

## Hiring From Within Makes Good Business Sense



When you have a position to fill, it is wise to look first at your current workforce to determine whether there are potentially qualified internal candidates for the position. Hiring from within sends a message that the company believes in developing its employees and there are opportunities to advance in the organization.

It is less likely that a bad hiring decision will be made when hiring an internal candidate.

While the benefits seem clear, there can also be some disadvantages to hiring from within, including:

- Creating a ripple effect—moving an employee to another job means the employee's original job now needs to be filled. The effect continues down to the lowest level jobs that will need to be filled through another source.
- Looking at only internal applicants limits the pool of qualified candidates. Sometimes it is good for the organization to bring in someone from "outside." Outsiders may bring fresh ideas, objectivity, and energy to the organization. Their experience and expertise may allow them to be agents of change, where needed.
- Managing disappointed employee expectations when the organization, in certain circumstances, fills openings without using the internal job posting system.

When used appropriately, the benefits for organizations to hire from within can greatly outweigh the disadvantages. Hiring internally reduces the likelihood of a bad hire, is efficient, and provides opportunities for employee development and career advancement. In addition, employers that provide opportunities for advancement are more likely to retain employees, so there may be lower turnover and fewer openings to fill.

Need help with your recruiting process? MRA's [Recruiting Services](#) department can help you!

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The opportunity to move up provides an incentive for current employees to stay rather than look elsewhere for employment. Organizations that are known for developing and promoting employees are often magnets for job applicants.

### Hiring from within offers four main benefits over recruiting from outside the organization:

1. Internal candidates are known to the organization.
2. Internal candidates have demonstrated their job performance and capabilities.
3. The orientation and training process will be much easier than with an external hire since the individual is already familiar with the organization and has developed internal contacts. T
- 4) An internal hire may be productive in the job more quickly than an external hire.

### MRA's HR Hotline can help you!

 866-HR-Hotline | 866.474.6854

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 [mranet.org/24-7/hr-hotline](http://mranet.org/24-7/hr-hotline)

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