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with its values. Without this alignment, they are unlikely to put in the extra effort, deliver quality service, and remain committed to the organisation in the long term.

### DEVELOPING YOUR EMPLOYER BRAND

It is important to communicate your vision, goals and objectives to create

# GO BIG

An SME may have less resources than an MNC, but it can still be an equally attractive employer

BY CHIU WU HONG

**S**MEs are the growth engines of our economy, since they make up 99 per cent of the local enterprises and over 50 per cent of Singapore's gross domestic product (GDP). Many are often looking out for growth opportunities, and many have established a presence overseas. However, as the business environment becomes more complex, how should small and medium-sized enterprises (SMEs) recalibrate themselves in order to stay competitive? Clearly, just as a ship needs a good crew to navigate the seas, SMEs need to find and recruit the right talent if they are to drive their business forward. Furthermore, its voyage will sometimes only be as smooth as the skill of its sailors.

The perennial challenge of rising labour costs will not make this challenge any easier for SMEs in 2015. As competition intensifies, this will lead to a talent battle in drawing, employing, developing and retaining a superior workforce. Additionally, the appeal of working at an SME has been largely limited, in part, due to perceived inferiority. These perceptions include limited training budgets or fewer training departments, limited growth or learning opportunities and jobs that do not offer multidisciplinary exposure.

Compared with larger multinational companies, SMEs may not have the breadth of resources to invest in talent management or human resource (HR) capabilities. How then can a SME, with lesser resources, be an equally attractive employer? There are a few places to start.

### LOOK FOR THE CULTURAL FIT

According to the Chartered Institute for Personnel Development, SMEs that have kept their culture and created purpose and values that are integral to their vision are usually those that find the most suitable talent.

Hires that possess similar outlooks or attitudes feel more engaged, thrive on developing skills and have increased motivation for the job as their personal goals and principles are aligned with those of the organisation.

Rapid growth periods may tempt SMEs to hire hastily to fill vacancies. However, it is important to ensure that the hires fit with the organisation's culture and identify

an image that befits your organisation. To overcome the challenges of competing with big-name organisations in finding the best talent, SMEs need to put in additional effort to maximise their brand exposure to attract potential candidates.

More and more SMEs are turning to social media such as Facebook. It is a great way to promote the SME brand at low cost, achieving more brand exposure and awareness. But it does not stop here. Other approaches should include forming links with local colleges and universities, establishing presence through community networks and entering awards such as the E50 Awards to get formal recognition.

### HAVE A SUCCESSION PLAN

Having a formal succession plan in place gives potential hires a sense of confidence in the long-term leadership and hence success of the company. A strong and transparent leadership plan helps a company to continue to operate on a stable path and create competitive advantage.

### TRAINING & DEVELOPMENT

HR practices go beyond just attracting fresh talent. It is also about getting the best from existing employees. This is especially important for SMEs which have limitations in material and financial resources to continually hire the best talent.

Investing in the skills and capabilities of existing staff is an equally important facet of human capital development. SMEs should think about how they can grow their own talent pipeline to ensure that the business has the skills that it will need in the future.

Employees also tend to be more committed to fulfilling business goals and objectives when the employers are committed to fostering their professional growth through constant training.

In an age of heightened business competition, working smarter can also make all the difference. Training employees to use the latest time-saving technologies and software can help maximise productivity, even with a small headcount.

Making learning part of the culture means that staff development will be a continuous process rather than something that always needs to be formally instigated and can easily drop off the to-do list.

For example, Sheng Siong, a leading nationwide supermarket chain with 2,500 employees and 33 stores, believes that its various training initiatives enable staff to develop their skills. This subsequently helps them to progress to positions that add greater value within the company.

While Sheng Siong runs its own in-house training such as food handling, it also enlists the support of external trainers when necessary.

### RECOGNISING THE PEOPLE FACTOR

Richard Branson, distinguished business leader and management guru once said: "Business is all about people, people and people." Understanding your staff and what motivates and captivates their attention is key.

Having a good understanding of what drives your organisation's success depends on how you motivate staff. These include areas involving reward and recognition practices, workforce planning and succession planning, performance appraisals and providing good working conditions.

Some employees may feel more motivated to be offered formal training and promotion prospects. Others may be enthused by opportunities to work on secondments and having more exposure to senior leaders. SMEs will have to determine the needs and expectations of their employees and find solutions that work best for them.

### TAPPING GOVERNMENT INITIATIVES

A considerable number of initiatives have been in place to expand the stakes and open up channels for smaller enterprises in their talent management. These initiatives are designed to build capabilities and improve productivity for sustainable SME growth.

SkillsFuture, an initiative jointly developed by the Ministry of Education, Workforce Development Agency and the Ministry of Manpower, allows SMEs to access a larger pool of talent and encourage skill-based career advancement and life-long learning.

To broaden the outlook of job-seekers, Max Talent, a two-year place-and-train programme will assist professionals, managers and executives (PMEs) to secure gainful employment and enhance the human resource capabilities of participating SMEs.

Besides enhancing productivity and performance, these initiatives can enable employees to see a future with the business, absorb and master new skills and apply themselves when new opportunities become available.

Finally, in areas which are outside their core activities, SMEs can reap huge benefits from outsourcing functions instead of incurring huge costs in recruiting specialised manpower or training existing staff.

Raising the bar for quality talent in SMEs will encompass a refocus on their strategic functions, hiring processes, training and employer branding. Enterprise owners will need to be cognisant of the challenges of today's talent, one that is scarce, mobile, increasingly demanding and with ever-changing needs that will see their loyalty and commitment waver.

SMEs will also need to continuously create and innovate developments and interventions within the organisation to maintain their competitive edge. They will need to introduce new strategies to strengthen their value proposition and remain attractive as an employer.

Ultimately, achieving change requires a mindset shift. A cultural swing in the organisation will only be facilitated by direction from the top. The above methods and efforts will be rendered futile and ineffective if top management fails to recognise the power of good talent along with training and development. It is worthwhile for enterprise owners to lead by example by evaluating their own skills and honing those which they lack.

A better utilisation of incentives, more pathways for expansion and partnerships and schemes that nudge SMEs to internationalise, will attract and retain competitive talent. These will be the promising new leaders capable enough of taking enterprises into the next era of growth. ■

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