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Two-thirds of startups that fail, fail because of people issues. Based on her own experience as the founder and CEO of Zūm, Ritu Narayan advises entrepreneurs to hire leaders who fit the company culture, rather than people with impressive credentials. Why? Because they'll be the ones hiring new employees and shaping the company culture in the future.

Transcript

- The right team can make the huge difference for you.. And, getting your team right is both a science and an art, that you have to find for your, what works for your startup, and hone that, as much as you can.. Now, once, while people lead to the success of a startup, people can be actually, number one reason that your startup will fail.. I don't know if you guys have watched Professor Grier's video recently, she said that the number one reason your startup will fail, is people issues.. There's a book called Founder's Dilemma that says that nine out of 10 startups are going to fail.. And, 2/3 of the failure happens because of the people issues.. These could be fights between the co-founders, this could be disagreement between what product do you want to build, who do you want to hire? Who do you want to, where do you want to sell? Who do you want to take investment from? Any of these problems can actually kill your startup.. The speed, the quality of decision that you make, the commitment and consensus that you have for those decisions will actually determine how innovative your startup is going to be, and how fast can you scale your startup.. At Zum actually, we have learned from our mistakes.. In the beginning, there was a phase when we hiring leadership team, we started going for very shiny objects..

Just because the resume looked good, or these people come with the credentials, even when they did not match in the culture or the values for the company.. These kinds of mistakes can be very expensive for the company, especially at the leadership positions, because, not only these people impact their role, they actually impact the team's work, and the hiring that happens in the startup.. Fortunately for us, we corrected this problem pretty quickly, and, today, we have built an amazing team...