

SME and CXOs



‘SME¹ and CXO²s’, not much heard a concept among SME, Recruiter, CXOs, Industry Association, and the ecosystem. CXO(s) are synonym with very large corporations, large companies, and lately selectively among Startups.

SME are ‘Engine of Growth’ in aspiring India in more than one way, in terms of adding to GDP, employment, consumption, regional growth, extended organisation as partners, ... “SME reaching ecosystem” and “ecosystem reaching SME” is among the key challenges.

Some of the fundamental questions, “DO SMEs and CXOs need each other?”, “Is it Industry Specific?”, “Key Driving Factors”, “Concept of shared CXOs”, ...

Most SMEs are Promoters run, this is a strength and USP (Unique Selling Proposition) till a point and potentially a challenge beyond the point. There is very fine line to reach, realise, and action the shifting of gears. It is primarily a tipping point for promoters to callout considering company and their personal growth & diversification aspirations. Next, there are some related questions like

- What does CXOs means for SMEs?
- Why would SME need CXOs?
- What do CXOs bring to table for SMEs?
- What CSF (Critical Success Factors) SME needs to consider?
- What factors CXOs needs to be aware & vary of before being CXOs to SME?
- few more related ‘?’ like these.

Some of them may look simple, but answer to them may not be really so simple & straight. Surely, there won’t be one answer for all.

CXO is lesser about title and more about bringing a perspective & value proposition to the table. Ideally, CXOs for SMEs should have worked in the environments that SMEs desire to achieve in terms of growth, scale, sustainability, ecosystem, new Go-To-Market (GTM) strategies, ... The environment may mean size-type-complexity of the organisation, product and/or services portfolio, matrix organisation structure, ...

People with Industry expertise & experience and/or CXOs primarily brings some of the differentiators for SME with hands-on experience like

- new business thinking and direction
- build and enhance internal & external ecosystem 360°
- hard, dotted, and task-based organisation matrix
- make organisation more of people-independent with enhanced focus on process-led organisation transformation
- business hygiene and business rhythm to drive business predictability
- enhanced transparency, accountability, measurability, scalability, ...
- look 'Outside – Inside' in organisation context
- thought leadership



source: <https://news.microsoft.com/en-in/features/technology-empowering-smes-realize-make-india-dream/>

in select cases, some of the CXOs may even mentor some of the SME Leaders. These CXOs may be part of system and/or external persons. Each Mentor may bring certain level of specialization in select areas and general experience & expertise is some. Hand-holding during mentorship relation is among most significant success factors, as it would always be evolutionary process in case to case basis.

CXOs getting hands-on with gentle handholding the stakeholders throughout the journey is amongst the most critical success factors. Both SME leadership teams and CXOs to have patience, develop cultural alignment, build mutual understanding, be open & frank with mutual trust & mutual respect, engage regularly with feedback & next steps, give space, ... Positivity with no compromise with fundamentals would be among critical aspects.

For SME leadership, it is critical to accept incoming CXOs on the face-value with their strengths, what they are not good @, and their weaknesses. Build & execute a mutually-agreed plan to evolve the journey. If SME propose to hire multiple CXOs at the same time or within short span of time, the challenge for SME leadership may be bigger for two key reasons (a) SME opening the window of Challenge & Opportunity on more than one front and (b) potential inter-personal conflicts & challenges among CXOs. This could be really tough challenge, but every challenge is always full of opportunity. It is critical, SME identifies and declare the CHANGE across the organisation with some of the non-negotiables and leadership stated position. It all starts from Top.

Introduction of CXOs is like inviting disruptions in more than one way. Both SME and CXOs will be challenged explicitly and implicitly continuously & repeatedly, onus will be on individuals to overcome the situations individually & together as a team. Focus shall be to take the challenge on face value than parking and/or ducking.



One of the CXOs as a Mentor for SME leaders may be another phenomenon that shall be evaluated. First, it shall not add layer of confusion or mess. Mentorship shall help SME leadership to graduate to common platform without compromising the fundamentals. Choice of right Mentor in CXO or otherwise in a given situation would be among another critical factors.

A full or partial U turn for either SMEs or CXOs may not be desirable. Both would need to walk extra mile to make it successful.

Ecosystem players like select Executive Recruitment firms may want to join transformational journey. This may be new business stream in congested & stagnated current scenario. These firms may even engage with ecosystem players like Government, Trade bodies, clusters, ... to open new conversations with SMEs. Such firms may want to build internal and/or external capabilities to build enablement model for both sides.

It is all about creating thought leadership about the concept and driving it in inclusive manner. All the stakeholders shall play their bit in community building.

SME leadership and in-coming CXOs must believe-in “Ek baar jo maine commitment kar di, fir main apne aap ki bhi nahi sunta”, here more individually and together.

It is no rocket science, but surely easier said than done. Having said so, it is equally inevitable.

¹ Small and Medium Enterprises

² Chief Executive Officer, Chief Operating Officer, Chief Marketing Officer, Chief Finance Officer, Chief Technology Officer, Chief Information Officer, Chief Strategy Officer, Chief of Human Resources, ...