



**BUILDING
YOUR STARTUP
DREAM TEAM:**

Advice from Midwest
Founders and Funders



Building Your Startup Dream Team: Advice from Midwest Founders and Funders

Hiring is critical in every company, but for startups, a hire can be glorious, or disastrous to your growth plans. As a startup, you are presented with the unique opportunity to build your team from square one. Each person you add to your team can either strengthen your core leadership unit and in turn your business, or weaken your business from the inside out.

The weight of a good (or a bad) hiring decision and when to start expanding your leadership team can be a lot to handle. So we reached out to some of the Midwest's battle tested founders and funders to get their insights and advice.

In our conversations with them, we uncovered eight strategies and lessons you can leverage as your own startup grows and you look to hire or expand your startup leadership team.

1. Hire carefully. Startups have less margin for error.

Many companies could argue that hiring is key to success, but this is especially true for startups. Every hire in the early stages is a critical one. Scott Burns, CEO & Co-Founder of [Structural](#) said,

“ *Startups have less margin for error because time and money are limited so each hire must make a positive impact.* ”

Timing, or more precisely quick progress is absolutely critical. Within a startup, every day, week, and month either adds to or takes from the bottom line. It typically takes new startups a couple of years to start making a profit, but extremely important work happens within those years. You need to make sure you have the right people to help build to that point.

The best startups are driven by great people. Mynul Khan, CEO and Founder of [Field Nation](#), explained it best, “Many startups work on solving problems in a unique way and that requires a lot of creativity, ingenuity, and also it requires a lot of perseverance, thinking outside of the box, persevering through failures.” He says, “Startups have limitations and that means you need people with true passion for the problem they’re solving within the space they are in.”

Even startups with an awesome product, need awesome people to go with it. Dan Gladney, President, CEO, Director, and Chairman of the Board at [ReShape Lifesciences](#), added, “Typically in a startup, you are reliant upon a very small number of people so it’s extremely important that you have the best A-team available in order to be successful because you can have a great product, but without great people, that product ends up being average. If you have great people, you’ll have great results.”



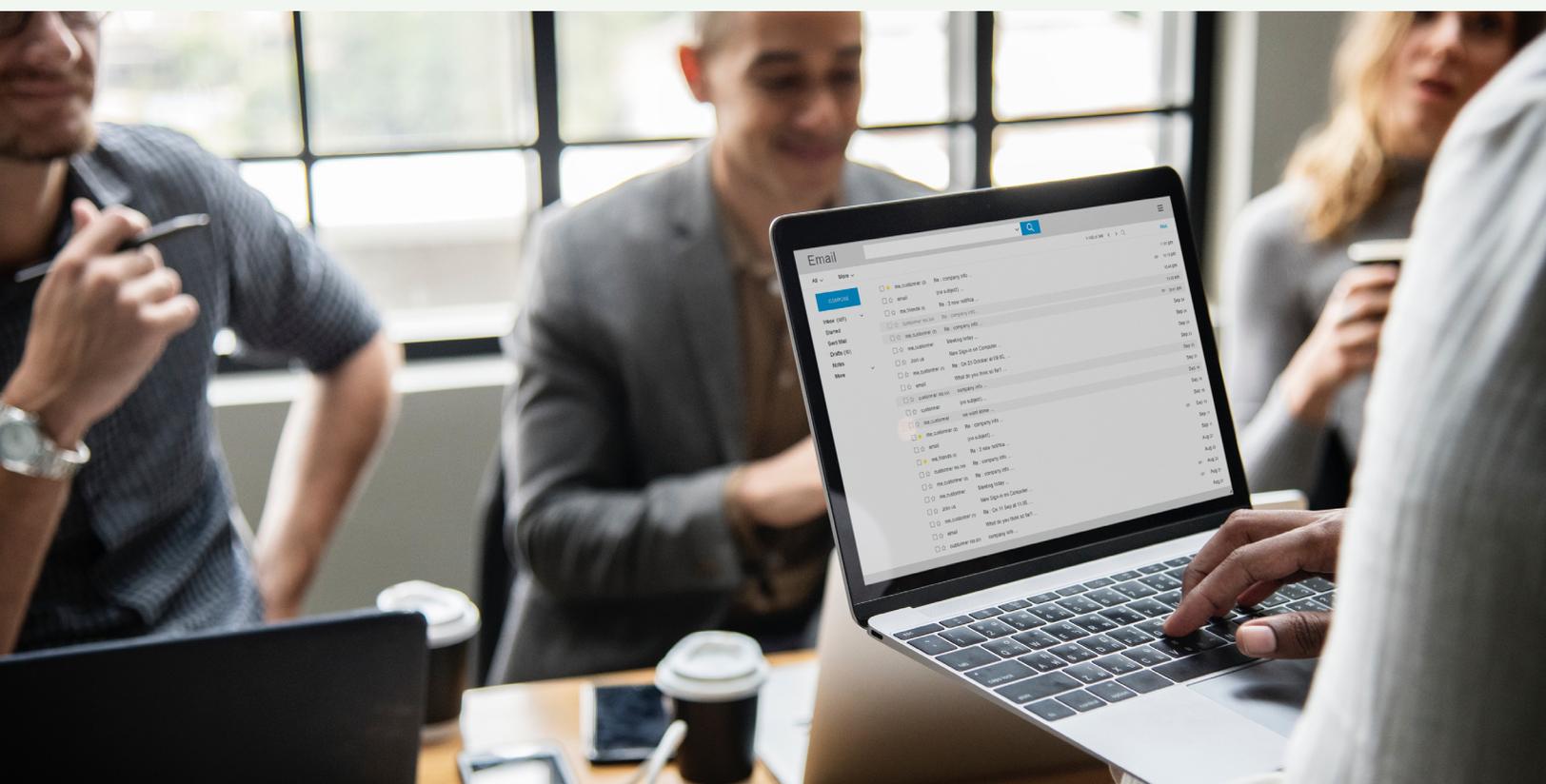
2. Network. Network. Network.

As the founder of a startup, you've most likely been networking from prior to day one. You asked around to see if your idea is something that others might find valuable. You've consulted with friends and family to reaffirm your decision to put everything you have into starting up your company. But the importance of networking and learning from your peers doesn't stop when you sign your name on your operating agreement.

Barbara Stinnett, CEO of [Timmeron Group](#), breaks down the importance of networking, "Remember, you are not alone in your industry, but as CEO, you are. Network, network, network with your peers. There are certain topics that shouldn't be discussed up or down the chain, but can get resolved with peer discussions, including the sacred topic of how to raise the funds!"

Because you are alone in the beginning stages, it is crucially important to get out in front of people, discuss your ideas, practice your pitch, seek out others with experience that you don't have and find opportunities to learn from others that have paved the path before you.

Scott Burns describes his networking process, "One way to overcome risk is to build relationships with potential hires over time and to test them out in any way you can through advisory relationships or detailed discussions about the business. Another way to mitigate risk is to hire people who have worked with trusted colleagues in the past, so you can get an authentic reference about your hires." Dan Gladney takes this one step further, "I'll always reach out to a couple of thought leaders in the marketplace and I'll ask them, who are the people that you work with from other companies that you would rate very highly and why. Typically customers are open and give great feedback."



3. Just because you have the cash, doesn't mean you need to spend it.

Everything moves more quickly within a new startup and it's important to stay ahead. However, every single decision has a rippling impact, so it is essential to consider each move with a critical eye, including every new addition to your team.

A knee-jerk reaction to receiving funding may be to bolster your team with several new faces to help take on all of the work you've agreed to with your investors. But the key is to be patient, come up with a plan, and not race into hiring. Mynul Khan points out, _____

“ *Burning through cash is easy and once it's gone it's gone. Don't just hire because you have money. If the plan is to hire, go ahead and hire.*

Hire, pause, make sure it's working, fine tune, hire again, pause again, fine tune it and hire more. Use investors' money as you would your own and be prudent. ”

Patience in hiring can help avoid costly mistakes. “Startups want to move fast and in hiring it often takes time to really find the right fit.” warns Brett Brohl, the Managing Director of [Techstars Farm to Fork](#) and the Founder and Managing Partner of [The Syndicate Fund](#). “One [challenge] is finding the right person. I have made the mistake of hiring too quickly without having conviction around the candidate. When you are bringing in employee number 3 or 4 you can literally kill a company if you get it wrong.”



4. Don't chase the lengthy CVs.

Although it's extremely important to meet and learn from highly experienced executives within your network early on, it may not be the best idea to bring them onto your team in the early stages. Someone with a great resume in a specific area will most likely be a large up-front investment and you may not be ready for that level of specialization.

Mynul Khan confirms this sentiment, "[Before I knew what I know now] I would listen to too many people that would tell me to over hire. I would tend to go for big backgrounds and big resumes. You need to go for the organizational need and find people who can help you solve that problem. You'll get people telling you to hire from this company and that company with this many years experience and that resume. It doesn't matter. Think about the problem you are trying to solve and find the background and experience you need to solve it. Use your common sense and logic. Don't take a generic vanilla approach to hiring people."

Another important factor is how each new person will fit in with your current team and culture. Do they hold the same values? Do they believe in your mission? As Brett Brohl tells it, "Culture fit should outweigh experience/expertise every time. Don't [ever] sacrifice culture." Barbara Stinnett agrees one of the most difficult obstacles can be balancing knowledge and chemistry within an early stage executive team.



5. Not all Execs are created equal.

Even executives have sweet spots and just because they carry the title you are after, doesn't mean they'll thrive in your organization.

Mynul Khan shared, "Companies go through multiple stages. In each stage, you need different types of executives. The types of executives that are perfect in the early stages, might not be perfect for the scaling stage, and the executives that are right for the mature stage, might not be the right executive for the scaling stage and so on. You need an executive who is a fit for the company. If you bring the wrong fit, it will suffocate them and they will suffocate the company. Finding the fit is absolutely critical."

Rob Weber, Managing Partner and Co-Founder at [Great North Labs](#) put it as, "In a startup, executives often need to roll up their sleeves in the functional area they oversee. Startup founders need to be careful not to hire executives coming from larger companies which have had layers of management and employees to carry out much of the work they'll be asked to do. Being an executive in a startup means wearing multiple hats."



6. Slow It Down

With the excitement and intense drive that goes hand in hand with startups, it's easy to get caught up in wanting everything done yesterday. However, as we stated previously, hiring is a major decision and it's okay to slow it down.

Dan Gladney advises, "Give [hiring] a little more time to make absolutely sure you have the best candidate possible for the position. Give it time to make sure you have the best person."

It can be easier said than done, but there's purpose to being purposeful and thoughtful, even if it means taking the extra time to validate your decisions. Recruiting, screening applicants and conducting interviews may be completely foreign and as with any newer process, it's easy to make mistakes.



7. It's OK to call an audible.

There is absolutely nothing wrong with calling an audible. In fact, as your company goes through the different stages of growth and progress, your focus may be adjusted, and your needs will change. Rob Weber, describes,

“ *As important as hiring the right people is, so is quickly moving on when a mistake is identified. Often new founders are timid and let mistakes fester. This can really take down the team.* ”

It can be difficult to call out miscalculations, especially when resources have already been spent or it may cost money to correct the error. But if you look at the potential long-term effects, it is typically worth it to make these corrections as quickly as possible.



8. Consider bringing in the professionals.

Change for any company at any stage can be difficult. However if your startup is going to survive, you need the right type of expertise driving it. But the modern hiring landscape as we approach 2020 isn't a picture-perfect one with 44% of employers currently trying to hire full-time employees and 45% currently *have jobs they can't fill*. Also, nearly 60% say that most job openings stay open for over 3 months. It can be a struggle to hire and find the right fit, especially for startups.

Barbara Stinnett, makes a strong recommendation, "Go to a pro"....hiring is a mix of science and art....don't miss the point to bring in the best to assist!" As we said previously, founders have been networking before day one and leveraging your network is critical, but as Stinnett advises, it can be very beneficial to work with an executive search firm and tag team efforts. "It all worked out in the end, but it would've gone a lot quicker, and probably smoother, with someone managing that from top to bottom," she said.

"I believe strongly in seeking outside advice and advisors in recruitment," confirms Scott Burns. "I've used a mix of my network, in house recruiters, outside recruiters, and high-end retained search support for hires. I've never regretted spending more time and money to find the right people."

Andcor is a premier executive recruiting firm based in Minneapolis, Minnesota. Andcor's visionary founder, the late Dennis Anderson believed,



The foundation for success of an emerging company starts with a world-class management team possessing shared vision, complementary skills and mutual trust and respect.



Andcor has partnered with visionary investors and entrepreneurs to help accelerate hundreds of market-transforming companies through innovative human capital recruiting and organizational development solutions for more than forty-five years. Our clients have ranged from innovative start-ups to fast-growing, public companies in nearly every industry in Minnesota and the Midwest.

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Special Thanks to our Founders

Brett Brohl, Techstars Farm to Fork & The Syndicate Fund

Brett is the Managing Director of the Techstars Farm to Fork Accelerator and the Founder and Managing Partner of The Syndicate Fund. Techstars Farm to Fork Accelerator is the first Techstart program focused on the tech/digital side of food and agriculture and The Syndicate Fund is an early stage venture capital fund investing in retail, marketing, food & agriculture.

Scott Burns, Structural

Scott is the CEO and Co-Founder at Structural. Structural allows organizations to unleash the potential of people and teams. Structural's Employee Success Management platform transforms engagement from free snacks, high fives, and smiles to sustainable growth in career opportunity, revenue, and profits.

Dan Gladney, ReShape Lifesciences

Dan has served as President and Chief Executive Officer since November 2015, and as Chairman of the Board of Directors since October 2016 for ReShape Lifesciences. ReShape Lifesciences is committed to the delivery of safe, effective, and sustainable therapies that address the growing global health crises associated with the increased prevalence of obesity and metabolic diseases, including diabetes and hypertension.

Mynul Khan, Field Nation

Mynul Khan is the Founder and CEO of Field Nation. Field Nation's online platform combines a deep expertise marketplace with a complete project and work order workflow management platform to deliver skilled, onsite professionals anytime and anywhere they are needed.

Barbara Stinnett, Timmaron Group

Barbara is the CEO of the Timmaron Group. The Timmaron Group provides guidance, experience and interim executive support to CEOs, Board of Directors, Private Equity Investment and Venture Capital firms. They have built, led, created, and sold businesses.

Rob Weber, Great North Labs

Rob is the Managing Partner and Co-Founder at Great North Labs. Great North Labs offers the expertise and capital support you need to grow your startup locally and attract customers, investors and acquirers globally.