

#### **4. Factors to Consider When Building the Team**

It is often said that a team is only as strong as its weakest link. While different perspectives are important to consider in the early stages of any company, building a team that embraces and shares the cultural DNA of its leaders has proven to pay great dividends. Drive, tenacity, and willingness to persevere must be accompanied by respect, humility, and an appreciation for those who came before you. The more care that is taken by the early stakeholders in shaping the personality of the team, the more likely it is to sustain the founding principles of the group as it grows.

The founders of Airbnb went to great lengths to interview and discuss each potential employee to measure for “cultural fit” for most of its first fifty hires—for roles including international/country leadership down to customer service. As Stone writes in *Upstarts*, “cultural values can be a rudder for companies, a way to align far-flung employees and guide the hiring of new workers with a set of rigorously defined ideals. Airbnb had formulated its six values back in 2012 and they had helped to shape its conciliatory manner of dealing with unanticipated crises and regulatory turmoil. Uber had skipped this step earlier in its history, which was apparent in its more slapdash and aggressive approach to unanticipated obstacles.” It wasn’t until the fall of 2016 that Travis Kalanick finally unveiled what he called Uber’s “Philosophy of Work” to be the company’s guiding principles. By then, the company was nearly seven years into its journey and the reckless, aggressive personality Uber had taken on would ultimately lead to Kalanick’s ouster within a year.

So, what are those defining qualities that most consistently lend themselves to building the best teams? In *The Ideal Team Player*, Patrick Lencioni notes, “Great team players lack

excessive ego or concerns about status. They are quick to point out the contributions of others and slow to seek attention for their own. They share credit, emphasize team over self, and define success collectively rather than individually. It is no great surprise, then, that humility is the single greatest and most indispensable attribute of being a team player.”

In a perfect world, the most talented, highly-motivated, and passionate people would also be selfless, humble team players, but that is not always the case. The strongest voices oftentimes demand that greater weight be given to their ideas and typically covet personal recognition more highly than team achievements. Great teams often overcome these dominant personalities, but too many of these self-serving types can become disruptive and make it difficult to execute as tensions run high. It is no secret why the most successful startups of this day take such care when it comes to building their teams.

In *Good to Great*, Jim Collins adds, “In determining ‘the right people,’ the good-to-great companies placed greater weight on character attributes than on specific educational background, practical skills, specialized knowledge or work experience...they viewed knowledge and skills as more teachable traits, whereas dimensions like character, work ethic, basic intelligence, dedication to fulfilling commitments, and values are more ingrained.” Building the perfect team has never been more challenging than it is today with so many great companies competing for the same kinds of people. Having been through the dot-com burst in 2000-2002, as well as the financial crisis that tilted the world on its axis from 2007-2009, I have seen dozens of great young companies forced to react to some extraordinary circumstances. Product cycles are pushed out, spending comes to an abrupt halt, and even the well-positioned companies are forced to let go of some of their best employees. Funding often dries up during such times of

uncertainty leaving startups with no choice but to cut their burn rates and streamline the product focus. Nothing weighs on morale more heavily in startup-land than being forced to downsize in order to survive such difficult storms.

Perhaps one of the only silver linings to emerge from these belt-tightening experiences is the very fact that so many high-quality people suddenly become free agents. Collins writes, "Take advantage of difficult economic times to hire great people, even if you don't have a specific job in mind." That is precisely what the best startups I have been around have done which inevitably puts them in a position of strength as end markets improve.

David Ross sums it up pretty well in his book *Teammate*, "To be a great teammate, a player has to have good work ethic, he has to be durable, he has to be mentally tough, he has to have perseverance, and he has to have talent... It's difficult to find a baseball player or any professional who excels at all those things, which is why extraordinary teammates are so hard to find." Building a team of dedicated, reliable players takes focus and effort, especially if care is taken to ensure that a cultural fit is maintained as the company grows. Time is a scarce commodity at every startup, but the best ones invest it as necessary to build the most capable teams. I have seen those investments pay handsome dividends over the years, separating the highest achievers from lesser teams with great products that fell short of their potential.