

9. Scaling Your Team

Dave Parker

@DaveParkerSEA

www.dkparker.com/blog

Dave@dkparker.com



Agenda

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

Scaling up before product
market fit will kill your company

Doubling Down

Doubling Down

- ▣ What channels have worked so far
- ▣ What value propositions worked
- ▣ What ads worked
- ▣ What's the LTV:CAC ratio trend
 - ▣ 4-5 is healthy
 - ▣ >5 = underinvesting in marketing

Prioritizing People

Balance Strategy and Doers

- ▣ Not to Many C-Level (VP) roles
- ▣ Balance doers with strategy
 - ▣ Board advisors to help on strategy
 - ▣ Doer need to do the work
 - ▣ Not manage the team/budget
- ▣ Don't over-title

Staffing

- ▣ Agency
- ▣ Contractors
- ▣ FT/Perm employees

Agency

- Use an agency when your deliverables are clear and you need a team to coordinate the effort
 - Marketing
 - Interim (CFO) or accounting
- Not core services (at this time)
- Tech is an asset on your balance sheet
- When you can define the results - pay for results vs. activity

Contractors

- ▣ Contract to permanent
- ▣ Already trained on the task area
- ▣ Project duration is temporary or uncertain

FT/Perm Employees

- Fully burdened costs
 - Salary
 - Taxes
 - Office/Equipment
 - Stock options
- 60 day review period
 - 30 day check in

Culture

Culture

Broader topic for later

- 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

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

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

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”

You're Not a Family... Sorry!
You're closer to a sport team

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

Broadening Your Base

- ▣ Social
 - ▣ LinkedIn
 - ▣ Social Shares
- ▣ Clickable links to application – ZipRecruiter
- ▣ Forwardable email
 - ▣ Two paragraph – no editing required
 - ▣ Just a teaser, not the whole thing

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

Clear Objectives – Review

- 90 Day Objectives
 - Onboarding –
 - Who
 - What will they be trained on
 - How do you measure their competency

- 90 Review – implied trial
 - Who
 - Documented by Onboarding and supervisor

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

Workshop

- ▣ What are your key hires?
 - ▣ This Quarter
 - ▣ Next Quarter
- ▣ Do you have JDs?
- ▣ Who on the team will be involved?
- ▣ Write a Draft of your process

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