THE SUCCESS FACTORS OF SENIOR-LEVEL POSITIONS HIRING FOR STARTUP COMPANIES IN THAILAND

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ABSTRACT

This study investigates the influential factors shaping the acceptance of job offers by senior-level candidates in Thailand's startup sector. In a highly competitive job market, it seeks to uncover the primary drivers motivating senior professionals to opt for positions within startup companies. Utilizing a qualitative approach, the study conducts semi-structured interviews with five recruitment experts, including three representing startup firms and two with experience in recruiting for startups. These primary insights are supplemented with data from credible sources, established theories, and prior research, forming a comprehensive analytical foundation. The research findings underscore the significance of alignment between candidates' personal values and a startup's mission and values. Furthermore, candidates assess the competence and experience of the management team, the stability and performance of the business, and the appeal of stock option plans (ESOPs) as compensation mechanisms. Additional evaluation factors include job-related aspects like title, reporting structure, team size, and responsibilities. The study concludes by proposing strategies to enhance startup attractiveness to senior-level talent, emphasizing the articulation of a unique Employee Value Proposition (EVP), effective communication initiatives, optimal job design and employment offerings, and compelling rewards systems. These insights empower startups to reduce recruitment costs and improve their ability to secure senior-level candidates, reinforcing their competitive position in Thailand's talent market.

KEY WORDS: Employer Branding/ Recruitment/ Startup

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CHAPTER I
INTRODUCTION

The startup industry in Thailand has experienced significant growth, with the number of startups increasing from 102 in 2018 to over 1,000 in 2022 (Pungcharoenpong, 2022). This growth has created a demand for experienced individuals who can help drive these businesses toward their strategic goals. Based on the author's six years of experience in the HR field and interviews with startup recruiters, it is evident that key players in startups typically consist of co-founders who are part of the management team, along with external candidates who join the company later. These external candidates are highly sought-after individuals in the talent market, often experts in their fields and holding management positions in reputable large businesses, either local or international. They bring valuable knowledge of best practices and have access to useful tools. Additionally, startups also attract talent from other startups which are known to be successful, as their accomplishments make them appealing and being recruited to help drive other businesses.

With the increasing number of startups, the competition to attract senior-level talent, who play a critical role in driving business success, has become more intense. Many companies, including both large corporations and startups, have recognized the importance of branding themselves as employers of choice. However, due to the high risk associated with startups, the rejection rate for these positions remains high. Without proper branding or unique selling points that appeal to candidates, securing critical roles with high-profile individuals can be challenging.

Therefore, the objective of this thematic paper is to study the factors that drive senior-level candidates to accept job offers at Thai startups. As the recruitment costs could

be high, whether it be direct costs such as the headhunting or recruitment agency fee, salary of the recruiters, and job advertisements. While the indirect costs are less tangible or hidden costs that are not directly tied to specific recruitment activities but still impact the overall recruitment such as time and effort invested by the internal HR team or hiring managers in reviewing resumes, conducting interviews, and evaluating candidates. Indirect costs can also include the opportunity cost of having vacant positions, decreased productivity due to understaffing, and potential negative impacts on employee morale and organizational performance, it would be highly beneficial if startups can successfully secure the job acceptance soonest to minimize these costs.

This study employs a qualitative methodology, utilizing semi-structured in-depth interviews with five interviewees from the recruitment field. Three of the interviewees are recruiters from startups, while the other two are headhunters who have worked with startup clients. The study also incorporates secondary data from trustworthy sources, previous research, and existing theories to establish a baseline and conduct a comprehensive analysis.

The study features the principles of employer branding encompasses the application of marketing principles, particularly in branding, to HR initiatives aimed at engaging current and potential employees (Edwards, 2010). A central concept within employer branding is the Employee Value Proposition (EVP), which refers to the benefits and advantages offered by the company to attract candidates (Pawar & Charak, 2015; Pham & Vo, 2022). Components of EVP include opportunities, work, value & culture, rewards, and life benefits (Foster, 2019). As well as the model developed by Theurer et al. (2016) called Employer Brand Value Chain Model which talks about value creation process of an organization's employer brand and its influence on various outcomes such as talent attraction, employee engagement, and overall organizational performance. This research paper also examines the application of Maslow's Hierarchy of Needs, a psychological theory proposed by Abraham Maslow in 1943. The hierarchy suggests that individuals have a set of hierarchical needs that drive their motivation and behavior, ranging from basic physiological needs to self-actualization. The last theory featured is marketing funnel which

will be applied to the employer branding communication process, from creating awareness among candidates to converting their interest into accepting the job offer.

There are two main expected benefits of this study. Firstly, it will provide valuable insights for startups seeking to build their employer brand and attract senior-level talent in the highly competitive market. Secondly, it will discover the factors that influence candidates' decision-making processes when considering job offers from startups.

CHAPTER II
LITERATURE REVIEW

Definition of Related Terms:

1) **Startup** is known to be a disruptor as it aims to introduce new ways of doing the business or entirely new products/service that no one has done it before in the industry (Baldridge & Curry, 2022). Herrity (2022) stated that they are considered to be similar to small businesses but vary in:

   - Industries: Emerging businesses and technologies-based
   - Target: Aim to reach large geographical area based on demand and potential growth
   - Growth: Strategize the business to grow at a fast pace
   - Financial investment: Funding from investors instead of loans
   - Longevity: Unpredictable to operate in the long run. Most startups fail and (Eisenmann, 2021).

2) **Senior-level positions** or known as executive level or management level, are those with decision-making power and high level of responsibility of the company (Indeed Editorial Team, 2023). They are the candidates or employees who are highly experienced, trusted to lead the teams, and are near, or at the top of organizational structure (Scurfield, 2018).

Employer Branding and Employee Value Proposition:

With increasing competition in both business and talent acquisition, many companies are placing greater emphasis on employer branding. This shift has led several Thai corporations to establish dedicated communication or branding teams focused on creating a positive image as an attractive place to work while there were only branding for

the products before. Employer branding encompasses the application of marketing principles, particularly in the realm of branding, to HR initiatives aimed at engaging both current and prospective employees (Edwards, 2010). Employer branding is a concept that varies in definition across different studies. Pawar & Charak (2015) mentioned that employer branding involves creating a perception of being an exceptional workplace among current and potential employees which also aligns with Minchington (2010).

'At the heart of the Employment branding is the Employee Value Proposition (EVP)' (Pawar & Charak, 2015) which are the perks and advantages the company offers to attract candidates (Pham & Vo, 2022). Foster (2019) has identified 5 components of EVP including opportunities, work, value & culture, rewards, and life benefits.

Theurer et al. (2016) has developed the Employer Brand Value Chain Model based on existing literature which describes the process through which an organization's employer brand creates value and influences various outcomes, such as attracting and retaining talent, employee engagement, and overall organizational performance. The framework combines the concept of both employer branding and EVP together, and consists of 4 stages.

Note. Well-researched areas are highlighted in white, under-researched areas in grey
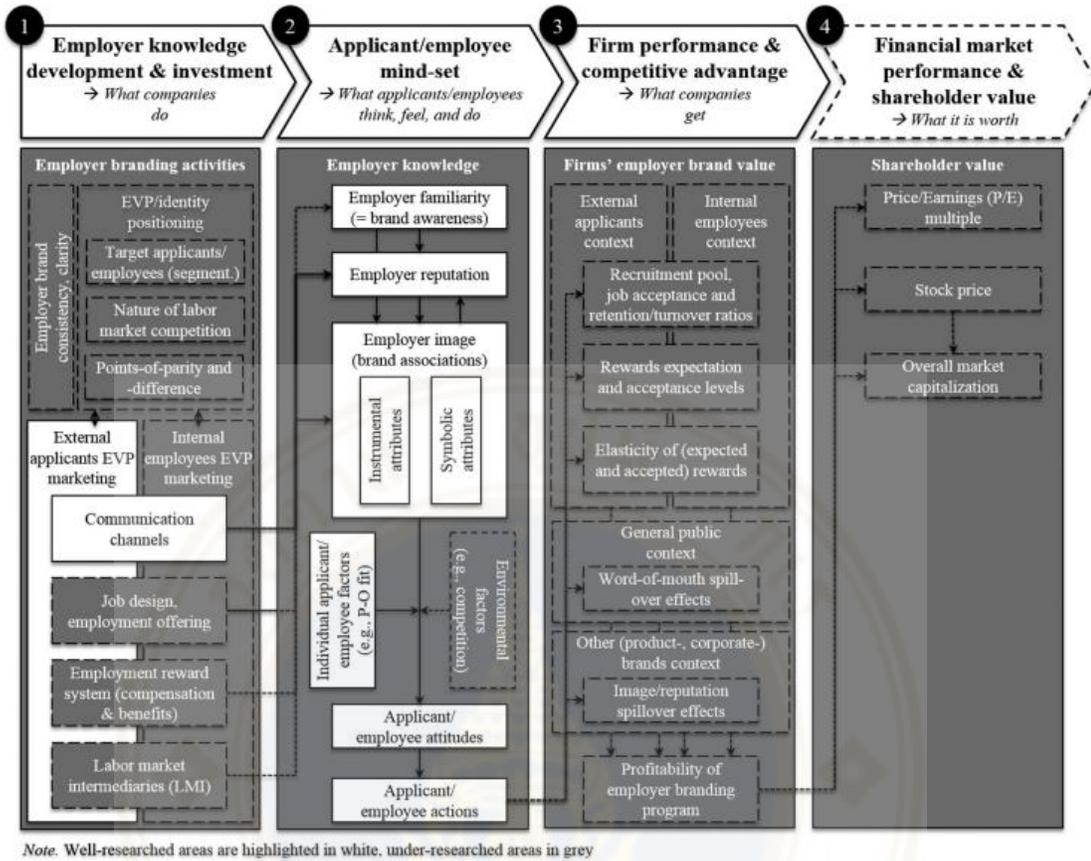
Figure 2.1 Employer Brand Value Chain Model (Theurer et al., 2016)

1) what companies do: identify EVP, target employees, nature of labor market competition, and points-of-parity and -difference then select the communication channels to convey the message externally or internally and practice them throughout the employee life cycle from job design, rewards system, to the LMI. *2) what applicants/employees think, feel, and do:* talks about brand awareness, reputation, and brand association of the company, which will then affect the applicant's attitudes and actions. *3) what companies get:* what the companies will get after effective employer branding and positive attitudes and behaviors from the candidates will are increased in recruitment pool and job acceptance rate, to positive word-of-mouth and spill-over effects. *4) what it is worth:* talks about shareholder values which should be positively influenced by 3) such as P/E ratio, stock price, and market capitalization.

In this study, the author would like to define Employer Branding as the way that the company communicates its unique selling point as an employer to attract senior-level candidates to want to work with the company through the promotion and utilization of EVP as both points-of-parity and points-of-difference. It will also focus on Employer Brand Value Chain model from stage 1-2 as it could be validated through the research methodology of this study and the recommendation for startups to gain improved results in stage 3.

Maslow's Hierarchy of Needs

Maslow's hierarchy of needs is a psychological theory proposed by Abraham Maslow in 1943, which suggests that individuals have a set of hierarchical needs that drive their motivation and behavior. The hierarchy is illustrated as a pyramid with five levels where the bottom level needs to be fulfilled first before they seek further step of needs, from physiological needs to self-actualization. This framework can be applied to the benefits provided by the companies which can be matched at each level of the pyramid. The author will further analyze in the findings and recommendations chapter.
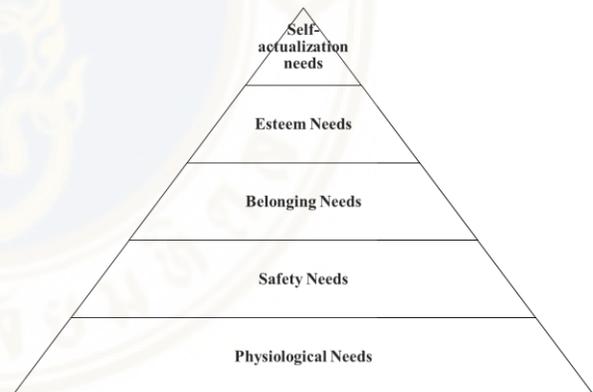
Figure 2.2 Maslow's Hierarchy of Needs (Maslow, 1943)

Marketing Funnel

The framework is commonly associated with the work of E. St. Elmo Lewis, who introduced the AIDA model (Attention, Interest, Desire, Action) in 1898 which was also called the purchasing funnel (Oxford Reference, n.d.). It then was applied and developed to be the standard 4-stage marketing funnel which are awareness, consideration, conversion, and loyalty.
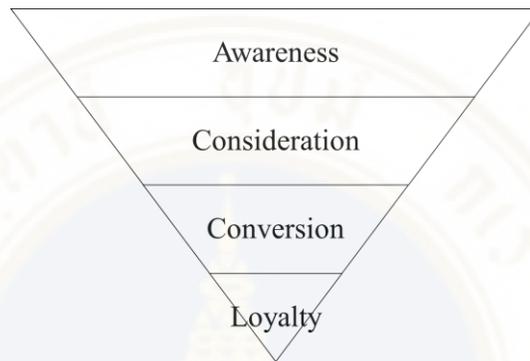
Figure 2.3 Marketing Funnel developed from AIDA Model (E. St. Elmo Lewis, 1898)

In this study, the author aims to apply this framework with the employer branding communication from awareness (candidates are aware about the vacancy) to conversion (candidates decide to accept the job offer).

CHAPTER III

RESEARCH METHODOLOGY

In this study, a qualitative research methodology was used to investigate the factors contributing to successful hiring in Thai startup companies, with a specific focus on company branding and employer branding. The primary data collection method used was semi-structured in-depth interviews, which allowed exploration of the topic. Open-ended questions were utilized to gain detailed responses from the interviewees based on their expertise and direct experience in recruitment and talent acquisition.

Selection Criteria:

As the focus of the study is "Successful Hiring of Senior-Level Positions for Startup Companies," a careful selection process was implemented to ensure the individuals with relevant expertise. All interviewees are required to possess direct experience in recruitment or talent acquisition for senior roles (including but not limited to Manager/Senior Manager, Head of, Director, Chief of Department positions depending on the company's organizational structure) of startup companies, as they play an important role in sourcing, discussing, and negotiating with candidates. A minimum of two years of recruitment experience was considered necessary to provide valuable insights and identify trends. Additionally, the study also extended the scope to include "Headhunters" who have worked for startup clients, given their extensive knowledge and access to valuable information from diverse companies, which is particularly significant in a highly competitive recruitment landscape.

Interviewees' Profile:

To ensure the confidentiality of sensitive information, pseudonyms will be used to refer to the interviewees while sharing the results and analysis. Below is a brief overview of the 5 interviewees, 3 of which are company recruiters, and the other 2 are headhunters:

<u>Interviewee 1:</u>

Name: Gift

Age: 30

Location: Café in Sukhumvit area

Date: 10 June 2023

Professional Background: Gift is currently working at a technology subsidiary company of Thailand's largest conglomerate as Talent Acquisition Manager. Previously, her latest position was Talent Acquisition Lead at the IT startup company providing Technology solutions, systems, and platforms for clients. In the past, she started her first job as Associate Recruitment Consultant at a recruitment agency for 1 year. *Gift will be interviewed for this study based on her role at the IT startup company.*

<u>Interviewee 2:</u>

Name: Dream

Age: 27

Location: Phone Call

Date: 17 June 2023

Professional Background: Dream currently holds a position of Assistant People Manager at one of Thailand's largest startups in FinTech overseeing end-to-end recruitment process from manpower planning to onboarding process. She has been working here for almost 2 years. Prior to her current position, she worked in 2 well-known recruitment agencies where she focused on engineering, commercial, and technical roles for almost 4 years. *Dream will be interviewed for this study based on her current role.*

Interviewee 3:

Name: May

Age: 27

Location: Phone Call

Date: 17 June 2023

Professional Background: May is an experienced Talent Acquisition Lead of multinational unicorn startup company headquartered in India with one of international offices based in Bangkok Thailand. The company provides used car marketplace online platform to the users. Prior to her current role, May was Talent Acquisition at another Thai startup and a recruitment agency. *She will be interviewed for this study based on her current role.*

Interviewee 4:

Name: Champ

Age: 40

Location: Café in Sukhumvit area

Date: 10 June 2023

Professional Background: Champ has been working in the Executive Search firm for over ten years. His work focuses mainly on management positions (minimum monthly salary of 150,000 baht) for several types of companies ranging from multinational corporations, local companies, and startups. He has close relationships with both the client side, as well as the candidate side. With over a full decade, Champ has extensive experience in discussing with top management positions with various backgrounds. *He will be interviewed for this study based on his current role.*

Interviewee 5:

Name: Mook

Age: 29

Location: Café in Sukhumvit area

Date: 10 June 2023

Professional Background: Mook is a consultant specializing in OD (Organizational Development) at a global consulting firm. Prior to her current role, she worked at a recruitment firm as Senior Recruitment Consultant for 2 years. *She will be interviewed for this study based on her previous role as Recruitment Consultant.*

Table 3.1 Interview Questions for Company Recruiters

Topic	Questions
Company Branding	Are your friends and family members familiar with your company?
	How many active users does the company have?
	Does your company engage with the general public through activities such as press release, news coverage, or advertisements?
	Does your company have high engagement on social media channels such as Facebook and Instagram? The indicator can be number of likes and followers.
Employee Value Proposition	Does your company provide a competitive salary?
	What are some distinguished/outstanding monetary benefits of the company i.e., bonuses, pay raises, allowances?
	What are some distinguished/outstanding non-monetary benefits of the company i.e., time off, healthcare, work from home or hybrid work?
	Does the company provide great career and development opportunity such as promotion, training, or coaching?

Table 3.1 Interview Questions for Company Recruiters (cont.)

Topic	Questions
Employee Value Proposition	How would you describe the company culture?
Employer Branding	Does your company engage in employer branding activity? Which channels do they use to reach the target?
	Would you consider employer branding activity useful or effective?
Recruitment Experience	How does the recruitment process work at your company?
	Is the majority of the candidates from job advertisement or are they approached by the recruiters? How many applicants do you receive on average?
	Is your company widely recognized among the candidates?
	What is the candidate's sentiment or reaction once they are approached by you?
	What is the placement rate? What about candidate rejection rate?
	What do you think is the main factor that the candidate accepts the job offer?
	What are the main reasons of the candidate who turn down the offer?

Table 3.2 Interview Questions for Headhunters

Topic	Questions
Recruitment Experience	Who are your main clients?
	What are the main sources of the candidates?
	Is the experience between working for large companies and startup companies different in terms of sourcing/approaching the candidates, discussion, placement? Please share in detail.
	What's the different in terms of benefits provided
	For the job from startup clients that you've worked for, what is the placement rate? What about candidate rejection rate?
	What do you think is the main factor that the candidate accepts the job offer?
	What are the main reasons of the candidate who turn down the offer?

CHAPTER IV

FINDINGS ANALYSIS

This chapter provides an in-depth analysis of the structured interviews conducted with the six participants. By exploring the shared experiences and perspectives, we uncover compelling facts that highlight a successful placement of senior-level positions at a startup company. The findings reveal common factors provided by the interviewees' responses.

Source of Candidates and Hiring Process:

Given the study's primary focus on senior-level positions, all interviewees unanimously agreed that the primary source of candidates for such roles is through referrals or direct approaches (the recruiters are the one who approach the passive candidates directly as they're not actively looking for a job change) because senior-level candidates rarely apply to positions on their own, and companies tend to avoid publicly posting job advertisements for these positions to maintain organizational sensitivity. Recruiters serve as the initial point of contact, reaching out to candidates and providing them with essential information about the role. Subsequently, the candidates are introduced to senior-level interviewers, typically the Head of the HR Department, followed by the supervisor of the role, often a member of the management team. Once the candidates are engaged in the recruitment and selection process, several critical factors come into play including **Alignment of candidate's personal passion and company's goal, Management and owners, Business performance, Stock option, and The role,** influencing their decision to accept the job offer which will be described in detail below.

Alignment of Candidate's Personal Passion and Company's Goal:

Senior-level candidates prioritize finding a company whose goals align with their own passion. This means they seek organizations that are working towards a mission or vision that resonates with their personal values and professional aspirations. Candidates want to feel a sense of purpose and fulfillment in their work, and they are more likely to contribute their best when they are passionate about what the company is trying to achieve. To provide a clearer example, a fast fashion startup aiming to become environmentally conscious and reduce their carbon footprint has successfully recruited a candidate from a global online travel company as their Head of Sustainability. This candidate's passion for making the world a better place through environmentally friendly actions has played a significant step in this pillar. The initiatives taken under her including recycling unsold collections into new pieces, using the old, printed billboard as a packaging box for supply chain and shipment. Another startup is a social enterprise aiming to improve the quality of life of the technicians/handyman, the Head of Operations who notice this point also wants to join and help driving.

The interviewees in this study unanimously agreed that when the company's goals match a candidate's personal passion or interest, they are more likely to be open for further discussions and proceed to the next recruitment steps. Even if the offered package is lower than their expectation or current salary, candidates often express a willingness to continue the discussion and explore potential agreements. However, if the offered package is significantly lower (e.g., 50% lower), it may become a higher priority for candidates and potentially affect their decision.

Throughout the recruitment process, candidates gather information about the company's goals and alignment with their passion. They engage in discussions with recruiters, interviewers, and management, which provide deep insights and sometimes touch upon confidential strategic directions. However, candidates still often request additional information via email to further study and understand the company before

making a decision, and visit company's website, LinkedIn page, GlassDoor reviews, and other job posting channels which contain employees review.

Management and Owners

The candidates expect to work alongside competent and experienced individuals who can contribute valuable insights and experiences to their professional growth. Therefore, they pay close attention to the management team of the company during the recruitment process as this group of people will become their peers or close colleagues in the future. Candidates often inquire about the CEO's and management team members' background, including their previous work experience and the duration of their tenure with the company. They may even request the full names of the CEO, founders, and other members of the management team to conduct further research on platforms like LinkedIn or consult their professional networks.

Recognizing this candidate expectation, some startups actively work to enhance the presence and credibility of their CEO and management team by arranging for their executives to be guest speakers at the events, encourage them to write informative articles, create engaging videos, and promote these resources on their employer branding communication channels. By showcasing the expertise and accomplishments of their leadership, startups aim to build trust and confidence in their business.

Furthermore, candidates also inquire about the business structure, particularly whether the CEO is also a founder and the distribution of company shares among the founders and investors. This information holds significance for candidates as it provides insights into the stability and direction of the business. The involvement of reputable investors can enhance a startup's credibility and influence candidates' perceptions. Additionally, understanding who holds decision-making power within the organization is crucial for candidates, as it impacts their own work and the potential alignment of their goals with the company's strategic direction.

Business Performance:

Most candidates are concerned about business performance as it can indicate stability when considering roles at startup companies. For less well-known startups, the frequently asked questions are *how long the startup has been operating, what the business it does, how sales are going, who their investors are, the amount of authorized capital, and what stage of funding they are in.* Some even mentioned directly that they worry about the *company going out of business or being laid off.* Many candidates that do not apply for the role by themselves but are approached by the recruiters will usually ask the recruiters to call them back after a few days so they can do more research on the company or ask the recruiters to send the company profile to their email. They tend to check the Department of Business Development (DBD) website for financial statements, find some news, read reviews on web boards, and ask someone they know to gain more information. For the candidates that apply to the job by themselves, they already learn about the company through the same channels before applying.

However, for well-known startups, such as unicorn companies or international ones, candidates approached by recruiters would have fewer questions. They believe that big names mean greater stability. When they hear the company name, they often respond with recognition and shift their focus toward future expansion plans and the potential role they may play. It implies that established brands with more users tend to gain trust from the candidates more easily.

It can also be observed that the candidates take pride in their work at a well-known company based on their enthusiasm in updating their professional profile on LinkedIn which announces that they have recently accepted the offer or joined the company, while for the less-established startups, the candidates will take some time to ensure that their job here is stable or until they feel settled before they update their profile as they are afraid of not passing probation or being laid off after a short period of time.

Stock Option and Ownership:

Senior-level candidates are often presented with an attractive perk known as An Employee Stock Ownership Plan (ESOP), which grants them real ownership of the business. These offering appeals candidates because it provides them with the opportunity to share in the company's profits based on their performance and contribution. The ESOP's specific conditions and terms are determined by the company's policy, and one key element is the vesting period.

During the vesting period, the employee must remain with the company in order to fully acquire the shares granted through the ESOP. This means that ownership rights to the allocated shares are earned gradually over time. The purpose of the vesting period is to incentivize employee retention and loyalty by linking their long-term benefits to the overall performance of the company. As the employee continues to work for the company and contributes to its success, they accumulate greater ownership rights.

Once the vesting period is completed, the employee gains the right to exercise their ownership and potentially engage in various actions such as selling or transferring the vested shares. This provides them with a financial opportunity to capitalize on the value they have built through their tenure with the company.

ESOP plays a significant role in compensating for the potential disparity in salary or other monetary benefits when hiring senior-level candidates in startups. It serves as an attractive incentive for candidates who may have been earning higher salaries in their previous roles. In many cases, startups may not have the financial resources to offer competitive salaries that match those of established companies. However, by incorporating an ESOP as part of the compensation package, startups can provide an alternative form of compensation that holds great appeal for senior-level candidates. ESOPs offer candidates the opportunity to become shareholders and have a stake in the company's success. This means that as the company grows and becomes more profitable, the value of the shares granted through the ESOP increases. Therefore, candidates are willing to accept lower base

salaries or equivalent compensation in exchange for the potential financial rewards associated with the ESOP.

The Role:

When considering a role in a startup, candidates pay attention to both the job title and the scope of work. Regarding job titles, candidates typically seek career growth and prefer more senior position titles, such as Senior Manager, Head of, or Director, compared to the current position. Candidates tend to be dissatisfied if the new role is more junior and they will express their expectations during early discussions and inquire about the possibility of changing the title to a more senior role if they are successful candidates.

In terms of the work scope, there are three main areas of consideration: reporting line, team size, and responsibilities. The reporting line plays a significant role for candidates who are accustomed to reporting to C-level executives or directors in their previous roles. They may hesitate to move to a startup if it means reporting to less senior leaders, as it can imply lower decision-making power and limited opportunities to drive impactful change. However, startups often have flatter organizational structures, where managers or heads of departments can hold positions as senior as C-level executives in larger companies due to the reduced number of hierarchical layers.

Team size is another aspect that candidates evaluate. In startups, teams are typically smaller, with one person being responsible for multiple tasks or broader specialization. This contrasts with larger companies that have specialized sections within departments. For example, HR department at a large-sized company may have separate sections for payroll, compensation & benefits, learning & development, engagement, communication, HR operations, and recruitment. While in startups, one HR professional may be responsible for handling multiple areas. Some candidates may be concerned about how leading smaller teams in startups may impact their leadership profile.

Lastly, the responsibilities. Startups offer an environment and work process that encourage innovation and self-initiation. Unlike larger companies where established practices and protocols already exist and strategies are often driven by top management,

startups provide opportunities for candidates to make a significant impact by leveraging their own creativity and ideas. Candidates see working in startups as a chance to achieve outstanding accomplishments, whether it's expanding into new markets, driving exponential business growth, securing fundraising, or even becoming listed on the stock exchange. These achievements hold intrinsic value of accomplishment, as well as extrinsic value of pride, praise, and recognition in the market.
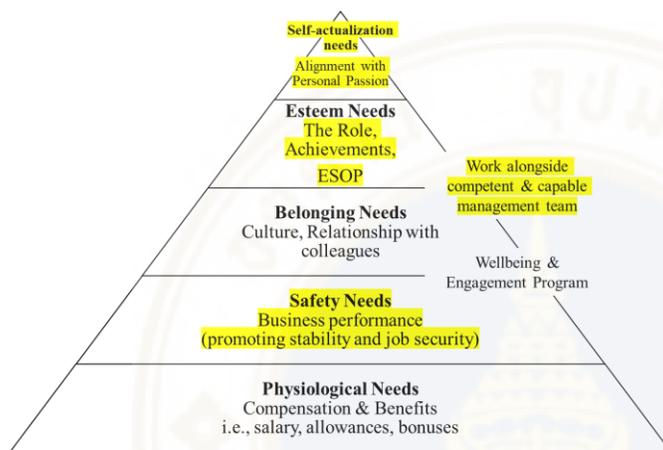

Figure 4.1 Employee Value Propositions and Maslow's Hierarchy of Needs

The general EVPs from companies align with Maslow's Hierarchy of Needs *Factors considered important for the senior-level candidates to accept the job offer at a startup are highlighted in yellow.* Starting with physiological needs like food, water, shelter, and sleep, employees' basic survival requirements can be met through reasonable salaries and benefits. Once physiological needs are fulfilled, the focus shifts to safety and security, including personal security, financial stability, and a safe working environment. Stable business performance and wellbeing programs such as work-from-home policies and health insurance contribute to meeting these needs. Employees also seek belonging, desiring connections and acceptance within social groups or communities. Company culture, relationships, and engagement programs play a vital role in fulfilling these needs. Performance-based rewards, such as ESOPs, satisfy esteem needs, boosting self-esteem through recognition and competence and a sense of achievement which also comes with the resonsiblity of the role. Being a part of competent management team also boosts their

esteem and belonging needs. Finally, alignment with perosonal passion are linked with self-actualization as it's driven by personal development, and experiencing personal fulfillment.

The author observes that individuals who have already fulfilled their needs at higher salary levels and achieved a sense of accomplishment through leading multiple projects tend to prioritize pursuing their own passions and making an impact in their next career move which is the reason why their needs do not follow the Maslow's level. Unlike entry to middle-level employees, their factors align more closely with the framework as their basic needs have not been fulfilled.

Company Branding:

During the interviews, it was found that senior-level candidates do not place a significant emphasis on the reputation or popularity of a company's brand, and it does not have any distinctively large advantage over the smaller brands. Instead, they conduct thorough research and evaluation during the recruitment process to assess the alignment between their personal interest and the company's values. Simply being a well-known brand or having a large user base does not guarantee the candidate's acceptance of a job offer. What matters more to them is the connection they feel with the organization and their own sense of passion, as well as any indications of stability and confidence they can gather from their industry experience.

CHAPTER V

CONCLUSIONS & RECOMMENDATIONS

In the previous chapter, we've gained several useful insights and learned the main success factors for startups to recruit senior-level positions who are highly demanded in the market. We can conclude that most candidates are passive candidates who will be directly approached by the company's recruiters or referrals. Candidates prioritize finding companies whose goals align with their personal passions and values. They also consider the competence and experience of the management team and owners, as well as the stability and performance of the business. The offering of stock options, known as ESOPs, serves as a compensatory mechanism for startups that may not offer competitive salaries. Candidates also evaluate the role itself, including the job title, reporting line, team size, and responsibilities. By understanding and effectively addressing these factors, startups can **attract more senior-level candidates, and successfully secure job offers with improved acceptance rate as the companies could be perceived as more appealing to work with.** The author would like to provide some recommendations below based on the obtained insights and personal experience in the HR field below.

Table 5.1 Findings and Recommendations Mapping

Factors from the findings	Recommendations
Alignment with Personal Passion	• Establish the company's vision, mission, and values clearly. • Set the communication strategy, implement it, measure the results, and make improvements.

Table 5.1 Findings and Recommendations Mapping (cont.)

Factors from the findings	Recommendations
Management	• Display the profiles of the management team on the communication channels. • Frequently showcase the management members' skills and expertise through business talk, events, online/offline media through interview, testimonial, knowledge sharing • Upskill the co-founders if they are part of management team to equip with needed skills.
Business Performance	• Build business credibility through public relations activities such as press release and press conference. • Prepare and publish quarterly business performance update like the company listed in the stock market.
Stock Options and Ownership	• Review the existing compensation and benefit schemes, ensuring the presence of performance-based rewards and long-term incentives to promote a sense of ownership and retention. These could include performance bonuses, ESOPs, and profit sharing.
The Role	• Ensure that effective job design is in place. The responsibility given should be challenging and impactful enough to attract the senior-level candidates to fulfill their passion. • Design good organizational structure with salary structure and job titles to ensure that the job scope, title, and compensation align with the industry standard.

To facilitate the implementation process for startups, the author proposes the utilization of the Employer Brand Value Chain framework as a practical guide. The above recommendations are aligned with each stage of the Employer Brand Value Chain to successfully hire senior-level candidates:
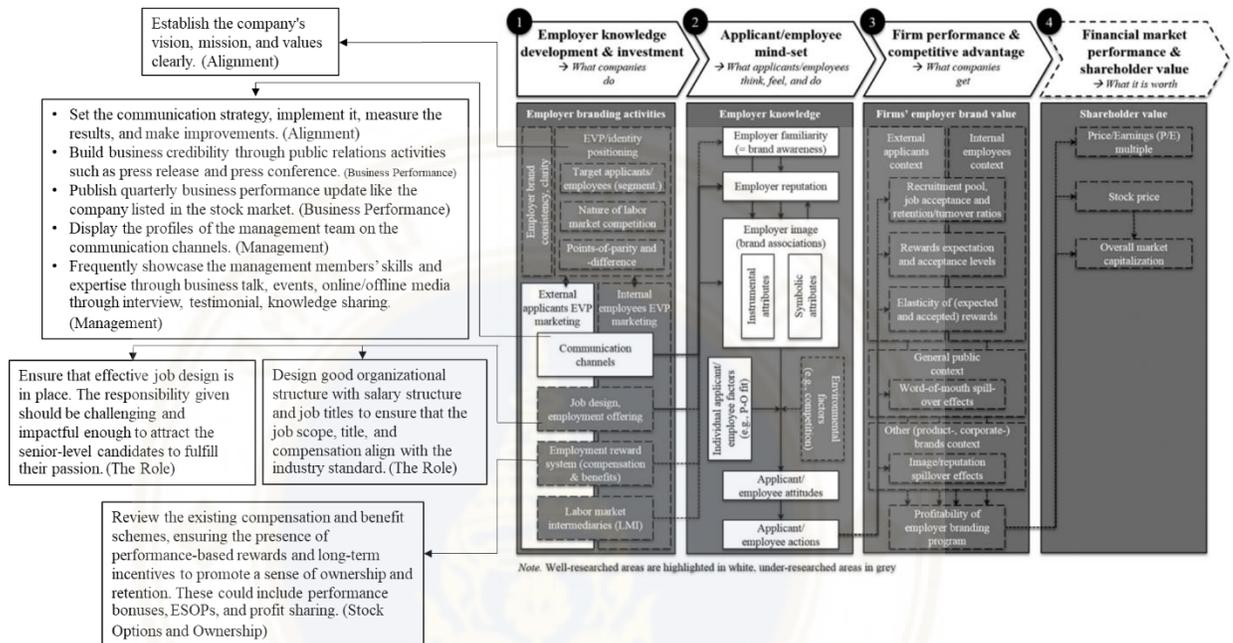
Figure 5.1 Employer Brand Value Chain Model (Theurer et al., 2016) and recommendations

1) Identifying the unique Employee Value Proposition (EVP) clearly. (Alignment)

Start by identifying the unique Employee Value Proposition (EVP) which includes opportunities, work, **value & culture**, rewards, and life benefits (Foster, 2019). **The company's vision, mission, and values are part of the value & culture of the EVP.** Therefore, as we want to target the senior-level candidates, understanding the needs and preferences of this group, focusing on it, and aligning them with the company's goals and values are crucial.

2) **Strategize and implement effective communication activities (Combination of Alignment, Business Performance, Business Performance, and Management)**

Based on the primary data gathered from in-depth interviews, senior-level candidates commonly engage with communication channels such as LinkedIn, GlassDoor, company websites, and other employer review platforms. Once the unique Employee Value Proposition (EVP) has been clearly defined, the next step is to strategize and execute effective communication activities.

As discussed in the MGMG585: Strategic Brand Management, lecture 2 at CMMU, it is essential for companies to create a brand essence that captures the promise, vision, and culture of the organization. This tagline should deliver a compelling message that ignites candidates' passion, while remaining impactful, inspiring, and realistic. Startups should highlight how their organization is making a difference and creating a positive impact. By demonstrating a strong alignment with candidates' passions and values, startups can enhance their chances of attracting and engaging top talent for senior-level positions. Clear and consistent communication of this message across relevant touchpoints is crucial to attracting and maintaining candidate interest.

These communication channels should also showcase the company's business activities, providing information about performance, stability, and the management team. This can include background details, interviews, knowledge sharing, and more to showcase the team's competencies and build credibility. Startups should actively promote the achievements of their executives and create opportunities for them to engage with industry networks. Transparently communicate the business structure and highlighting notable investors or influential stakeholders further enhances the appeal to senior-level candidates, who seek to work in an environment with capable colleagues and a stable foundation for growth.

In addition to maintaining a regular presence on online communication channels, startups should engage in press activities such as releases and conferences to sustain momentum and increase awareness and visibility of the business. These efforts collectively contribute to building a strong employer brand and attracting top talent.

Overall, startups should leverage these communication channels consistently, adapting the length and writing style to suit each platform while ensuring the core content pillars remain the same. By employing these strategies, startups can effectively communicate their EVP, highlight their business activities, and create a favorable impression among senior-level candidates, thus increasing their chances of securing top talent for their organization.

3) Job design and employment offering (The Role)

To attract senior-level candidates, it is crucial to have an effective job design in place. The responsibilities assigned to these roles should be challenging and impactful, offering candidates the opportunity to fulfill their professional passions. A well-designed job that offers meaningful and stimulating work is more likely to capture the interest of experienced professionals.

In addition to job design, startups should also pay attention to their organizational structure, including salary structures and job titles. It is important to align the job scope, title, and compensation with industry standards. This ensures that candidates perceive the role as being in line with their expectations and the prevailing market conditions. Having a clear and competitive salary structure helps to attract top talent and demonstrates the startup's commitment to fair compensation practices.

4) Design the compelling rewards system (Stock Options and Ownership)

Not all startups possess abundant financial resources to attract and hire senior-level candidates solely based on high salaries. It is important to acknowledge that offering a competitive salary may not be feasible for every startup, and interestingly, senior-level candidates often prioritize factors beyond monetary compensation. Instead, they are increasingly drawn to performance-based rewards and incentives that reflect their contributions to the company's success, boosting their sense of esteem. One such incentive is a performance bonus, which allows senior-level candidates to earn additional compensation based on their individual and team performance. By linking

rewards directly to performance outcomes, startups can motivate and incentivize senior-level employees to excel in their roles, driving the company's growth and success.

Another appealing option for senior-level candidates is ESOP or other similar equity-based programs. These programs provide an opportunity for employees to acquire company shares, aligning their interests with the long-term success of the startup. By granting ownership stakes, startups can foster a sense of ownership and loyalty among senior-level employees, as they become vested in the company's performance and financial outcomes.

Lastly, it's crucial for startups to establish a comprehensive rewards system that goes beyond monetary aspects. This can include recognition programs, career development opportunities, flexible work arrangements, and a positive work culture. Such non-financial rewards contribute to a sense of belonging and fulfillment, reinforcing the senior-level candidates' commitment to the company's mission and goals.

Once successfully done, the candidates' experience can be mapped into the marketing funnel according to the figure below;
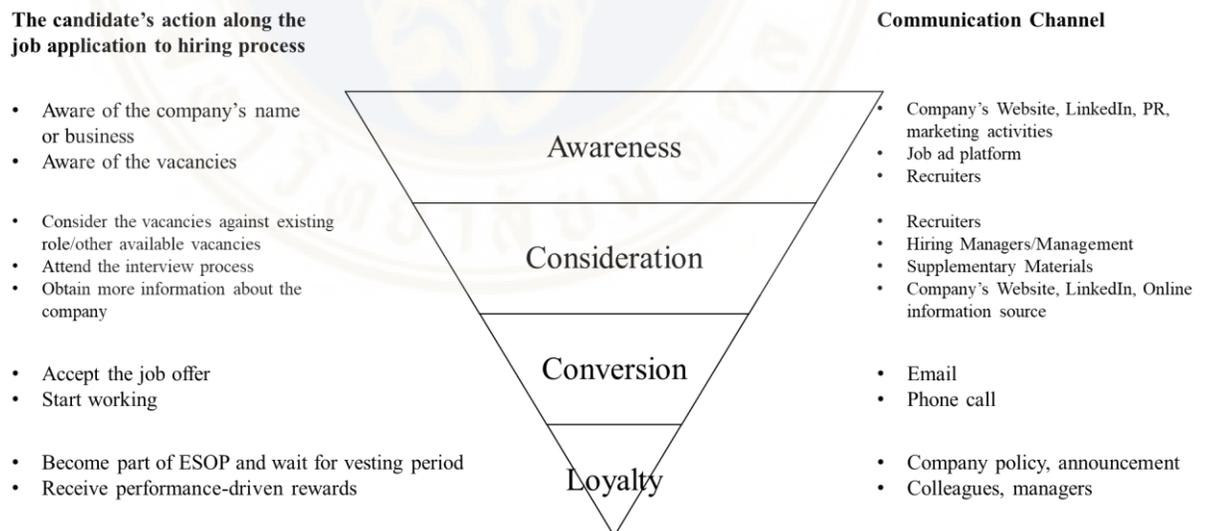

The candidate's action along the job application to hiring process

- Aware of the company's name or business
- Aware of the vacancies

- Consider the vacancies against existing role/other available vacancies
- Attend the interview process
- Obtain more information about the company

- Accept the job offer
- Start working

- Become part of ESOP and wait for vesting period
- Receive performance-driven rewards

Awareness

Consideration

Conversion

Loyalty

Communication Channel

- Company's Website, LinkedIn, PR, marketing activities
- Job ad platform
- Recruiters

- Recruiters
- Hiring Managers/Management
- Supplementary Materials
- Company's Website, LinkedIn, Online information source

- Email
- Phone call

- Company policy, announcement
- Colleagues, managers

Figure 5.2 Candidates' experience and the marketing funnel

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