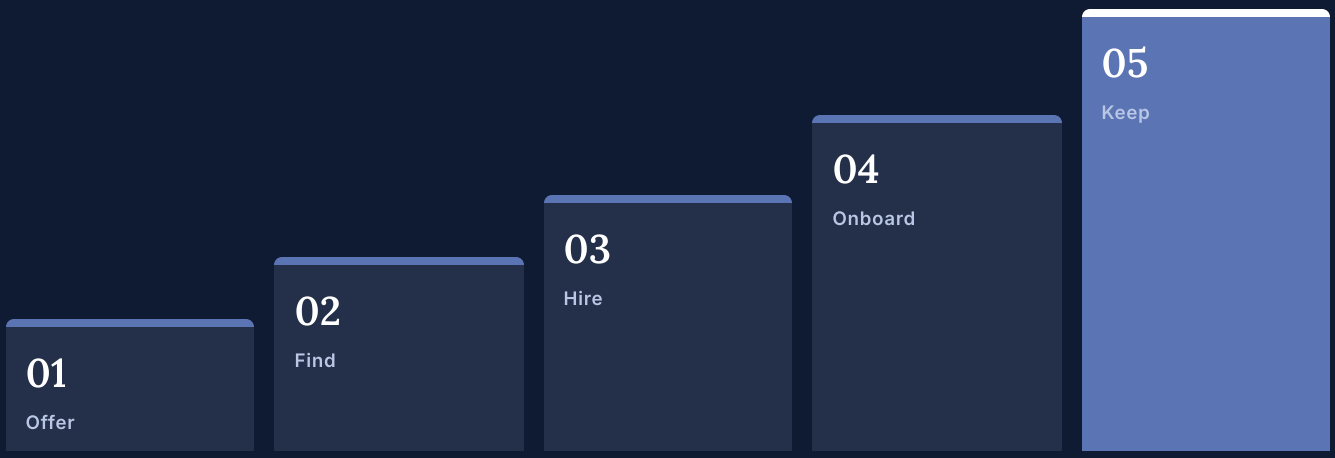
Herrera
HR GROWTH PARTNERS

FOUNDER FIELD GUIDE

THE HIRING AND RETENTION PLAYBOOK

You can't outspend big companies for talent. *You can out-hire and out-keep them.*

A practical system for growing companies to attract the right people, hire them well and give them reasons to stay.



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A NOTE BEFORE YOU START

In a 30-person company, one great hire changes the business. So does one bad one.

Growing companies usually can't match a large employer's salary, benefits or brand recognition. But they have advantages big companies struggle to copy: speed, access to leadership, room to grow, and work that visibly matters. The companies that hire and keep well use those advantages on purpose.

This playbook walks through the whole cycle, from defining what you offer to keeping people for years, with tools you can use this week.

Peter Herrera

Founder, Herrera HR Growth Partners

SECTION 01

The talent reality for growing companies

Many roles get more applicants than ever, yet finding people who truly fit is still hard. And keeping them may be the bigger challenge.

84%

of small businesses report hiring challenges, and 62% struggle to keep employees engaged and productive.

SCORE, Megaphone of Main Street: Employee Engagement, 2023

4 in 10+

small and midsize business hiring managers say finding candidates with the required skills is a top challenge.

Robert Half, November 2024

2x

Employees who get frequent recognition are twice as likely to be happy in their role with no plans to leave.

Lighthouse Research & Advisory, 2025 Culture, Performance & Recognition Study

1 in 3+

B2B companies lost a top performer to burnout from coordination work, like chasing handoffs and re-explaining context, in the past year.

Front, The Coordination Tax, 2026

What's changed

- **More polished applicants.** AI-written résumés and cover letters make it harder to judge real ability on paper.
- **Skills gaps.** Roles change faster than training keeps up, especially in technical and skilled trades.
- **Remote work widened the field,** for you and for your competitors.
- **Shorter tenure.** People change jobs for pay, growth or a better experience, and many "quietly quit" first.
- **Higher expectations.** Flexibility, growth and a sense of purpose are now basic expectations, not perks.
- **Pay transparency laws** in a growing number of states put your pay ranges in public view.

Where small companies win

Speed of decisions. Direct access to the founder. Real ownership early in a career. Visible impact. Less bureaucracy. Most growing companies undersell all five.

Sources listed on page 13.

SECTION 02

Know what you're offering

Every candidate asks the same question: why should I work here? Answer it before you post a single job.

Write your pitch in one page

Your employee value proposition is the honest answer to "why here?" Work through these questions with your leadership team, then test the answers with your best current employees.

The work

What problem are we solving, and why does it matter? What will someone own here that they couldn't own somewhere bigger?

The growth

What will someone learn in their first year? Where have people here grown into bigger roles?

The people

What's it actually like to work with this team? How do we make decisions and handle disagreement?

The deal

Pay, benefits, flexibility and equity, described honestly, including what we can't offer yet.

Set pay with a plan, not by negotiation

- **Benchmark** each role against market data for your location, industry and company size
- **Set a range** for each role, and place people within it based on skills, experience and performance
- **Decide where you'll pay above market,** usually for the few roles that matter most to your plan
- **Know your posting rules.** Several states and cities require pay ranges in job postings, and remote roles can trigger them
- **Explain how pay works** to employees. Transparency builds trust and improves applicant quality
- **Review pay equity** at least once a year

> ### Don't underestimate pay and benefits
>
> Culture, growth and flexibility matter, but they don't replace a fair deal. If your pay is below market, people will notice, usually when a recruiter calls.

Benefits that fit your people

You don't need everything. You need the right mix for your team, explained well. Think in five areas:

AREA	COMMON OPTIONS FOR GROWING COMPANIES
Health	Medical, dental and vision; telehealth; mental health support; an employee assistance program
Financial	401(k) with a match, HSA contributions, student loan help, emergency savings, financial coaching
Family	Paid parental leave, dependent care FSA, flexible schedules, backup care
Growth	Learning budgets, mentoring, conference attendance, tuition help
Life	Paid time off, remote or hybrid options, volunteer time, a few well-chosen perks

See **Benefits That Stretch Further** for low-cost, tax-smart options and how to manage rising health costs.

Flexibility: be clear, and be honest

- Ask employees which kinds of flexibility matter most: schedule, location or time off
- Offer remote or hybrid work where the role allows it
- Consider flexible start times, compressed weeks or a 9/80 schedule
- Make it easy to step out for a school event or appointment without judgment
- Write a flexibility policy with clear eligibility, so it's applied fairly
- Review it as the company grows

Never oversell flexibility

Promising flexibility in the interview and pulling it back after someone starts is one of the fastest ways to lose new hires and damage your reputation. If the role needs to be in the office four days a week, say so up front.

Sell what you already have

Show the full value

Put the dollar value of benefits next to salary in every offer. Most candidates underestimate it.

Name the intangibles

Access to the founder, ownership of real projects and fast growth are benefits. Say so, with examples.

Let employees tell it

A short quote or a candidate coffee with a teammate is more believable than any careers page.

SECTION 03

Find the right people

Many of the best candidates aren't actively looking. Posting on one big job board and waiting won't reach them.

CHANNEL	WHY IT WORKS	HOW TO USE IT
Employee referrals	Often the fastest, best-fit hires	Ask directly for specific roles; thank and reward referrers; track results
Your own network	Founders and leaders know strong people	Ask investors, advisors and former colleagues for introductions
Direct outreach	Reaches people who aren't applying	Short, personal LinkedIn messages that say why you picked them
Niche job boards and groups	Where specialists already gather	Industry boards, professional associations, online communities
Internal moves	Rewards people who already know the business	Post roles internally first; make it safe to apply
Overlooked talent	Less competition for strong candidates	Returning caregivers, career changers, veterans, people with disabilities, older workers

Write job posts people want to read

EASY TO SKIP

"Seeking a self-starter with excellent communication skills to join our fast-paced team. Responsibilities include various duties as assigned."

WORTH APPLYING TO

"You'll own onboarding for our 40 new customers each quarter and report to the COO. In your first 90 days, you'll rebuild our onboarding checklist and cut setup time. $68,000–$78,000, hybrid in Chicago."

Build a bench before you need it

Keep a short list of strong people you've met, including runner-up candidates, and stay in touch. When a role opens, you start with warm conversations instead of a cold search.

Make referrals a habit

- Share open roles in team meetings with the scorecard, not just the title
- Ask, "Who's the best person you've worked with in this kind of role?"
- Keep referrers updated on where their candidate stands
- Watch that referrals don't make your team less diverse; keep other channels open

SECTION 04

Hire well

Unstructured interviews mostly measure whether the interviewer liked the candidate. A simple structure gives you better hires and a fairer process.

Step 1: Write a scorecard before you post

Mission: one sentence on why the role exists.

Outcomes: three to five results the person should deliver in the first year, with measures where possible.

Competencies: four to six skills and behaviors needed to get those results, each with a short definition of what "strong" looks like.

Step 2: Structure the interviews

- Assign each interviewer specific competencies to assess
- Ask every candidate the same core questions
- Use past-behavior questions: "Tell me about a time when..."
- Add a short, realistic work sample for key roles. Pay candidates for anything substantial
- Score independently before discussing
- Debrief on evidence, not impressions
- Keep notes, and avoid questions about age, family, health, religion or national origin
- Check references with specific questions about the scorecard outcomes

Sample questions tied to competencies

Ownership	"Tell me about a project that went off track. What did you do, and what happened?"
Learning	"What's something you taught yourself in the last year? How did you go about it?"
Collaboration	"Describe a disagreement with a colleague. How was it resolved?"
Judgment	"Tell me about a decision you made without all the information you wanted."

Hiring in the age of AI-written résumés

When every résumé reads well, the interview and work sample do more of the work. Ask candidates to walk through real examples in detail, follow up with "what did you do next?", and use a short practical exercise for key roles. If you use AI tools to screen candidates, check what notice your state requires and test the tool for bias.

A candidate experience that wins offers

Strong candidates are often employed and comparing options. A respectful, fast process is a competitive advantage that costs almost nothing.

Make it easy

A short application that takes minutes. No re-typing what's already on the résumé.

Move fast

Aim for two to three weeks from first interview to offer, with no more than three or four conversations.

Keep them posted

Tell people where they stand and what's next. Say no promptly and kindly. Never ghost.

A sample hiring timeline

STEP	TIMING	WHO
Phone screen	Within 3 business days of applying	Hiring manager or recruiter, 20–30 minutes
Skills interview	Within 1 week	Hiring manager plus one peer
Work sample or team interview	Within 2 weeks	Two or three interviewers, each with assigned competencies
Final conversation	Within 2–3 weeks	Founder or senior leader: vision, values and questions
References and offer	Within 48 hours of the final	Hiring manager calls with the offer, then sends it in writing

Make the offer count

- Call first, then send the written offer the same day
- Explain the full package: pay, benefits, equity, flexibility and growth
- Have the founder or a future teammate reach out
- Ask what would make it a yes, and listen
- Have offer letters reviewed so they match your policies and don't promise more than you intend
- Stay in touch between acceptance and day one

Hiring for leadership roles

Your first VP or head of a function shapes everything below them. Define the scorecard with your board or advisors, talk to people who worked for the candidate, not just above them, and plan a structured first 90 days. A bad leadership hire is one of the most expensive mistakes a growing company makes.

SECTION 05

Onboard for the first 90 days

New hires decide quickly whether they made the right choice. A clear start builds confidence and gets people contributing sooner.

BEFORE DAY ONE

- Paperwork done electronically: I-9, tax forms, policies, direct deposit
- Laptop, accounts and access ready
- A welcome note with the first-week schedule
- A buddy assigned

WEEK ONE

- Time with the founder on the mission and how the company works
- Meetings with key teammates
- The 30-60-90 plan reviewed with the manager
- One small, real task finished

DAYS 1–30: LEARN

- Learn the product, customers and tools
- Weekly one-on-ones
- A 30-day check-in: what's clear, what isn't?

DAYS 31–90: CONTRIBUTE

- Own a defined piece of work
- Deliver an early win tied to the scorecard
- A 90-day review: progress, feedback and goals

Ask new hires for feedback

At 30 and 90 days, ask: "What surprised you? What was harder than it should have been? What would you change about how we brought you on?" Every answer improves the next start.

Admin should be invisible

Every day a new hire spends chasing paperwork, logins or answers is a day they aren't contributing. Use your payroll or HR system to automate forms and access, and save people time for the human side: welcome, context and relationships.

A simple onboarding owner list

Manager	30-60-90 plan, weekly one-on-ones, first assignments, 30 and 90-day check-ins
Buddy	Daily questions, introductions, "how things really work here"
HR or operations	Paperwork, payroll, benefits enrollment, equipment and accounts
Founder	Mission, values and the story of the company, in person or on video

SECTION 06

Give people reasons to stay

People rarely leave over one thing. They leave when growth stalls, effort goes unnoticed, and their manager stops paying attention. Each of those is fixable.

GROWTH

- Talk about career goals in one-on-ones, not only at review time
- Define what it takes to move up, even informally
- Post roles internally first
- Pair people with mentors across teams
- Identify future leaders and tell them

RECOGNITION

- Specific, timely thanks from managers
- Ask people how they like to be recognized: public, private, time off, a new challenge
- Peer shout-outs in team meetings
- Tie recognition to your values

See **Recognition That Sticks** for the research and manager habits.

MANAGERS

- Weekly or biweekly one-on-ones, kept
- Training before someone manages for the first time
- Clear expectations and regular feedback

LISTENING

- A short pulse survey two or three times a year
- Share what you heard and what you'll do
- Exit interviews, reviewed for patterns

> STAY INTERVIEWS
>
> **Ask before they leave, not after**
>
> Once or twice a year, have each manager ask their people a few questions one-on-one:
>
> *"What keeps you here? What might tempt you to leave? What's one thing I could do to make your work better? What would you like to be doing a year from now?"*

Retention moves by stage

Under 25 people	Founder one-on-ones, clear roles, fair pay, real ownership
25–75 people	Trained first-time managers, pay ranges, a light review cycle, stay interviews
75–250 people	Career paths, internal mobility, engagement surveys, leadership development

Know what a departure really costs

Turnover is easy to shrug off because most of its cost never shows up as a line item. Run the numbers for one role you lost recently:

COST	WHAT TO INCLUDE	YOUR ESTIMATE
Hiring	Job ads, recruiter fees, background checks, interview time	$_____
Vacancy	Lost output, overtime or contractors, delayed projects or sales	$_____
Ramp-up	Months until the new hire is fully productive, plus training time from others	$_____
Knowledge	Client relationships, know-how and context that left with the person	$_____
Ripple effects	Extra load and stress on teammates, which can lead to more departures	$_____
Total	**Compare it to what it would cost to keep a strong performer**	**$_____**

Watch for burnout from work that isn't the job

Recent research on B2B customer teams found that over a third of companies lost a top performer to burnout from coordination work, like chasing handoffs and re-explaining context, in the past year (Front, 2026). If your best people are spending their days in meetings and message threads instead of doing the work, see **The Coordination Tax**.

Warning signs someone may be leaving

- Less engaged in meetings, fewer ideas
- Stops volunteering for new work
- Passed over for a promotion or raise
- A manager change or a close colleague left
- Workload has been high for months
- Hasn't had a career conversation in a year

When someone resigns

Thank them, ask what led to the decision, and decide calmly whether a counteroffer makes sense. Counteroffers rarely fix the underlying reason. Either way, hold a real exit conversation and look for patterns across departures.

SECTION 07

Measure what matters

You don’t need a dashboard. Track five numbers each quarter, and look at the trend.

Time to fill	Days from opening a role to an accepted offer
Offer acceptance rate	Offers accepted ÷ offers made. A falling rate usually signals pay, speed or candidate experience problems
First-year retention	Share of new hires still with you after 12 months
Regretted turnover	Departures of people you wanted to keep, as a share of headcount
Source of hire	Which channels bring in the people who perform and stay

A quick self-audit

Mark each item you can honestly say yes to.

- [ ] We can explain in a sentence why someone should work here
- [ ] Every role has a pay range based on market data
- [ ] Job posts follow pay transparency rules where required
- [ ] We source beyond one job board
- [ ] Each role has a written scorecard
- [ ] Interviewers ask consistent questions and score independently
- [ ] Candidates hear back at every stage
- [ ] We make offers within three weeks of the first interview
- [ ] New hires have a 30-60-90 plan
- [ ] Onboarding paperwork is done before day one
- [ ] Managers hold regular one-on-ones
- [ ] New managers get training
- [ ] People know what it takes to grow here
- [ ] Recognition is specific and frequent
- [ ] We ask for feedback and act on it
- [ ] We hold stay interviews
- [ ] We review exit interviews for patterns
- [ ] Our flexibility matches what we promised
- [ ] We review pay equity yearly
- [ ] We track the five numbers above

16–20: strong foundation. **10–15:** solid start with clear gaps. **Under 10:** hiring and retention are likely costing you more than you realize.

SECTION 08

How I help

As your fractional HR partner on a monthly retainer, I build hiring and retention systems that fit a growing company and run them alongside you as you grow.

- Your pitch, pay ranges and posting compliance
- Scorecards, interview kits and interviewer training
- Support on key and leadership hires
- Onboarding plans and new-manager training
- Stay interviews, surveys and exit analysis
- Career paths and recognition practices

20+ years of HR leadership	**4 industries** financial services, healthcare, hospitality and tech	**2 companies** where I built HR from scratch	**1 to 250** employees: the companies I serve



ABOUT PETER HERRERA

I've spent more than 20 years leading HR in financial services, healthcare, hospitality and tech. I was the first HR leader at a five-venue hospitality group, and later built the HR function at a tech company, hiring and keeping teams through fast growth both times. I'm based in Chicago and work with growing companies across the U.S.

SOURCES

1. SCORE Foundation, The Megaphone of Main Street: Employee Engagement, 2023.
2. Robert Half, key hiring challenges for small and midsize businesses, November 2024.
3. Lighthouse Research & Advisory, 2025 Culture, Performance & Recognition Study, reported in "Beyond Recognition to Impact," 2026.
4. Front, The Coordination Tax, research conducted by Savanta, January 2026.

YOUR NEXT STEP

Hiring soon, or losing good people? *Let's fix the system.*

Bring your self-audit score to a free intro call. We'll find the two or three changes that will make the biggest difference.

FREE 20-MINUTE INTRO CALL

What you'll leave with

- Where your hiring process is losing good candidates
- The most likely reasons people are leaving, and what to try first
- How a monthly retainer would work for a company your size

No pitch deck, no obligation. If you don't need me, I'll tell you.

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