



# PROUD TO WORK FOR AN SME

In order to understand employees' perception of their working environment, performance and remuneration in small and medium businesses, SME Advisor Middle East along with Tickbox Surveys Middle East, conducted the SME Performance and Remuneration Survey.

**The survey highlighted that over three quarters of employees in SMEs are proud to work for their organisation. The common perception is that employees choose to work for large blue chip corporations because it raises their personal profile and helps them in accelerating their career. However, the reality may be far removed from the perception as large companies tend not to be as dynamic and growth-oriented as smaller firms.**

Large companies by their very nature tend to be prudent and rely more on their name and history to acquire business, while smaller firms tend to argue that they have to work harder and smarter for their survival. The difference in corporate behaviour greatly impacts the organisational structure and culture. This in turn affects employees' career development, as well as the daily working life. The working life or environment of an employee manifests

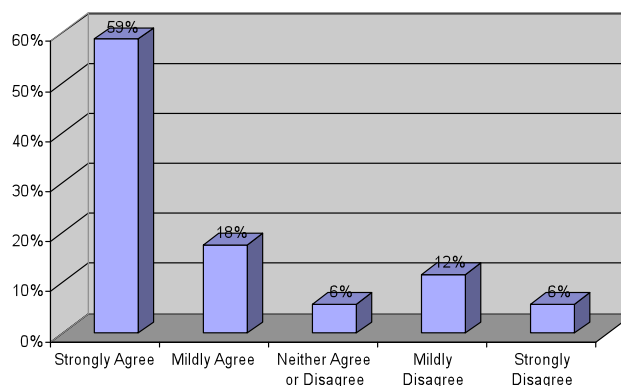
itself the targets, that are set and the performance that is achieved along with it the remuneration.

Being proud of one's organisation, is a great achievement and implies a whole host of positive attributes regarding the company. Some of these positive attributes include, belief that the company has a strong and effective leadership; products and services which are superior to its competitors; clear roles of operation and employment; provision of adequate resources to accomplish tasks, making employees feel valued and, treating them with respect and dignity.

However, the most important aspect of being proud of one's organisation is the positive manner in which an employee talks about it to family and friends. This positivity has been found to translate into actual sales and growth. The SME Performance and Remuneration Survey found that 77% of the employees in SMEs were proud to work for their organisation, 18% of employees were not proud to work for their organisation and the rest were ambivalent. This finding tends to contradict the common perception that SMEs may not have good working environments.

The survey asked respondents, whether their direct line manager or supervisor helped and encouraged employees to develop their career. The rationale for this question was that the perception is that large firms tend to have employee career developments systems and plans and the same might not be the case in an SME.

I am proud to work for my organisation



The survey found that 59% of the respondents felt that their direct line manager or supervisor encouraged employee career development. On the

other hand 24% felt that their direct line manager took no interest in their career development. The remainder of the sample (18%) felt that their direct line manager or supervisor was neither positive nor negative with regard to their career development. It seems that while large firms may have systems and procedures for career development, in SMEs it tends to be more of a personal approach. However, with almost a quarter of the respondents stating that their environment was not supportive of their career development plans, it may imply that the personal approach largely depends on the relationship that an employee has with their line manager.

The smaller and perhaps closer working environment within an SME, certainly has a number of positive aspects. The survey found that employees in SMEs had considerable authority over the manner in which they accomplish their tasks. Almost 64% of the respondents felt that they have considerable authority over the tasks that they were required to complete while only 30% felt that this was not the case.

Similarly, the constrained resources in SMEs imply that employees are encouraged to be creative in solving problems. The survey found that 59% of the respondents felt that their organisation encouraged them to be creative while only 24% felt that this was not the case. Therefore, it is not surprising that 70% of respondents claimed that they look forward to coming to work each day. Only 30% of the respondents did not enjoy or look forward to coming to work.

Although, working in an SME may have a number of advantages, it also has some disadvantages, which were revealed by the survey. For instance, the survey found that 57% of the respondents felt that their direct line manager or supervisor tended to be not open and honest in giving feedback. Of course, the close working nature in SMEs implies that some of the aspects of openness that are common in large organisations may not be appropriate.

This is more so the case where the SME employs family members, whereby

feedback on tasks needs to be approached in a sensitive manner. Similarly, the fact that usually a single or small collective (more often than not a family unit) make the decisions in a SME, the decision might not be communicated properly to all the employees.

The survey found that 42% of the respondents felt that the future direction of their organisation was not adequately communicated to them, while 36% claimed that they were fully informed.

When it comes to performance the survey found that 47% of the respondents felt that their organisation set out clear and achievable performance goals which were regularly reviewed. However, 18% of the respondents felt that this was not the case in their organisation, while the remainder were ambivalent.

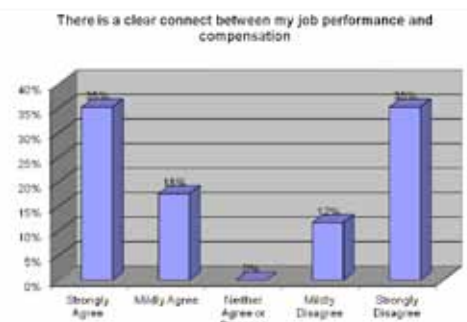
The survey found that 88% of the respondents felt that they were as productive as they could be. Only 12% of the respondents felt that their productivity could be improved. The survey provides evidence for the argument that closer working relationships in a SME tends to improve and increase employee productivity. In larger companies employees may feel isolated and hence this may impact on their level of output.



The survey sought to determine whether close working impacts on their remuneration. In an ideal organisation the management should clearly state what is required of the employee and then a remuneration package can be developed. The survey asked respondents whether their organisation clearly communicated the goals and employee expectations. The results show that 48% of the respondents felt that this was the case while 12% disagreed.

The survey then sought to find out if employees were consulted on decisions, which had an impact on their role, which in turn of course affects their performance. The survey found that 41% of respondents stated that their organisation consulted them prior to making a decision. On the other hand 35% of the respondents felt that they were not consulted prior to management making a decision.

Finally, the survey asked respondents whether there was a clear connection between their performance and their remuneration. The survey found that 53% of the respondents felt that there was a clear connection between their remuneration and performance. On the other hand 47% disagreed and felt that their performance was not adequately reflected in the remuneration.



The SME Performance and Remuneration Survey highlights a number of interesting findings, most important of which is, that employees in SMEs are extremely proud of their organisations and value the close working relationships. It appears that their productivity is perceived to be extremely high, however they may not always be matched by their remuneration. ■

## About

Tickbox Surveys Middle East specialises in market research surveys for the consumer, B2B, investor, community and employee segments. It also specialises in helping companies to identify appropriate interventions for improving customer and employee satisfaction as well as loyalty through using surveys and statistical analysis. For more information visit [www.tickboxsurveys.com](http://www.tickboxsurveys.com).