

HaHuJobs

Scaling Case Study

Revolutionising Ethiopia's Job Market Through Data-Driven Solutions











Introduction

This is the second scaling case study report in a series produced by <u>GrowthAfrica</u> and <u>Systemic Innovation</u> under a FCDO-funded Research and Innovation Systems for Africa (<u>RISA</u>) Fund project to formalise and implement data strategies to support growth impact ventures and innovation ecosystem enablers in Kenya, Ethiopia, and Rwanda. This report is informed by the ScaleUp Scan, a diagnostics tool provided by our partners, <u>ScaleUp Nation</u>, a global scaling authority, which is on a mission to significantly increase the number of impact-oriented scale-ups, driving a meaningful change in the world.

This case study explores the scaling journey of HaHuJobs, highlighting the organisational strategies that have spurred its rapid growth. The study provides an in-depth look at the operational and leadership dynamics that have positioned HaHuJobs as an important player in Ethiopia's labour market. As the foremost data-driven job-matching and labour market information

platform in the country, HaHuJobs empowers job seekers and employers to connect, explore opportunities, and navigate the labour market with unprecedented ease. By offering a comprehensive suite of services tailored to the specific needs of the Ethiopian context, HaHuJobs is transforming how talent is matched and how businesses succeed.



Company Overview



Founders

· Kaleab Mezgebu, (Co-Founder and CEO)

· Michael Sahlu (Co-Founder and CTO)

· Eskinder Mamo (Co-Founder and CBO)

Headquarters: Addis Ababa, Ethiopia

Operations: Ethiopia

Primary Industry: Recruitment and job placement

Ownership: Privately Held

Number of Employees (as of 2024): 28 full-time I 6 part-time

Financing Status: MinabTech is an investor. Not Venture Capital backed

Website: www.hahujobs.io





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Methodology

The case study is built upon a combination of quantitative and qualitative data, including company financial reports, strategic documents, and internal records. The <u>Scaleup Scan</u> provided a comprehensive

assessment of HaHuJobs' scale readiness. In addition, the study draws on market research and an in-depth interview with CEO Kaleab Mezgebu to provide rich insights into the company's scaling journey.

Scaling Analysis

Snapshot Summary

HaHuJobs was founded in 2019 with a clear mission: to revolutionise Ethiopia's job market by creating a technology-driven platform that seamlessly connects job seekers and employers. From the outset, the company aimed to address inefficiencies in traditional recruitment methods—such as word of mouth, newspaper listings, and fragmented online platforms—that failed to meet the demands of a growing, tech-savvy workforce.

CEO Kaleab Mezgebu and his team, leveraging their experience at Minab IT Solutions PLC, recognised a significant opportunity to bring transparency, efficiency, and standardisation to the job search process. HaHuJobs initially emerged as a spin-off from Minab IT Solutions, which had been focusing on digital solutions and technical support for development partners and government contracts. Kaleab's insight led to a strategic pivot toward addressing labour market inefficiencies, highlighting the pressing need for a platform that could bridge the gap between job seekers and employers.

While the initial focus was on the industrial sector, Kaleab and his team quickly identified similar challenges in Ethiopia's whitecollar job market, where a lack of data, structured models, and unclear policy frameworks created significant barriers. The team set out to develop a comprehensive platform that aggregated, standardised, and presented job listings in a user-friendly format, making the recruitment process more efficient for both employers and job seekers. Over time, HaHuJobs introduced innovative features, including standardised job posting templates and application tracking tools. The platform also launched capacitybuilding programmes through one of Ethiopia's first private employment centres, designed to meet the growing demand for digital skills.

Since its inception, HaHuJobs has made a substantial impact on the Ethiopian labour market, facilitating 110,431 labour demands for industrial parks and aggregating 152,750 job vacancies and matched over 9,000 high skilled jobseekers. By catering to a diverse range of clients—including government agencies, non-profits, and small to large private enterprises— HaHuJobs has established itself as a transformative force in Ethiopia's employment landscape, providing critical access to meaningful job opportunities across various sectors.

Vision

Our vision is to become the largest data driven digital job matching platform with reliable labour market information regarding the Ethiopian labour market.

Scale-ups typically exhibit greater ambition than stall-ups, both in terms of their envisioned business growth and the level of impact they seek to achieve. This heightened ambition drives the creation of a vision that is not only compelling but also far-reaching. As a result, scale-ups adopt strategies, business models, and financing plans that are designed to support substantial growth and significant market influence.

HaHuJobs has the foundations of a vision that is not only compelling but also substantial. And this in turn helps impacts their strategy, business model and financing requirements. Furthermore, innovative ventures that combine commercial and impact orientation increase their chances of scaling. Generating positive impact makes it easier to attract top talent, provides goodwill with customers, suppliers and partners.

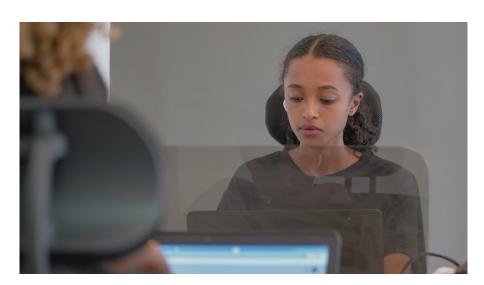


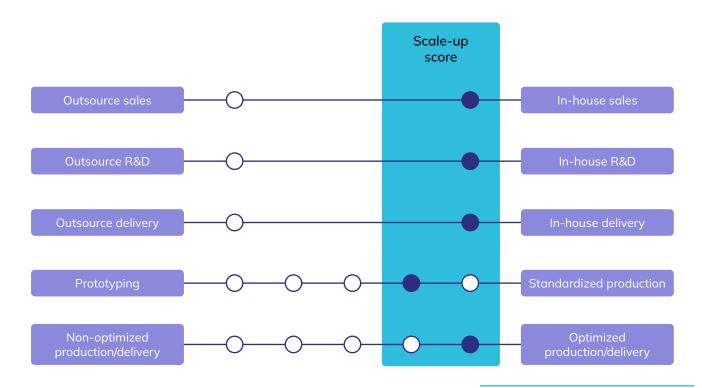
Lean Operations

Scale-ups focus on eliminating waste in core operations—such as production, sales, and delivery—to reduce costs, improve speed, and enhance quality. They also implement the necessary metrics, personnel, and processes to ensure sustained efficiency. HaHuJobs has embraced this approach, undergoing significant transformations to increase operational efficiency and scalability.

As CEO Kaleab Mezgebu explained, "Previously, HaHuJobs was considered part of Minab ITSolutions, almost like a project within the company. Now, however, it operates as a separate entity. We've also automated many tasks that employees used to handle manually." This transition marks HaHuJobs' evolution from a project into a fully independent business, demonstrating its commitment to lean operations.

Between 2021 and 2023, HaHulobs shifted from a reliance on a large full-time workforce to a more flexible mix of part-time employees, contractors, and consultants. This model allows the company to scale resources up or down as needed, making it agile in responding to periods of rapid growth or economic uncertainty within Ethiopia's volatile market. The flexible workforce strategy is aligned with lean operational principles, focusing on waste reduction, diagnostics, and the establishment of new efficiency targets. This transformation typically occurs as a company reaches the 30-50 employee mark, solidifying HaHuJobs as a wellfunctioning, scalable operation.





Source: ScaleUp Nation (2024)

By leveraging technology, HaHuJobs has minimised operational complexity, allowing for efficient scaling and quick adaptability to market shifts. As Kaleab noted, "Our strategy is to automate most of our operations so that tasks are easier to manage, and it simplifies the process of placing individuals... We have service pillars built into our administrative console." This technological framework not only supports current operations but also positions the company for future expansion, particularly as it explores opportunities in other regions.

Despite the shift toward a more flexible workforce, HaHuJobs remains committed to retaining key full-time employees in critical roles such as technology development, operations management, and strategic planning, recognizing that their expertise is essential to the company's long-term success.

Market and Industry

The Ethiopian job market is experiencing rapid growth, largely driven by a young and expanding population entering the workforce. However, this growth is accompanied by significant challenges, including high unemployment rates, a substantial skills gap between job seekers and available positions, and a relatively low level of digitisation in the recruitment process. These factors create a complex landscape for companies like HaHuJobs, which must navigate these obstacles while providing solutions that effectively bridge the gaps in the labour market.

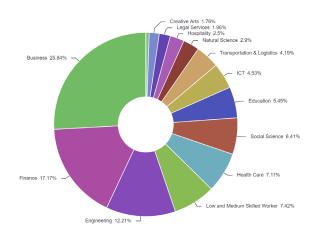
HaHuJobs has successfully differentiated itself from competitors by focusing on the unique dynamics of the Ethiopian market rather than replicating models from other regions. As competition intensifies, with both local and international players vying for market share, HaHuJobs has tailored its services to meet local needs. CEO Kaleab Mezgebu emphasised the importance of this localised approach: "We're operating in a market that doesn't fully understand our value propositions. If clients don't know what occupational standards are or how they can benefit from using skills to define their vacancies, it's

hard to claim we've achieved full customer satisfaction."

This commitment to localisation has enabled HaHuJobs to build a strong local brand presence, making it the go-to platform for both job seekers and employers in Ethiopia. The company's innovations—such as introducing standardised job posting templates and capacity-building programs—have positioned it as one of the leaders in the market. Nevertheless, there is strong competition. The firm competes with several established and emerging job platforms in Ethiopia including Ethiolobs. net, JobWeb Ethiopia, Addis Ababa Jobs, Ethiopian Job Portal, MyJobEthiopia, JobFinder Ethiopia and Ethiopian Career.

HaHuJobs' influence has been noticed by competitors, prompting other job platforms in Ethiopia to adopt more digital solutions to remain relevant. As Kaleab remarked, "Over time, we've seen that our influence in the market has prompted competitors to innovate as well. Initially, platforms like EthioJobs were just publication platforms, but now they understand the value of offering more digital solutions to stay competitive."

By focusing on Ethiopia's specific labour market needs, HaHuJobs has established itself as an important transformative force, helping bridge the gap between a growing workforce and employers, and driving the digitization of the country's recruitment industry.



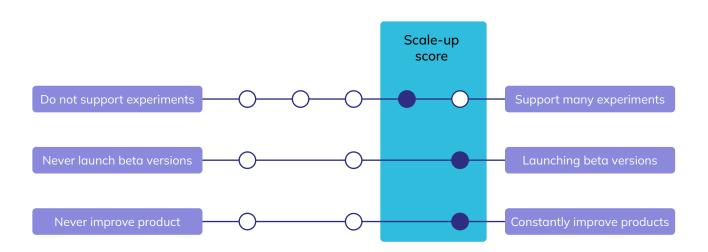
lobs Per Sector

Leaning Velocity

In the scale-up phase, products are rarely perfect, so scale-ups must continuously improve them to enhance usability and stay ahead of the competition. This requires rapidly gathering insights, experimenting, and incorporating feedback into product development to drive performance improvements. Successful scale-ups are agile, supporting multiple iterations and measuring the speed at which their products or services evolve.

When HaHulobs entered the market, it did so with the intent to not merely replicate competitors like Ethiolobs, but to build on their success and push further. As CEO Kaleab Mezgebu candidly explained, "Our operation wasn't even our idea initially. We saw that Ethiolobs was successful in acquiring a lot of subscribers, and I thought, 'Okay, this is the new way of looking for jobs.' I was keen on utilising that. Given our stronger technology background, our thinking was, 'Can we make it better?"

This mindset spurred HaHuJobs to develop innovations that dramatically improved the user experience and expanded the platform's functionality, positioning it as a leader in Ethiopia's competitive recruitment landscape. By leveraging their technological expertise, HaHuJobs distinguished itself through enhanced features, which they argue sets a new standard for job-matching platforms in the region.



Source: ScaleUp Nation (2024)

Operational Challenges and Strategies

Scale-ups often face unpredictable market conditions, but the most successful ones ride the waves of opportunity, timing their actions to maximise gains. For HaHuJobs, operating in Ethiopia's dynamic and often volatile market has required a deep focus on resilience and adaptability.

One of the primary challenges HaHulobs faces is Ethiopia's underdeveloped infrastructure, particularly in terms of technology and internet access. While advancements have been made. the country's digital infrastructure still lags behind, posing significant barriers for a platform that relies heavily on digital engagement. Accessibility remains a critical issue, especially in regions with limited smartphone or internet access. To address this, HaHuJobs has implemented alternative models, such as establishing physical employment centres that provide digital services to individuals without internet access. These centres ensure that services continue uninterrupted, even during infrastructure disruptions. CEO Kaleab Mezgebu emphasised operational resilience, noting, "We set up services for those without sophisticated smartphones or

internet access, allowing them to visit our employment centres to receive the same services they would online. We also introduced Assisted Services, where individuals can use internet-connected computers to build their CVs or explore job options."

Regional instability in Ethiopia has further complicated operations, leading to population displacement and economic disruptions. These factors have resulted in fluctuating demand for HaHuJobs' services. Internal conflict has caused the shutdown of key industrial regions, disrupting the operations of businesses that rely on HaHuJobs for recruitment solutions. This instability has not only hindered HaHuJobs' ability to operate in certain areas but has also negatively affected the broader Ethiopian economy, reducing labour demand and, consequently, the platform's revenue streams.

Additionally, the tech industry in Ethiopia often evolves faster than the regulatory frameworks that govern it, requiring HaHuJobs to stay proactive in managing regulatory risks.

Kaleab highlighted the importance of navigating these challenges with experience and agility: "There are always shortcuts to challenges when operating in Africa. If you know the market, you know there are ways around certain issues." One such issue has been payment management. Although Ethiopia's fintech sector has lagged behind other regions, the banking infrastructure has helped mitigate challenges related to cash flow. "After the currency change, the government imposed cash controls, which allowed us to process payments through bank transactions or apps. That was one way we mitigated the issue," Kaleab explained.

In response to these various challenges, HaHuJobs has adopted a flexible and responsive approach, continuously adapting its services to meet the evolving needs of the market. By implementing these adaptive strategies, the company has managed to maintain steady business operations, even during periods of economic downturn, and continues to find ways to thrive in Ethiopia's complex market environment.

Competitive Edge

For a scale-up to outpace its competitors, it needs a distinct advantage that positions its product as superior in meeting customer needs. HaHuJobs has started to successfully offer a broad range of job opportunities supported by a robust technological infrastructure which it suggests sets it apart in the Ethiopian market.

A key strength is HaHuJobs' ability to aggregate job listings from multiple sources—both online and offline—giving users access to a wide variety of employment opportunities. This extensive coverage provides job seekers with a comprehensive view of the employment landscape. As CEO Kaleab Mezgebu noted, "We not only provide HaHuJobs listings but also aggregate job openings from almost 25 or 26 other platforms."

A major differentiator is HaHuJobs' Al-driven job-matching system, which uses structured data to automatically match job seekers with relevant roles based on their qualifications. This reduces the time employers spend searching for candidates, while biometric-based identification ensures accurate and reliable matching. Job seekers can also create detailed profiles for automated CV generation, streamlining the recruitment process further.

HaHuJobs adopts the European Skills, Competences, Qualifications, and Occupations (ESCO) standards for its CV tools, ensuring that job seekers' qualifications are standardised and easily recognized by employers. This structure improves job matching accuracy and boosts job seekers' visibility in the labour market.

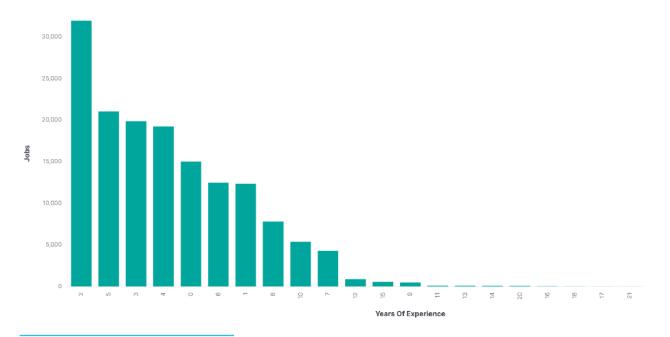
As Kaleab explained, "Our CV system is based on skills from the ESCO database, making it more internationally aligned, which is useful for organisations like the World Bank and other researchers." This focus on standardisation enhances the platform's appeal to employers and international organisations alike, solidifying HaHuJobs as one of the leaders in Ethiopia's recruitment landscape with benchmarks in efficiency and scalability.

Market pull

Market pull refers to a solution so compelling that customers seek it out, in contrast to product push, where companies actively sell their product to customers. Successful scale-ups generate market pull by educating the market about key problems and driving the necessary changes.

For HaHuJobs, standardisation has been a cornerstone of its trailblazing efforts. Kaleab and his team pioneered the standardisation of job listings, creating templates and classification systems based on well-defined occupational standards. This brought muchneeded clarity and structure to Ethiopia's fragmented job search process, making recruitment more efficient and ensuring that employers attract the right candidates for specific roles. As Kaleab explained, "The labour market had no standards, so one of our key interventions was to aggregate all vacancies, standardise them, and present them cohesively. This significantly boosted our market presence and attracted a large number of job seekers."

Additionally, HaHuJobs distinguishes itself through capacity-building programs that equip job seekers with industryspecific skills, ensuring they align with employer demands. Combined with its Al-driven job-matching system, which uses structured data and biometric identification, HaHulobs not only enhances employability for job seekers but also streamlines the recruitment process for employers. This dual approach positions HaHuJobs as a one-stop platform for both skills development and recruitment, offering a distinct competitive advantage over other platforms like EthioJobs.

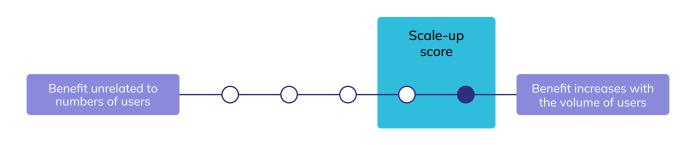


Jobs By Years Of Experience

Scalability

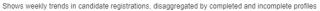
Scale-ups thrive on business models that become increasingly valuable as they grow, particularly those that are digital, online, or software-based. For HaHuJobs, the cornerstone of its scaling strategy is the continuous enhancement of its technological infrastructure. This data-driven foundation allows the platform to adapt its technology and services to new markets with minimal

adjustments. As CEO Kaleab Mezgebu explained, "Our platforms are built on a basic data foundation. To expand into another country, we would only need to adjust location-specific data like region or country." Potentially, this scalable technology enables HaHuJobs to efficiently replicate its success in new regions without requiring significant additional investment.



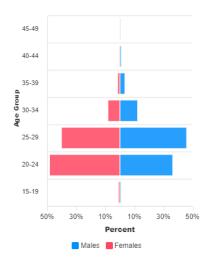
Source: ScaleUp Nation (2024)

Candidate Registration Trend





Male & Female candidates by age group



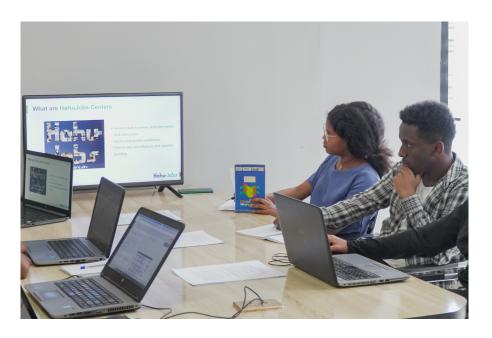
Data analytics also play a vital role in HaHuJobs' scalability. By systematically collecting and analysing data across operations—from customer behaviour to market trends—the company can spot emerging patterns, anticipate shifts, and make informed decisions. Kaleab emphasised, "With our data analytics and software development background, we have a strong grasp of what's happening on our platform, and we're able to report on it."

Looking ahead, HaHuJobs is focused on expanding its reach both within Ethiopia and into other East African markets. This strategy involves careful evaluation of market conditions, regulatory environments, and local needs to ensure smooth and successful market entries. HaHuJobs' strategic approach to growth underscores its commitment to remaining a leader in the job market and continuously meeting the needs of its users.

Revenue Strategy

HaHuJobs' financial journey highlights both the opportunities and challenges of operating within Ethiopia's dynamic and volatile market. While the company experienced strong revenue growth from 2021 to 2022, external factors, including ongoing conflict and AGOA-related sanctions, led to significant disruptions. These affected key industrial regions like Mekelle, Bahir Dar, and Kombolcha, where shutdowns and internet outages caused a noticeable decline in revenue. CEO Kaleab Mezgebu explained, "Our revenue dipped not because of the split—it was intentional—but due to the conflict severely impacting our regional operations."

A central part of HaHuJobs' strategy has been balancing private market income alongside partnerships with development organisations that support Ethiopian youth, which has played a crucial role in sustaining the company through difficult periods. Kaleab noted, "Development projects can sometimes make up 70-80% of our revenue. It's not dependency, but there's a substantial difference between what an Ethiopian customer pays and what an international donor contributes." This focus on development partnerships has allowed the company to continue delivering services even when private revenue streams were constrained by external factors.





To further diversify its revenue base, HaHuJobs has established subscription-based SaaS products to serve enterprises of all levels, engaged in development programs, business leads, and proposals, ensuring that the company remains financially viable despite market challenges. While the industrial parks market has been a successful source of revenue, the white-collar job market has proven more complex, requiring different approaches to revenue generation.

In recent years, HaHuJobs has extended capacity-building services in the form of <u>competency</u>-

based training, which is a strategic shift toward high-margin premium services, including Al-driven job matching and data analytics. These offerings are particularly attractive to large employers and multinational companies, helping to diversify the company's revenue streams. Kaleab emphasised, "With our background in data analytics and software development, we understand what's happening on our platform, and we're able to report on it. This provides us with another revenue model—we sell data for research purposes and often partner with research teams."

These data-driven insights, which are highly valued by research teams and multinational clients, are increasingly contributing to the platform's revenue growth.

By focusing on scaling these premium services, HaHuJobs has enhanced its revenue potential and positioned itself as a leader in Ethiopia's job market. These strategic adjustments have allowed the company to continue growing, even amid challenging economic conditions, while setting a course for long-term financial sustainability.

Future Plans and Priorities

As HaHuJobs continues to evolve in Ethiopia's dynamic job market, its future plans focus on scaling operations, expanding market presence, and enhancing its technological capabilities. CEO Kaleab Mezgebu emphasises a practical, experience-driven strategy over flashy marketing. "I'm not a showman—I come from an engineering background, so I'll always tell you what works and what doesn't," he explains, prioritising substance over style.

Kaleab's immediate goal is to deepen HaHuJobs' presence in Ethiopia by establishing more physical employment centres. These centres have proven crucial in building customer trust, especially in a market where physical interaction is still key. "The increase in customer engagement and trust is significant when you have a tangible presence," he notes.

HaHuJobs is also focusing on highdemand skill areas like graphic design and digital marketing, aiming to bridge the gap between training and employment. "We've successfully matched a few thousand people in this skill-tomarket fit, and I want to scale that further," Kaleab shares.



The company is also exploring untapped markets, particularly in areas with limited access to digital recruitment services. Kaleab plans to visit Kenya to assess the local job market and its challenges, with the goal of launching trials in the next six to seven months. "I'll be travelling to Kenya to understand the situation—what the government struggles with, what the audience needs," he says.

Despite its expansion goals,
HaHuJobs remains focused on
customer satisfaction, which
Kaleab sees as a key priority.
"About 60-70% of our customers
return, which shows we're meeting
their needs," he explains. Beyond
repeat business, the company is
committed to educating clients on
the full value it offers, especially
through the standardisation of job
listings and occupation standards.

Kaleab's long-term vision is for HaHuJobs to become synonymous with employment in Ethiopia and across Africa, much like Ethiopian Airlines is for air travel. "I want HaHuJobs to be like Ethiopian Airlines—when people think of finding a job or employee, they automatically think of HaHuJobs,".







ScaleUpNation





GrowthAfrica and Systemic Innovation are working to formalise and implement data strategies to support growth impact ventures and innovation ecosystem enablers in Kenya, Ethiopia, and Rwanda.

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The delivery partners are:
GrowthAfrica https://growthafrica.com/
Systemic Innovation https://www.systemicinnovation.work/

For further information, please connect with us at contact@systemicinnovation.work
To learn more about the RISA Fund visit https://www.risa-fund.org/