

Scaling Your Team

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Agenda

- ▣ People & Culture <lite>
 - ▣ Mission/Vision/Value coming up
- ▣ Comp philosophy
- ▣ Prioritizing roles
- ▣ Running a process
- ▣ First Revenue Hire
- ▣ Onboarding

Culture

Broader topic for next time

- Vision – What your company aspires to be, 3-5 year out.
Should help your team align their activities & goals
- Mission – What you do now.
 - And how you differ from your competition
- Value – What you do. Guiding principals
 - Have fun, customer first, do the right thing

Culture is always being built

These are organizational behaviors, not character or personal development:

- Clarity
- Responsibility/Autonomy
- Feedback/Standards
- Alignment/Authenticity
- Team Commitment/Relationships
- Balance
- Equitable Rewards
- Inclusive behaviors

Big 5 Personality Traits

1. Openness to experience
2. Conscientiousness
3. Extraversion
4. Agreeableness
5. Neuroticism

Why Self Awareness Matters

- ❑ Faking it to you make it, isn't a great option
- ❑ What are your strengths
- ❑ What are your skills
- ❑ Where do you need help
- ❑ Self awareness also matters for the team you hire, and it's hard to test for!

Hire For Your Weaknesses

- Two of your might be more than you need! You don't need to be the smartest person in the room
- How will this person compliment your skill set
- You'll need to learn areas you can't hire for yet
- Don't hire for future potential – you have a small team, every role is critical
- Get comfortable with hiring smarter people in their area of expertise

Compensation Philosophy

- Being deliberate with compensation philosophy
 - Below, at, or above market
 - Plus equity(or not)
 - Plus benefit – what quality of benefits
- Unlimited time off, or limited time off
- Distributed workforce vs at the office?
 - Best people anywhere or watching them work?

Compensation Components

- ▣ Salary
- ▣ Bonus
- ▣ Stock Options
- ▣ Benefits
 - ▣ Remote work
 - ▣ Travel
 - ▣ Vacation
- ▣ Team

Dangers of Overtitling

- ▣ You don't have much cash...
- ▣ Equity is likely required.
- ▣ DO NOT OVERTITLE!
 - ▣ You'll have to reverse it later and demote someone
 - ▣ If they don't perform to the level you may need to fire them
- ▣ Set them up for success - and promote
 - ▣ Set goals, objectives, and timelines
 - ▣ Learning milestones

Incentive Stock Options

- Stock options are great, but:
- Don't assume your team or new hires understand the incentive or long-term objectives
- Early stock compensation is based on contribution, time and risk.
- Later stock is based on a formula that has standard ranges

“The (Stock Option) Plan”

- Number of shares
- Strike Price
- Vesting Schedule
- Vesting a change of control
 - Single trigger
 - Double trigger
- Upside down options and expiration

Prioritizing Roles

- Need to have vs. Want to have
- Index on revenue and product roles vs overhead roles
- Plan quarterly, hope for monthly

About the Company

- ▣ What's the Company description
- ▣ Think about your “voice” to the community
- ▣ Positioning
- ▣ Messaging after the “no”

Timing

- You need to hire for specific needs, not general requirements
- You can't "create" a role at this stage for a great candidate – that's something only big companies can afford to do
- "The right thing, at the wrong time, is still the wrong thing"

Running a process

Getting Prepared

- Gather up:
 - Job descriptions
 - Salary info
 - Draft all template email communications
 - Company description
- Gulftalent.com [Indeed](#) aggregate job board – pull US as well for:
 - Job descriptions
- Create the google form/survey for applications

Building Your Team

- Who is on your team
 - Filtering/screening candidates
 - Initial interviews – phone
 - In person interviews
 - Tech/Role check interviews
 - Communications

- Clear assignments

Ready, Set...

Create Momentum

- Posting
 - Job boards,
 - Amplification via social. LinkedIn “We’re Hiring” profile

- Screening applications
 - Google form/survey
 - Attach resume
 - Auto responder – setting expectations
 - Creates a google sheet “data base” for now and in the future

Go

- ▣ Fast No's – not qualified – send template email.
- ▣ Phone screens
- ▣ In person interviews
- ▣ Structured questions for the team in interviews (you are developing the team as well)
 - ▣ Capture responses
 - ▣ Ask them to score (1-4) candidates based on:
 - ▣ Fit within the team
 - ▣ Likelihood of success
 - ▣ Competency in the role

Selection

- Selection
 - Rank the top candidate
- Offers
 - Have offers ready
- Feedback – fast no/not now
- Gather feedback on your process
 - Make modification for next hire

Sales people can always sell
themselves. They can
occasionally sell your product!

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First Revenue (Sales) Hire

- Blog [Post](#)
- Early stage tend to be educational vs. transactional sales process
 - More entrepreneurial, services oriented
 - Proposals
- Look for track record of success, prior sales training
- They will likely annoy you
- Don't make them deliver what they sell

Don't hire a sales person too early! They will become a VP Sales and think about strategy

Sales Compensation

- Sales people are defined by their comp plan not their job description! Think coin operated
- Alignment of incentives
 - Win/win for company and sales person
 - Pay when payment is received
- Likely 50% base and 50% commission and bonus
- Create quota number you can raise over time, vs. a percentage of revenue

Quota is always wrong! (and will go up over time)

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Don't Mix Biz Dev/Sales Roles

- If they are carrying a quota it's sales
- If they are working relationships it's BD
- Sales people need to hit numbers

Incentive Compensation

- Incentive compensation should be aligned with people who can directly impact results
- Paid monthly, quarterly at the longest
- Provide ramp time to get to commissions
- Annual bonuses won't change behavior

Onboarding

Onboarding

- ▣ Be ready
 - ▣ Docs
 - ▣ Computer, email, tools
 - ▣ Stock options (if relevant)
- ▣ Day 1!
 - ▣ At Team Meeting?
 - ▣ First impressions
 - ▣ Introductions – what you're excited about them joining the team

Hire Slowly, Fire Fast

- Good enough, rarely is!
- Early days, you're looking for generalist vs. specialist
 - Moves to specialists over time
- If you wake up grinding your teeth about someone... fire them
- Performance plans are fine, make sure they are attainable

Feedback and Reviews

- Reviews are generally a negative process
 - Regular feedback
 - 5:1 positive will change your company
- Salary adjustments, where necessary
 - Cost of living increases
- Additional stock grants
- RECOGNITION! Catch people doing things well and tell those stories

Don't over-engineer the process

- ▣ Are OKRs or MBOs the right method for my company?
- ▣ It's too early to know – get product/market fit
- ▣ Add complexity over time
- ▣ Review every quarter
 - ▣ Keep what's working
 - ▣ Discard what's not
- ▣ Ask the hard questions and be open to feedback from the team

Deliverables

- ▣ Prioritized Key Roles
- ▣ Job Descriptions
- ▣ About the Company
- ▣ Follow up Communications
 - ▣ Rejections
- ▣ Offer Letters/Contracts

