

## Guide: Recruitment

The recruitment process is a key factor in the success of your business.

Any business would devote considerable time, money, and effort to scoping out new equipment for the business, making sure it was right for them, installing it in compliance with all relevant codes and instituting a regular maintenance and repair schedule.

As the resource costs are comparable, it is logical to put in similar effort to have a team at the top of their game.

### Planning

When you hire staff — any staff — it should be planned.

In some ways it's much easier to measure the cost of getting it wrong than it is to assess the benefit of getting it right.

For example, in many small businesses staff turnover is high and costly. The impact on motivation, productivity, re-training, teamwork, customer relationships and communication is significant. Add to this the executive time in recruiting, training, monitoring and supervision, and it is obvious that for every failed employee there is a significant cost.

Low staff turnover, on the other hand, indicates that there is a good fit between people and their roles in the business. The cost of recruiting and training is easily recouped over time with high staff retention and high performance.

Take the time to plan recruitment — not only to get the best person for the job but to ensure that the job is designed to fit in with the overall success of your business.

Start with a clear idea of the position you want to recruit to. Take time to develop sound documentation of the position. It forms the groundwork for recruitment, induction, training, and review.

### Writing Position Descriptions

#### *Introduction*

A position description is a final product of thinking about what you really want from this position.

#### *Task Review*

Sometimes the tasks associated with the position you are recruiting to are clear cut, such as for a pastry chef, a machinist, a carpenter/joiner. Sometimes it is not so clear. You may want to group tasks together in one role (common with receptionist positions). You may be recruiting to ease the pressure on other positions. A task review at this stage will help you to produce a clear position description.

If the position is a new position in the business, use the Tasks Review form to list what needs to be delegated. If the position is an existing one, review the position description and use the Tasks Review form to consider whether you want to restructure the role in any way. The Tasks Review form in this guide is based on what could be delegated to a typical administrative support role. Edit it to suit your business.

#### *Position Analysis and Description*

Once you know what tasks you want the role to perform, think about other requirements. Outline the areas of responsibility with a position analysis. Be detailed and allow for growth.

Position analysis identifies your resource requirements, major areas of responsibility and characteristics of the role.

Are qualifications necessary? A driver's licence? Is the role full-time or part-time? If part-time, could it be done in one or two days a week or do you really want a person to come in for a couple of hours every day?

If a specific skill at a specific level of competency is required, think about how you can test for this and whether external skills testing will be necessary when you are ready to interview. For instance, external agencies can test applicants for skills and competence in Microsoft Word, Excel, PowerPoint, and other programmes and produce a detailed report on applicants' test performance.

The position analysis gives you the scope of the position. It allows you to distinguish essential criteria for selection from desirable criteria, i.e. 'needs' vs 'wants'. You can then draft the position description. The position analysis and position description will become the basis for your recruitment process — writing the ad, shortlisting, and devising interview questions.

Complete the position description. Specify to whom the position reports. List key tasks in order of importance or grouped according to the role's main responsibilities. Start each point with a verb to make it clear what action you want the position to undertake with each task, e.g., 'make', 'prepare', 'organise', 'liaise'.

## Tasks Review Form

This template provides a list of tasks for you to review to determine if they should be completed by the position you plan to recruit for.

Add relevant tasks as needed.

Month	Task	Time to complete	Delegate to	Tool available to assist
<b>Customer-related tasks</b>				
	Dealing with customer correspondence			
	Maintaining records of customer contact			
	Making and changing customer appointments			
	Following up new and prospective customers			
	Customer database maintenance			
	Contacting customers for missing information			
	Project liaison with customers			
	Organising customer seminars			
	Setting up customer files			
	Preparing fees			
	Coordinating events			
<b>Systems and IT</b>				
	Writing and updating administrative systems			
	IT management (software updates etc)			

<b>General administration and management</b>				
Filing				
Opening mail				
Typing letters and simple reports				
Ordering supplies				
Organising insurance				
Building maintenance				
Managing CEO email				
Managing workflow				
Debtor management				
Paying bills				
<b>Reporting and monitoring</b>				
Preparing KPI reports for senior management				
Monitoring Work in Progress (WIP)				
<b>Team and personnel</b>				
Organising team induction programmes				
Bank account management				
Organising performance reviews				
Day-to-day work management				
Following up performance review outcomes				
Coordinating team meetings				
<b>Recruitment</b>				
Writing recruitment ads				
Corresponding with candidates				
Organising recruitment interviews				
Organising employment agreements				

## Using a Recruitment Agency or Doing it Yourself

### Decision

Decide whether to:

- Use a recruitment agency
- Manage the recruitment yourself (using Trade Me, SEEK or newspaper)

## ***Introduction***

Whilst more time and effort is involved in undertaking the recruitment process yourself, it may suit you better and save money.

Recruitment agencies tend to deal more with specialist placements, such as IT personnel.

We recommend that someone from within your business manages recruitment for positions at the administrative support or EA level.

## ***Advantages***

Advantages of someone in your company handling the recruitment include:

- A more hands-on approach
- Other team members can meet and provide feedback on the candidate
- You save money on recruitment costs
- You have more control over what you put in your advertisement and the filtering process

## ***Disadvantages***

The disadvantage of someone in your company handling the recruitment is the time involved. Time costs to shortlist, interview, follow up, and administer applications can typically take up to 3 days.

## ***Costs — doing it yourself***

Other costs of doing your own recruitment may be:

Online:

- Trade Me
- SEEK

Local Newspaper — this varies depending on your area

- Skills testing for shortlisted applicants

## ***Costs — recruitment agencies***

Most recruitment agencies charge a percentage of the salary base. This can range from 8%–15% of the salary depending on what position you are advertising and in what part of the country you are based. This includes advertisement placement, first and second interview, skills testing and follow up.

The final interview is usually conducted by someone from your business. However, when requested, the recruitment agency can also take care of final selection.

## **Placing an Ad**

### ***Introduction***

Once you have your position description, you can draft your advertisement.

### ***Writing your advertisement***

The following are some tips for writing your ad:

- Keep it short and sweet, don't put the full job description in the advert, focus on key areas of responsibility
- Be clear on what skills the applicant needs to have
- Add information promoting what you offer as an employer
- Set out contact information clearly, (who to email the CV to, phone number, website and closing

dates)

See a sample recruitment pack later in this guide.

### ***You cannot specify***

In accordance with the Human Rights Act, you cannot specify any requirement in your advertisement directly related to:

- Sex, pregnancy, and birth
- Marital status
- Religious beliefs (or lack of)
- Ethical beliefs
- Colour, race
- Ethnic or national origins
- Disability
- Age
- Political opinion
- Employment status, ie being unemployed or being a recipient of a benefit or ACC
- Family status, including caregiving responsibilities or being in a relationship with, or related to, a particular person
- Sexual orientation

### ***Online advertising***

The most effective way of advertising a role these days is online. The most viewed websites are:

- [Trade Me Jobs](#)
- [SEEK](#)

We recommend you open an account and advertise your role(s) with both. You place your advertisement online and take it off whenever you want. You will receive applications directly via email.

## **Selection**

### ***Introduction***

When CVs arrive, identify the strong contenders, against your selection criteria and determine a shortlist.

It is recommended that you limit the initial shortlist to 5-10 applicants. If necessary, conduct some initial screening, to reduce the number of interviews.

Canvass by telephone the candidates who appear strong. This will help you reduce a potentially large pool of candidates down to 5-10 people for face-to-face interviews.

Make notes on the candidates' CVs as you screen them, listing key points, concerns, and potential issues.

## **Initial shortlist and first interviews**

### ***Questions you can ask***

Questions you can ask include:

- What is their notice period?
- What is their expected salary range?
- Do they understand what the position is?

- If it is a part-time role, are they are looking for part-time work or seeking part-time work as a gap filler until they find a full-time position)?
- Why do they want to leave their current job (or why did they leave their last job)?

### ***Your impressions***

Form your impressions of each candidate, for example:

- Did they seem interested or uninterested?
- Do you think they are only applying because they need a job or because they really want this job?
- How was their phone manner? (This is important for their role if they will be the face of your business for customers)

### ***Formulate shortlist***

From the above, formulate the shortlist for the first face-to-face interview.

If relevant, meet with other partners/managers to agree on the shortlist.

## **Interviewing Guide**

### ***Introduction***

Interviews work better as mutual exchanges of information rather than inquisitions. Remember that you are selling your firm to the potential employee as much as they are selling themselves to you.

You need to find out whether the person would make a good addition to your team. They want to find out whether they would like to work with you.

It's important that any questions are not asked with the intention of discriminating on, say, the ground of marital or family status (see below).

You should consider attitude as well as skills. Skill can be enhanced, whereas attitude cannot easily be changed.

Involve relevant team members in the interview process. Their feedback is often useful.

### ***Preparation***

Review the CVs for the shortlisted applicants. Make sure you include any notes made during screening calls or conversations with the applicants. Be aware that notes you make and information you collect during any part of the recruitment process can be the subject of a Privacy Act request for information.

Schedule interviews, leaving time between each interview for discussion by the selection panel and short breaks so the interviewers are in no danger of becoming stale.

Put together a list of suitable questions. Use the Recruitment Interview form, an example based on interview questions for an Executive Assistant, as a starting point.

Arrange for a room to be set up so that interviewers and applicants can talk comfortably and in confidence. Diarise it and ask the team not to put through calls or interrupt interviews.

It sounds obvious but think about factors such as how the furniture is positioned. An applicant interviewed with the sun in their eyes for the duration of the interview will probably come across like a deer caught in the headlights. And they will probably feel like one. A round table format is more likely to put candidates at ease than the more common 'them and us' room layout.

### ***Tips on conducting interviews***

Engage in natural conversation with candidates to get a feel for whether they would fit in the team. Minimise dry, question-and-answer routines, where most responses will be 'yes' or 'no'. Try to encourage expanding on a theme, either enlarging on the experience described in their CVs or what they have learned about the business during their visit.

**Points to cover**

Ensure you discuss:

- Brief history and mission of your company
- The position description
- Skills required
- The applicant’s skills and experience, strengths and weaknesses
- The broad remuneration range
- The next steps (e.g. if they are successful in this interview, there will be skills checking, behavioural profiling and a second interview). It may be appropriate to obtain the applicant’s consent to your obtaining a police check

**Questions**

These are suggested questions to cover the basics:

- Tell me about your last role
- What did you enjoy/dislike about the role?
- How would you describe your core competencies?
- Do you have any limitations or areas you’d like to improve on?
- Describe a difficult situation and how you handled it
- How do you handle conflict?
- What motivates you?
- What de-motivates you?
- Why do you want this job?
- What do you see as your biggest learning curve for this role?
- Describe your computer skills (for Word, PowerPoint, Excel, ranging from beginner through to advanced)
- What are your salary expectations for this role?

**Do not ask**

Do not ask questions which could be interpreted to discriminate against the applicant on any of the grounds set out in the Human Rights Act:

Sex, pregnancy, and birth	Age
Marital status	Disability
Religious beliefs (or lack of)	Colour, race
Ethical beliefs	Political opinion
Ethnic or nationality origins	Sexual orientation
Employment status, i.e. being unemployed or being a recipient of the benefit	Family status, including caregiving responsibilities or being in a relationship with, or a relative of, a particular person

**Recruitment Interview form**

[Position Title]

Structure the interview based on the requirements of the role.

.....

Give the candidate a brief history of the business.

.....

#### Interview Questions

Tell us a bit more about yourself and where you come from

.....

What circumstances bring you here today?

.....

Discuss hours of the position

.....

Based on your skills and experience can you describe your strengths by matching these to the functions of the role as outlined in our advertisement? Tell us which of these you do well, which are you ok with and which, if any, you see as being your weak points.

.....

This role requires [specify role requirement 1]. Can you give us an example of where you have needed to do this and how you managed to achieve this successfully?

.....

How do you feel about being the [specify role requirement 2]?

.....

This role will involve [specify role requirement 3]. What processes would you use to ensure that it all comes together and is completed when required?

.....

How do you think your colleagues perceive you?

.....

What are your short and long term goals?

.....

Discuss the salary expectation. What are your salary expectations? Our range is \$ [salary range]

.....

The [Position Title] role: Does this position still interest you?

.....

If successful, what notice period would you need to give? And when would you be available to start with us?

.....

Do you have any questions you would like to ask us about this position?

.....

Do we have up to date contact details for your referees?

.....

If you are shortlisted, the next steps from here are [outline next steps]. I would expect that we would contact you one way or another by [estimated date of contact].

.....

Thank you for coming in. It's been great to meet you.

.....

## Sample recruitment pack for an Office Manager

### Advertisement for an Office Manager



The following is an example of an advertisement for an Office Manager.

### **Great Opportunity**

#### **Office Manager**

We are an award-winning media agency in [Town/City]. We require an Office Manager to join our growing team.

Do you have a fantastic attitude? Are you prepared to roll up your sleeves?

We are looking for that dynamic, energetic and efficient someone who coordinates the day to day running of the office to keep us all on track. You will be responsible for meeting coordination and management, reporting, and all administrative and data input requirements for the office. This will be a busy and varied role and one that is vital to the progress of our business.

If you are looking for a challenging role in an energetic organisation committed to customer service and excellence, look no further.

If you have a minimum of two years' administrative experience and can tick the following boxes, we want to hear from you! This is that 'foot in the door' role for an enthusiastic candidate, as a first step to a career in the communications industry.

- **Office Management** — proven experience managing all general office administration requirements for a busy and fast paced team.
- **Client relationships** — proven experience establishing and maintaining relationships with clients and key stakeholders
- **Articulate and extremely organised**
- **Attention to detail and time management**

### **Office Manager — Position Description**

Effective management of the day-to-day running of the office and requirements of senior management. Undertake the role in accordance with office systems and procedures

**Reports to: CEO**

**Responsibilities:**

- Prepare and complete invoicing to customers and associated reports for CEO
- Payroll and Human Resources management and issues
- Attend to debtor management and fee queries
- Prepare monthly management reports for senior management
- Manage computer and/or network issues
- Manage advertising and marketing requirements of the firm
- Effective management and review of workflow system
- Liaise with contractors and suppliers
- Process accounts payable
- Management of the firm account
- Arrange appropriate insurance cover and renewals for the firm
- Manage and direct the administration support team
- Prepare client newsletters and maintain the website
- Assist the senior management as directed and required

### **Recruitment Interview form — sample for Office Manager**

This is a **guide only** for questions you can use for interviewing an Office Manager.

.....

Give the candidate a brief history of the business.

.....

#### Interview Questions

Tell us a bit more about yourself and where you come from

.....

What circumstances bring you here today?

.....

Discuss hours of the position

.....

Based on your skills and experience can you describe your strengths by matching these to the functions of the role as outlined in our advertisement? Tell us which of these you do well, which are you ok with and which, if any, you see as being your weak points.

.....

This role requires juggling multiple task priorities whilst still meeting deadlines. Can you give us an example of where you have needed to do this and how you managed to successfully achieve this?

.....

How do you feel about being the first point of contact for all of our customer queries, both by phone and email?

.....

This role will involve delegating certain parts of projects and tasks to other team members. Overall ownership and accountability for these belong to the Office Manager role. What processes would you use to ensure that it all comes together and is completed when required?

.....

How do you think your colleagues perceive you?

.....

What are your short and long term goals?

.....

Discuss the salary expectation. What are your salary expectations? Our range is \$ [salary range].

.....

The Office Manager role: it's a role that is vital to the CEO and the effective professional running of our business.

Does this position still interest you?

.....

If successful, what notice period would you need to give? And when would you be available to start with us?

.....

Do you have any questions you would like to ask us about this position?

.....

Do we have up to date contact details for your referees?

.....

Thanks for coming in. It's been great to meet with you.

.....

## Shortlisting and references

### *Shortlisting*

Review notes from the initial interviews and determine the shortlist for the final interview. Involve others in the business (e.g. senior or line managers) as required.

It is recommended that you limit your final shortlist to two or three people.

Obtain satisfactory references for all shortlisted applicants.

### ***Reference Checks***

Reference checking is a crucial step when you are considering a candidate for a position in your business.

The web (particularly social media) may also be an invaluable source of information about a candidate!

Use the Reference Check Form to obtain detailed verbal references.

Ask the candidate for at least two referees from recent employment. This should preferably be a supervisor or manager.

Character references can be useful when a person is seeking their first job and has no other references. They could also be helpful in situations where personal integrity is particularly important. In other cases, as referees cannot comment on the individual's work performance, selection panels tend to prefer referees who can speak about the applicant's work.

Be sure that the person you speak to is someone who worked directly with the candidate.

### ***Questions to ask***

Questions when speaking to previous employers should cover:

- Responsibilities
- Performance, consistency, motivation
- Strengths/weaknesses
- Attendance/ punctuality/ honesty and integrity
- Learning ability
- How did they get on with their colleagues/customers?
- Did any external or personal problems interfere with work?
- Would the previous employer re-employ them? This is important!

## **Skills testing, behavioural profiling and final interviews**

### ***Introduction***

Contact the shortlisted applicants and explain the next stages — skills testing, work behaviour profiling (if required) and final interview.

### ***Skills Testing***

Where relevant to the position, we recommend you carry out skills testing for shortlisted candidates.

Skills testing may include:

- Typing
- Maths/spelling
- Microsoft Word/Excel/PowerPoint

### ***Using recruitment firms***

If you do not have internal resources to conduct skills testing, you can outsource testing to a recruitment firm.

Discounts may apply if you are testing more than one applicant.

Candidates can sit the tests at the recruitment agency's offices, your offices, or in the candidate's home.

Using the recruitment agency's offices ensures a controlled environment for testing.  
If external skills testing is required, contact the agency to discuss your requirements.

### ***Behavioural profiling***

If desired, complete behavioural profiling (to establish candidates' likely work behaviour style) to help you determine suitability to the role, regardless of their technical skills.

## **Behavioural Profiling**

### ***Introduction***

Behavioural profiling is used to identify behavioural style by measuring the attributes or qualities of a person. It can be used in the workplace and elsewhere. Behavioural profiling can be valuable to employers during the recruitment process as an indicator of workplace behaviour and how an applicant might fit into the role.

It can be used in the workplace and elsewhere. Behavioural profiling can be valuable to employers during the recruitment process as an indicator of workplace behaviour and how an applicant might fit into the role.

There are a number of systems for behavioural profiling, including DiSC.

### ***DiSC profiling — what does it measure?***

DiSC is about achieving a behavioural fit for the role you wish to fill

The model is based on research conducted by William Moulton Marston.

DiSC is an acronym for the four primary dimensions of behaviour:

- D** — Dominance: direct, results-oriented, strong-willed, and forceful
- i** — Influence: outgoing, enthusiastic, optimistic, and lively
- S** — Steadiness: even-tempered, accommodating, patient and humble
- C** — Conscientiousness: analytical, reserved, precise and systematic

### ***What it does not measure***

DiSC does not measure:

- Personality type
- Surface behaviour
- Values and beliefs
- Thinking and feeling

### ***Why use DiSC?***

DiSC assessments help Human Resources professionals and managers to eliminate much of the needless misunderstanding and conflict that stop teams working effectively together. If you want your employees to work well together (and with you), be aware of behaviour and the impact it has on working relationships.

### ***Overview of tendencies***

All people have all four behavioural tendencies but in differing proportions. These create a profile which provides information about a person's potential behavioural responses.

The following is an overview of behavioural tendencies you will see come out from DiSC profiling.

<b>People with high ...</b>	<b>Tend to ...</b>
<b>D</b> (dominance) profiles	seek to shape their environment by overcoming opposition to accomplish results.
<b>i</b> (influence) profiles	shape their environment by influencing or persuading others.

<b>S</b> (steadiness) profiles	seek to co-operate with others to carry out their tasks.
<b>C</b> (conscientiousness) profiles	seek to work within existing circumstances to ensure quality and accuracy.

### ***How to arrange DiSC reporting***

A DiSC report for shortlisted candidates will cover:

- A behavioural overview
- Motivating factors
- The candidate's preferred environment
- De-motivating factors
- Likely behaviours in conflict situations
- Strategies for increased effectiveness

For more information refer to the [website](#) or contact them directly:

Fortuna International Limited  
P.O. Box 331089, Takapuna,  
Auckland, New Zealand  
Phone: (09) 488 7447  
Fax: (09) 488 0040  
Email: info@fortunaintl.co.nz

## **Finalising the Selection**

### ***Final interviews***

Schedule the final interviews, making the required arrangements with applicants and the interview panel, and booking a room.

Before the formal interview commences show the candidate around the business and introduce them to the team. This will help to put the candidate at ease and will facilitate informal discussions. Leave them to talk with the team for a while to gain valuable feedback.

Conduct the final interviews.

### ***The next steps***

Once you have decided on your preferred candidate, call the successful applicant, and advise that you wish to offer them the position.

Should they accept immediately, arrange a suitable start date, and explain that their acceptance of the position is conditional on their acceptance of the terms and conditions in the employment agreement, which you will forward. Send them the prepared employment agreement with a covering email or letter. You must advise them that they are entitled to seek independent advice and that you will give them sufficient time to do so.

If they accept the terms and conditions of employment your next step will be to send out a copy of the now finalised employment agreement for signature and return. And then advise unsuccessful applicants.

Before you do this, however, it is important to ensure that in making and confirming the job offer your business complies with the relevant employment legislation. Key documents here are the Employment Agreement and the letter of offer.

## **Building an Employment Agreement**

### ***Legal status and requirements***

Under the Employment Relations Act (ERA) you must supply a written agreement to your new employee and they must sign it to indicate acceptance of your terms and conditions of employment. Until it is signed by

both parties, it remains a draft Employment Agreement. The prospective employee signs it to signify they accept the terms and conditions of employment. It may be that when the prospective employee reviews the draft, some issues require clarification or further negotiation.

Once it is signed by both employer and the prospective employee it has legal status as a contract. Once signed by the candidate, the agreement must be held by you and you must be able to supply a copy to the employee on request.

Where an employer has provided an employee with an intended agreement the employer must also retain the 'intended agreement' even if the employee has not yet signed it or agreed to the terms and conditions:

An intended agreement cannot be treated as the parties' employment agreement if the employee has not signed it or agreed to the terms and conditions specified in the intended agreement. Make sure your records clearly distinguish between those sent out as intended agreements and those that have been finalised.

## Putting together the employment agreement

Employment agreements will vary across different industries and employment groups. You may already have standard employment agreements for your business. We recommend that you have these reviewed from time to time by your legal advisor to ensure they comply with legal requirements.

If you want help with individual employment agreements, you can use the [Employment Agreement builder](#) on the Ministry of Business, Innovation and Employment website.

[New Zealand Workforce Manager](#) also contains employment agreement templates along with guidance on policy and legal requirements.

Alternatively, you can use a specialist provider, such as:

- Employers And Manufacturers Association ([EMA](#))
- [Federated Farmers of New Zealand](#)
- Or your local or preferred legal specialist

### ***What needs to be in the Employment Agreement?***

Generally, agreements should contain full details of all the matters discussed with the employee and should cover any potentially contentious issues. These would include:

- Full details of the job specification and terms and conditions of that job
- Use of the business telephone and payment for any phone calls
- Rules in relation to overtime and who will authorise overtime
- Meal breaks and the regular paid rest breaks that every employee is expected to take
- Policy on damage caused to company vehicles, plant and equipment, and who will pay for it
- Rules for the use of an employee's vehicle and any reimbursement the employee will receive for that use
- Possibly, a non-compete clause

The employment agreement should also cover such issues as:

- Redundancy
- Dismissal
- The types of leave available
- How to deal with grievances (this is mandatory under the Employment Relations Act)
- Disputes
- Performance management

It is also a good idea to state the employer's policy on issues such as discrimination and sexual harassment in the workplace.

The section 'What to include in the Employment Agreement' sets out more detail of what should be included in an Employment Agreement.

### **Changes to agreements for existing employees**

It is sometimes necessary to change an employment agreement for an existing employee, for instance when changes to employment conditions arise out of changes to employment legislation.

Under Section [63A\(2\)](#) of the Employment Relations Act, when implementing any change to an employee's employment agreement in addition to obtaining the employee's consent, an employer must do at least the following:

- Provide the employee with a copy of the intended agreement, or the part of the intended agreement under discussion
- Advise the employee that they are entitled to seek independent advice about the intended agreement, or any part of the intended agreement
- Give the employee a reasonable opportunity to seek that advice
- Consider any issues the employee raises and respond to them

### **What to include in the Employment Agreement**

	<b>Mandatory</b>	<b>Recommended</b>
1.	<b>Parties</b> The parties to the agreement: the employer and the employee	
2.	<b>Position</b> <ul style="list-style-type: none"> <li>• Position (Employment Classification)</li> <li>• Job Specification/Description (a concise outline of work tasks, functions and duties)</li> <li>• Place of work</li> <li>• If the agreement is for fixed term employment, the way in which the employment will end and the reasons for ending the employment in that way</li> </ul>	<ul style="list-style-type: none"> <li>• Probation period/90-day trial period (restricted to businesses with fewer than 20 employees from 6 May 2019)</li> <li>• Carrying out lawful and reasonable instructions of the company</li> <li>• Position variation</li> <li>• Professional development/training</li> </ul>
3.		<b>Employment Status</b> <ul style="list-style-type: none"> <li>• Employment status:               <ul style="list-style-type: none"> <li>—permanent, casual, or fixed term</li> <li>—full-time or part-time</li> </ul> </li> </ul>
4.	<b>Remuneration</b> <ul style="list-style-type: none"> <li>• Rates of pay or wages (either hourly, weekly, monthly, or annual salary)</li> </ul>	<ul style="list-style-type: none"> <li>• Payment for leave</li> </ul>
5.	<b>Hours of Work</b> <ul style="list-style-type: none"> <li>• Agreed hours of work or, if no hours of work are agreed, an indication of the arrangements relating to the times the employee is to work</li> <li>• Public Holidays: the employment agreement must state that the employee will be paid at least time-and-a-half for any time worked on a public holiday. All other public holiday rights are covered by law, even if they are not written into the employment agreement (including whether the employer has a policy of not permitting transfer of public holidays to</li> </ul>	<ul style="list-style-type: none"> <li>• Closedowns</li> <li>• Sick Leave, Bereavement Leave, Long Service Leave, Alternative Holidays, Study Leave, domestic violence leave</li> <li>• Annual holidays (including whether the employer will consider requests to cash up to one week's leave of any year's entitlements)</li> <li>• Accumulation of leave</li> </ul>

	alternative dates)	<ul style="list-style-type: none"> <li>• Overtime authorisation</li> <li>• Rest and meal breaks</li> </ul>
6.		<b>Performance Appraisals and Reviews</b> <ul style="list-style-type: none"> <li>• Review procedures</li> <li>• Review of remuneration</li> <li>• Bonus payments</li> </ul>
7.		<b>Termination</b> <ul style="list-style-type: none"> <li>• Employer's right to dismiss employee with and without notice</li> <li>• Period of notice</li> </ul>
8.		<b>Restrictions</b> <ul style="list-style-type: none"> <li>• Employment restrictions</li> <li>• Confidentiality Clause</li> <li>• Client Contact Restriction</li> <li>• Damages</li> <li>• Intellectual Property Protection</li> </ul>
9.		<b>Supply of Motor Vehicle/Equipment</b> <ul style="list-style-type: none"> <li>• Use of firm's motor vehicle (conditions relating to usage — policy re any damage caused to employer's vehicle)</li> <li>• Policy re payment of any motor vehicle fines</li> <li>• Supply/Reimbursement of costs of mobile phone</li> </ul>
10.		<b>Expenses Incurred on Behalf of Employer</b> <ul style="list-style-type: none"> <li>• Use of employee's motor vehicle (method of reimbursing for utilisation)</li> <li>• Expenses incurred on behalf of employer</li> <li>• Home telephone</li> </ul>
11.		<b>Payments to Be Made by Employer?</b> <ul style="list-style-type: none"> <li>• Subscriptions to professional and trade associations?</li> <li>• Credit cards?</li> <li>• Entertainment/promotion expenditure?</li> <li>• Car parking expenses?</li> </ul>
12.		<b>Workplace Practices</b> <ul style="list-style-type: none"> <li>• Workplace is smoke free: With very limited exceptions, employers must take "all reasonably practicable steps" to ensure workplaces are smoke free. While a smoke-free workplace is mandatory, it's the employer's choice whether to include a workplace practices clause in the employment agreement or elsewhere, eg the Team Member Handbook</li> <li>• Other workplace practices</li> </ul>
13.		<b>Redundancy</b> <ul style="list-style-type: none"> <li>• There are no statutory rights to redundancy compensation in New Zealand law. However, it is recommended to establish how a redundancy situation will be managed when the employment relationship commences, rather than at a later time which may be stressful both for the employer and employee</li> <li>• For example, in the event of a redundancy situation arising, no redundancy payment will be made to the</li> </ul>



		employee
14.	<p><b>Employee Protection Provision</b></p> <p>In the event of a sale, transfer or restructure of business, the employer is to negotiate with the new employer in relation to affected employees.</p>	<p><b>Examples:</b></p> <ul style="list-style-type: none"> <li>• The employer may require an offer of a similar position. “The employer will negotiate with the new employer, including whether the affected employees will transfer to the new employer on the same terms and conditions.”</li> <li>• The employer may activate redundancy provisions if the employee is not transferred to the new employer. “Where the employee either chooses not to transfer to the new employer, or is not offered employment by the new employer, the employer will activate the redundancy provisions of the employment agreement.”</li> </ul>
14.	<p><b>OR, where applicable, Vulnerable Employees Provision</b></p> <p>Specific categories of employees have the right to transfer to the new employer on their existing terms and conditions of employment:</p> <ul style="list-style-type: none"> <li>• Cleaning services and food catering services in any place of work</li> <li>• Laundry services for the education, health or age-related residential care sector</li> <li>• Orderly services for the health or age-related residential care sector</li> <li>• Caretaking services for the education sector</li> <li>• Other specified occupations whose members tend to have little bargaining power and in sectors vulnerable to frequent restructuring</li> </ul> <p>If the employer proposes to sell or transfer its business, vulnerable employees may elect to transfer to the new employer on the same terms and conditions of employment. Note the Employment Relations Act sets out further detail about vulnerable employees and redundancy.</p>	<p>Note: Other categories of employee may apply to have the protections given to “vulnerable employees” in a restructuring process. The application process set out in the Act must be followed.</p>
15.		<p><b>Disciplinary Procedures</b></p> <p>Set out the process to be followed.</p>
16.	<p><b>Resolving Employment Relationship Problems</b></p> <p>An explanation of steps to be taken to deal with workplace problems if they happen.</p> <p>These procedures must be set out in a schedule attached to the Agreement.</p>	
17.		<p><b>Good Faith</b></p> <p>Both parties must deal with each other in good faith and be active and constructive in establishing and maintaining a productive employment relationship. It is an obligation that binds both the employer and employee.</p>
18.		<p><b>Sundry Items — Employment Agreement</b></p> <ul style="list-style-type: none"> <li>• Adherence to the business’ health and safety policies</li> <li>• Use of firm’s telephone</li> </ul>

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|--|---|
|  | <ul style="list-style-type: none"><li>• Payment for private calls</li><li>• Private use of work computers and devices</li><li>• Use of surveillance cameras</li></ul> |
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## Trial and Probation Guide

### Introduction

Think about whether you wish to include provisions for a trial or probation period in the employment agreement for a position.

The Employment Relations Act 2000 contains provisions for both “trial” and “probationary” periods for new employees. It is important that the employer and employee are clear about what provision applies to them.

This guide outlines some key information about trial and probation periods. For more detail, see the [Employment NZ site](#).

### Restrictions

From 6 May 2019:

Only employers with fewer than 20 employees can use trial periods

Employers with more than 20 employees can use probationary periods but employees dismissed under probationary periods are able to claim for unjustified dismissal

### Trial period — key points

Employers may offer trial periods of up to 90 days to new employees. This can only be applied to new employees, so it is important that an employee does not start a job before signing an agreement providing for the trial. Trial period provisions must always be in writing.

The trial period prevents employees from bringing a personal grievance for unjustified dismissal within the trial period.

You and the employee must both bargain in a fair way about a proposed trial period. This includes considering and responding to any issues raised by the new employee.

Note that the 90-day period refers to calendar days and begins on the day the employee commences employment. See below for a sample clause.

Notice of termination must be given within the trial period, even if the actual dismissal doesn't become effective until after the trial period ends.

An employer and employee may agree to a trial period only once.

We recommend that you have regular reviews during a trial period as you would during a probation period.

### Trial period — sample clause

The following is a sample of a clause you can include for a trial period if it is applicable to your business and the employee agrees:

*The parties agree that this employment is subject to a trial period of [Number of Days] pursuant to Section [67A](#) of the Employment Relations Act 2000. The trial period shall begin on the date the Employee enters into this agreement and end on [Enter Date]. The Employee acknowledges that during this trial period the Employer may dismiss the Employee by giving, prior to the end of the trial period, one week's notice and that the Employee is not entitled to bring a personal grievance or other legal proceedings in respect of that dismissal.*

### Probation period — key points

If an employer and an employee wish to have a probation period, they must agree to this in writing at the start of the employment relationship. Ensure the probation period is covered in the employment agreement. A sample clause is provided below.

A probationary employee is a permanent employee who is yet to be confirmed in their position. The probation period provides time for this to occur. The key difference between a probation period and a trial period is that a probationary employee retains full rights to take a personal grievance in the event of being dismissed during the probation period. There is no time limit on a probation period.

A probation period provides time for the employee to show that they are suitable for the position. Although the employee is on probation, this does not affect their statutory entitlements to annual holidays, sick leave etc. During the probation period, the employer should act fairly and reasonably in all matters.

The following apply during a probation period:

- The employee knows they will be under close and critical assessment
- The employer needs to clearly state expectations and the employee needs to show they are suitable for the position by meeting those expectations
- The employer and the employee have agreed to review the employment at the end of the probation period

Ensure that your expectations are clear to the employee and that the employee can meet these. During this period the employee is entitled to whatever training, supervision, support and resources you deem necessary.

### ***Probation period — sample clause***

The following is a sample of a clause you can include for a probation period if it is applicable to your business and the employee agrees:

*Employment is subject to a probation period of [number] months during which time the Employee's performance will be reviewed in weeks [enter weeks for reviews]. The Employee will be entitled during this period to whatever training, supervision, support and resources may be deemed necessary by the Employer, and will be advised at the performance review meetings of their work performance in relation to the standards required of them. The Employer will clarify the standards required.*

*The Employer may extend the probation period to enable the Employer to conduct additional performance reviews. Notice of the extension of the probation period and the length of the extended period will be given to the Employee in writing before the completion of the initial probation period.*

*One week's notice of termination of employment may be given after two performance reviews or at the final performance review if the Employer considers that the Employee has failed to meet the required standards.*

*Where the Employer terminates the agreement under this clause, the Employer may elect to pay one week's wages in lieu of notice.*

*On successful completion of the probation period, the Employer will give written confirmation to the Employee of the Employee's position with the Employer.*

### ***4-weekly reviews***

If you and your employee agree to a trial or probation period, we recommend you include three 4-weekly checkpoints during a 12-week period. This ensures the employee is fully aware of your feedback on their performance and there are no surprises at the end of the period.

You should arrange for the new team member, their immediate supervisor and the Team Leader to meet at the 4, 8 and 12 week points to review the team member's progress and address any issues. Ensure that the appropriate review form is used for each meeting.

### ***More information***

For information on:

Trial periods — see the [website](#)

Probation periods — see the [website](#)

## **The Letter of Offer**

## ***What is it?***

The offer letter (which may be called a letter of offer, letter of employment or letter of appointment) confirms that the position has been offered to the applicant, conditional on their acceptance of the full terms and conditions set out in an employment agreement, which would be enclosed. It also invites the applicant to contact the prospective employer to discuss the terms and conditions further if they have queries.

Some employers keep their initial letter separate from their offer of employment:

- Their initial letter is more of an invitation to negotiate and offers the successful applicant the position, conditional on their acceptance of the terms and conditions of employment and inviting queries
- After the applicant has agreed to the terms and conditions and therefore accepted the position, an employer may then send a separate letter of offer, with the finalised employment agreement for signature, confirming that the offer of employment has been accepted, with details about the start date, induction programme and so on

Other employers send a formal letter of offer attaching an employment agreement for signature and return. An applicant may seek to vary it before signing or may accept it in its entirety. If alterations are made to it, it is not a final agreement until executed by the employer.

Letters of offer should be reviewed periodically by your firm's solicitor (as part of the annual legal check-up) to ensure you comply with the law in any position offer letters you prepare.

## ***Drafting the letter of offer***

There is a fine balance in a letter of offer between a warm welcome to the business which the letter should convey and a document fully compliant with the legal requirements.

When the prospective employer sends a prospective employee a letter of offer, the employer is legally committing to the conditions outlined in that letter. Sometimes when disputes have arisen between employer and employee, letters of offer have been tendered as evidence when the employee feels that the conditions of employment have proven to be different from those offered.

- Check the letter of offer (and the agreement) carefully, especially any that have been prepared on a standardised basis
- Write the letter in a positive way, easy to read and understand
- Ensure that all of the terms and conditions stated do apply to this particular position. Confirm the general conditions relating to the position and any special conditions that apply
- If the employer wishes to include any clauses, spell these out clearly and include them in the employment agreement

## ***Watch out for***

Do not include terms and conditions in the letter of offer or employment agreement that you have not already discussed with the applicant:

- Don't give the applicant any unpleasant surprises
- If there is anything in your employment conditions likely to give the applicant second thoughts about joining your organisation, it is better to discuss it with them in person before they read it in a letter of offer

You don't want to lose the possibility of engaging an outstanding employee because of a misunderstanding in the technical wording of a letter of offer or employment agreement.

## ***Sending out the letter of offer***

When you send out a letter of offer to a successful applicant, always enclose an original and a duplicate of the agreement and request the applicant to sign the duplicate and return it to you.

## Letters to successful and unsuccessful candidates

### *Upon acceptance*

Upon acceptance of the employment terms, send out the finalised employment agreement for signature and return. Your covering letter gives you an opportunity to formally welcome the employee to the business. Keep it positive and warm — you are looking forward to working with this outstanding candidate for the position.

It is important that all documentation be signed before the employee starts work.

### *Information pack*

Include an information pack with the letter and finalised employment agreement:

- A programme for induction training. If it's too early to schedule in time with key personnel, make the programme general in nature
- A KiwiSaver Employee Information Pack ([KS3](#)), downloadable from the Inland Revenue website

You will add to this information pack on the new team member's first day.

### *Advise other candidates*

It is important to let the unsuccessful candidates know as soon as possible.

This reflects on the professionalism of your business and ensures candidates are treated fairly. If you do not advise the unsuccessful candidates, it reflects poorly on your business. You may be surprised how quickly word of mouth circulates.

Use the templates for advising unsuccessful applicants by letter or email.

If any of the applicants impressed you and you wish to keep their details on file for possible future vacancies, it is important that you ask their permission for this, to comply with privacy legislation. If they give their permission, note the date and method of contact on file when you file their CV.

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