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·REVOPS·

A Startup's First Operations Hire
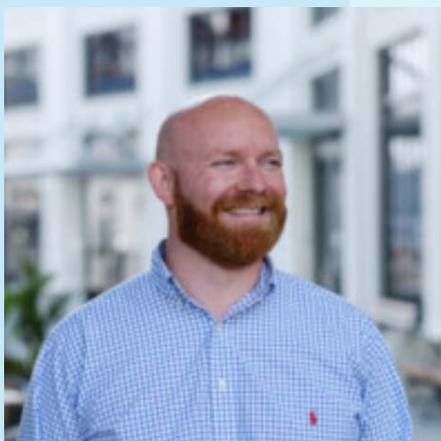
Why it *really* is that hard
and how to get it right

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Taft Love
Founder, Iceberg RevOps

Taft Love is a former police officer and federal investigator turned sales operations leader. As Founder of Iceberg RevOps, Taft receives messages almost every week from executives and CEOs of startups looking for help with their first operations hire.

As the former Head of Sales Development and Sales Operations at SmartRecruiters and PandaDoc, Taft was responsible for hiring teams of ops professionals. With his own skin in the game, he learned the hard way what makes for a valuable hire in a variety of business situations.

As a Revenue Operations agency, Iceberg bills itself as a bridge that helps small teams scale during the gap between founder selling and hiring a qualified in-house operations team. Building solutions that move clients from 0 to 1 gives Iceberg unique insights into the skillsets that matter most and when.

An operations resource is the person responsible for the implementation and management of your go-to-market tech stack. This includes your CRM. It could also include marketing automation technology and other systems related to sales, marketing, and customer success.

Hiring for operations feels confusing because it is. There's no such thing as a perfect hire. Unlike other roles where responsibilities are clearly defined and people advance through similar career paths, the road to operations can vary a lot.

Some people begin their careers in sales or marketing and migrate into operations over time.

Others might start in operations at a very large company. These folks tend to own a narrow piece of the operations pie which can lead to a high degree of skill in only one or two systems.

On the flip side, operations resources from the startup world typically gain exposure to an entire go-to-market tech stack and offer a more rounded perspective than their large-company counterparts.

In addition to the unpredictable career path typical in ops, the catalyst for your first operations hire is often tied to high-pressure change. Maybe you just stepped into a new leadership role. Suddenly you're responsible for building a go-to-market operations engine with sufficient horsepower to hit new revenue targets.

Or maybe the organization's sales process is changing. Targeting a new market, selling a new product. Or, your headcount is growing and painful data entry won't scale with a bigger sales team.

In most situations, small organizations need their new ops hire to add value fast in both admin work and strategy. Finding this person can feel like the proverbial needle in a haystack.

This whitepaper will help you:

▶ Prioritize what your new ops hire needs to do from Day 1

▶ Recognize best-fit candidates

▶ Leverage an easy framework to guide your hiring strategy today and into the future

Most startups operate under major resource constraints. Sales and marketing teams do whatever works to get by, and organizations without a clear picture of their funnel suffer in tangible ways. Salesforce data shows businesses that don't track what's going on in their funnel stand to lose up to 79% of leads from missed nurture opportunities[1]. Because no one has enough time, organizations often rely on unqualified people to fill in the gaps. When you're finally ready to invest in the right person to fix the situation, it can be hard to know where to start.

First, make a list of the responsibilities and tasks your new hire should own from Day 1 (or as close to Day 1 as possible). Nine times out of ten, leaders want someone who can tackle one or more of the following:

1 ▶ Put out fires

Your first operations hire should have the skills to address the bleeding wounds in your go-to-market operations. Especially big gaps that eat into the daily productivity of sales and marketing teams. Your ops person should focus first on reducing the systems admin for revenue-generating teams that spend way too much time in broken systems.

These are common complaints many companies choose to focus on first.

- ▶ Consolidate conflicting data across multiple systems
- ▶ Fix broken automations
- ▶ Identify erroneous data in reports
- ▶ Streamline repetitive tasks

Where does the time go?

Data from HubSpot reveals salespeople only spend one-third of their day selling. More than half of their day is spent on data entry, writing emails, researching leads, attending internal meetings, and scheduling calls.[2]

Putting out fires is no afterthought. This work can take a LOT of time, and leaders often underestimate the scope. This is why so many ops teams end up making little headway. If an organization finds itself dealing with the same issues over and over again, the new ops hire can either address the immediate need or take the time to understand why this keeps happening.

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[1] A Step-by-Step Guide to Creating & Leveraging a B2B Lead Generation Funnel (Knowledge Hub Media)

[2] 60 Key Sales Statistics That'll Help You Sell Smarter in 2021 (HubSpot)

A quick word of caution here: Sometimes getting to the root of a problem is a project in itself. A realistic project plan can be as simple as identifying the root cause of automation errors that affect reps' ability to move deals through sales stages.

Getting your go-to-market teams out of firefighting mode goes a long way. People actually have time to do their jobs, think critically, and solve real problems that make the most of their skills instead of fighting the tech stack that's supposed to make their lives easier.

INTERVIEW TIP

Ask candidates to describe how they'd solve one of your urgent problems. Watch out if they jump straight into configuration details. This could indicate good technical skills but weak strategic thinking.

2 ▶ Build an operations roadmap

An operations program leader knows how to work with company stakeholders to understand what they need for success.

Roadmap discussions should start at a VERY high level. What is the business trying to achieve over the coming months and years? Meaningful roadmap conversations need to be elevated above the firefighting and day-to-day work that takes up so much time.

Conversations usually start with ops folks and executives talking about the company's overarching goals, then move to a detailed gap analysis. If the company wants to get from Point A to Point B, what do you need to build to get there?

Working backward like this is how organizations design a roadmap that serves the company's goals.

The tangible outcome is a document that reflects high-level goals, gaps, and proposed changes to your operations to fill those gaps. Common methodologies include objectives and key results (OKRs) and tactics. These answer, "What is the goal, and how do we get there?"

The ability to facilitate strategic conversations will vary from candidate to candidate. How important is this skill set to your organization right now? Evaluate skills not as a binary 'yes/no,' but rather where candidates fall on a spectrum. Fair warning: Candidates with strategic skills and the ability to build consensus could be costlier.

INTERVIEW TIP

Ask candidates about their experience facilitating roadmap discussions across an organization. What were the outcomes? What were some tradeoffs they had to negotiate?

3 ▶ Gather requirements & manage projects to completion

As organizations scale, they can no longer drive by feel. Leaders need good data to justify decisions. At this stage, ops need to own the transitions between three phases:

Gathering Needs → **Updating Systems** → **Enabling Client-Facing Teams**

The process for gathering requirements depends on the methodology. Most companies use an agile cycle where they gather project-level requirements upfront. Then they address granular requirements in shorter phases called sprints.

In agile methodology, the ops person works with stakeholders to understand project goals. They also manage the sprints, or sub-projects, that make up the larger project. (E.g. the project is complete if x, y, and z are true.)

Requirements could be simple—e.g. for an opportunity to enter Stage 3, a sales rep must record a dollar value in the Amount field—to more complex opportunity approval workflows that govern whose approval is required for different sizes of discounts.

INTERVIEW TIP

Ask candidates how they gather project requirements from stakeholders. They don't necessarily need experience running complex projects, but you want to see how they mine for information. Do they have the basic confidence to take ownership and challenge stakeholders?

Arm yourself with realistic expectations

Leaders with the best intentions often believe they can find one person with the skills to put out fires, build an operations roadmap, and gather data like a seasoned pro. If there's one thing you learn today, let it be this: that one person doesn't exist. And if they do, you probably can't afford them.

The right thing to do is use this knowledge to your advantage. Assess candidates based on your organization's priorities right now and where they sit on a spectrum of skill levels.

From the Field

I recently spoke with a CEO of a 90-person company looking for an operations resource. He wanted both strong strategic experience and technical skills. The reality is, there's always give and take. This doesn't mean you have to lower your expectations. But it forces you to get specific about your needs and challenges. Tough to do in a broad discipline like operations!

Over the course of our conversation, this executive realized they really needed someone who can put out fires today with a very basic level of strategic experience. This person would have the appropriate skills to thrive as a mid-level manager. Later on, this CEO will consider splitting the role between full-time admins who handle the purely technical work and a true program leader with advanced strategic experience.

Evaluating Your Candidates

Startups need someone who can make an immediate impact by helping revenue teams get past the firefighting stage. Many companies take this decision lightly or go too fast and pay a hefty price later. Take your time. Ops is a "force multiplier" for both positive and negative effects.

Operations Hiring Matrix
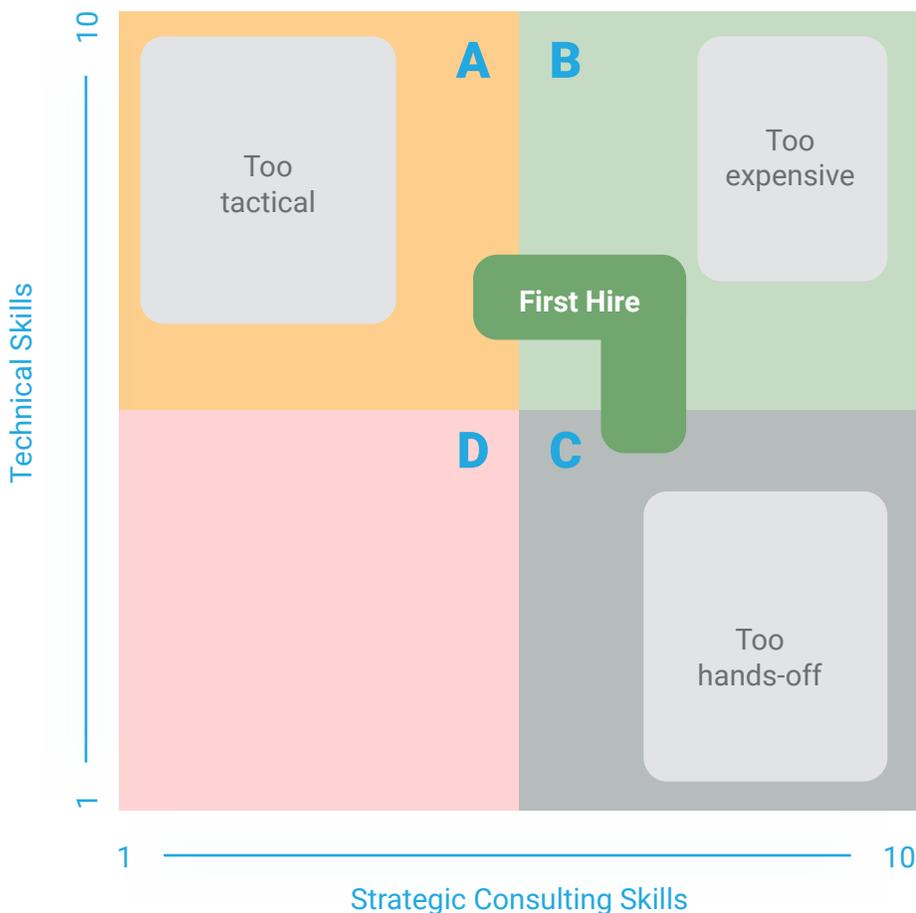
A Technical Experts
Where most professional admins and developers belong.

B Power Players
Can design projects and do the work. They are the hardest to find, most difficult to keep, and most expensive. Few actually want to do the wrench work, so many people with the skills to be in this section end up in the C box as they become managers.

C Architects/Managers
Where most ops leaders belong. Requires enough technical skills to know what is possible and how to design it. Not technical experts who can replace an A.

D Not Ops Candidates
Where most project managers, support, and non-technical ICs live.

Iceberg uses this matrix to evaluate its own hires. Knowing where candidates fall on the map helps decision-makers assess whether a candidate has the basic skills and experience to do the job. **A lot goes into making a good hire, but this matrix helps <u>qualify people in or out of the process</u>.**

A
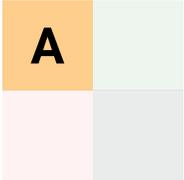
Technical Experts: Strong Technical Skills, Weak Strategic Consulting

It might seem like enough to hire an administrator who can jump into your systems and start making updates.

This false assumption is the most common mistake we see at Iceberg. At least 75% of the time when Iceberg takes on a new client, we spend the first couple of months simply undoing what a previous admin did.

Admins are relatively easy to hire. They are easy to find, and if you're only testing a candidate's ability to execute tactical work, someone will fit the bill fast.
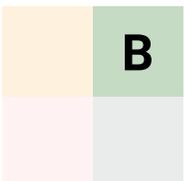
In reality, most pure admins are going to fail. They might look like a hero for a while because they bring a skill set that others on your team don't have. However, few people with only admin experience truly understand ops well, so they build what they're told to build. It's the blind leading the blind.

It's letting someone technically savvy but not experienced in operations take over the ops program.

Every so often, this hiring approach can work out. It's usually because the person hired came from a previous life with project management experience. Perhaps they ran their own company or were a product manager or project manager before pivoting to admin work. In general, the odds for success with hiring a strict admin are stacked against you. Very smart and capable people have failed in this role simply because they don't know what good looks like.

> *I started my career as one of these admins. I didn't knock it out of the park. I made some good decisions, but I also got away with a lot of bad ones because I didn't know there were better ways to meet the business's goals."*
>
> *— Taft*

B

Power Players: Strong Technical Skills, Strong Strategic Consulting

Power players are the operations unicorns. These candidates have strategic experience designing projects plus technical skills to actually do the work.

What to watch out for: When candidates are this good, they soon reach a point where they prefer to be out of the wrench work and set their sights on management roles instead.
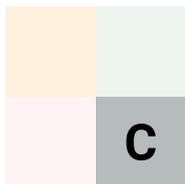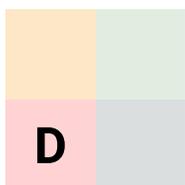
Architects & Managers: Tech-savvy Enough, Strong Strategic Consulting

A Quadrant C candidate is the equivalent of an ops executive.

What to watch out for: It's tempting to think, "Oh, they managed 15 ops people on LinkedIn's Deal Desk team. The stuff we're dealing with will be super easy for them."

This is similar to when a small startup hires a seasoned VP of Sales from a big company and thinks it won the lottery. In reality, an experienced executive has been far removed from the day-to-day work that moves a startup from 0 to 1. They may offer tons of experience, but not the right experience to make the immediate impact your organization needs.

Quadrant C candidates work great with executives to understand a company's needs. But they are rarely responsible for designing or building the systems and processes that meet those goals. That's never been their job, but it's exactly what you need.

Not a good fit: Weak Technical Skills, Weak Strategic Consulting

If a candidate doesn't show strong technical or strategic skills, they should be eliminated from consideration. This goes back to needing to show value from Day 1.
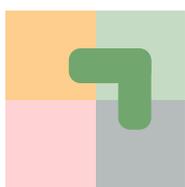
The First Hire Sweet Spot

For most startups, the ideal candidate has a combination of above-average technical skills in the systems you use, plus basic strategic know-how. Your organization's unique requirements will determine if the candidate's skills should skew more technical or strategic. Either way, they should have some degree of competency in both areas.
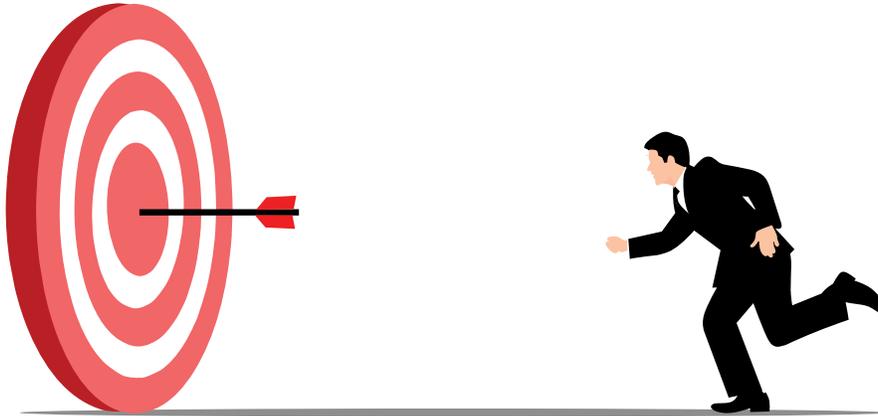
A mix of tactical and strategic experience

This bears repeating: The candidate you hire should have familiarity with the beating heart of your tech stack. Definitely your CRM, and any marketing automation. Preferably they've worked as an admin or strategist in one of these systems. If someone needs to learn Salesforce to make an impact, you'll wait a long time to see value from your investment.

The new hire should also have experience driving business outcomes, not just completing tasks. Avoid hiring someone who hasn't been assigned outcomes and successfully worked backward to achieve them. This doesn't mean they need to have experience with huge implementations—but they should know how to own small projects from start to finish.

A point of view on how to run projects

The ideal candidate will offer their perspective on the best way to complete projects. Have they leveraged a project management methodology in the past? Did they choose it themselves, or were they hired into a role that already had one? How did it work for them? What would they do differently?

Can they describe a typical project lifecycle? If they've only ever been assigned tasks, this will be hard for them to explain.

Even if they haven't acted as a strategic leader before, it will be obvious to see if they understand good project management. They can talk about prioritizing initiatives, gathering requirements, testing before deployment, and how to train and enable client-facing teams.

The ability to run a good discovery discussion

The quality of a discovery session at the beginning of a project determines the project's success.

Iceberg strongly recommends conducting practical exercises to find out if a candidate has the ability to run a meaningful discovery session.

What you're testing here is the ability to find root issues—not just the symptoms that are often brought to ops people.

It might sound a little devious, but make sure your practical exercise asks candidates to do something you know goes against best practices. The new person on your team needs the skills to help leadership understand why what they're asking for may not be the best way to handle the problem.

From the Field

I was evaluating an ops candidate for my own team. This guy seemed like a dream. When I asked how he'd handle requests, he said he'd gather all the business requirements first, then translate them into technical requirements. His basic philosophy was music to my ears. As part of my standard interview process, I ran him through Scenario 1. [See Practical Exercises]. Scenario 1 is one of my favorite exercises because it happens all the time in real life.

It starts with a request from the VP of Sales. The first thing an ops person should do is ask, "Why?" or "What are you trying to achieve?" Instead of following his own philosophy and understanding the business requirements first, this candidate jumped right into how he'd do the configuration. He didn't ask clarifying questions or advise me in his role as the expert. Not only that, Salesforce already had a fairly elegant feature for handling the request, and this candidate blindly followed my direction on how to do it, which was totally hacky. This is why practical exercises are so valuable in qualifying or disqualifying potential hires. You see how the rubber meets the road.

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Hiring the right operations resource can drastically improve the performance and productivity of revenue teams. But making the wrong choice can cost an organization for years down the road. The candidates you find will likely come from a wide range of backgrounds, so be prepared to dig in.

First, understand where the greatest pains are in your operations right now. You want someone who has the technical skills to fix them with minimal onboarding time. You also want someone who has at least basic project management skills plus a clear point of view for running successful projects. Avoid pure order-takers, but watch out for strategists who can't do the work (or don't want to).

It's a lot like Goldilocks—finding the right balance of technical skills and strategy. Stay true to your immediate priorities so you can recognize and hire your ideal candidate.

About Iceberg RevOps

Iceberg's in-house services team helps B2B companies kill manual tasks that lead to bad data, constant firefighting, and just getting by. We clean up the go-to-market systems you already use and lay down strategies for future growth. Our services include CRM implementations and data clean-up, plus custom solutions for lead tracking, marketing attribution, and trustworthy reports.

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Questions?

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