of SMEs to attract top-notch talent and pay attractive remuneration, often because of financial constraints. Skill shortages are also caused due to reluctance by the top professionals to associate with SMEs; while brand image, culture, infrastructure, management style, policies and processes are some of the other reasons for this reluctance. Most SMEs operate in a traditional style of management, exemplified with arbitrary management, concept of owner and worker mentality, and often an absence of good HR practices and processes. Another important reason for skill shortage is the deficiency of in-house training and skill up-gradation. Often the individuals within the system possess inherent limitations which make training equally difficult.

Another common problem we notice with SMEs is the faith and confidence they possess in such skilled professionals and the space they are comfortable providing them. It's generally observed that entrepreneurs are quite reluctant to entrust professionals upfront with the required empowerment and space they need to make an impact. This is largely to reduce the risk of having a new incumbent exposed to the critical components of the business lest they ruin the customer service levels or delivery because of their unfamiliarity. An important element that some SMEs contribute to creating skill shortages is in avoidance of highly skilled and capable professionals because of a fear of such individuals stealing the enterprises' intellectual property and starting their own business outfits. They believe that it's better to bear with an un-ambitious employee rather than to have a talented one who can learn the ropes of the business and wean away a significant part of it. Though this belief is plausible the realities are often different and untrue.

Contributing to the above, on the flip-side, is the fact that skilled resources often leave SMEs to join higher-end brands because of the attractive remuneration offered and thanks to the holistic exposure they receive with such SMEs, these skilled professional become perfect targets for larger set ups. This double whammy leaves SMEs in a vulnerable position.

Further as SMEs mature, the present set of people who invariably may have been associated with the organisation for a long time, may not be best suited to navigate the company to un-chartered growth areas. This is primarily because these individuals may have limited exposure to such areas owing to their long association with the company coupled by weak training and individual deficiencies. These individuals are generally hired at the time of inception – when the need of the business is limited and the attention is on getting the job done in the short-term rather than future potential.

Invariably these individuals tend to grow with the company's growth and more often after some point the growth is a lot to do with loyalty and longevity rather than capability. In fact, there is an effect of diminishing returns – the individuals salaries going up with each passing year but often such individuals have peaked and are unable to breach the glass ceiling.

Attracting Talent

Getting the right talent tends to become a bit of a challenge if not approached correctly. First and foremost, SMEs must look for individuals who come from accomplished backgrounds and where required training is limited. SMEs don't mind paying this price within moderation. However in the absence of a good support system, these initiatives and intent become dysfunctional leading to disillusion. The primary reasons are that top class talent needs the right environment. This environment includes a solid mission and goal that the company wants to attain. Besides, these professionals would like to move from their present enterprises and most would be ready to come from accomplished backgrounds

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