Cranleys
CHARTERED ACCOUNTANTS



CRANLEYS' CUNNING PLANS · No. 12 · GROWING

Hiring, Managing and Keeping Good People Checklist

Tick it, print it, pin it up. Every box you cannot tick is a conversation worth having.

A pack is only as good as its members. Pick well, pay fairly, thank often.



By Colin Davison FCA, Managing Partner, Cranleys Chartered Accountants. In practice since 1998. Reviewed 15 November 2026 against the 2026/27 rules.

THE QUICK ANSWER

Work out the true cost of an employee before you recruit, including employer National Insurance and pension. Define the role, use clear contracts and reviews, and keep good people through pay, trust and development. Share option schemes can reward key people tax efficiently.

THE KEY FIGURES

The key facts	What to know
Employer NIC	15% above £5,000
Auto-enrolment	employer contribution of at least 3% of qualifying earnings
Employment Allowance	up to £10,500
EMI options	up to £250,000 per employee, with conditions

The checklist, box by box

	The check	What to do	Keep as evidence
☐	**Do you know the true cost?**	Salary plus employer NIC, pension, holiday, equipment and management time.	Cost calculation
☐	**Is the role clear?**	Write outcomes, not just tasks.	Job description
☐	**Are contracts and handbook current?**	Written terms, probation, notice, policies.	Contracts, handbook
☐	**Is there regular feedback?**	Monthly one to ones and a yearly review.	Review records
☐	**Is pay fair and understood?**	Check against minimum wage and the market.	Pay review
☐	**Have you considered share options?**	EMI options can reward key staff with tax advantages, if conditions are met.	Scheme documents

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MY PRO TIP

write what good looks like before you recruit.

A worked example

An employee on £40,000 costs £5,250 of employer NIC on £35,000 above the £5,000 threshold, and about £1,013 of employer pension on £33,760 of qualifying earnings. The cost is about £46,263 before holiday and equipment, around 16% above salary. Employment Allowance may offset the NIC.

The trap to avoid

Hiring in a rush. A wrong hire costs more than a gap, so write the role first.

The Rufus test

One question that tells you if you have the right adviser:

Would my best employee choose to work for me again, and what would I have to change to keep them?

What has changed recently

- Check payroll basics. See the payroll checklist.
- Structures that reward staff may suit growth. See the tax-efficient growth checklist.
- A manager's time is limited. See the delegation checklist.

Questions I get asked

How much does an employee really cost?

Salary plus employer National Insurance, pension, holiday and equipment, often around a sixth more than the salary.

What is an EMI scheme?

An Enterprise Management Incentive scheme gives qualifying employees share options with tax advantages.

How do I keep good employees?

Pay fairly, give feedback, offer development and treat people well.

Do I need a staff handbook?

It is not required, but it makes expectations clear.

The 9 CAD Keys link: Capability

Capability is the team you build and the way you lead it.

Colin's 9 CAD Keys. CORE: Clarity, Capability, Consistency. ADVANCED: Analysis & Positioning, Alignment, Acceleration. DYNAMIC: Differentiation, Dexterity, Development. Score each key 1 to 5 in the free Business Value Assessment Scorecard, total out of 45. *Freedom is built. One CAD Key at a time.*

Tick these next

Business checklist 06
First Hires, Contractors and IR35 Checklist

Business checklist 13
Tax-Efficient Growth: Dividends, Pension and R&D Checklist

Business checklist 16
Systems, Delegation and Getting Out of the Way Checklist

Tax checklist 17
Employment, Payroll and Benefits Checklist 2026/27

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Go deeper: my books

For this topic, start with **Business Growth Secrets**, part of The Cranleys Business and Tax Secrets Series: Property Tax Secrets, Inheritance Tax Secrets, Business Tax Secrets, Starting Up Secrets, Business Growth Secrets and Business Exit Secrets. The books are launching soon. Join the launch list at cranleys.online/books and I will tell you the moment each one is released.

YOUR NEXT STEP

Ring me. Free draft plan, no hard sell.

I will build you a free draft tax plan or business plan on my 9 CAD Keys: a scorecard, a 12-month cashflow forecast, a 90-day action plan and a review with me. **1** Get in touch. **2** Short intro call. **3** Your free draft plan in plain English. You decide what happens next.

Tick the boxes, build the team.

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Scan to read online, tick it on screen and take the Scorecard



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