

# 3 SMB trends for 2017 that every employer needs to know

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The world is a changing place, and nowhere is that more apparent than the ebbs and flows of Canada’s small business market. Just ask Lisa Taylor, a strategic workforce consultant and founder of Challenge Factory, a talent strategy and career management firm based in Toronto. For her recently-launched book, Retain and Gain: Career Management for Small Business, Taylor conducted in-depth interviews with small and medium businesses across Canada to learn about the talent management issues they’re dealing with today. The result: a clear look at the changing face of Canadian small businesses in 2017.

We sat down with Taylor to discuss three major SMB trends for 2017, and how they are impacting hiring in the coming year.

## **Trend #1: Older startup founders**

Yes, Airbnb, Spotify, Dropbox, and countless other startups are headed by young (*very* prosperous) men. But that’s all changing. According to Taylor, the fastest growing demographic of entrepreneurs in Canada is women over 55 years old.



“There’s a broader demographic trend that I think is at the foundation of this,” says Taylor. “When the retirement age was set at 65, life expectancy was only 62. And it was the 1930s. So now, we have an 82-year life expectancy, but we seem to have a working life expectancy that’s still fixed as if it’s normal for us to be ending our careers in our 60s.”

In short: people are retiring, only to discover they have decades of additional productivity in them.

“Just like how new young graduates can start companies with very little initial capital, these legacy career seekers are equally able to take their knowledge and launch new companies,” she says. “It may also be something they’ve always had in mind, and they’ve always wanted to be able to take a risk but they needed their kids to graduate from university, or their mortgage to get paid off. And now, they feel that it’s their time. They have an idea and they want to go for it.”

What does this mean for hiring? An increasingly intergenerational workforce in startups and SMBs. And Taylor doesn’t see it as a problem. “I see the intergenerational workforce as an opportunity. I think that companies actually perform better,” she says. “The greater diversity of opinion, of skill, of background, the stronger the performance of the company.”

And, despite countless articles and surveys telling us how differently these generations work – and, in turn, how difficult it is to make them co-exist – Taylor says the reality is that they’re not that different.

“When there are studies done that take a look at what millennials and boomers value in their workplace, they value the same thing,” she says. “While there’s a lot of discussion about how each of the demographics have this different view of work and relationship to work, the actual data shows that at the end of the day, they really are looking for similar types of things in the workplace.”

### **Trend #2: SMBs winning talent over big companies**

A constant struggle for smaller businesses is figuring out how to win top talent away from large enterprise employers – but the tides are changing, says Taylor. For one, SMBs are able to offer employees a level of responsibility that bigger companies can’t.

“Being an employee in a small business means you need to wear many hats. It also means that you can be given access to make decisions that otherwise might need to be made by multiple layers or by committee,” says Taylor. “It means that as an office you can decide that you want to do something. Whether it’s making an impact in your local community or taking advantage of a partnership with another business – these are things that can happen in large businesses but it takes a long time for those programs to get established.”

Another offering that SMBs are increasingly able to provide: benefits. Historically, benefits programs for smaller companies were limited, but a range of new products for companies with less than 10 employees are now available.

“They’re increasingly raising awareness about just how important it is for small and medium-sized businesses to consider how they want to provide benefits or packages that typically weren’t really the domain of this sector,” says Taylor. “But now, as they’re increasingly looking at competing for talent, they want to know how they can actually have affordable products that make sense for their business while also recognizing their employee’s needs.”

### **Trend #3: SMBs embracing the gig economy**

Closely tied to the above trend is another one linked to attracting top talent: the identity of SMBs as flexible, entrepreneurial employers. While for bigger (read: more rigid) companies, the transition to the gig economy is messier, these SMB employers are easily able to adapt to the changing workplace, and embrace contract and part-time workers to suit their needs.

“In the past, we had this stigma that contract work was somehow less serious or less of a resume builder in terms of work that would really help you in building your career,” says Taylor. “And I think that stigma has disappeared.”

Now, she says, there’s a recognition that there are a range of ways for employees, and employers, to leverage talents. “From the employer’s perspective, there are better ways to be able to build talent equity, to be able to take a look at your workforce and really be able to build up the strength and knowledge that your organization needs,” she says. “Sometimes that’s in full-time employment relationships, and sometimes it’s not.”

A more fluid workplace also helps to address job hopping. In a [recent post](#) on the topic, Taylor explains how job hopping in SMBs can make a serious dent in the workforce. If, for example, a recently onboarded team member leaves a workforce of 10, that’s a whopping 10 per cent cut in the team. The solution? The gig economy.

“If there are ways for small businesses to be able to create ongoing relationships where they can feed work to people in and out of the organization, but always keep them within their employee ecosystem, that leads to much more stability. The worker gains a reliable portfolio of work and employers gain access to consistent talent. The alternative is the old model of hiring someone, losing them after 12 months and having to completely replace that person all over again.”

*Lisa Taylor’s book, [Retain & Gain: Career Management for Small Business](#), is available for download or purchase [here](#).*

