3 Tips for Promoting From Within

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If the past couple of years has shown us anything, it's that managing a dynamic team of people can be challenging. Between health concerns around the pandemic, shifting expectations in regards to topics like remote and hybrid work and massive movements like The Great Resignation, it's been tough on HR, managers and business owners. But if you're trying to build a healthy company, promoting from within could be the answer to your staffing and team-building issues.

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The benefits of promoting from within

When it comes to hiring for middle and upper-level positions within your organization, you have a couple of options. Option one is to go through the process of creating a job listing, recruiting candidates, interviewing, extending offers, etc. (In other words, the traditional way of finding an employee). Option two is to promote from within. The benefits of promoting from within include:

- **Less expensive:** Recruiting candidates from outside of your organization is expensive. By some estimates, it costs as much as six-month's salary to recruit a talented individual. When you hire from within, it doesn't cost anything other than a few conversations and some logistical changes.

- **Greater loyalty:** Someone who is already working in your company is going to have immediate loyalty when given a promotion. It may take months for an outside hire to forge that same amount of trust. An internally promoted employee is also less likely to jump ship when another offer comes along.

- **Less education:** With an internal hire, you don't have to invest nearly the same amount of resources into education and training. While there will be new responsibilities, much of the work, terminology and expectations will be similar.

- **Natural fit:** "Culture fit" is a big thing when creating a thriving organization. Anytime you bring an outsider in, there's always a risk that they won't be a good fit. With an internally-promoted individual, they're already deeply entrenched in the DNA of your company.

When you promote from within versus hiring from outside, you enjoy plenty of benefits. Having said that, every internal hire isn't going to automatically be a "grand slam." It takes some strategic planning and careful execution to get these hires right. Here are several tips:

1. Always be developing

Internal hiring and promoting isn't something you just randomly decide to do overnight. It needs to be part of a long-term strategy and vision for your business. Part of this strategy involves a constant commitment to developing the talent you have – basically, preparing them for bigger and better roles.

As you develop talent, consider things like certifications, training and other formal education that may be required for folks to thrive in their new positions. Don't reach down and

train people on their level. Train them for where you want them to be in six months or 12 months. Give them the skills that they'll need to be successful.

Another good way to develop employees is to give them increasing responsibilities. Let's say, for example, that you have a middle-manager you're trying to develop into a candidate for the C-suite. Once every few months, give that manager an opportunity to work on a project with the executive team. This helps them get their feet wet and acquire some of the necessary context before actually going into that role full-time.

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2. Look for the right traits

Not every employee is ideal for internal promotion. You'll find that some of your team members are "maxed out." In other words, they've reached their potential and are exactly where they need to be. Other employees clearly have untapped potential and room to grow. These are the folks you want to target.

As you look for candidates for internal promotions, look for traits like natural leadership, effortless communication, good problem-solving skills, high organization and attention to detail, teamwork, small ego and creativity. The employee doesn't need to have each of these traits perfected. All you need is a "seed." Small signs of proficiency in these areas mean there's an opportunity to coach them and help them grow.

3. Use a formal hiring process

If you have someone in mind for an internal promotion, it's tempting to just call them into your office and offer them the

job. However, this does everyone a disservice. When you hand the job to someone, it automatically takes away some of the “weight” of the decision and subconsciously lowers the expectations surrounding the position.

Think about it like this: You’re making two internal hires. For the first internal hire, you call the employee into your office and offer them the job. They accept the job and are fully entrenched in the role within 72 hours. For the second hire, you launch a formal hiring process. You call an employee into your office and tell her that she’s being considered for the job if she’d like to throw her name into the search. She obliges and goes through a series of three interviews. After three weeks, she’s offered the job and accepts.

In this scenario, who do you think is going to have a higher view of the job? And which person is going to have a greater appreciation for the position? Who is going to take it more seriously? The second employee!

A formal hiring process might seem like a waste when you have a pretty good idea of who you want to fill the position, but the thoroughness can actually benefit both your company and the employee moving into the new role.

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There’s a lot to love about internal hires. They’re cost-effective, loyal and typically don’t require as much of an investment in training, educating or indoctrinating into your culture. Having said all of that, there are some nuances at play. By applying the tips outlined above, you can ensure the internal hiring process is much smoother and more fruitful.

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