

Nurturing talent in startups

A sense of ownership and empowerment, and opportunities for growth makes employees feel invested

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The spirit of entrepreneurship is surging in India. It is already the third largest startup ecosystem in the world. And as growth catalysts such as investors, VCs, accelerators come together with positive government initiatives, they are adding to the excitement of a rapidly growing market and the promise of some staggering numbers ahead.

Yet, this is the easy part. What poses the real challenge is managing and retaining them, especially in an ever dynamic environment with constraints in budgets, etc.

Typically, entrepreneurs are focused on more urgent problems such as ensuring the product fit, building customer base, and raising capital, and tend to consider human resources as an afterthought. However, the people challenges are real and, in a startup environment particularly, they can make or break the business.

The people challenge

This is true worldwide. According to Silicon Valley investor Robert Siegel, "The single largest issue that causes the most emotional heartache in a startup is people challenges. Every organisation has them..."

And respondents in a study conducted by The Society for Human Resource Management listed em-



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ployee engagement as one of the topmost challenges, followed by the development of the next generation of leaders, and retaining the highest performing employees.

Startup founders are slowly beginning to wake up to the correlation of a strong HR system and better business growth. While the prototype of the star employee for a startup is a wildcard, a few factors appear non-negotiable.

What's non-negotiable

In my experience, these include three fundamentals:

A sense of ownership: Every startup employee I have met is looking for a place they can identify with. "There's this feeling of 'I own this place and this place owns me,'" says

Bob Sutton, organisational behaviour expert at Stanford's School of Engineering.

I believe that startups have to work consciously towards developing a culture that encourages this sense of ownership. This goes beyond a friendly, easygoing environment with an open culture of communication. Yes, that is an intrinsic part as is transparency, inclusiveness and a collaborative work culture. Yet, the startup employee is looking to be more than a cog in the wheel. And this comes from a view of the contribution they are making to the business and its growth.

Expanding horizons: The potential startup employee is ambitious about professional growth, but equally so about personal growth.

This is what distinguishes them from the rest of the talent pool. They are constantly on the look out for an opportunity to learn.

Retention of this employee would involve instituting a strong mentorship programme that makes them feel invested. The taskforce is slowly being penetrated by the millennial generation, more so in India, home to one of the youngest workforces worldwide. "Millennials tend to like more guidance than previous generations; they want someone to show them how to be successful," writes executive coach Ariana Ayu, who recommends partnering them with outstanding employees they can model themselves after. One-on-one coaching not only aids learning and development but also gives employees an inside view of the company's decision-making process and makes them feel more involved.

A sense of empowerment: People are drawn to startups for their lack of bureaucracy. A flat organisational hierarchy reinforces a sense of empowerment, which in turn encourages proactive participation and contribution to company growth.

The biggest killer of a sense of purpose is rigid organisational hierarchy. A flat organisational structure, on the other hand not only al-

lows employees to get more done in a shorter time-frame, but also encourages innovation through cross-functional collaboration.

What's more, regular interaction and brainstorming with the founders and top rung adds the visibility that is missing for young employees in large companies. It goes a long way in making startup employees feel they are adding value in the success of the startup. This also adds a sense of responsibility, making employees at every level feel accountable for their actions as a piece of the larger picture – the growth of the startup.

Lifeline to success

There is no doubt that startups are a lifeline in India's success story today. They are also a key element in creating the necessary employment opportunities for India's burgeoning talent pool.

What is important in this scenario is that startups invest as much time in HR with the same thought and urgency as finance, marketing and product development. It's pretty simple. Employees who wish to work in a startup have an entrepreneurial frame of mind. As a startup entrepreneur, that should be quite easy to relate to and encourage.

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