Hypergrowth Playbook: from startup to scaleup

A quick reference guide for founders and Heads of People

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snyk

Introduction

This is a playbook to help navigate scaling your org through a period of hypergrowth. Having led through hypergrowth several times, most recently having scaled from 100 to 700+ employees in 2 years, I've had several learnings around tactical steps that Founders and People leaders can put in place to facilitate a smoother growth process. I use Bartlow and Harris' definition of hypergrowth as >50% headcount growth year over year[1].

This playbook is intentionally brief and tactical, based on my learnings that I find myself often sharing with heads of People and Founders at smaller companies. If you'd like to delve further into this topic I highly recommend you read *Scaling for Success* by Andrew W. Bartlow and T. Brad Harris.

Below are my learnings and some practical tips, including tools, tech stack and KPI recommendations to consider.

Summary of Key Learnings:

1. Don't just recruit, build a recruiting *engine*
2. Keep raising the talent bar
3. Lean in to your culture
4. Create a learning organization
5. Adapt how you communicate
6. Strengthen your Core HR processes
7. Operate with Data

[1] *Scaling for Success* by Andrew Bartlow and T. Brad Harris

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Learning 1: Don’t just recruit, build a recruiting engine

The talent market is hot, and bottom line, the main differentiator separating successful startups from the rest of the pack is the ability to attract top talent, swiftly.

Have a workforce plan and capacity model

To plan hiring effectively, you need to know what you’re aiming for. Know what roles you want to hire, and why, tied to your growth strategy. Your plan will change as your strategy and the environment around you evolves. That’s ok - just do the planning.

> *“Plans are useless but planning is indispensable” ~ Dwight D. Eisenhower*

A planful capacity model will include building and ramping a recruiting team in time for meeting hiring targets, as well as some contingency for external surge support (eg budget for RPOs[2] or agencies). Don't just ‘hire as many as you can’. Understand the true capacity of the internal team, and identify any delta between the internal capacity and hiring targets, so that you have line of sight into your ability to meet your goals.

Model the inhouse recruiting team on a typical sales team

As you build out your recruiting team, plan for recruiters (quota carriers), sourcers (top of funnel), coordinators (interview scheduling, offer letter generation), and recruiting operations (systems, tools, planning and scalability). In the beginning, a single person can do more than one function - but as you scale out the team, you will want to separate these capabilities (some can be outsourced).

Leverage external support as a part of your recruiting strategy

Anticipate and budget that some % of roles are better served with external support (volume agencies, retained search firms, sourcing tools, RPOs, etc). For some roles (e.g. niche skills, or a unique geography, executive leadership), the ROI just doesn’t exist in filling those roles within the internal recruiting team - and the roles can become a huge distraction where the team could be focused on closing multiple volume roles instead. In the past, depending on the rate of growth, we’ve budgeted at the outset for as much as 10% of our roles to be filled externally, which allowed us to select the most effective strategy based on need.

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[2] RPO stands for Recruitment Process Outsourcing, and RPO organizations, while more expensive than hiring in-house recruiters, can be a great support for temporary extra capacity eg getting a fully trained recruiter for 2-3 months etc.

Tie recruiting capacity to anticipated growth plans

The Recruiting team should be tied at the hip to the financial planning and forecasting process - anticipate headcount growth and build recruiting capability in preparation for it (budget time for hiring into the recruiting team + ramp up).

The workforce plan will probably keep changing - that's ok, directional or indicative numbers showing orders of magnitude are typically sufficient for the purpose of planning recruiting capacity.

Train your recruiting team

Cross-industry data indicates that *the number one determinant of candidate win-rate is the quality of the recruiter*. Invest early and heavily in hiring and training a strong recruiting team. Establish a steady rhythm (recommend weekly) of recruiting training scrums - where all recruiters attend to share/discuss ideas around: (a) refining the initial pitch/story; (b) effective candidate outreach emails; (c) objection handling; (d) branding best practices; (e) closing discussions. Products like BrightHire (think: Gong, for recruiters) can be a significant investment for constantly upleveling the bar of your recruiting talent.

Build your top of funnel pipeline

Building a top of funnel strategy is critical - typically through some combination of sourcing, direct applicants and referrals, supported by effective branding. This is a critical stage at which you build diversity in your talent pipeline. *Your top of funnel strategy directly impacts your speed to hire.*

Sourcing

Sourcing can be done purely inhouse by sourcers, recruiters or hiring managers, or augmented by various sourcing softwares (some examples of softwares include Fetcher, Gem, Hiretual, Seekout, Recruitbot). Your choice of strategy will depend on hiring needs and available resources.

Referrals

Especially at earlier stages, referrals will be a key source of pipeline. Help increase the effectiveness of this pipeline by: (a) having a referral incentive program; (b) a simple and frictionless process for employees to submit and track referrals; (c) an objective & expedited process for fast-tracking referral evaluations.*Overreliance on referrals is notorious for having an adverse impact on diversity*, so this source will likely need to be counterbalanced with an intentional focus on diversity (see below).

Direct applicants

Having a pipeline of direct applicants can significantly speed up the recruiting process *if they are the desired profile of candidates*. Influence the profile accuracy of applicants by: (a) having clearly articulated profile requirements in the job description; and (b) targeted branding efforts (see 'branding' below). If you experience a high volume of applicants but they are not the profile you are targeting, this can create a significant drag in the process - consider using effective 'qualifier' (sometimes called 'knockout') questions as a part of the application to ensure applicants meet a minimum bar of requirements.

Diversity

The diversity of your candidate pool will directly impact the diversity of the candidates you hire - if diversity is a part of your overall strategy, it needs to be a part of your top of funnel strategy. A couple tips on this are:

- Design job descriptions to be appealing to a more diverse set of candidates: using gender-neutral phrases and defining requirements that are truly required to succeed in the job (eg avoid stereotypical terms like 'rockstar', or saying a college degree is required unless a specific qualification is truly required). Free online sites can help you improve the quality of your job descriptions.
- Advertise on targeted job boards (for example: Adas List, Power to Fly, or Coding Black Females) that focus on more diverse candidate pools
- If you use agencies or sourcing tools, stipulate minimum diversity thresholds for candidates submitted

Branding

Your branding efforts will directly influence your volume and quality of applicants, as well as candidate retention and acceptance rates. Invest early in shaping your brand and taking control of the narrative. Some easy tips include:

1. Articulate the company story and make sure recruiters and hiring managers are conversant in it;
2. Build attractive (and authentic!) careers sites (company website, LinkedIn, Glassdoor, Comparably etc) that showcases the spirit of your company;
3. Simplify the candidate application process (least clicks, clean UI)
4. Spend the money for targeted branding campaigns (eg job ads on linkedin, targeted job boards, etc)
5. Identify 3-4 key personas and define the value proposition for each persona (eg the candidate from a smaller startup, the candidate from a larger company, the candidate from a different industry, etc)
6. Showcase culture through real life employee stories across social media channels

7. Tie employer brand to your overall brand (eg Etsy's mission for helping individual crafts-people was a significant magnet for employment talent)

Optimize candidate flow through the funnel

Standardize interview processes

When you are small, each hiring manager will likely create a bespoke approach to hiring, which typically works well. As you grow larger, this is no longer scalable and will create a significant drag on the process. I highly recommend standardizing the recruiting process along key indices - you will inevitably face pushback from hiring managers that prefer their own way, but this is outweighed by significant efficiencies for the organization at large. Products like BrightHire can significantly optimize candidate flow through the system by facilitating async reviews, sharing candidate pools and standarding interview approaches. Typical areas to standardize include:

1. **Standardize evaluation stages:** Identify discreet steps in the candidate evaluation process, for example recruiter screen, first round, panel interviews, final decision interview, testing, etc). You will likely need a separate approach for technical/non-technical roles, but outside that push for consistency. Set a max of 4-5 interviews per candidate - anything beyond that has significantly diminishing ROI.
2. **Standardize testing:** If you use standardized testing (eg technical tests), have a unified approach to what kinds of tests are used for which roles, and how test results are evaluated. This testing step should be a significant filter-point in your funnel - if this isn't consistently executed, it will result in poor quality candidates going further in your funnel and taking interviewer time that should be prioritized for stronger candidates. *Moving standardized tests to earlier in the process can significantly improve throughput efficiency.*
3. **Establish an interview planning template**: A standardized template where hiring managers determine who the interviewers are and what area each should dig into - allows for much faster planning, a more objective evaluation, a much better candidate experience, and the avoidance of bias.
4. **Used behaviour-based questions**: Standardizing behaviour questions helps increase accuracy and reduce bias in evaluating candidate fit for a role. Books such as High Impact Interview Questions[3] are a great resource to standardize this
5. **Adopt automated scheduling**: Using scheduling tools like Interview Schedule or Calendly is one of the most impactful accelerators of candidate flow through the funnel.
6. **Share candidate pools:** Particularly relevant across technical roles but applies everywhere - set up the system so that candidates can be shared across pipelines, and

[3] *High Impact Interview Questions: 701 Behavior-Based Questions to Find the Right Person for Every Job*, by Victoria Hoevemeyer

a candidate unsuitable for one role but suitable for another is automatically considered for alternative more suitable roles. This increases candidate experience and strengthens overall pipeline in aggregate.

7. **Define target SLAs (and stick by them!):** Examples include - go/no-go decisions made on candidates within 24 hours from final interview; candidates scheduled from one stage to the next within 24 hrs from prior interview; offer extended for suitable candidates within 24 hours from final interview etc.
8. **Leverage references:** References can provide a wealth of information that might influence your decision on a candidate, or help you best set them up for success. I'm continually surprised by how much references actually do provide qualitative feedback. Companies like Searchlight can take care of references in a way that significantly accelerates the speed and quality of your prioritized candidates.

Maintain a focus on diversity

You invested in attracting diverse candidates into your funnel - don't lose them through poor candidate experience as they go through your process. Speed is important, but don't let it trump quality.

- **Invest in Hiring manager training:** Train hiring managers on unconscious bias, objectively designed interview plans, and how to evaluate responses. A consistent bar of quality output in evaluations requires an investment in training at the outset.
- **Ensure behaviour based interview questions**: The focus on identifying past behaviours or skills, rather than common areas of background (e.g. someone who went to the same college as you), allows candidates from a diverse variety of backgrounds to represent their qualifications for your role.
- **Diversify interview panels:** Diversifying the candidate pool won't matter if the evaluators don't embrace diverse perspectives. Ensuring diversity in your panel of interviewers improves the candidate experience as well as objectivity in the evaluation process.
- **Consider the Rooney Rule:** Implement a rule that enforces diversity through the pipeline - e.g. there should be at least one qualified diverse candidate for consideration at the final stage of the interview process before an offer is made. A rule like this significantly rebalances the focus from speed towards diversity.

Measure progress rigorously

You cannot improve something you can't measure. Especially at earlier stages, you're unlikely to have in-house analytics support. Make an early investment in tools that specialise in recruitment analytics (for example Ashby Analytics or TalentWall) to provide insights into how you are tracking.

Some Recommended KPIs:

- Top of Funnel volume: Average candidate volume per role
- Top of Funnel channels: candidate volume by source (sourcing + direct applicant + referrals)
- Top of Funnel quality: % of candidates converting from 'resume review' to your first defined interview stage
- Candidate throughput: (a) Average candidate conversion rates at critical interview stages, and (b) Time to Fill
- Hiring quality: Attrition within 6 months
- Win-rate: Candidate offer acceptance rate
- Diversity: Measure the diversity demographic of the candidate pool at each stage of the process

Invest in the right tech stack

How much you choose to invest in your tech stack will depend on business needs vs resourcing, however here's some recommended areas to consider.

- **An Applicant Tracking System (or ATS)**: *An ATS is a bare minimum* in tech investment for recruiting. The best in class ATS at earlier stages are Greenhouse and Lever, and SmartRecruiters as you scale to larger sizes. There are several others (eg Workday ATS, iCims etc), and your ultimate choice should be based on a combination of budget, functionality and integration into your broader tech ecosystem.
- **Sourcing automation:** AI tools help fill your top of funnel eg Gem, Fetcher, Hiretual, Seekout, Recruitbot
- **Scheduling automation:** Reduce time in the scheduling process through tools like Interview Schedule or Calendly
- **Recruiting analytics:** Live dashboards and metrics tracking through analytics softwares like Ashby Analytics or TalentWall

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Learning 2: Keep raising the bar for talent

In a rapid scale-up environment, you need all employees to keep elevating themselves and stepping into higher positions and challenges very rapidly. Skills that are good enough for the company today might be outgrown within a matter of months. In hypergrowth situations, an organization will typically grow faster than employees can develop their skills, thereby 'outgrowing' their talent base, and dealing with this requires an intentional investment in talent across multiple indices.

Build executive leadership in anticipation of growth needs

It is the ultimate responsibility of the exec team to lead the organization down the path of success.

The exec team should have sufficient experience. Exec team members should have the experience to navigate the next stages of growth successfully - you owe that to your company. I recommend that *no more than 50% of the exec team should be first-timing it or learning on the job.* This means that every few months, you should be re-evaluating the readiness and capability of the existing team, identifying risks and planning for future changes. When hiring new executive team members, you want to target individuals who have operated in roles equal to where you anticipate being in ~2 years - this tends to be the right balance between more experienced but also scrappy enough.

The exec team should lead in best practices. Exec team members should *spend ~20% of their time externally focused*, scanning market trends. Through benchmarking analysis, peer-and-competitor networking, new research - it is critical that the exec team stays ahead of fast-evolving thinking in the space, and bring in new ideas, and this should be an explicit mandate of the team.

The Exec team needs to be tightly aligned. Hypergrowth by its very nature means you'll be growing in many different indices (product, geographies, target market, partnerships) all at the same time, which can lead to an inherent tension about priorities. *The exec team should intentionally invest the additional time required to stay aligned on priorities and inter-dependencies.*

Maintain executive-level involvement in the hiring process

You'll want to give as much autonomy to hiring managers as possible, but evidence shows that the lower you push decision-making down the hierarchy, the more the bar for talent is lowered. It's a natural hiring manager tendency to hire people with less experience than themselves. In a rapid scale-up environment, to the contrary, you need each new joiner to be almost as senior as their hiring manager, so that in the bargain the hiring manager themselves can rapidly elevate to a more senior role. New joiners shouldn't be just 'more hands on deck', that isn't sufficient in a high growth environment. The only way to truly keep this bar of quality is to *ensure that exec leadership continues to be involved in hiring decisions as long as possible*, until there's truly a breakage point in calendar availability. As a founder or CEO, you would want to be personally involved in at least the first 100 hires in your company - these will be the people who select your next generation. Even after this point, stay involved in hiring at least for leadership and management roles. Selecting talent to bring into your company is one of the most strategic

decisions a company makes, and should always be elevated to the highest possible level at your point of scale.

Invest heavily in internal mobility

The talent shortage companies are facing today will inevitably lead to an increase in attrition if you don't provide your talent with opportunities to grow. Most companies focus most of their energy on the external talent market (ie recruiting) and neglect the internal available talent market, leading to a significant inefficiency in resource allocation. Key activities in this area:

Know your top talent: I think of top talent as those who have the attributes and drive to expand the scope of their responsibilities within the company. Have a clear and regular identification exercise to understand your top talent. Fast growing companies should consider conducting this exercise quarterly. These are individuals with potential for outsized impact on your organization.

Provide growth opportunities especially for top talent: Once you know who your top talent is, invest in this group through a combination of *education* (training, conferences etc), *exposure* (involvement in meetings, mentoring, networks) and/or *experience* (stretch projects). Not everyone will need or have time for all of them - but being intentional about investing in each person will significantly turbocharge this cohort.

Include internal mobility into your workforce planning: When you are smaller, you'll be forced to hire most of your new leadership positions externally, as you won't have the requisite skills or experience within the company. As you get to 200+ employees, this habit needs to change significantly. You will want to still hire a portion (eg 50%) of your leadership roles externally, in order to keep bringing new knowledge and expertise into the company. But you should also *target filling ~ 50% of leadership positions internally* through promotions or internal moves. As you continue to grow past 500 employees, you want to reduce the % of external leadership hires and invest instead in filling leadership positions through internal pipelines. Hyper-scaling organizations should have an annual promotion rate of between 25-35%.

Work through cross-functional project teams: In today's 'gig economy' mindset, cross-functional teams are critical to keeping employees engaged and meeting a fast-evolving landscape of business needs. Invest in resources accountable (often within your Operations or Chief of Staff function) to organizing, resourcing and maintaining the operating rhythm of such strategic projects.

Some recommended KPIs:

- Leadership strength: Any gaps in executive roles

- Leadership bench: % of executive roles with identified ‘next generation’ leaders to develop as potential successors
- Internal mobility: (a) % of employees promoted or changing role; and (b) % of open roles filled by internal candidates

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Learning 3: Lean in to your Culture

An organization’s culture is the set of values, norms and practices that guide day to day interactions and actions. Your company is going to have a culture, whether you know it or not. The decision in front of you is how intentional you want to be in influencing what this culture looks like.

By its very nature, hyper-scaling poses a threat to any culture. More than likely, about half your organization will have less than a year’s tenure with the company. At this rate of growth, in order to maintain and strengthen your culture, you will have to ensure that your values, behaviours and norms are absorbed and amplified very quickly across the organization.

The rate of growth also means that organizational structures have to be frequently reviewed - roles changed, layers added, teams frequently expanded, disbanded, merged and separated. This constant change creates a persistent and deep anxiety - that needs to be combated with an intentional investment in transparency, safety and trust. Investing in the culture through hyper-growth will reap significant benefits for you - you will be asking employees and teams who don’t know each other to come together quickly in extremely challenging circumstances. Make the strength of your culture one of your key competitive advantages, that keeps your organization grounded through this rapid transformation.

Define and embed your values

I recommend you define your values right from the very outset - they are the *design principles for your culture*. However, just like any design principles, as your organization and the external landscape evolves, you’ll need to review (and potentially refine) them on a periodic basis. At Etsy, we revamped their values to align more closely with the revised mission after coming off B-corp status. At Snyk, the company initially had 16 values crowd-sourced from our employees, which we refined to 4 critical values at an inflection point in our growth, when we raised our Series B. The journey of your values will be different for each company - and whatever path that follows, they may need to evolve over time.

You will want to embed your values throughout your culture, along the entire employee journey. They should form part of the interview process to help evaluate candidates, be a prominent part of new joiner induction, and be embedded into rewards and recognition decisions.

Trust, collaboration and empowerment

By the very nature of hyperscaling, three areas of culture will come under much stress - trust, collaboration and empowerment. I would recommend being particularly thoughtful and proactive about your actions to nurture these elements of your culture.

Trust: The constant churn and change of hypergrowth environments creates a deep seated anxiety amongst many employees. The easiest way to address this is through transparency, open dialog and creating the space for these anxieties to be surfaced; at Snyk we speak openly and frequently about the need for transparency, empathy and compassionate honesty. We intentionally define inclusive behaviours and keep the topic at the forefront. This gives employees across the company the permission to hold each other accountable to living the kind of values that underpin our culture.

Collaboration: As organizational structures are disrupted, it introduces a constant level of friction into day to day collaboration. Processes and handovers need to be redefined, multiple stakeholders engaged, matrixed relationships developed. For some employees this transition will come intuitively, but for a lot these changes will need to be explicitly articulated. You can significantly help this by rolling out the following:

- A common accountability framework (eg RACI or RAPID) to help establish a common language around role definitions. Which framework you choose matters less than aligning around a common one and building a muscle around it!
- Common standards for documentation, project management and action planning (softwares like Asana or Monday can help with this)
- Common approaches for decision-making and seeking input (eg Request For Comment documents)

Empowerment: As you get larger, new processes, checks and balances get put in place (all for good reason) that can have the effect of leaving employees feeling disoriented and disempowered. Spend time intentionally determining where a process is better served when centralized, and where you want to allow employees with autonomy on the ground ('the last mile'). You'd typically want to centralize activities where having a common process increases efficiency for all by reducing friction and ambiguity (e.g. common systems or frameworks). And processes are best left to individual and team autonomy when speed, agility and customization are required for good quality outcomes (e.g. building and deploying our employer branding social media strategy).

Give away your legos

Few articles have captured the impact of hyperscaling on individual roles with as much impact as Molly Graham's article on giving away your legos. And few environments create as much role-related ambiguity and anxiety as a hyperscaling environment. Roles keep morphing frequently - getting broader or narrower, losing or augmenting perceived authority, inheriting new leaders or direct reports. And through all this, hyperscaling demands a level of resilience and remarkable agility from our employees - to 'give away their legos' and not get attached. We talk about 'giving away one's legos' frequently and transparently, across all levels of our organization, so much so that it has become a part of our natural lexicon and culture. Normalizing the concept through constant dialog diffuses the sensitivity and anxiety and helps employees see the changes through the lens of opportunity rather than failure.

Maximise span, minimize layers

As you grow, you will inevitably be forced to build layers of hierarchy. You will also be tempted to set more junior employees up as team managers to provide them with career development opportunities. This can, however, add risk you should be conscious of:

- **Each additional layer disproportionately amplifies distance and misalignment** between employees and leadership - you should only create additional layers where absolutely necessary for business success. Typical advice would be to not create an additional layer until a manager has at least 5-7 current direct reports.
- You may be putting the care of your employees, your most important and costly asset, in the hands of **inexperienced managers**. Your managers and leaders are the face of the company, so be extremely selective and conservative in elevating people into this position
- It creates the **perception that career progression only happens through people management**. Instead, elevating employees for individual achievement *without* stepping into management roles has a much stronger long-term impact on the organization's understanding of career growth.

Maintaining creativity and innovation

As you scale, you will need to put in place processes requiring more time in stakeholder alignment, a requirement that can start to stifle speed and creativity. You will need to be intentional about supporting and recognising individual autonomy, creativity and empowerment. Simple tips for doing this include: (a) Recognising team innovations (both those that succeeded and those that failed but created learnings!) in small hands; (b) Organizing hackathons for cross functional creativity; (c) Establishing guardrails and mechanisms that allow teams to take 'safe' risks.

Some recommended KPIs

You can get a sense of the strength of your culture through pulse survey tools e.g. CultureAmp, Glint, and Peakon. All will offer pre-designed questions around the indices that you would like to measure.

Some dimensions commonly measured through engagement surveys:

- Engagement
- Inclusion and psychological safety
- Communication and transparency
- Leadership vision
- Day to day management
- Empowerment, growth and development

Learning 4: Create a learning organization

Operationalize induction and enablement

When you are in hyper-growth mode, operationalizing the efficiency of your induction and enablement processes will have a significant productivity impact on your organization. You only get one chance to make a first impression and convince new joiners that they made absolutely the right decision in joining your company. Items to think about include: (a) new joiners are set up with equipment and systems accesses before they join, with a simple and easy map for orienting to your tech stack; (b) a pragmatic and user-centric induction program that allows all new joiners to quickly absorb the information they need to be productive as quickly as possible; (c) new joiners are integrated into your culture early through exposure to your values, their peers your executive leadership.

Build out simple career frameworks early

Companies have tried multiple ways to address the eternal debate about job titles and levels - and whether or not you think they are important, my experience is that they inevitably shape employee perception of fairness and equity and therefore you need to be thoughtful and intentional about your decisions. I recommend that you establish a simple framework, early on, that allows you to benchmark employees with relative job titles, levels and compensation. Keep it as simple as possible, with as few grades as possible - you can always add more levels in the future when needed. E.g. with a team of 50 engineers, you could have something as basic as Associate Engineer, Engineer, Senior Engineer and Engineering Manager. You don't need 8-9

levels until you have significant scale, so err on the side of simplicity. A framework of any kind, however you choose to design it, will allow employees both to feel fairly benchmarked as well as engage in conversations about their development and growth. Pro tip: A lot of startups leverage elevated job titles as a bargaining tool to bring in new hires, e.g. bringing someone in as a 'Director' when they are only 3 years out of college. When you are in hypergrowth mode, you'll very quickly need a 'real' director-level person - and having legacy people with that title will only create problems of inequity you'll have to deal with a few months down the road. I've found this sensitivity to particularly exist at the Director and VP levels, so I recommend you be particularly conservative around those titles at early stages of your growth.

Invest in developing your leaders

By giving leaders responsibility for your people, you place a lot of trust and build a high dependency on them, you should be intentional about investing in the strength of their leadership capability. Some tools to do this include: (a) external leadership coaching; (b) in-house or outsourced 'management fundamentals' education for first-line managers (companies like Sayge, LingoLive, Rising Team and Hyper Island offer great services in this space); (c) invite external speakers; (d) establish internal or external mentoring connections for key talent.

Institutionalize opportunities for peer learning

Peer to peer learning is one of the most scalable and effective means of building a mindset of constant learning into your culture. Creating peer learning structures sends two clear message to your employees - that everyone has something to learn from others, and that learning happens all the time on the job, it isn't necessarily a separate, discreet moment in itself. Some peer learning structures to consider:

a) Periodic hackathons or time reserved for cross-functional brainstorming on innovation ideas
b) Regular lunch and learns
c) Regular team 'QBRs' where the team can assess themselves on what's working and where they need to make adjustments
d) Build in post-mortems or After Action Reviews as a part of the regular project process

Some recommended KPIs

- Learning spend: Should ideally target $1,000-2,000 per employee
- Induction experience: New joiner satisfaction and engagement in 30 days
- Manager strength: Employee feedback on managers (as a measure of effectiveness of your manager training)
- Content engagement: Training attendance rates/hours

Some tools to consider:

Learning platforms and services like LinkedIn learning, Coursera, Udemy or Learnerbly can provide significant support in access to learning content.

Learning 5: Adapt how you communicate

Cut through the “noise”

As you grow, the volume of “noise” increases, and people automatically start to be selective about where they pay attention. Which means, a lot of communications go unread/unseen. *Be intentional about where the most important updates are, and be explicit about your expectations that employees are updated in those channels* (monthly All Hands? Announcements slack channel? etc).

Tools like Pyn allow you to enhance your employee experience by allowing you to send customized and personalized communications at scale, timed for when employees most need it. Tools like Spokn are an internal podcasting tool that allow you to have more engaging narratives in messaging to your employees.

Adopt asynchronous behaviours

Because of timezones and increased diversity of team cadences, employees will absorb information at different times, and through different mediums.

- Send out and reinforce the same messages through multiple media (slack channels, meeting updates, management cascades, video/audio updates, etc)
- Facilitate asynchronous communication (documented processes, project management software, recording meetings) so you reduce dependency on collective meeting times
- Define asynchronous etiquette. What is best dealt with in meetings? What can be defined and captured asynchronously? How are differences in opinion resolved asynchronously? No one has cracked the code on this so there’s no perfect answer. What’s more important is that you have a defined norm and people understand what’s expected of them.

Build lateral communication lines

It used to be that the exec team communicated to everyone directly. And then suddenly you have layers, and silos. Departments have teams and sub-teams. The outcome is that individual

employees suddenly lose context that is essential to guiding their work. *You will need to establish new communication lines between these groups.*

- Identify critical leadership roles/levels (eg the direct reports to the c-levels? Product leads? Directors+?) and create forums of communication channels amongst this group
- Combat hierarchies and silos by establishing cross-functional standups so that people learn and share context quickly across levels and teams. The more context and real time information people have, the more they will automatically pull in the same direction. Traditional hierarchical information cascades do not work in a fast-evolving hyer-growth environment. Larger (eg department-wide) standups work well to achieve this. I currently run a weekly standup with the entire People team - not everyone always has an update, but everyone has the opportunity to hear what's happening, real time, right from the source.

Capture bottom up feedback

As organizations get bigger, communication tends towards top-down because this is most efficient. But this is a dangerous trend where you can lose touch with your organization.

- Be intentional about actively soliciting bottom up feedback and information (pulse surveys, AMA sessions, leadership-employee lunches are all relatively simple to put in place). Common survey tools include CultureAmp, Glint, and Peakon
- Institutionalize skip levels across the org, to ensure two-way communication and information exchange with the leadership

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Learning 6: Strengthen your Core HR processes

A common mistake a lot of People teams make as they scale is to focus too high up on Maslow's Hierarchy of Needs[4] without strengthening the basic foundations on which everything else depends. It doesn't matter how great a culture you have if your employees aren't getting hired, terminated or paid correctly. Your People operations will get immeasurably more complex as you scale, do not under-invest in this area. Hyper-growth puts a lot of stress on core processes, and over time you will experience inevitable breakdowns at vulnerable points. Stay on top of evolving these processes through automation and simplification.

[4] Abraham Maslow, American psychologist, first published his work on the Hierarchy of Needs in 1943, and further refined it over subsequent decades (1962, 1987).

Strengthen operational reliability

As you scale, you need to be able to trust that your data is accurate, and that operational processes work in a reliable and repeatable manner at scale. This requires a combination of automation with well documented processes.

Data integrity

When you are smaller, bespoke manual processes are normal and doable. As the pressure of hypergrowth kicks in, you start seeing errors in data integrity.

- An example of a typical manual process: A new joiner has to be entered manually/separately into multiple systems to get set up or an org change needs to be updated in several different systems which aren't automatically sync'd.
- As you scale you'll need to put in place 2 approaches to ensure data integrity: (a) a regular cadence for data audits; and (b) automated system syncs and provisioning.
- You want to set it up so that your HRIS is the single source of truth for all employee data, which is then automatically pushed into other systems as needed

Handovers

Process handovers from one team to another are typical hotspots of process breakage, especially vulnerable under the stresses of hyperscale. In particular watch out for the processes below - for each, aim to automate information transfer as much as possible, have a clearly articulated process with defined roles and responsibilities.

Onboarding: Handover of candidate information from Talent Acquisition to Operations. Aim to automate the transfer of candidate information from the ATS to the HRIS, and eliminate dependency on manual steps. Put in place a clearly defined process for onboarding, along with articulated roles and responsibilities

- What triggers the start of onboarding (eg a candidate 'accept')?
- What information transfers to the HRIS?
- Where do signed employment contracts/documents go?
- Who completes the eligibility of employment (eg I-9) checks?
- Who initiates background checks, and who adjudicates or reports on the results?
- How are other adjacent teams notified of new joiners (IT for systems access, Finance for budget planning, Workplace for office seating, etc)?
- How are laptops or other company property distributed (in-office vs remote)?
- Who needs to know about any changes to offer terms or start date and how are these communicated?

Headcount and workforce planning: 2-way information sharing of headcount and org change information between the Finance & People teams. Because these systems often tend to be

disparate and with less integration, you may need to put in place a regular cadence of touchbases (eg weekly catchups) between the teams to stay in sync.

- How are employee movements (transfers, new starts, terminations) communicated to the Finance team?
- How are budgeted headcount increases and projected hiring times communicated between the Finance and recruiting teams?
- Who approves incremental headcount?
- How can the process allow sufficient time for the recruiting team to ramp up to capacity?
- How can internal mobility between roles be included as a part of the workforce planning process?

Employee Terminations (offboarding): Similar to onboarding, with the added complexity that some terminations may need to be at the last minute due to the sensitivity in specific situations. The defined process should clearly articulate the below for both voluntary and involuntary terminations, which may often be different:

- Who (HRBP?) and what (resignation note?) triggers the start of offboarding?
- Who needs to be informed?
- What accesses are shut down automatically from the HRIS, vs those that need to be terminated manually?
- How are laptops or other company property returned (remote vs in-office)?
- Who communicates with departing employees through this process?
- How are employee departures communicated to others in the company?

Automation and scalability

There has been an explosion in HR Tech solutions, and a lot of the solutions offer attractive enhancements to the employee experience. However, beware that the introduction of each new system could create a significant increase in the volume of manual process and information to be maintained on an ongoing basis, unless they integrate directly into your HRIS or an auto-provisioning (and de-provisioning) tool like Okta.

Compensation

Market benchmarking

At early stages you may not be able to compete on the cash compensation front with larger global employers, but you always want to know the delta between where you are and the market. You do this through participation and purchase of global benchmarking surveys. Option Impact and IPAS (owned by salary.com) offer good initial benchmarking tools for early stage private companies. As you start to scale globally, or approach IPO, you could consider utilizing Radford, Mercer or Towers Watson for a more mature and detailed benchmarking dataset.

Gender Pay Parity

Gender pay parity might not seem relevant when you are just a handful of employees, but in addition to the ethical concerns, a pay gap can grow quickly in cost if left unchecked over a prolonged period of time. You should put in place a process to address gender pay early on, not only because it's the right thing to do but also because the costs of addressing a pay gap can escalate quickly as you grow. As soon as you have a basic framework around which to anchor leveling (eg Software engineer, senior engineer, staff engineer, engineering manager), this is sufficient to start bringing salaries for similar roles into parity.

Equity

As an early stage startup, equity is a key tool in your arsenal, and you might be tempted to use it liberally. However as your company gets more successful, the value of equity will (hopefully!) increase substantially - so disparities between employees in how much equity you grant can become a significant issue to manage through at a later date. I recommend pulling together a simple framework early on to allow you to anchor different levels of equity grant. As you go progress towards later funding stages as a company (eg series C or D), you want to build a model to phase the balance of your compensation from equity towards cash. I would recommend building a gradual phasing model so that by the time you move towards an IPO, your compensation is competitively benchmarked with that of other public companies. Compensation consultants like Compensia can help guide you through this. The hard part of equity is often articulating the value of it, especially at early stages, and I recommend that all recruiters are armed with tools and verbiage to help tell the 'equity story' to all candidates as a part of the offer process.

Learning 7: Operate with data

At early stages you will know your data inside out - who joins your company, who leaves, and why. But as you scale, you want to be identifying trendlines that guide you in making sound business decisions. Tools like Ashby Analytics or TalentWall (Recruiting) and Twine (HR) help pull your data together into insights that can inform your decision-making process. But the biggest success factor in being data-driven is not the tool, but actually understanding the underlying data and the insights it provides. Define your key KPIs by which you measure the health of your business, and start to measure them on a regular (eg monthly) cadence. Some common KPIs include:

a) Headcount to plan
    i) Current & projected headcount vs financial plan
    ii) Hiring numbers

iii) Attrition (regretted & unregretted)

b) Culture
   i) Engagement
   ii) eNPS score
   iii) Feedback on leadership
   iv) Feedback on management

c) Diversity
   i) Diversity of new hires & leavers
   ii) Breakdown of existing employee population
   iii) Diversity in leadership

Conclusion

I've listed these learnings above with the intent to share as much information as possible and avoid others having to have the same learnings again. Throughout my career, I've had the opportunity to get exposed to so many great mentors, who have provided much guidance and counsel that I've depended on. I hope that these few points help you, as we continue to strengthen the platform of support we can provide each other across the People space.