

# Assembling & Evolving Your Team Views of a Headhunter

presented by:

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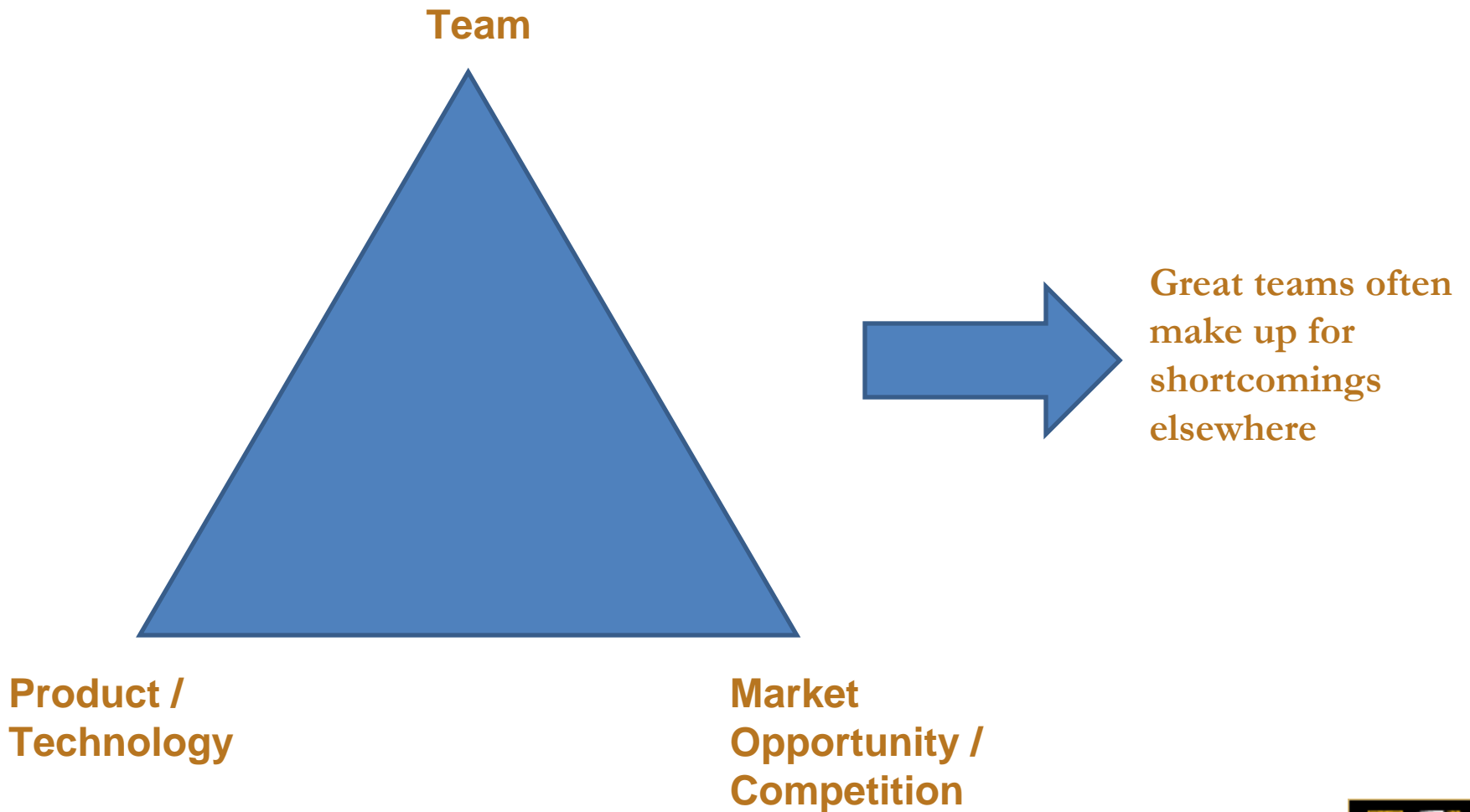
**COOK**  
ASSOCIATES, INC.

# John's Biography

- Managing Director with Cook Associates; based in the firm's Boston office
- Focus on technology, online media, marketing services, consumer, and business services industries
- Recruit at senior levels including CxO and functional Vice Presidents
- Earlier recruiting experience at Conley & Company and Russell Reynolds Associates
- Before entering the retained executive search industry, held roles as a Vice President in marketing and strategy/business development for Citi f/i (financial interactive), an Internet start-up for the Global Consumer Bank at Citigroup.
- Earlier, was a strategy consultant for clients ranging from General Motors to Pepsi, Sara Lee, Bausch & Lomb and Guinness/United Distillers
- B.S. degree in mechanical engineering from Tufts University and M.B.A. degree from the Amos Tuck School of Business, Dartmouth College.

# Views of a Headhunter

- Success depends on three elements



## Views of a Headhunter

- The “right” team will differ in each situation. There is no single way to build the “right” team but it’s good to start with a team that has a broad set of skills.
- The initial team depends on key success factors for growth and profitability and will probably change over time.
- Success in early stages depends on making the right choices and quickly realizing when you have made wrong choices. Find people who make good choices!
- Board members and advisors need to add value.
- Find team members who want to build a great company.

## Common Holes on Management Team

- Weak CEO ... “Founderitis”
- Lack of strategic marketing
- Lack of sales/distribution
- Lack of management depth due to:
  - Too many buddies
  - Too many former colleagues
  - Whoever happened to respond to job postings
  - Underpaid staff

## Views of a Headhunter

- It is a rare CEO who has the right skills for all stages of a company's evolution



- “Burial ground” for most start-up CEOs is \$1-\$10 million of revenue:
  - Lack of focus
  - Poor pricing
  - Product is just “ok” but not “killer”
  - Inability to scale

# Views of a Headhunter

- CEOs need to be aware that key team members may not be able to evolve with the company:
  - CTO      Beyond initial betas, can the platform be scaled?  
Can he/she fulfill need for rapid prototyping?
  - Sales      Can he/she get access to key customers?  
Are follow-on orders happening?  
Is a disciplined sales process established?
  - Marketing      Can he/she keep company focused on  
right markets and customers?  
Can they counter-act “technology creep”?  
Does she/she have finger on the pulse of  
customers and competition?



can these individuals listen and work together?

## Titles, Authority and Responsibility

- Don't get too hung up titles
- Keep it simple
- Out of control egos can kill a company
- Avoid temptation for title inflation
- Be honest about each individual's strengths
- Have checks and balances in decision making
- Embrace positive tension and vigorous debate
- Boards/Investors often protect Founders for too long

## Building / Evolving the Team

- Each Board member should serve a purpose
- Board chemistry is critical
- Don't spend money on recruiters if you don't have to, but also realize that you get what you pay for
- Whether or not you use a recruiter, be prepared to make recruitment a top priority
- Hire recruiters who have deep expertise and reference us

# Views of a Headhunter

## Compensation / Series A Funded Start-Up

	SALARY (\$k)	BONUS	EQUITY
Founder/CEO	\$150-\$250	0-50%	20%+
Hired CEO	\$225-\$250	0-50%	5-10%
COO	\$175-\$225	0-50%	2-4%
VPs (not Sales)	\$150-\$175	0-25%	.75-2%
VP Sales	\$150-\$175	0-100%	.75-2%
Board Members	\$0	0%	.25-.75%

## Other Resources

- Start-Ups That Work, by Joel Kurtzman
- 2006 Compensation & Entrepreneurship Report in Information Technology, by Hale & Dorr/Ernst & Young/J. Robert Scott