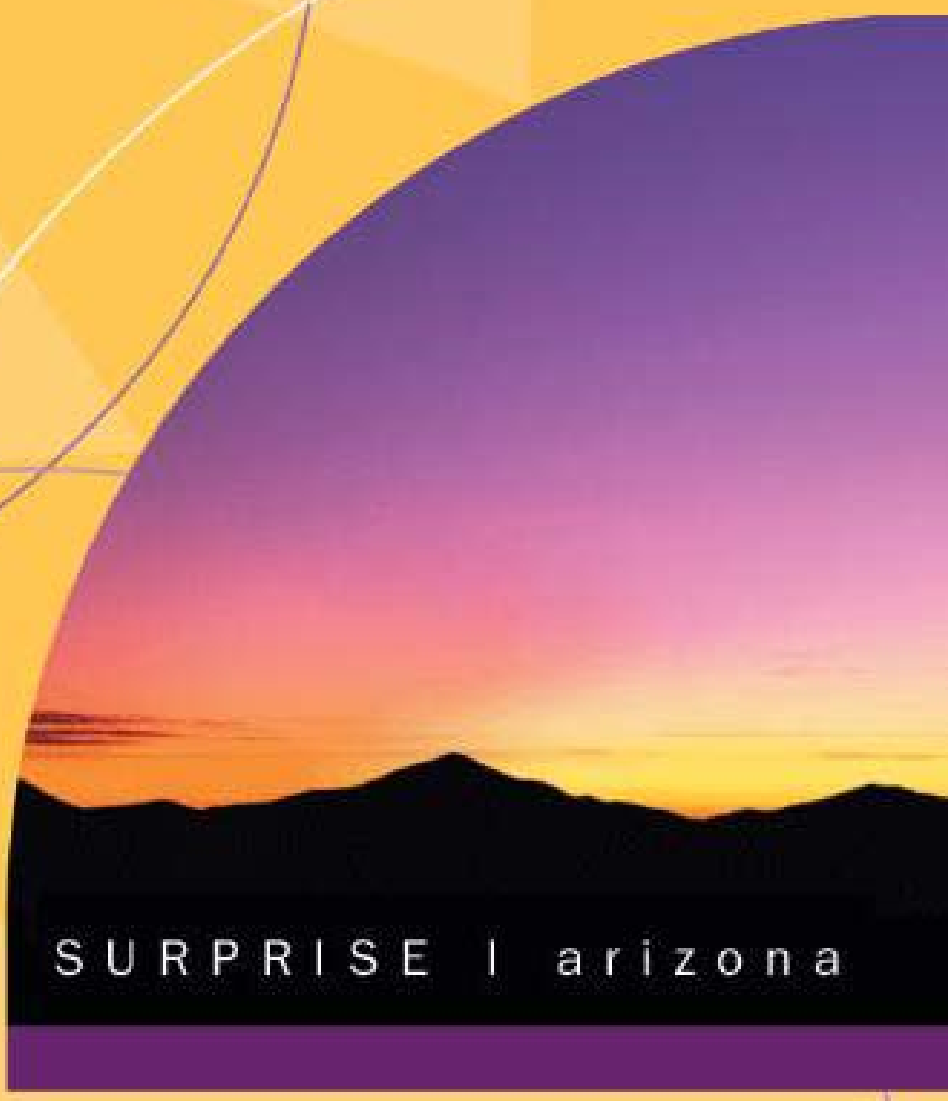

Doing Business In Surprise

Chapter 10

November 2005

Doing Business In Surprise - November 2005

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About This Publication

This booklet is designed as a guide for the person who is starting a business or who already has an existing business in the City of Surprise. It includes information on licenses, permits, applications and other tools necessary to start and support a business. Please remember that the booklet serves as a guide and is not written to offer advice. Contents of this booklet should not be construed in any way as investment advice or counsel. Before investing money, consult an attorney, accountant, or other business professions.

We would like to thank many city, county, state and federal agencies for their help in making this publication possible. Every effort has been made to assure that this publication is as accurate and up-to-date as possible; however, the information contained is subject to change. If you have questions or suggestions for additional topics, please let us know.

Chapter 10: Hiring Employees

Within this chapter:

- *Understanding the Fair* ***Labor*** *Standards Act*

BEFORE YOU BEGIN . . .

DECIDE IF IT'S TIME TO HIRE AN EMPLOYEE.

According to Lisa Kanarek, home office expert, you should answer the following questions to see if you need to get extra help for your business.

- Are you constantly extending deadlines at the risk of losing clients?
- Are you frequently bogged down by simple tasks that could be handled by someone else?
- Are there specialty tasks that could be handled more efficiently by someone else, such as graphic design, Web design or marketing?
- Are you working longer hours than ever to catch up on routine tasks that could be delegated?

If you answered yes to any of the questions above, consider the following options:

Ask for a little assistance from your friends or family. The key word is "little." Hiring friends or relatives on a part-time or full-time basis as opposed to a per-project basis may lead to stress within your relationship. Be sure to compensate fairly so that the person doesn't feel "used."

Hire an employee. You can pay the person a salary or by the hour, depending on how many hours a week you need him or her. Keep in mind that you'll also be responsible for health benefits and paid vacation time. This option is limited by the amount of space you have and whether you need to be zoned to have an employee work in your home office.

Use a temporary service. Temporary employment agencies provide basic services by sending a skilled person to your office for temporary, temp-to-hire or long-term assignments … [I]n most cases a temp is ideal for such basic tasks as data entry, answering the phone, running errands and other non-specialized tasks. Again, make sure your neighborhood is zoned for employees and that you have room in your home office for a worker.

Outsource work to a freelancer. By obtaining the services of a freelance professional on a per-project basis, you can use their talents without having to pay employee benefits. While this is more costly than hiring a temporary employee, you'll get specialized services from an experienced professional.

Hiring Employees

Hire a business support service. The rules here are similar to those of hiring a freelancer. Business support services offer word processing, database management, bookkeeping, editing and proofreading, graphic services and Internet research.

Additional Resources

If you will be hiring an employee, you will want to write a job analysis and description. Entrepreneur Magazine's *Start Your Own Business* book explains how to begin this process.

Job Analysis

Begin by understanding the requirements of the job being filled. What kind of personality, experience and education are needed? To determine these attributes, sit down and do a job analysis covering the following areas:

- The mental/physical tasks involved (ranging from judging, planning and managing to cleaning, lifting and welding)
- How the job will be done (the methods and equipment to be used)
- The reason the job exists (including an explanation of job goals and how they relate to other positions in the company)
- The qualifications needed (training, knowledge, skills and personality traits)

If you're having trouble, one good way to get information for a job analysis is to talk to employees and supervisors at other companies with similar positions.

Job Description & Specification

Use the job analysis to write a job description and a job specification. Drawing from these concepts, you can then create your recruitment materials, such as a classified ad.

The job description is basically an outline of how the job fits in to the company. It should point out in broad terms the job's goals, responsibilities and duties. First, write down the job title and whom that person will report to. Next, develop a job statement or summary describing the position's major and minor duties. Finally, define how the job relates to other positions in the company. Which are subordinate and which are of equal responsibility and authority?

Hiring Employees

For a one-person business hiring its first employee, these steps may seem unnecessary, but remember, you are laying the foundations for your personnel policy, which will be essential as your company grows. Keeping detailed records from the time you hire your first employee will make things a lot easier when you hire your 50th.

The job specification describes the personal requirements you expect from the employee. Like the job description, it includes the job title, who the person reports to, and a summary of the position. However, it also lists any educational requirements, desired experience and specialized skills or knowledge required. Include salary range and benefits. Finish by listing any physical or other special requirements associated with the job, as well as any occupational hazards.

Writing the job description and job specifications will also help you determine whether you need a part- or full-time employee, whether the person should be permanent or temporary, and whether you could use an independent contractor to fill the position.

How to Write a Job Ad

Entrepreneur Magazine's *Start Your Own Business* offers further advice on writing a job ad. Look at your job specifications and pull out the top four or five skills that are most essential to the job. Don't, however, list requirements, other than educational and experience-related ones in the ad. Nor should you request specific personality traits (outgoing, detail-oriented) since people are likely to come in and imitate those characteristics when they don't really possess them. Instead, focus on telling the applicants about the excitement and challenge of the job, the salary, what they will get out of it and what it will be like working for you.

Finally, specify how employees should contact you. Depending on the type of job (professional or nonskilled), you may want to have the person mail, fax or e-mail a cover letter and resume, or simply call to set up an appointment to come in and fill out an application.

Screening Candidates

Two important tools in prescreening job candidates are the resume and the employment application. If you ask applicants to send in a resume, that will be the first tool you use to screen them. You will have qualified candidates fill out an application when they come in for an interview. If you

Additional Resources

For more information, call 602-542-4515 or visit the Industrial Commission's Web site at www.ica.state.az.us

For information, contact the Arizona Industrial Commission, www.ica.state.az.us, or 800 W. Washington St., Phoenix, AZ 85007, 602-542-4515; or the State Compensation Fund at http://www.statefund.com/, or 3031 N. Second St., Phoenix, AZ 85012-2855, 602-631-2000.

Hiring Employees

don't ask for a resume, you will probably want to have prospective employees come in and fill out applications, then review the applications and call qualified candidates to set up an interview.

Additional Resources

In either case, it is important to have an application form ready before you begin the interview process. You can buy generic applications forms at most office-supply stores, or you can develop your own application form to meet your specific needs. Make sure any application form you use conforms to Equal Employment Opportunity Commission (EEOC) guidelines regarding questions you can and can't ask.

Your application should ask for specific information such as:

- Name, address and phone number;
- Educational background;
- Work experience, including salary levels;
- Awards or honors;
- Whether the applicant can work full or part time as well as available hours;
- Any special skills relevant to the job (foreign languages, familiarity with software programs, etc.).

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APPENDIX A: Useful Contacts and Websites

Office of Economic Development—City of Surprise

12425 W. Bell Rd., Bldg. D-100
Surprise, AZ 85374
Phone: (623) 875-4273
Fax: (623)875-5049
Web site: www.surpriseaz.com
E-mail: econdev@surpriseaz.com

Determining where to start is not always easy. If you aren't sure who to contact or what steps to take, Surprise's Economic Development Department is a great place to begin.

The Economic Development staff will be happy to assist you in determining a path to start your business, expand an existing business, or find a new location. The Economic Development Department offers business firms an ombudsmen service to assist with the City's development process, increase understanding of regulations and assess project needs. Staff can also provide introductions to other departments or additional resources.

The Economic Development Department has services designed for both new and existing businesses—from small entrepreneurial operations to Fortune 500 firms. Services include confidential consultations, assistance with site selection, introduction to private and public sector development and real estate representatives and providing demographic information to assist potential new business owners.

Surprise's Office of Economic Development actively promotes and preserves the economic strength of the city to ensure that Surprise is the preferred location for new, existing and expanding organizations.

Northwest Valley Chamber of Commerce

12801 W. Bell Rd., Suite 14
Surprise, AZ 85374
Phone: (623) 583-0692
Fax: (623) 583-0694
Web Site: www.northwestvalley.com
E-mail: chamber@northwestvalley.com

The Northwest Valley Chamber of Commerce is a private, not-for-profit business organization providing a wealth of information for any size business. For more than 42 years, the Northwest Valley Chamber of Commerce has been a leading advocate for businesses. The Chamber also acts as an ombudsman for resolution of public policy issues that affect the business community at a local, county or state level.

As one of the largest Chambers in metropolitan Phoenix, members are given many opportunities to market their businesses and to enhance their business skills through individual counseling, group workshops and networking activities. The chamber also hosts monthly seminars and events to assist our members.

APPENDIX A: Useful Contacts and Websites

Maricopa County Regional Library - Surprise

16089 N. Bullard Ave.
Surprise, AZ 85374
Phone: 623-544-6371
Web Site: maricopa.gov/library

The Surprise Library is a great business resource and contains various business materials, government and legal documents and "how to" publications on such topics as how to start a business, how to get a loan and how to write a business plan. The Northwest Regional Library is located in the Surprise Recreation Complex in the City of Surprise. This 23,000 sq. ft. facility is the District's newest "state of the art" Regional Library with a collection of over 40,000 items in all formats and offers over 60 Internet-accessible computers throughout the building. It is a model of the latest technology in the library and information field in terms of customer service with self-checkout, self-check in and Smart Library Cards.

Arizona Department of Commerce

1700 W. Washington St., Suite 600 Phoenix, AZ 85007
Phone: (602) 771-1100 Toll free: (800) 528-8421 Fax: (602) 771-1209
Web site: www.azcommerce.com E-mail: webmaster@azcommerce.com

The Arizona Business Assistance Center, a division of the Arizona Department of Commerce, provides a variety of resources to assist anyone interested in starting, expanding or relocating a business in the state. The Arizona Business Assistance Center has three components and are located at the Arizona Department of Commerce.

Arizona Business Connection

Web site: http://www.commerce.state.az.us "Small Business Services" page; then go to "Arizona Business Connection - Walks you through what you need to know to start or expand your business"
Phone: (602) 771-1196 Toll free: (800) 542-5684

The Arizona Business Connection's Web site provides regulation and licensing information for starting a business. At this Web site, you may also create a customized information package to print at your convenience. This office also produces the free publications, Guide to Establishing and Operating a Business, Small Business Book and Entrepreneur's Encyclopedia, available at the Chamber of Commerce and Regional Library. To obtain copies of these publications, visit the Library or call (623) 544-6371 or drop by the Northwest Valley Chamber of Commerce at 12801 West Bell Rd., Ste. 14, Surprise, AZ 85374. Phone (623) 583-0692
Fax (623) 583-0694. Web page chamber@northwestvalley.com

APPENDIX A: Useful Contacts and Websites

Office of Minority/Women-Owned Business Enterprise Services

Phone: 602-262-6790 http://www.azcommerce.com/mwbedir/

The Office of Minority/Women-Owned Business Enterprise Services acts as a resource and advocate for women and minorities who own businesses by helping them market their products and services to state agencies and other companies. The office publishes a directory of women and minority-owned businesses that is distributed to state agencies, local corporations and financial institutions.

Small Business Advocate—Governor's Council on Small Business

1700 West Washington, Suite 220 Phoenix, AZ 85007

Email: gcsb@azcommerce.com **Telephone:** 602-771-1173 **Fax:** 602-771-1209

The Small Business Advocate maintains ongoing communication between the Governor's Office and small business. The advocacy office works with chambers of commerce and other groups to develop policies and programs relevant to small business, supports state legislation that benefits the business community, and interacts with state agencies to improve relationships between state departments and the small business community.

Arizona Secretary of State's Trademark and Trade Name Office

Phoenix Customer Service Center
14 N. 18th Ave just across street from the Capitol Executive Tower
Mailing Address 1700 West Washington, 7th Floor Phoenix, Az 85007-2888
Phone (602) 542-6187 or 800.458.5842
Web site www.azsos.gov/business_services/trademarksandtradenames.htm
Email trades@azsos.gov

Arizona Corporation Commission

1300 W. Washington Street Phoenix, AZ 85007 (602) 542-3230
www.cc.state.az.us http://www.cc.state.az.us/corp/filings/forms/packets.htm

Maricopa County Recorder

Main Office (Downtown) 111 S. Third Ave., Phoenix AZ 85003 Phone: 602-506-3535
Southeast Office (Mesa) 222 E. Javelina, Mesa AZ 85210 Phone: 602-506-3535
http://recorder.maricopa.gov

Arizona Department of Revenue (ADOR)

2902 W. Agua Fria Freeway Phoenix, AZ 85027
Phone: (602) 255-2060 Forms by Phone: (602) 542-4260
Web site: www.revenue.state.az.us Forms by Fax: (602) 542-3756

"Business Basics: A Guide to Taxes for Arizona Businesses," is found online at http://www.revenue.state.az.us/brochure/622.pdf

SURPRISE
ARIZONA
Beyond Expectations

City of Surprise
Economic Development
Department

12425 West Bell Road
Building B

Phone: 623.875.4273
Fax: 623.875.5049
E-mail: econdev@surpriseaz.com

City of Surprise
Small Business Assistance Program (SBAP)

Interested in starting your own business? We'll help you get your business started and serve as an on-going resource. We'll work with you as long as you need help.

Through the SBAP, Surprise offers one-on-one coaching and counseling to existing and would-be entrepreneurs, helping them establish business plans and access private and public resources. Our Economic Development staff is complemented by a network of volunteers with business expertise. Go to www.surpriseaz.com—Economic Development Department—or call 623.875.4273 for more information.

12801 West Bell Rd., Ste. 14,
Surprise, AZ 85374
Phone: 623.583-0692
Fax: 623.583-0694
Email: chamber@northwestvalley.com

Welcome Business Partners!

The Northwest Valley Chamber of Commerce encourages you to become a business partner with the Chamber and become active in one of the most vibrant business organizations in metropolitan Phoenix.

The Chamber is adept at providing assistance with marketing your product or service, finance options for your business, leads, seminars and workshops, several networking options as well as events to showcase your products.

Chamber members are at the very heart of the region's success. Through their commitment to the community, they create a partnership between local businesses and residents. Chamber members provide more than membership dues. They are volunteers, leaders and advocates for optimum quality of life in the Northwest Valley.

Long before there were thousands of rooftops in the area, there was the Chamber of Commerce. Early business owners recognized the potential of the Northwest Valley and banded together to create a thriving economy and a great place to live. We thank the early pioneers in the region. They created the strong base for the growth and accomplishment that was to follow years later.

Join us; won't you? We're always looking for people who share our values and goals: pursuing all of the good things in life, right here in the Northwest Valley. Stop by the Chamber office any weekday and learn a lot about local life.