

SARAH E. BROWN

POWER

TO THE

STARTUP

PEOPLE

HOW TO GROW YOUR STARTUP CAREER  
WHEN YOU'RE NOT THE FOUNDER

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# CHAPTER ONE

## WHAT IT'S LIKE TO BE A STARTUP EMPLOYEE

Why would anyone want to work for a startup? If you're thinking of joining a startup, this chapter highlights how working for startups is different from working at larger, mature companies, and why you might or might not want to join one.

### **Why It's Not Like Working at an Established Company**

Startup life as parodied on the HBO show *Silicon Valley* is a surprisingly accurate (if hyperbolized, to be sure) reflection of what it's like to work within the tech industry. We have nap pods and coconut water, and sometimes we stay up all night coding. But the parody can't convey what it's really like to work at a startup. If you're considering joining one, especially if you currently work at a bigger company, some differences will be apparent right away.

According to serial entrepreneur and investor Jenny Lefcourt in her blog post "Beware of the Beautiful Resume," there's a difference between "big-company" employees and startup employees. She says:

Big-company people care a lot about their relative status and security. Having power within the organization is key to their comfort. They focus on things like titles, the budget they control, and how many people report to them. This type of person wants to feel confident that they are better than their peers. They don't like to make mistakes, especially if the mistakes are visible to others.<sup>5</sup>

Not all “big-company” people identify with Lefcourt’s description, and many of them eventually join startups—and enjoy it. Rather than label yourself a startup person or a big company person, it’s more helpful to focus on your current career goals. Think about whether you’re interested in working in a less stable, more high-risk environment or a bigger company where growth may be slower and risk lower.

Startup people are special. When working for a company we believe in, we can bring an incredible amount of passion, energy, and dedication to our work. The desire to work within an area that ignites one’s passion while directly impacting business outcomes inspires many to make the transition.

Many of us have had negative experiences at larger companies, which compels us to found or join startups. Startup leader and former CEO Matt Harada joined a big firm after college, and his experience there drove him to make the switch to startups.

I was in a boring role where I saw middle-aged overweight men working in windowless cubicles. . . . They’d leave on the dot at 5:00 p.m. I didn’t want to work in a big company where people didn’t care about work. Startups are resource-constrained, but they are often able to provide excitement, learning opportunities and equity, which may become valuable.

So how do you make the switch from a bigger company to a startup? While we’ll dive directly into the ins and outs of finding startup jobs and offer negotiation tips later in the book, the first step is to recognize that you really can do it. There will be barriers, but others have overcome them—and you can, too.

Ad technology company Sovrn’s Chief of Staff Sarah Innocenzi is often approached by people from larger, more corporate companies inquiring about tech startup opportunities. Innocenzi made the transition from the corporate to the startup world and has noticed some bias toward those shifting from big companies to startups.

“There is a stereotype associated with being from a larger company: that you’re not going to understand how to be nimble and comfortable with ambiguity,” says Innocenzi. “I work harder now than I did when I was layered within a larger company, but where I’m investing my time, I can

actually feel and see the impact I'm making. If that appeals to you, you can overcome the stereotypes and make the transition successfully.”

### ***Making the Transition: You Can Do It!***

In summary, it is common for people joining startups from corporate environments to worry about the transition. If you are willing to learn and grow, don't worry too much about your skills; likely the abilities you've honed elsewhere will translate to startup life. The bottom line: be confident in what you know, and humble enough to be willing to learn. If you want to work at a startup, go for it!

## **Reasons to Work at a Startup**

### ***Opportunities to Earn a Good Living***

If you're in the startup world for the money, a quick disclaimer: depending on your skill set and whether you have an advanced degree, you could probably earn more at a larger company sooner. That being said, you can earn six figures at a startup within several years, even without any post-secondary education.

Many who work for startups do hold advanced degrees, but these are not a requirement for all roles. This point comes with the major caveat that startups often do not offer the same level of cash compensation as large companies, and an equity payout is not guaranteed. However, some tech companies—especially venture-funded ones and more mature startups—offer an opportunity to earn a higher paycheck compared to other industries.

### ***Easier to Make a Visible Impact***

At their heart, tech startups build innovative products and services to serve a market need. When people talk about “disruption,” they mean that a startup enters a market, usually one that is previously underserved, or serves said market as a more convenient, cheaper alternative to the current options. Entrepreneur Clay Christensen first introduced the concept of disruption as a framework in his book *The Innovator's Dilemma*.<sup>6</sup>

Whether you are a developer coding a new feature that will change how people interact with the world or working in HR to ensure your team is taken care of and able to perform at their best, you will have ample

opportunities to contribute to the disruptive technology products and/or services your company delivers and contribute to your company's mission. This is as true for the engineer who writes code for software as it is for the salesperson who sells it. To sweeten the deal, if and when your company exits (usually this means when it is sold), you may get a piece of that success if you negotiate equity.

### ***Lower Barriers to Entry for Your Career***

Startups can provide great job opportunities for people with varying levels of experience. Graduating from an institute of higher learning is not a requisite at many tech companies, which may be attractive to you depending on your level of education.

Many startups hire candidates right out of high school or college. Entrepreneur and mentor Hiten Shah says many of his employees never went to college. Hiten says that in a startup, the lack of formal education can even be a boon because of a perception that these people are more likely to have “hustle” and “honed practical skills.”

A 2014 report cited in the *New York Times* found that “almost half of the technology jobs in [New York City] are filled by people without college degrees.”<sup>7</sup> Unlike startups, most corporate environments place greater emphasis on bachelor's and advanced degrees.

While many formal academic paths are available and may be helpful in advancing your startup career (computer science degrees, finance degrees, business management degrees, MBAs, etc.), they are not necessarily essential to succeeding at a startup. What you *do* need is a willingness to take learning into your own hands and adopt a growth mindset. We'll discuss this later in the chapter on hacking your productivity and doing the best work of your life.

In addition, developer bootcamps enable people lacking previous technical education to switch careers or specialties. As we'll discuss later, though, a technical background isn't required for many roles at startups.

### ***Flexible, Nontraditional Work Environments***

Startups are likely to offer benefits such as flexible hours, locations, work-from-home opportunities, and more. When startups grow and become

“scale-ups,” they often move to bona fide campuses with more amenities, and some even offer private transportation to and from the office.

There are both drawbacks and benefits to these campuses. One engineer who works at Facebook’s office in Menlo Park reports that he spends the majority of his time at work because of all of the amenities it offers. Tech companies that can afford it design their campuses to maximize employee time. One Google employee reports that he works with many people with young families who leave early to pick up their kids, so the office is usually quiet after 5:00 p.m. The free food, he says, helps everyone to be more productive and saves time—not just for work, but to go to a fitness class or go home early. From a company perspective, the more convenient your life, the more time you’ll have to be productive in all ways.

Many startups can’t offer an on-site gym, snack wall, or nap pod, but they may make up for this in other ways, perhaps offering flexible hours or the option to work from home. It is important not to generalize, though; some smaller startups do not offer many perks and don’t embrace a flexible work culture, and some larger companies don’t offer tons of campus amenities. Many companies of all sizes foster cultures where staying at work all the time isn’t expected.

### ***Personal Growth and Learning***

Startups can provide ample learning opportunities. While working at one, you will get the opportunity to wear many hats and learn along the way. If you are up for the challenge, many startups will give you the chance to try different things and learn new skills and technologies.

“It’s the people who understand learning comes from being uncomfortable that belong in a startup,” says Sovrn’s Sarah Innocenzi.

“It is constantly challenging you. Every time I get over a hump, there is another hump. You have to be OK with that to make the transition to a startup. It’s a never-ending upward hill. Even when you reach the top, there’s another hill for you to climb.”

### **Downsides of Working at a Startup**

Startup life can be intense. You won’t always be doing the things that excite you most, and the experience will most often not be glamorous. The pace,

chaos, and stress of startups also can take a toll. Here are a few of the main drawbacks to startup life.

### ***It Isn't Sexy***

MergeLane Co-founder Sue Heilbronner likes to emphasize to her portfolio companies how “unsexy” startup life is.

There isn't enough staff. Someone has to clean out the fridge. You need to have a schedule for cleaning out the fridge. Someone has to deal with payroll. Even if you use a modern payroll service that's SaaS-based, it's still a pain to do payroll. You sometimes earn less money (often). At most startups you won't get a full benefits package, like a matching 401k.

Are you willing to put in the elbow grease and have an “everyone pitches in” mentality?

### ***Volatility***

Startup volatility can be nerve-racking, not only for the founders who take on risk, but for employees who stake their livelihoods on an emerging company. Startups may not be stable employment options, especially in their earlier stages. A change in cash flow or funding can lead to rapid changes in startup employees' lives.

Take note: if you're used to working at a large company that offers many benefits, can you live without some or all of them? Would it negatively impact you or your family to give up stability?

### ***Ambiguity***

Becoming comfortable with ambiguity has opened many doors for me and many others in our startup careers. But startup ambiguity can also be very challenging. Startup employment can involve constantly switching directions, making decisions with little information, and in general trying to make sense of confusion on a daily basis.

Venture capitalist, Techstars founder, and prolific author of startup books and blogs Brad Feld says the people most likely to thrive at a startup

are those who can adapt to frequent change and deliver value in ambiguous circumstances.

“Startups are a mess,” says Feld. “They are extremely chaotic, and things change constantly. There are a lot of parts of the startup experience that are exciting, but many aspects are very ambiguous, stressful, and frustrating.”

Feld says that it’s important to ask yourself whether you are truly interested in and aligned with the work and founding team.

“Is the company doing something that you’re interested in? Joining a startup for something you’re not into makes it harder,” says Feld. “You’re going to constantly be in this environment where things don’t work, don’t make sense, and you experience severe ups and downs and inconsistency.”

Dave Cass, an entrepreneur who teaches entrepreneurship at Leeds School of Business, University of Colorado Boulder, says top traits for startup employees include the ability to constantly operate outside your comfort zone and become adept at providing value in ambiguous circumstances. Cass teaches his business school students to develop resilience around the unknown. For example, he never provides an exact course schedule on his syllabus. When students inquire about this, he explains that rigid planning structure isn’t how the startup world works and that, like a startup, he will be listening to feedback and adjusting the class based on the goals of the course and the needs of the learners.

“Nowhere in life will the next four months be precisely scheduled for you, nor will it ever go according to plan. Circumstances will always change in that time period,” Cass tells his students at the beginning of the semester. “Becoming comfortable with a level of ambiguity will help build the crucial skills of flexibility, adaptability, and proactive planning.”

### ***No Place to Hide***

Entrepreneurs Steli Efti and Hiten Shah argue that personal attributes that aren’t congruent with startup life include a need for rigidity, predictability, and structure and a strong affinity for titles.

Shah says, “You can’t hide in a startup.” He explains that in larger companies, people can “hide in the corner,” doing only passable work.

“In a startup if you do mediocre work, it’s obvious,” says Shah. “People who are satisfied with coasting should consider working elsewhere.”<sup>8</sup>

## ***Burnout and the Toll on Mental Health***

Considering the ambiguity, high pressure, and stressful environments of the startup world, it's not surprising that mental health issues are rampant in tech communities. New studies and research are coming out around the incidences of depression, anxiety, and other mental health issues in the startup community.

In *Killing It*, REBBL CEO and former executive at Clif Bar Sheryl O'Laughlin writes about her own struggle with mental health issues while running a company. She says this isn't unique to her experience: "If you listen closely in Silicon Valley, you can start to hear new murmurings about failure, depression, and the growing problem of drug abuse among the valley's most intense."<sup>9</sup>

But it isn't just founders who are struggling; while they may be closest to the pressure, no one is immune from the intense startup life, no matter what their role.

On a positive note, attention around mental health in the startup community is increasing, including an awareness that it's not just founders or CEOs who are afflicted.

VC Brad Feld and others write about how the stigma surrounding mental health can prevent startup workers from admitting their depression or other mental health issues and getting the help they need.<sup>10</sup> Having conversations about real ways to shift unhealthy startup cultures is a great step forward. Some startups now even "pitch mental wellness as a perk."<sup>11</sup>

## ***Personal Relationships Can Suffer***

Working for a startup can be all-encompassing; finding time for your family and important relationships can be a challenge. VC Brad Feld wrote *Startup Life* with his wife, Amy Batchelor, in which they describe how they navigate these issues. They advise discussing your career goals with those closest to you, thinking about how you'd like your startup life and your intimate life to relate, and establishing boundaries to enjoy both. This may mean working as a family to determine times when you'll be offline, and choosing not to work for a company that won't respect your weekends or PTO.

## **Final Thoughts**

The downsides to startups are real. It takes a strong commitment to avoid burnout and ensure that you're able to live the life you want while working hard. There is no shame in getting help if you're struggling, or leaving startups if you find the whole industry not suitable to your lifestyle. Everyone has to decide for themselves.

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