Stanford eCorner

Making Your First Hires

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Hiring employees who can meet deadlines and that are willing to work with customers is more important than hiring for pure intelligence, says Jessica Mah, co-founder of inDinero. In this conversation with entrepreneur Steve Blank, Mah discusses the challenges first time entrepreneurs face when hiring and firing employees.

Transcript

But, had you ever hired people before and...? No. I never hired people anyone before. And so, how did you do this? I mean, what kind of people where you looking for and how did you hire them and what did you find out? Well, I haven't always hired that well. Like, when I was in college, I always read about entrepreneurs saying only hire A players. Sure. That's what you did, right? Only hired A players? Well, I - so I thought but when you are a first-time entrepreneur, you don't really know who an A player is. Don't they come with a sign? You think they do or you interview them and you think, wow, like they got perfect grades in college and they are super-smart, they aced all their questions. So, A players were their grades? Well, they're really smart. Right. But, doesn't mean they're a perfect fit for your company.

Why not? You mean, you don't just hire for intelligence? Well, I - back then I only did. Wasn't that the Google model? Well, I really thought that hiring for intelligence was the most important thing but it's really the other non-tangible things. Well, tell me what you learnt. Like whether or not they could meet deadlines, whether or not they could build a product with a high-level goal in mind, whether or not they could go out and survey the customers themselves, whether or not they could build a product without requiring a full spec that you're given in an engineering assignment in college. Wow. And, these things, you don't necessarily learn in college. And so, if you were interviewing people today, would you know how to ask those questions? I wouldn't necessarily ask questions to figure that out. I would.... How would you figure it out? A lot of these things you just have to try. You have to bring them in for a few days and just watch them in the battlefield.

So, did you make any hiring mistakes? I made quite a few. And, how do you fix your mistakes? You recognize them, you accept them, and you try to part ways with the person who was a mistake. So, you had never hired people so that meant you had never fired people either? Right and... How was that? I remember like a few months after we had raised our $1 million, one angel investor asked me if I had ever fired anyone before and I proudly told him, no, I never have had to and he said, well, you shouldn't be smiling because you probably hired someone wrong and you just haven't realized it yet. And that really scared me. Okay. And so, you've now done that. Right. Like, I feel like if you are a first-time entrepreneur instead of just trying to only make A player hires, maybe it's better to think about hiring in terms of trying and then firing if you realize that you made a mistake. Right.

Because that's just inevitable. And, you can't really learn who is a good fit until you try lots of people.