

How startups can leverage employer branding to compete for talent

 By [Celeste Sirin](#)

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In understanding the war for talent, we need to acknowledge why it is talent is considering startups and SMEs for their next career move.



Image source: Getty Images

The World Bank confirms that SMEs play a major role in most economies, particularly in developing countries, where they represent about 90% of businesses and more than 50% of employment worldwide. On this backdrop, we read countless reports and research confirming that at the end of 2022, our global workforce will be made up of 24% of Gen Zs; hitting 30% by 2030.

We cannot overlook the fact that this dynamic generation is looking for an employer that is aligned to not only their values, but also one that will offer them a competitive and aspirational work-life value proposition. The Gen Z personality traits of agility, curiosity and entrepreneurial mindset are attractive and bode well with flourishing powerhouse [SMEs and high growth startups](#), especially within the IT and fintech arena. Leveraging these prominent characteristics provides these startups with the opportunity to build compelling value propositions that large companies are possibly lagging behind in or missing. Whilst we cannot be ignorant of the fact that our African startup sector will not be without its [challenges](#), the latest survey findings from [Robert Walters](#) confirms a record-breaking year for African startups. It has been cited that there has been a 20% growth in start-ups in the past 12-months, with more predicted as 50% of South Africans look towards startups as their next move. The entrepreneurial spirit remains strong and resilient. Let's take a look at what unique attributes set SME, startups and high growth companies apart from their large talent competitors, and how they can compete against the established renowned talent brands for the best high demand global talent.

Purpose and impact

This cohort seek relevance and evidence of how they are contributing towards the mission, vision and success of their employer. This is especially attractive if they join at startup stage and are able to grow both personally and professionally with the business. Employees enjoy having direct impact witnessing self-worth and progression from the get-go.

Nature of work

In line with purpose, this obviously sits central to a prospective employee looking to work for a company that offers interesting, challenging, disruptive, appealing, unique, innovative and meaningful work. Bearing in mind that we are leaning into the appetites of curious and restless minds, driven to address our future world, they are looking for meaning and substance i.e. “What do you make, who is it for, and why do they care?”

Non-hierarchical structure

Accessibility to founders and leaders who share their ambition, foresight and future vision is appealing. Without layers of hierarchy, people feel far more in touch with the chain of command and are often invited in as influencers to contribute to strategic decision-making. Many SME founders and entrepreneurs leverage their experts and industry thought leaders as a catalyst to attracting high-demand talent.

Career growth and advancement

Scaling career growth potential tends to be quicker when working within an agile, fast-paced and demanding startup or small working environment. In fact, [research](#) confirms that 33% of professionals are leaving their corporate jobs in order to ‘try something new,’ with a further 15% looking to reskill.

Collaboration and strong teamwork

Our global workforce is becoming increasingly distributed and are often made up of multicultural teams comprising multidisciplinary skills from across the globe. SMEs nurture collaboration and teamwork within these intimate work groups, irrespective of employees being scattered across the globe. They are united and closely led through the presence of their founders constantly imbedding their purpose, mission and vision.

The drive towards a diverse and inclusive culture

Gen Z and millennials are driven to work for companies that contribute to societal and environmental change and impact. Gen Zs and millennials want to see their employers invest in visible, everyday environmental actions where they have an opportunity to be directly involved. Companies investing in this activity will win the loyalty of these generations, although it might not necessarily be the deal-breaker in a prospective employee joining them.

SME stability

Whilst it is no secret that talent will view SMEs and startups as a gamble and a financial risk, they do seek transparency and some form of certainty as to the financial stability and backing (whether it be through venture capital, banks and finance houses, or private equity) upon joining them. A guaranteed monthly income is still deemed necessary, outside of these all-important intangible benefits.

Work-life balance

Nowadays it is a given that this generation will reconsider a future employer who will not offer them a hybrid and/or remote working arrangement. SMEs and startups recognise that flexibility (hours, days, work from anywhere) has become a prerequisite. This is very attainable especially as companies are in the process of scaling up.

Mental, physical and financial well-being

Stress and anxiety levels are still at an all-time high, with global threats continuing to affect our daily lives. Financial uncertainty, mental and physical stress and burnout are common within SME and startup environments. It is thus essential for these companies to implement mental health resources, set boundaries, and appoint supportive, trusting and empathetic

leaders who can look after employee well-being.

For startup and SME founders, the focus will naturally always be on spearheading the marketing and selling of their product or service. However, business owners cannot afford to overlook the importance of simultaneously building a strong employer brand presence. Success will always rest in recruiting the right quality individuals who reside behind the scaling up of an early stage startup or high growth brand.

Don't forget to look out for the second part of this two-part series, where I cover how SMEs and startups begin informing, shaping, and start building a presence behind positioning themselves as the new kid on the block when looking to recruit the best talent as they scale.

ABOUT CELESTE SIRIN

Celeste Sirin is an employer branding specialist, speaker, facilitator and founder of Employer Branding Africa which aims to develop employer branding best practice in South Africa by educating South African leaders. She is a leading authority in positioning and elevating employer brands for companies, offering extensive insight into local, African and international employer branding trends.

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