

# Working for a SME - Stuart West



**BIOCATALYSTS**  
exceeding enzyme expectations

# Employment background

- Large corporate
- Mid sized company
- Start up
- Small company
- Mid sized company



# Company definitions

- SME = Small medium enterprise
- Most companies (99%) in the EU are SMEs
- In UK SMEs contribute ~50% of GDP
- Most start ups go bust (>90%)
- Most jobs are currently created by medium sized companies
- Micro is <10 staff (~5m)
- Small is >10 & <50 staff (195k)
- Medium is <250 & >50 people (30k)
- Large is >250 people (7k)

# More SME facts

- Only 11% of small companies export whereas 42% of medium companies and 63% of large companies export
- In 2014 medium sized companies created almost 1/3m jobs compared to 150k in Germany

# Biocatalysts – a medium sized company

- ~60 staff
- Formal management structure
- Board of directors
- All formal systems including ISO 9000, 14000, 18000 & 22000



# What difference does it make?

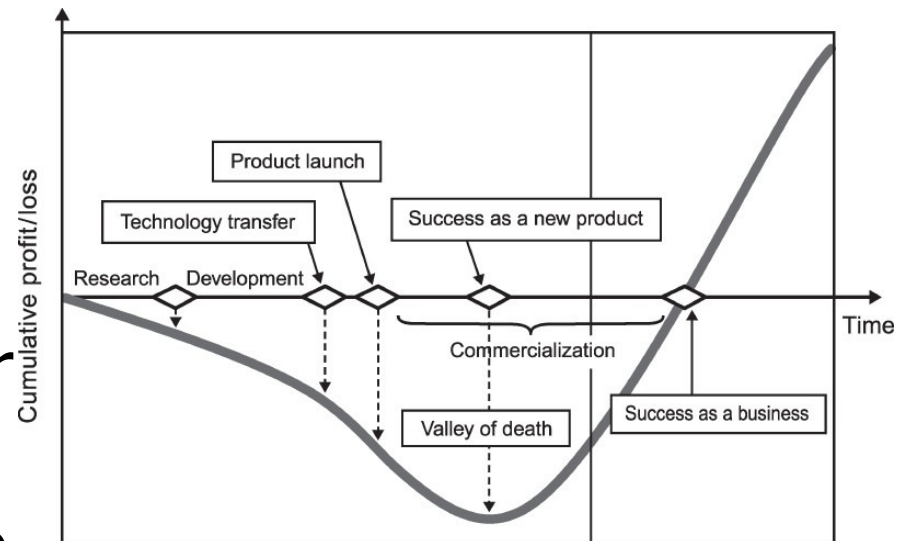
- Aren't SMEs smaller versions of large companies?

- The experience will be very different depending on the size
- A large medium company with 200 people will be more like a small corporation.
- A small company with 10 staff will be more like a corner shop
- Where does it change?

**Working for a SME**

# Company size – valleys of death

- Most people have heard about the R&D valley of death for product commercialisation
- Less well known is the fact that as companies get larger they get more complex and have to cross valleys of death





- A medium sized company will have a formal structure with a team of managers
- It will have people responsible for Finance, HR, Marketing & sales, Operations, Quality etc
- It might have a mix of managers & directors and for a larger medium company a full Board of directors
- Ask to see an organisation chart to see how far you will be from the Managing Director (CEO, an American term for the same position)

## **Structure in medium company**

- There will be formal project plans and a project manager
- Projects will have budgets and resources allocated it
- Big changes might have to go through a formal change management process

## **Project management**

- The company is likely to have many quality procedures such as ISO 9000 or ISO 18000 for health & safety. You have to follow these procedures.
- If you don't like having to follow a lot of formal procedures work for a small company or a start up, but remember if it doesn't go out of business it is more than likely going to grow into a medium sized company

## Formalities

# Staff structures

- If you want to a job which is very flexible, where you know most of the things going on and is quite informal work in a small company (<30 staff)
- If you like some structure, formal procedures & policies then work in a mid sized or large company

Conturbenium, a group of 8 Roman soldiers



# Company size

Company Size  
(Number of  
People)



Formalities



Amount of  
Procedures and  
Policies



Flexibility



Speed of  
Decision Making



- Most of this doesn't apply to small companies
- Once you become medium sized much of it applies (the last Companies act if printed out would have produced a pile of paper almost 6 foot high)
- If you work for a company that is stock market listed nearly all of it applies

## Corporate governance

- This has little to do with company size (except start ups), your job in a big corporation is no more secure than in a small company
- Badly run companies of any size are likely to go bust. Banks only want to lend to well managed low risk companies. If the bank won't lend to the company you work for it could be that they see it as poorly managed and high risk.
- If the company you work has poor lax management it is highly likely to get into financial trouble
- Large companies will shut down whole divisions very suddenly

## **Job security**

- The beermat entrepreneur – Mike Sutton & Chris West
- The Growing Business handbook – Adam Jolly
- Scaling up – Verne Harnish

**Further reading**



# BIOCATALYSTS

exceeding enzyme expectations

[www.biocatalysts.com](http://www.biocatalysts.com) | [sales@biocats.com](mailto:sales@biocats.com)

