



UNIVERSITY OF
CAMBRIDGE

Careers Service

A short guide to

Working for an SME

Cambridge University Careers Service

www.careers.cam.ac.uk

A Short Guide to Working for an SME

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1 What is an SME?

Small to medium size industries, or SMEs, are typically classed as private businesses which employ fewer than 250 people and a turnover of less than €50m. SMEs are further broken down into micro (<10 employees), small (<50 employees) and medium (<250 employees).

In 2023, employment in small businesses was 13.1 million (around 61% of all private sector jobs), and in medium-sized businesses employment was 3.6 million (13% of private sector jobs). This compares to the 10.8 million people (39% of private sector jobs) employed by larger businesses (250+ employees). ([Department for Business and Trade 2023](#)).

Whilst it is accepted that the smaller SME's are, by their nature, less likely to employ large numbers of graduates, SMEs still make a significant contribution to the employment market.

2 Typical industries

SMEs can be found in all sectors and in many industries, for example Architecture, Advertising and Marketing and professional and legal services, they are the commonplace. Cambridge is a good example of a thriving SME community in Life Sciences and Technology, and many start-ups in the city have gone on to employ highly skilled graduates as their businesses have developed.

Common industries:

- Legal services
- Life Sciences
- High-tech/software companies.
- Environment/Sustainability
- Consultancies
- Architecture & Design
- Marketing, advertising and public relations
- Arts, music, media and publishing (including not-for profit)

3 Why might you choose to work for an SME?

Whilst it's already been noted that many industries are dominated by SMEs, and so by default you may find yourself working in one, graduates choose this route for a range of reasons.

'Big fish, small pond'

Smaller companies (particularly new start-ups) can allow you to participate in a wide range of activities in the working week. You may be afforded greater responsibility early

in your career, and feel you have more influence in not only managing your workload but contributing to the success of the company.

Your career may grow with the company

If you join a smaller company and grow your skills and experience with them, you could be contributing to their success and allow you to further develop your career. With a less-structured organisation you may be able to create new opportunities for yourself or be in the right place when a more senior role is required. Small companies tend to be more adaptive to new markets and open to new innovations, which for you may mean a more rewarding and challenging start to your career.

Geographic focus

Many graduate schemes will allow you to select a preference for where you would like to be based, but this will be determined by where their business operates from and the business case for where staff are deployed. If geography is key factor for you, then SMEs may be a good option for you.

Aligning to your values

Many graduates are drawn to smaller companies because their research shows that company to align well with their social, sustainability or business values. The chance to influence policy and direction from within a business is more likely to succeed in an SME, and many SMEs recruit on values – they need to know, in a small organisation, that their employees share the same vision and priorities.

Less competitive?

We know that the structure, salary and reputation of corporate graduate employers makes them highly competitive. With some of the disadvantages (suggested below) comes a potential advantage that SME roles are often less competitive. According to the 2023 [Graduate High Fliers](#) report, there are an average of 39 applications per vacancy for the top 100 employers, however this ranges widely, from 21:1 for public sector roles to 357:1 in the Consumer Goods sector. Whilst there are no clear figures for the application rate for SME vacancies, it is reasonable to suggest that, for all of the reasons stated, this ratio is likely to be lower.

Shorter recruitment cycle and application process

Unlike Graduate Programmes, the recruitment cycle is shorter, sometimes only a matter of weeks. Read more about the process below.

Start-up interest

The idea of starting up your own business in the future, and experiencing first-hand how a small business is managed and developed, without the risk to you, can be an appealing idea. When you're ready to move on to your own business, you could take a wealth of practical experience with you. More information about entrepreneurship can be found in our guide, [‘Entrepreneurship at Cambridge’](#)

4 What are the disadvantages of working for an SME?

The ‘Experience Conundrum’

It would be wrong to ignore the fact that the majority of SME roles are classed as ‘direct entry’. This means that a role has become available or been created, and that there is an expectation that the applicant will bring enough prior experience to ‘hit the ground running’. Whilst graduate programmes will also expect you to make a direct contribution to the organisation from the start, such programmes are typically more structured, and you have time to learn about the organisation. Sadly, many employers do underestimate the potential of a graduate hire, and ask for industry experience without considering what they may be missing out on. As Matthew Parry from [SME Graduate Employment](#) writes:

“I know of employers who have been looking for experienced candidates for months, waiting for someone who may not exist; others took a chance on a less-experienced graduate and have been richly rewarded. Employers will need to invest some time in training, developing, and supporting them, but if done properly this will be paid back in many ways.”

Internships, work experience and voluntary/society roles can all contribute to the experience you bring to an organisation, but you may need to assert your potential to learn and the translatable skills you will bring to persuade them of your potential.”

Training and Development

This is, again, likely to be less structured than in a graduate programme, and you may need to take more of a proactive role in developing your career. That said, many SMEs do encourage continuing professional development (CPD) and will support through flexible working to complete accreditations or pay for professional qualifications. You will need to be clear about the training you think you will benefit from and work *with* your employer to achieve this.

Visibility

A counter to the idea that you will have more visibility in a small organisation is that you will have more visibility in a small organisation! If you are meeting targets, contributing to the company and making a positive impact, then this will be seen. However, if you are struggling with your work and failing to meet deadlines or targets, then this will also be seen. Taking an open and honest approach can ameliorate this, but you will need to be proactive – you can’t hide in a small team.

Starting salary

Graduate Programmes typically offer higher starting salaries and are less likely to reflect regional salary variations. The [Prospects Illuminate Report 2023](#) states that the average graduate starting salary on offer from the UK’s leading employers was £33,229. However, according to data from HESA’s most recent Graduate Outcomes survey of 2020/21 graduates, the average salary reported by first-degree graduates in full-time

employment was £27,340 fifteen months after graduation and this is in part due to slightly lower starting salaries in some sectors, and in SMEs in particular. Salary variation by region will affect starting salaries in SMEs to a greater extent than larger corporate or public sector organisations with national salary structures.

5 How to Research SMEs

One of the benefits of graduate programmes is that they are visible. Aggregator sites like Milkround, Target Jobs and Prospects (along with Handshake, used by Cambridge Careers Service) are easy to use and if a company has a graduate programme, they are likely to advertise it widely. However, SMEs are small, often operating in one city or region, and therefore harder to find unless they specialise in recruiting graduates and post roles on these sites as well.

Using relevant industry sites

As we've established, the graduate job sites (above) will attract larger employers offering graduate programmes. In order to search for vacancies from smaller organisations, a good starting point is to start with the industry and understand where the industry recruits' staff. For example, if you are interested in working in advertising, then you might want to look at the Institute for the Profession of Advertising, where companies regularly advertise roles. A particularly helpful site is [Prospects.ac.uk](https://prospects.ac.uk), where you will find 450+ job profiles, which not only outline key information about what each job entails and the skills commonly required, but also lists the main recruitment sites for people wanting to work in these roles.

Networking

Networking is a broad term and can include a range of activities from researching and contacting alumni via Handshake or LinkedIn, to attending industry or local networking events, including meeting the many smaller employers who attend Cambridge Careers Service events.

Networking organisations are, by their nature, local to an area and often specialised by industry. If you are interested in working in a particular area, then finding out more about the local networking opportunities and asking to come along to an event can help you meet potential employers. Whilst this might sound daunting, business networks are usually welcoming places, and you can learn a lot about local employers simply by asking questions. However, a networking meeting is not a place to attend only to ask if you can have a job! Seeing it as a form of research is by far the best approach. Networking organisations (for example, the [Cambridge Network](#)) also maintain a member's directory, which is a good starting point for further research.

LinkedIn

LinkedIn is a powerful tool when researching SMEs. The Advance Search allows you to search by city or county, and focus in on types of company, for example 'marketing' or 'energy consultants'. You can use your searches to follow companies, research the roles and people working for them, and potentially, make connections. You can also

search alumni using the University of Cambridge page to find alumni working in areas or roles of interest to you. See our guide (listed below) about how to do this.

Following companies on LinkedIn will mean that their posts appear in your newsfeed, helping you keep abreast of vacancies. This is important because not all smaller employers pay to post job vacancies on LinkedIn but rather announce vacancies on their feed. You can also connect with our alumni through [Handshake](#).

Industry Directories

Industry directories are another good source of information, often listing businesses by type and location. Most directories are specialised by sector, but some local councils also maintain local business directories.

The [Directory of the Professions](#) gives a comprehensive list of UK professional associations, institutions, societies and other bodies.

Our [Digital Publications](#) page also has links to industry jobs boards and resources.

6 How recruitment works

Whilst some SME's do operate Graduate Programmes recruiting on an annual cycle, by far the majority do not recruit in this way. This means that both the time you start applying for roles, and the application process may be very different compared to a large scheme.

Vacancy timelines and advertising

SMEs recruit year-round according to business need, and the recruitment timeline is likely to be closer to 2-3 months from application to starting a new role, compared to up to 12 months for graduate schemes. This of course means that you need to think carefully about when to start applying for roles. Whilst you may not start applying for vacancies until you are nearing the end of your studies (for example, June/July for roles starting in September, it is still worth starting your research earlier. Knowing which companies or regions you are interested in, and which websites are most likely to advertise for the roles you are interested in can start well in advance of applying. Employers will often specify a preferred start date and many students have been caught out by applying for jobs that need to start before their studies are complete.

Application and interview processes

Applications to SMEs tend to be more straightforward than graduate schemes, with fewer stages to navigate. Typically, you will be asked to submit a CV and cover letter, and you may have only one interview stage (although this is not always the case as many companies still use first stage telephone interviews). As with any application, you will need to tailor your CV and Cover Letter to the role and company.

Speculative applications

A speculative application is made to an organisation where no job has been advertised but you are interested in gaining work experience or working with them. Speculative applications need to be tailored to the company, even though you don't have a job description to go by, which can feel a little daunting. To 'tailor' a speculative application

you need to think about what skills and experience you can offer that you think are a good match for the type of work they undertake. A clearly motivated cover letter can explain why you are approaching them and what interests you about the work that they do. Using [job profiles on Prospects](#) can also give you a clearer idea of what a role in that organisation might entail, and the skills typically required – effectively building your own job description and person specification.

7 How can the Cambridge Careers Service help?

We're here for you at whatever stage you are in your career thinking and preparation. Here are just some of the services and resources you can find on our website:

- You can book an [appointment](#) with one of the Careers Consultants to explore your career options, review applications or prepare for interviews.
- Our guides to [applying for jobs](#) can help with CV writing, interview preparation and interview selection tasks
- The [Careers Essentials](#) programme provides in-person and recorded workshops across a range of Careers topics
- Attending Careers Service or employer-led events can help you to explore what it's like to work for an SME. We try to ensure that our alumni speakers represent a broad range of business and organisation types, as well as different sectors.
- You will find many SMEs advertising roles on the [Handshake](#) platform
- Use our guide to [networking and LinkedIn](#) to make the most of the platform
- Our guide to [speculative applications](#) talks in more detail about why this approach might work for you, and how to prepare a strong speculative application.