etc.)

6. Does it feel right?

If you know where you're going, you know who you need to get there and why you're going...and you are ready to manage and lead people and have the finances to support it...now you just gotta ask, **is this the right thing to do?** Am I ready to pull the trigger and go for it?

If you want to grow past yourself and what you can do with your limited time and talent, you have to get help, recruit help, train help and ultimately trust help to grow.

But only you can decide.

Good luck!