

LONDON
& PARTNERS
BUSINESS GROWTH PROGRAMME

Access to Talent



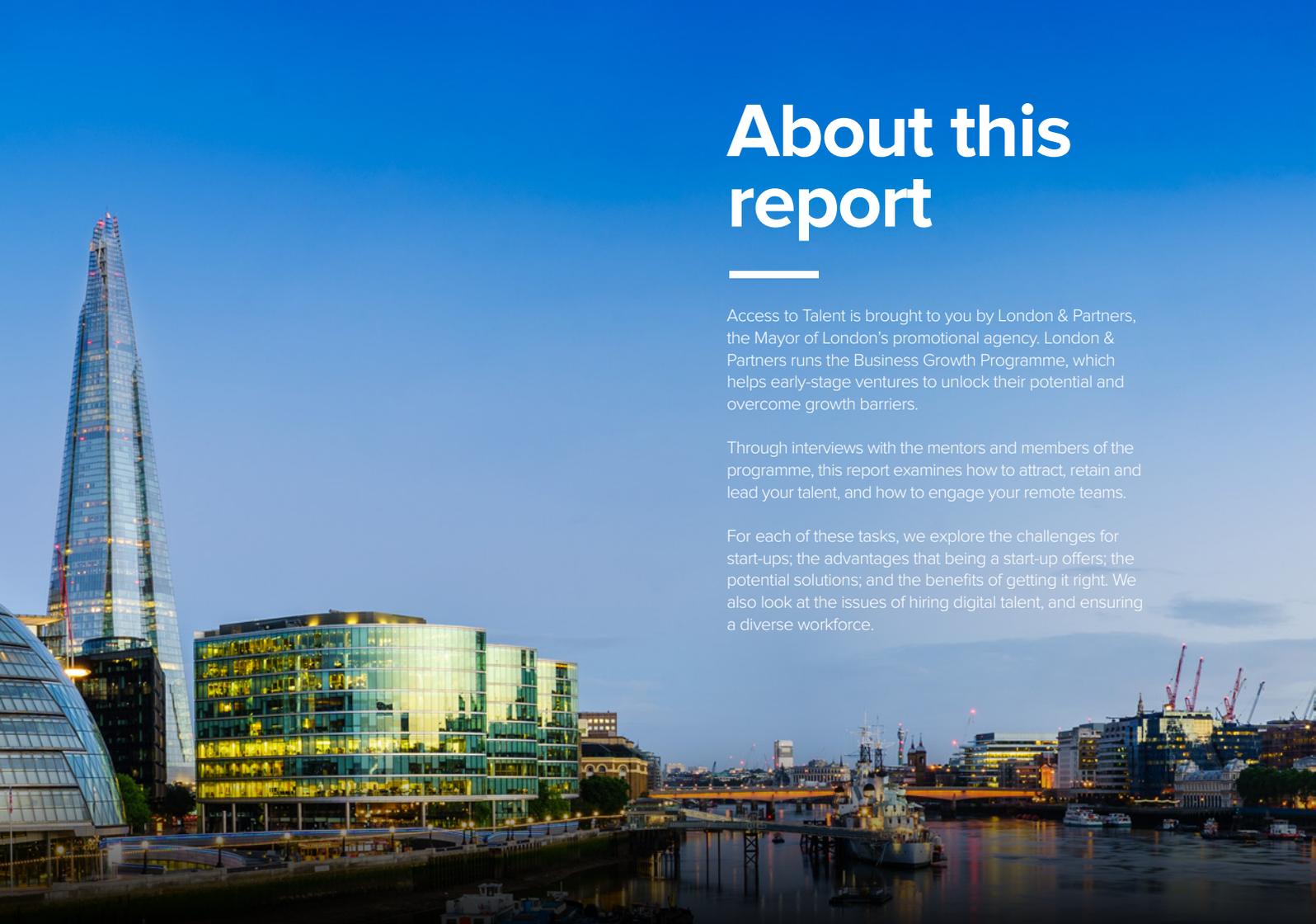
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Introduction

Jack Welch used to say that his most important duty as chief executive was **“developing talent”**. As the former (and highly successful) boss of GE, he was describing his role at the helm of one of the world’s largest corporate organisations. But his words ring equally true – if not more so – for the founders and senior executives of start-up firms. Entrepreneurs begin their ventures because they’re passionate about their product. But creating a successful business demands much more than getting your product right. It requires you to nurture what Nina Hancock of Culture Amp calls the **“lifeblood of your organisation”** – i.e. a high-performing workforce. As a leader, you’re responsible for the **“talent lifecycle”**. It’s your job to recruit, engage, develop, retain and guide the people who will drive your company’s growth.





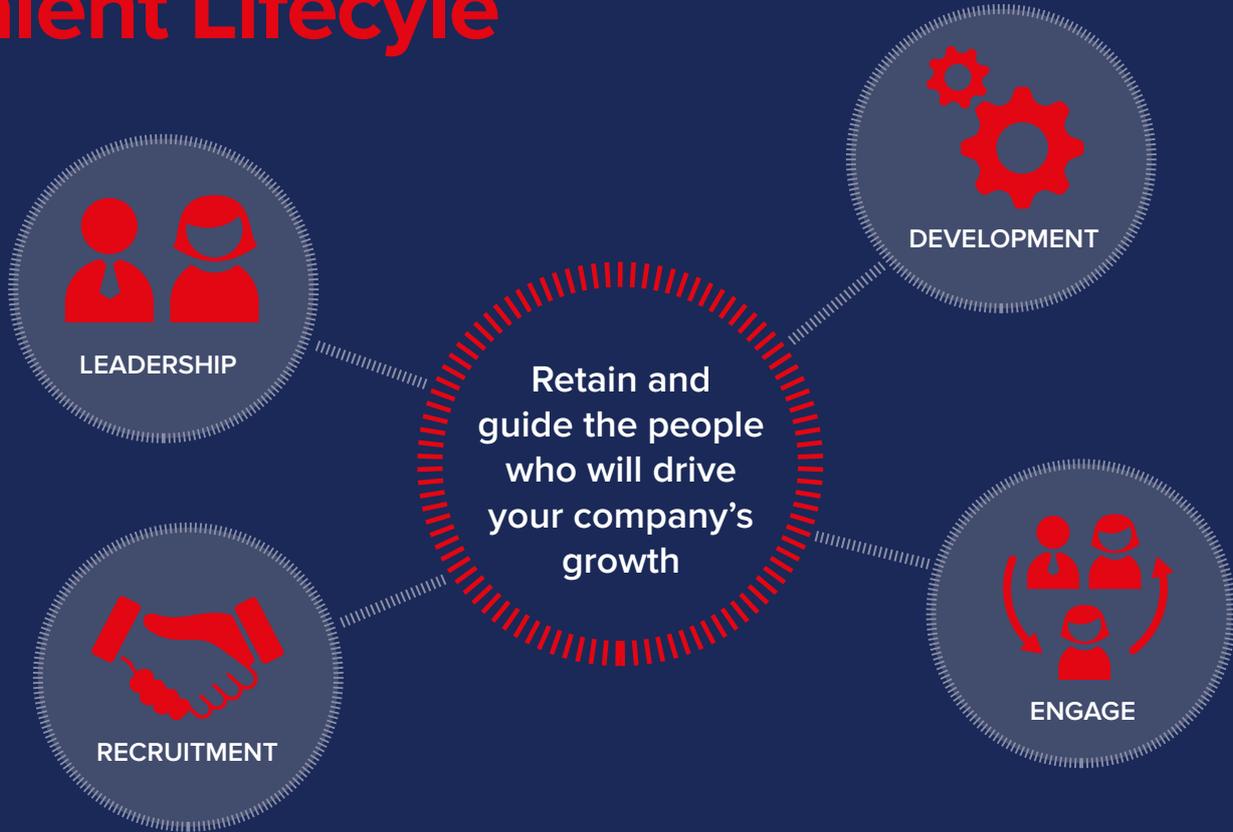
About this report

Access to Talent is brought to you by London & Partners, the Mayor of London's promotional agency. London & Partners runs the Business Growth Programme, which helps early-stage ventures to unlock their potential and overcome growth barriers.

Through interviews with the mentors and members of the programme, this report examines how to attract, retain and lead your talent, and how to engage your remote teams.

For each of these tasks, we explore the challenges for start-ups; the advantages that being a start-up offers; the potential solutions; and the benefits of getting it right. We also look at the issues of hiring digital talent, and ensuring a diverse workforce.

Talent Lifecycle



Section 1

Attracting talent

The first step in creating a high-performing workforce is to recruit talented individuals to the roles you need to fill.

It goes almost without saying that getting those early hires right is absolutely crucial for a start-up. And as several of our experts underlined, successful recruitment comes down to much more than technical competencies. Selecting people for their cultural fit is equally critical.

For Melina Jacovou, CEO of Propel London, your recruitment decisions are what will define your business. As she puts it: ***“The people you hire determine who you are as an organisation.”***



THE MENTORS' VIEW

Dee Murphy, head of content and employer branding, Jobbio

Jobbio is a two-way career marketplace that gives jobseekers access to some 6,000 employers.

Once they've created a profile on Jobbio's secure, private online platform, candidates can apply directly for vacancies in a few clicks. On the other side of the coin, organisations get valuable insight into candidates; a slick applicant management experience; and a way to build their employer brand even when they're not hiring.

Recruitment challenges

The platform gives Jobbio's head of content and employer branding an inside view of the recruitment landscape for start-ups. ***“It's a talent-driven market,”*** affirms Dee Murphy.

“So jobseekers have high expectations of businesses.”

Jobbio data suggests that 92% of workers would consider changing job if offered a similar role by a better employer brand.

“Reputation is everything in today's marketplace,” Dee emphasises. ***“The paycheque is no longer a clincher.”***

“Without a strong engagement strategy, you'll soon find yourself losing the war for talent.”

For high-growth businesses, success poses its own recruitment challenges. As a firm expands, it becomes more difficult to maintain its culture – which is a major component of its employer brand. And as recruitment steps up in response to growth, assessing candidates' cultural fit becomes harder.

The start-up advantage

Dee believes that start-ups have a competitive edge when it comes to attracting talent.

Candidates' preference for reputation, rather than pay, plays to their advantage. ***“The fact that corporates can pay more has become less of an attraction,”*** Dee points out.

Plus, the ambitious, entrepreneurial culture at many young businesses can be highly attractive to jobseekers.

“Talent today thrives on fresh energy, new ideas and innovative approaches to taking a business forward,” says Dee. ***“Entrepreneurial companies are much more likely to have that sort of climate than large, bureaucratic organisations.”***

Getting it right

With this in mind, Dee's advice is to invest time, money and effort in building a reputation as a fantastic place to work.

“Identify your mission, values and culture early on,” she suggests. ***“And make sure your employee offering goes beyond material perks. A pool table in the corner of the office doesn't equate to a galvanising working climate.”***

Then once you've established your employee value proposition, communicate it. Tell people what makes you great – on social platforms, and importantly, through authentic, employee-generated content.

“Your team members are your best advocates in the war for talent; let them tell your story,” Dee recommends.

She points to the need to drive positive employee reviews, as 76% of candidates consider referrals to be extremely important.

The benefits

When the average cost of a poor hire is £35,000, it pays – literally – to get recruitment right. But there are important intangible benefits too.

“People who fit your culture are more likely to stay with the firm and progress up the ranks. That will help you maintain a strong culture, strengthening your employer brand and making you more competitive in the talent market,” Dee explains.

With clear operational structures and defined job roles in place, rapid growth will mean

you increase productivity by having the right people doing the right jobs.

Above all else

“Remember: you're not trying to attract everyone, just the right people,” says Dee. ***“That means defining your culture early on, building your employer brand and finding people that fit.”***





THE MENTORS' VIEW

Melina Jacovou,
CEO, Propel London

Founder and CEO Melina Jacovou describes Propel London as a **“full service staffing agency for the digital economy”**. Her firm exists to help London’s start-ups and scale-ups to **“get talent right”**.

Propel London’s suite of staffing solutions includes executive appointment, team-building, and contract and contingent recruitment. Its offering covers a diverse range of roles, taking in technology, operations, commercial, creative and marketing.

The firm also publishes market data, such as its Digital Salary and Industry Insights Survey.

Recruitment challenges

Like Dee Murphy at Jobbio, Melina believes that talent is a seller’s market: **“In the digital economy, there are more roles to be filled than people to perform them,”** she says.

That, of course, pushes up the cost, which can be a challenge for start-up firms lacking big reward budgets.

And to complicate matters, the prospect of Brexit has introduced a note of uncertainty and volatility to the talent market.

However, Melina cautions against taking the easy route to resolve your recruitment issues:

“I’ve seen many start-ups try hiring friends and family, because it’s cheap,” she explains. ***“Friends and family may well be willing to help – but they’re rarely the best people for the roles you need to fill.”***

The start-up advantage

Start-ups are generally looking for young, hungry talent to join them on their growth journeys. And they offer exactly the sort of careers that such individuals demand.

“Working for a small, fast-growing business is dynamic and exciting, particularly in London,” says Melina. ***“It gives talent an opportunity to work in creative and agile ways, and in highly flexible roles where you can really make a difference.”***

Getting it right

Effective recruitment depends on the right talent strategy, according to Melina.

This starts with your business strategy. Your commercial objectives will dictate what your key roles are, and what skills are required for them.

Once you know these, plan ahead.

“Making strategic hires takes time, so start recruiting as early possible,” Melina advises. ***“Do your research on the market and the likely salary expectations. Spend time getting your job specs right, and preparing for interviews.”***

Culture is another critical success factor. ***“I can’t overstate the importance of hiring people who share your values, and fit your culture. So make sure you ask questions to test that when interviewing,”*** says Melina.

“And invest in the hiring process. The people handling your recruitment have to understand the business they’re promoting to the market.”



The benefits

Recruitment can make or break a business, Melina warns.

“The stakes couldn’t be higher. Hire right, and your firm will perform and grow. But get it wrong, and the results can be disastrous – culturally as well as financially.”

Successful recruitment is particularly critical at the top of the organisation. The right senior people will hire the right people below them, leading to a high-performing workforce.

Above all else

Melina’s message is clear: take recruitment seriously. ***“It’s a strategic business function, not an administrative task,”*** she says. ***“So invest time, money and effort in getting it right.”***



THE MENTORS’ VIEW

Laura Vanessa Munoz
Chief Empowering Officer,
Empowering Futures

Empowering Futures is a social enterprise with a mission to promote collaboration, diversity and inclusion in start-ups, in order to help them create high-performing teams.

The organisation places undergraduates on a 12-week summer programme, where they carry out volunteer work leading marketing assignments for start-up businesses. This offers students valuable on-the-job training, while helping employers to understand what talent thinks about working for them.

Empowering Futures also runs Collaboration Labs: workshops that use role-playing, storytelling and gamification to improve cooperation and performance within teams.

Recruitment challenges

Recruitment poses two common issues for high-growth start-ups, says Chief Empowering Officer, Laura Vanessa Munoz. The first is marrying their technical and cultural requirements.

“Many start-ups operate in technological spheres, so they demand specific technical skills,” she explains. ***“But at the same time, they need to find people who are compatible with their cultures.”***

The second concern is growth. ***“It’s easy to lose focus and direction as you quickly scale up,”*** says Laura. ***“This can leave the people you recruit feeling confused and demotivated, which is likely to make them unproductive.”***

The start-up advantage

On the plus side, there is plenty of desire among talented individuals to work for entrepreneurial businesses.

“One thing such firms have in common with talented people is ambition,” Laura points out.

“Start-ups want to grow, and talent wants to be part of that growth journey. They want to work for unicorn businesses – to make history with them. They crave that sense of purpose in their work.”

Getting it right

In Laura’s view, ensuring cultural compatibility means going beyond the skills and experience on candidates’ CVs. It means assessing their values and behaviours in addition to their technical competencies.

“You need to spend a few hours getting to know them and understanding their mindset,” Laura recommends, ***“especially when you get down to a shortlist of two or three individuals.”***

The benefits

Finding the right people – not just the right skills – is the secret to forging a high-performing workforce. Without which, a young business will struggle to get traction, cautions Laura.

“People who are better suited to your business will be more committed to your cause,” she says. ***“They’ll stay longer, and feel more empowered to deliver what you need them to. They’ll want to do a good job, and will know how to get on with doing just that.”***

There’s also a financial benefit, she points out, as better retention will mean lower recruitment costs.

Above all else

“Recruit values and behaviours as much as skills,” Laura underlines. ***“And once you have a talented team in place, train them to collaborate effectively.”***



THE START-UP’S VIEW

**Felicia Meyerowitz Singh,
CEO, Akoni**

Fintech firm Akoni aims to revolutionise how businesses manage their money. Its platform reduces the time it takes organisations to set up a deposit account – from several months to a matter of days.

Using sophisticated data analysis, Akoni gives firms the opportunity to move their cash around quickly and flexibly, and take advantage of the best rates.

The service is currently available only for deposit accounts. However, Akoni has plans to extend it to insurance and foreign exchange (with selected partners), and eventually to a wide range of financial products.

Recruitment challenges

As a fintech player, Akoni competes for talent with banks, especially on the data analytics side of its operation.

This obviously puts the firm at a financial disadvantage. ***“We just can’t match the salaries that the banks pay,”*** says founder and CEO Felicia Meyerowitz Singh.

There are also time constraints on a small team running a growing business. ***“We struggle to find the time to look properly at the strategic recruitment decisions, such as whether to offshore teams,”*** Felicia explains.

The start-up advantage

Akoni’s head of partnerships joined the firm from a major commercial law practice. To Felicia, her career change sums up why talent gravitates to entrepreneurial and disruptive players like Akoni.

“With a large corporate employer, you may be one of 20,000 employees around the world. You’re a small cog in a big machine.”

“But at somewhere like Akoni, you can really have an impact. You can learn fast, break new ground, and position yourself strongly in the talent market.”



Getting it right

Akoni can't hold its own with the banks in terms of reward; but the firm still needs to offer salaries that will tempt the required talent.

This means having proper funding in place, which participating in the Business Growth Programme is helping Felicia to achieve.

The next step is to find the right people:

“Our employees need to be hungry to help us succeed,” says Felicia. ***“And they need to feel comfortable in a fast-moving climate. They must have a ‘get-on-with-it’ attitude.”***

But this ambition should be balanced with an element of humility, she stresses. ***“In a small team, there’s no room for attitude. Everyone must be willing to make sacrifices while the business is in its early stages; and willing to work with their colleagues to get things done.”***

The benefits

Felicia echoes Melina Jacovo's view that recruitment is 'make-or-break' (see Propel London).

“Having the right people is life-changing,” she enthuses. ***“As CEO, I don’t have to micromanage the business, so I can get on with driving it forward. That’s liberating.”***

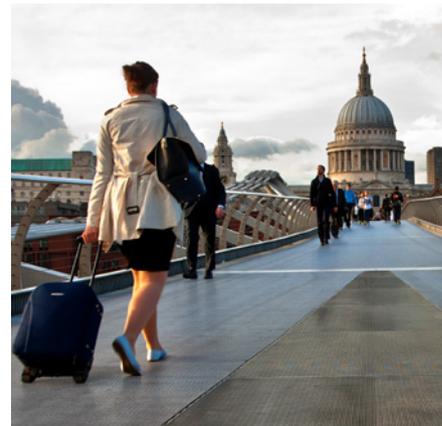
“On the flipside, hiring the wrong people can ruin everything. It can poison the culture.”

Above all else

Felicia has two recommendations for other start-ups on the recruitment front.

- >> First, start early. Start thinking about your recruitment needs long before they become a priority – before you launch the business, even.
- >> Second, build your network. You'll need to draw on it when you start recruiting. Then make sure you leverage it when the time comes.

“That’s another way in which the Business Growth Programme has been immensely helpful,” she says. ***“It gives you access to networks you might not otherwise have.”***



Digital talent

As Melina Jacovou of Propel London points out, there's not enough tech talent to fill the roles demanded by today's digital economy – even in London, which is better placed than any other city.

Ruben Kostucki, founding member and COO of Makers Academy, agrees. In fact, he goes further. ***“The entire UK tech sector is being held back by a lack of software engineers,”*** he affirms.

“That’s a creative wall for businesses. They’re nothing without the ability to create software – that’s what they need most if they’re to grow.”

Makers Academy's mission is to address the digital skills gap. The firm runs 16-week bootcamps to train people to code and equip them for developer roles. Its talent is

then introduced to potential employers.

To date, Makers Academy has supplied more than 1,000 software engineers to over 300 UK firms.

Practical approaches

When it comes to recruiting digital talent, Ruben suggests looking beyond the qualifications on candidates' CVs.

“Get them coding at the interview,” he says. ***“That will give you practical insight into their technical skills.”***

He believes that the apprenticeship levy – in which Makers Academy participates – could be an effective way to boost the number of software engineers on the market.

“There’s no reason why you can’t learn the coding skills to get your career started on a one-year apprenticeship,” he explains. ***“At Makers Academy, we instil them in just 12 weeks.”***

“Apprenticeships could be a great alternative source of digital talent, at a time when universities aren’t producing enough.”

Digital leadership

But finding talented software engineers is only part of the picture. Digital leadership has a critical role to play.

Melina says that with technology moving so rapidly, tech businesses must constantly stay on top of its progress.

“In the digital economy, your leadership team must be equipped with a genuine understanding of your technology and where it’s heading,” she explains. ***“It needs to know what skills you need – today and tomorrow.”***

“That means doing your research, reading up on the latest developments, going to events and having conversations with your network.”

Recognising the scale of the challenge is the most immediate step to be taken, according to Ruben: ***“It’s time to accept we have a problem, and start solving it.”***

Section 2

Retaining talent

The benefits to a loyal workforce can't be overestimated: less cost, more commitment, better performance, higher productivity, and a more stable business to name just a few.

But retention can prove difficult for fast-growing businesses. Expansion puts a strain on their employees, and on the systems and processes that support them in their jobs. Founders must make sure they don't take their eye off the retention ball in the early stages of growth.



THE MENTOR'S VIEW

Nina Hancock, UK lead for customer success, Culture Amp

The Culture Amp platform enables companies to collect, understand and act on employee feedback.

Businesses can gather feedback across the employee lifecycle, from candidate and on-boarding stage through to exit. Culture Amp gives organisations a detailed picture of what drives engagement among their workforce – at the moments that matter.

Founded in Australia, the company now has offices across the US and in London. Its customers include world-renowned brands such as Pixar, Deliveroo, Netflix and Airbnb.

Retention challenges

“Start-ups can face challenges when it comes to retaining employees”, says

Nina Hancock, Culture Amp's UK lead for customer success.

When starting out, founders may not feel they have the resource or capability to gather employee feedback.

“But even in those very early days, it's crucial that you deliver the experiences your people want,” cautions Nina. ***“If you don't, your talent could quickly move on, particularly in the competitive tech start-up market.”***

Equally, start-ups may face retention challenges as they scale.

These can emerge for several reasons. Generalists may begin to feel uncomfortable as more specialist roles are required. The founders may well step back from working shoulder-to-shoulder with employees, diluting their influence and the strength of the vision. And the company culture can start to be tested as a result.

“Culture Amp data shows that at this stage, employees may start to feel that the company's systems and processes don't adequately support them; or that they're not being sufficiently recognised for their good work,” says Nina.

“Without listening to your employees in times of rapid change, you’ll struggle to understand the drivers of engagement, and the reasons why your employees might be leaving,” she warns.

The start-up advantage

She has a reassuring message for start-ups, however. She believes they have a number of competitive advantages when it comes to retaining talent.

“A lot of people want to work for start-ups. Our benchmark data suggests that leading tech start-ups have some of the most engaged employees in the world.

“And crucially, start-ups tend to be flexible and innovative. Solving problems and adapting to changing circumstances is in their DNA. This can help them to solve retention challenges early and quickly.”

It can also be easier for leadership to convey the firm’s vision and values across a smaller, closer-knit employee population – a point also made by Wendy Read (see HR Revolution).

Getting it right

Retaining your talent comes down to knowing what engages them.

“We often see leadership and L&D driving high levels of engagement,” Nina points out. ***“But ultimately, each company has its own unique set of drivers.”***

“If you don’t understand these needs, you can’t satisfy them. If you do, you can empower people across the business to meet them.”

The benefits

Put simply, better retention leads to better performance.

“Your talent is the engine that drives your business forward,” Nina emphasises. ***“The more engaged people are, the longer they’ll stay, and the more motivated and productive they’ll be.”***

Keeping hold of talent also costs you less in terms of recruitment, on-boarding and time to competency.

Above all else

“Listen to your employees; they’re the lifeblood of your organisation,” says Nina. ***“Make sure you understand – and deliver – what they require of you.”***





THE START-UP'S VIEW

Tom Charman
CEO, KOMPAS

KOMPAS combines local knowledge and machine learning to point people to hidden attractions in their own cities. Its proximity platform is designed to help independent businesses to increase their footfall.

By analysing data from users' devices, KOMPAS recommends new restaurants, cafes and activities that will suit their tastes. The firm then analyses user data to create insight reports for customers.

Currently live in six cities – four in the UK and two in Germany – KOMPAS is now focusing on launching in 11 more (chosen from more than 80 voted for by its user base).

Retention challenges

Growth puts a strain on the workforce, which can harm employee retention. The KOMPAS team has doubled since its initial product launch. The firm aims to increase this by a further 50% as it builds its product and development teams.

Co-founder and CEO Tom Charman outlines two key retention issues the firm has faced while expanding.

The first comes down to money. ***“With the likes of Google and Facebook offering inflated salaries, pay expectations are beyond what a start-up can realistically afford,”*** he says. ***“So it can be hard to keep hold of people as the pressures of growth begin to tell.”***

As Akoni found, fundraising support from the Business Growth Programme has helped boost the reward packages KOMPAS can offer.

The second challenge is work expectations, among younger staff in particular.

“Some seem to think that life at a start-up is easier than working for a corporate employer – only to discover that the opposite is the case,” says Tom.

“Without the right work ethic, they won't want to push themselves harder as we grow, for less than they can earn elsewhere.”

The start-up advantage

Being part of a start-up has its own reward, however: ownership.

“When you're there at the beginning, you own part of the product, and take it in the direction you feel is right,” Tom says. ***“People realise that having that sort of impact will be great for their careers.”***

At KOMPAS – like at many start-ups – ownership also has a more literal meaning. All employees receive equity in the business, which helps to drive loyalty.

There are developmental benefits too. ***“Creating a new product puts you in charge of your personal development,”*** explains Tom. ***“It's down to you to recognise the skills you'll need, then go and acquire them. That can be motivating for talented employees.”***

Getting it right

Part of the appeal to working in a start-up is being in a small, collaborative team. But how do you maintain that as the business scales up?

KOMPAS holds regular meetings to keep staff updated. ***“We discuss all aspects of the business, good and bad,”*** says Tom.

The company also goes out of its way to make everybody feel involved, and give staff opportunities to bond. There are regular socials, conferences and events – and the chance to try out the activities recommended on the app. ***“That’s a real benefit,”*** Tom enthuses.

He highlights the importance of trusting people to get the job done. ***“That means being flexible about things like working from home,”*** he says.

The firm’s approach clearly works: only one employee has left KOMPAS in its three years of existence, and that was for personal reasons.

The benefits

Inclusivity drives a strong sense of shared vision and responsibility at KOMPAS.

“Everyone’s working towards the same goal, so everyone rolls their sleeves up to help. And everyone goes the extra mile,”

Tom says.

So when it comes to fundraising rounds, for example, everybody gets involved.

“Fundraising is hardly a developer’s job, but come the time, they’re out there with us, looking for investors,” says Tom.

Above all else

“Employees who suit your culture are employees who stay with you,” Tom says.

“You need to make sure you find that cultural fit when recruiting.”

KOMPAS has a simple solution to this, as Tom explains: ***“We take candidates to the pub for a couple of hours!”***



Diverse talent

Shopest has a unique diversity challenge.

The firm's app helps users to find ideal local retail locations. Its core competencies comprise technology, retail, fashion and marketing.

Overall, the company has a gender-diverse workforce – but there's a functional divide. Its tech roles are mostly done by men, while the retail, fashion and marketing expertise comes mainly from women.

“We need a more rounded team across the business,” says founder and CEO Sara Ahmadi Derfus.

The diversity premium

The business case for a diverse workforce is well established. As Sara puts it:

“Diverse teams bring a range of different perspectives when making important decisions.”

In January 2018, a McKinsey study found that companies with more gender-diverse leadership teams are 25% more likely to have above-average profitability. For ethnic diversity, this rises to 33%.

So how can start-ups ensure they recruit from as wide a talent pool as possible?

Ruben Kostucki is a founding member and the COO of software engineering training provider Makers Academy. He underlines the need to make sure candidates don't deselect themselves from the outset.

He points to Harvard Business Review research which suggests that on average, women need to feel that they fit far more of a job description before applying than men do.

“Your recruitment processes must be as inclusive as possible,” he says, ***“so that good candidates don't opt out. That means being introspective about your unconscious biases, writing inclusive job descriptions, and having an accurate interview process that tests for the skills you need.”***

Makers Academy helps businesses overhaul their tech recruitment processes. ***“We get them to move beyond the boys' club***

network and mentality,” he explains. ***“We look at their job descriptions, interviews, culture and expectations, to try to give their employer brand wider appeal.”***

Sara's approach to diversity at Shopest echoes Ruben's thoughts.

“We need to address the fact that 45% of our customers are men, yet we're intrinsically marketing to women,” she explains.

“So we've reviewed our job specs, to ensure they reflect the roles as well as what the business does. We're also looking further afield for talent than the creative professions recruitment platforms that we've always used.”

Inclusion

For Laura Vanessa Munoz of Empowering Futures, recruiting a diverse workforce is only half the battle.

“There's a bigger issue,” she says, ***“and that's inclusion”.***

“Everybody has to feel part of the team, irrespective of age, gender, background, ethnicity and personality. So you need mechanisms to flag when somebody feels excluded. Only when people feel fully integrated can they give you their best.”

Section 3

Managing remote talent

Remote working has become second nature in the digital era, particularly for tech-savvy start-ups. And it can all but eliminate the cost of workspace when first setting up, and when entering new markets.

But how do you recruit and retain vital talent in offices on the other side of the world? How do you keep people engaged if they mostly work from home?

Difficult as it sounds, this is where start-ups come into their own.



THE MENTOR'S VIEW
**Wendy Read, founder
and managing director,
HR Revolution**

“Without people, the wheels just don’t turn.” That’s the philosophy behind HR

Revolution, a human resources service provider to small and medium-sized enterprises (SMEs).

HR Revolution allows firms to access as much or as little support as they need: from template job descriptions and contracts to a fully outsourced HR function.

The company’s aim is to take the HR burden off SME owners and managers, so that they can focus on growing the business. Its model gives clients the flexibility to scale up their HR operation as required.

Remote challenges

Remote working presents different issues for employers and employees.

Most start-up founders prefer to be visible and accountable to their teams. ***“They like to be able to keep an eye on how everyone’s doing,”*** Wendy says. ***“That’s obviously***



harder to do when your employees aren't all under the same roof."

For staff, it can feel isolating not being 'in on the action'. They may not feel part of the team, or part of the culture, if they're not in daily meetings, and not having what Wendy calls ***"those water-cooler moments"***.

Wendy believes that the challenge of managing dispersed teams is being exacerbated by the always-on environment of the digital age.

"Constant connectivity is a double-edged sword," she explains. ***"It allows us to stay in touch despite physical distance. But it creates pressure to be continually available, and to keep 'checking in' to make sure you're not missing anything important."***

The start-up advantage

Start-ups are by their nature entrepreneurial organisations, which typically excel at forging inclusive cultures around a common vision and objective.

"Start-up founders tend to be good at involving people, and at hiring people who are willing to muck in and get involved," says Wendy.

Size is an advantage too. A company's vision and culture need to come from the top, and it's far easier for smaller firms to make that happen.

Getting it right

In Wendy's view, the key to managing remote teams is to be as transparent, communicative and informative as possible.

"Keep lines of communication open at all times; keep staff updated on what they can expect in the short, medium and long term," she recommends.

"Make sure everybody understands their role, and the development opportunities available to them. Hold regular performance reviews, and find out what people want from their development at the firm."

She warns against communicating purely by email. ***"It feels too impersonal, and can be misread,"*** she says. She suggests using video-conferencing technology to link offices at the optimal time of day for the time zones involved.

"Some of our clients go further, and keep video links continually open for employees to connect whenever they need to."



It's also vital to make people feel part of the family when they join. ***"Make sure they meet the whole team as part of their induction, over video link if not in person,"*** says Wendy.

Finally, get everybody in one place as often as possible – fly remote teams over for firm-wide get-togethers. One HR Revolution client, for example, holds a two-day 'mini-festival' for the whole company.

The benefits

Effectively managed, a remote team will be motivated, productive and accountable.

"Your staff will feel empowered to get on with their jobs and deliver what you ask of them," Wendy says. ***"They won't need pushing or micromanaging; they'll just perform."***

Above all else

"Communication is everything – so communicate everything," Wendy advises. ***"Your vision, their roles, the latest news about the firm...the more the better."***



THE START-UP'S VIEW

**Jakobus Koorts, CEO,
Numata Business IT**

Managed services provider Numata Business IT helps SMEs ensure that their technology infrastructure can support their business objectives.

Numata's flexible, IT-as-a-service subscription model allows firms to outsource their technology requirements for up to 500 employees. From cloud services to physical infrastructure, the company can provide the complete IT function on a utility basis.

Based in Johannesburg, Numata operates in each of South Africa's major cities as well as London. Six more offices are planned across the English-speaking world.

Remote challenges

For CEO Jakobus Koorts, Numata's challenge is to embed its culture throughout a geographically dispersed organisation.

"We're a values-driven business," he explains. ***"Our five core values – trust, respect, integrity, passion and knowledge – translate into our culture. Working to them gives us a strategic advantage; losing them would remove our competitive edge."***



The start-up advantage

A start-up has the luxury of taking what Jakobus describes as a **“greenfield approach”** to all aspects of the firm, including its culture. That makes it easier to mould the culture around the firm’s values.

“Start-ups can literally change anything about their business, almost instantaneously,” he affirms. **“This gives them a major competitive advantage over more established organisations, which typically take much more time to forge, or change, their culture.”**

Getting it right

In the first instance, ingraining the Numata culture means employing people who share the firm’s values across its locations. To this end, the firm has a rigorous selection process. **“Finding the right people takes time,”** says Jakobus. **“There’s no fool-proof test.”**

The first stage is a values-based interview, which explores candidates’ motives, ambitions, purpose, views of success and relationships with colleagues. A second, competency-based interview examines their technical skills. Applicants also undergo psychometric testing.

Shortlisted candidates are then invited to spend a day working at Numata’s HQ and meeting the team. **“This is to check that they want to work with us, as well as vice-versa.”** Jakobus emphasises.

Once the right talent is in place, trust and communication are the key to keeping a dispersed team engaged.

“Trust your people to get on with the job,” Jakobus advises. **“Micromanaging them will convey a lack of trust, and risk alienating them.”**

And much like Wendy Read (see HR Revolution), Jakobus underlines the need to communicate regularly. **“Keep everyone informed about what’s going on in the business, at all times,”** he urges.

“We have regular check-in sessions at Numata. Some are formal, some off the cuff. Some are face-to-face conversations; some are done over video link.”

The benefits

Recruiting to your values fosters a healthy ecosystem, Jakobus stresses.

“People will instinctively know how to behave, as your values set clear boundaries for them. They create autonomy, which most people will find motivating.”

He adds: **“There’s a fair chance that anyone they recommend from within their networks will be like-minded.”**

Above all else

“Look for the perfect fit when recruiting,” Jakobus underlines. **“It can take months, but it’s worth the time and effort. And once you have the right people, communicate with them – openly and continually.”**

The Brexit effect?

A potential barrier to accessing talent for London's start-up community is, of course, Brexit.

Several of our experts highlighted a level of uncertainty over the mobility of international talent in the future. For the time being, the rules, and their impact, remain unknown.

But analysis of LinkedIn's EU-based members conducted for London & Partners shows that London is the favourite destination for European tech talent when moving for work.

And our interviewees expressed confidence that a strong, diverse and dynamic city like London will continue to thrive post-Brexit.

“Tech firms will embrace progressive hiring practices and remote working, while sponsoring visas for quality international hires,” says Dee Murphy of Jobbio.

Felicia Meyerowitz Singh of Akoni agrees. ***“Businesses will sponsor individuals if they're the best talent for the role,”*** she states. ***“Talent will come to London, even after Brexit.”***



Section 4

Leading talent

For start-up founders, taking the helm can mean taking on an entirely new role: that of leader. As Hayley Caspers of What's Possible points out, they may be ***“entering a whole new arena – and a difficult one at that.”***

To exacerbate the challenge, the leadership burden will only intensify as the business begins to scale up. The smart thing to do is to put the all-important groundwork in place during the very early days.



THE MENTOR'S VIEW

**Hayley Caspers, co-founder,
What's Possible**

What's Possible helps businesses to drive transformation through their people.

The consultancy helps leaders to enable their employees to achieve change at an organisational, cultural, leadership, team or individual level.

Its 'Be-Do-Have' model identifies where a company is on its transformation journey; what it must do to meet its change objectives; and how to go about doing it.

Leadership challenges

Leadership can be one of the greatest challenges for start-up founders, according to co-founder Hayley Caspers.

“Many go into their ventures with little or no experience of leading people,” she explains. ***“They're experts in their product and technology, but not necessarily in leadership.”***

This can begin to cause problems as the firm expands beyond the core team it started out with.

“Good leadership comes down to providing clarity,” says Hayley. ***“Clarity of the vision, of what's expected from people, and of what's happening to the business.”***

“As the team gets bigger, that becomes harder to do, and founders have less time for it.”

The challenge is to strike a balance between the fundamentals of running the business: the commercials, the product, sales and marketing, finance and your people.

The start-up advantage

Hayley advises start-up founders to draw on their passion for the product they're bringing to market.

“Use that passion to define your purpose – ‘your why’ – and to engage people around it,” she says.

Getting it right

Providing clarity means establishing two vital aspects of the business at the outset: your organisational design and your culture.

“You need to get the right architecture in place,” Hayley states. *“What’s the best structure for your business?”*

“The right answer will depend on your strategic aims. But without it, things will inevitably move more slowly – which will frustrate talented individuals.”

You also need to determine your culture. *“Your culture is a factor of your purpose and values,”* says Hayley. *“What do you exist to do, and how you will achieve it? What do you stand for, and what behaviours are acceptable?”*

A clear culture and structure make for a strong employer brand, she continues. *“Your employer brand should define, and appeal to, the sort of people you want to employ. That way, you’ll hire people who are a good cultural fit.”*

The benefits

Putting these essential elements in place will unlock the discretionary effort of your staff.

“When working in a climate that suits them, people are willing to go the extra mile. That’s crucial in the early days, when you’re trying to get the business off the ground,” says Hayley.

You’ll also be rewarded with their loyalty, which has two big advantages in Hayley’s view.

“It means you retain your talent,” she says. *“And a more stable workforce creates a more sustainable business.”*

Above all else

“Give your people the clarity they require,” Hayley advises. *“Define your ‘why’ – what your organisation is about upfront, by starting with the end in mind.”*



In summary

Several strands of advice emerge from the views of our mentors and start-up leaders:

The competitive landscape

Start-ups will struggle to match the stellar reward packages available from bigger players (for tech talent in particular). But the benefits of working for a young, growing business naturally appeal to the keen, ambitious, self-motivated employees they're after.

The importance of culture

One of the attractions start-ups offer is working in a strong, close-knit culture, where everybody knuckles down and works together to grow the business.

The challenge is to maintain that culture as you grow. That's why Hayley Caspers of What's Possible advises founders to **"put culture at the heart of your strategic imperative."** She warns: **"It will cost you further down the line if you don't."**

The value of values

Your values are the cornerstones of your culture. They set out what you stand for, and how you will behave as an organisation. Recruiting to a clearly defined set of values will help preserve and strengthen your culture.

Strong values also give your employees 'rules' to work within. The message they convey is: 'Here's how we go about things; now go and get on with your job.' That autonomy tends to appeal to talented individuals.

The need for communication

Clarity is the key to sustaining a positive working climate – and clarity stems from open, honest and continual communication.

Keep your employees informed about everything: your culture and values; your vision and strategy; your plan to achieve your objectives; your expectations of your staff; and the latest news and developments

within the business. And keep lines of communication open with your remote teams.

As you strive to achieve your growth ambitions, you mustn't let up the focus on your people – as Melina Jacovou of Propel London points out.

Echoing the words of Jack Welch, she says: **"The world's best leaders know that their number one priority is talent."**

Get involved

Tailored to your business growth ambitions, London & Partners' Business Growth Programme offers free impartial business advice and support to SMEs looking to grow across London.

Partly funded by the European Regional Development Fund, the programme can help unlock your business potential by identifying barriers to growth and providing tailored solutions including mentoring, workshops, business growth advice and opportunities across our London network.

If you are an SME based in London with 3-250 employees, a minimum viable product and an ambition to grow, we may be able to help you.

Sign up to the programme via businessgrowth.london

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