



## ADDRESSING THE TALENT SHORTAGE: MAPPING A PATH FOR SMES

Businesses stand or fall on the quality of their people - and if a firm can't recruit enough staff with the right level of skills and experience, that's potentially a serious problem. Small and medium-sized enterprises have less time and resources to devote to recruiting, making it increasingly difficult for them to compete with larger and more-established companies for the best candidates.

Faced with supply and demand issues, how do SMEs confront skills shortages? The first step is to make sure talent strategy is aligned with business strategy. SMEs will need to find new efficiencies to maintain profit margins and ensure that they are still able to appeal to the most talented recruits. HR must learn how to fight and win through innovative strategies to attract, recruit and retain the talent that our businesses need. In practice, there are a number of potential coping mechanisms:

1. When candidates are in high demand, capturing their attention is crucial. SMEs need to promote their employee value proposition to position the company as a talent destination. They have to become 'a great place to work', taking notice of workers' individual needs.
2. Engage your older workers. Companies looking to increase engagement, performance, and loyalty need to do a much better job of engaging this growing and valuable segment of the workforce.
3. Invest in training. Investing in existing talent can generate enhanced productivity and decreased turnover. Promoting a learning environment and providing development programs can mitigate the need for new talent.
4. Expand the search. Experiment with new approaches to recruitment - that might mean anything from advertising in new places to attending job fairs and putting the word out on social media. Being proactive is key.

5. Consider taking on apprentices. An apprentice may not solve your firm's immediate skills shortage, but can be an economical way of training people for the future.
6. Rethink the workforce. Engaged people over the age of 65 can work on a part-time or consultancy basis. Not only do such workers provide expertise that may otherwise be lacking, but they can also play a valuable role mentoring less experienced personnel.
7. Focus on staff retention. Successful companies work hard at creating a culture that encourages people to stay. They find new ways to rejuvenate their people, focus on their skills development, engage them and get them back into the center of innovation.

HR leaders must participate as contributing partners in their organization's strategic planning process to ensure that their companies have the right talent at the right time and in the right place. They must also develop and implement new recruiting, retention and development programs to address the changing business needs and compete for in-demand and scarce talent.

The risks of getting it wrong are costly, and for businesses looking to secure their future success, ensuring that their recruitment and talent management processes are robust and sound is essential. MFB Resultants' People and Organization team helps organizations with their workforce challenges and HR function effectiveness. We offer an objective view of your HR function's business effectiveness and support your management to implement effective strategies to attract, engage and retain the talent that will allow disruptive technologies to flourish and take your business to the next level.

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