GUIDE TO HIRING Fostering a Diverse Workforce



Guide to Hiring: Fostering a Diverse Workforce First Edition

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GUIDE TO HIRING

Fostering a Diverse Workforce

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First Edition

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FOREWORD: CULTIVATING WORKFORCE DIVERSITY

ost people agree that cultivating diversity in the workplace is a good thing, albeit never an easy task. Having worked for 20 years in Human Resources, I've built, grown, and led HR departments of various sizes, for businesses in a variety of industries. Over the years, I've learned best practices for navigating tricky issues in recruitment and the workplace, including those involving diversity.

Throughout the past decade in particular, with the boom of the tech industry – a sector of the workforce that has often struggled with homogeneity – I have come to believe that diversity must be confronted head-on. Fortunately, I have also seen how creating a workforce and recruitment process that considers all candidates fairly can have extremely positive outcomes for a company.

When a company's diversity initiatives are well-advertised, potential candidates from marginalized communities are cued that their resumes will be warmly received, and that they've got an equal shot at landing competitive positions. The playing field is leveled. And, by creating a more diverse workplace, you provide employees opportunities to collaborate with people who boast a variety of experiences and knowledge.

Additionally, diversity makes good business sense, and can be a strong driver of performance. By 2044, traditionally underrepresented populations will take on majority status in the U.S. To continue to appeal to a diverse customer base, companies must draw on the ideas and work of a diverse team. According to global management consulting firm McKinsey and Co., companies that demonstrate gender diversity are 15% more likely to outperform those that do not, and companies that demonstrate ethnic diversity are 35% more likely to outperform. These findings suggest that by building a more diverse team, companies can expect to outperform their less diverse competitors.

Of course, understanding the benefit of diversity is the easy part. Some people believe that the issues of diversity have effectively been solved, and proactive recruitment policies aimed at building diversity are no longer necessary. Others have turned the question of diversity on its head, claiming the over-represented are now the ones who are not given a fair chance to compete for jobs. The result is that diversity has taken on the status of an utopian ideal, rather than a tangible goal. How to address diversity in the workplace continues to be a challenge, and the question remains: where to begin?

Attaining diversity requires an examination of its origin. Patterns of the past can tell us a great deal about the root causes of disparities in the workplace. People have a general tendency to keep to their own. We befriend people in our own community groups. We endear ourselves to others by talking about having attended the same university, or vacationed in the same places, or played the same sports. It follows that our hiring biases will favor candidates whose backgrounds align closest with our own. We will choose X candidate because she plays tennis and she seems level and relaxed: put at ease by a friendly conversation that occurred on the walk from the lobby to the interview room. We will not choose Y candidate, because he failed to make engaging small talk, fidgeted through the interview, and although qualified, will not be a good cultural fit with the company.

The blame for not hiring the more diverse candidate in this instance, and in fact in almost all instances, can only be placed on ourselves.

However, by uncovering biases that compel us to dismiss certain candidates, we can begin to address the decisions that keep qualified, diverse candidates out of the running for jobs. We must understand that diversity can be reached through proactive methods. Both active planning and deliberate action are required to foster a diverse workplace. Making true strides toward equality and diversity in the workplace requires first that we acknowledge that all is not equal, and next that we are willing to create proactive solutions aimed at achieving a truly fair recruiting process. It is only then that we can achieve, sustain, and benefit from diversity in the workplace.



AMY KLIMEK

SVP Human Resources ZipRecruiter

Amy is the SVP of Human Resources for ZipRecruiter, the fastest growing online employment marketplace. Amy has a 20-year career building

and running Human Resources teams at start-ups, and has overseen ZipRecruiter's hiring as it has scaled into a company of over 1000 employees in three countries.



HIRING FOR DIVERSITY: A GUIDE TO GETTING STARTED

iring for diversity is easier said than done, and I know I'm not alone in wishing there was an obvious solution. But however hard it might be, there's no denying just how important diversity in the workplace truly is. Based on a 2011 Forbes study, out of the 321 global enterprises that were surveyed, 85% agreed or strongly agreed that diversity is crucial to fostering innovation in the workplace. Census data tells us that by 2050 there will be no racial or ethnic majority in our country, and there are many studies that prove that a business comprised of diverse individuals increases that business' market share and makes for a more qualified workforce. Knowing how crucial it is not only to the bottom line, but also to your company's culture, what can we, as employers, do to increase diversity in the workplace?

It's a monumental question, typically followed by an even bigger challenge – choosing where to start. Although there's no magic key when it comes to hiring for diversity, there are things we can do to make moves in the right direction. Through careful examination of hiring and interview processes, and by setting specific diverse hiring goals, you'll be taking the first and most important steps towards achieving a diverse organization.

Here is our guide to getting started:

Identify where in your organization diversity gaps exist

Conduct an assessment of your current workforce (i.e. certain age groups, gender, race, ethnicity, sexual

orientation, etc.). Are there specific teams or functions within your company that are especially lacking in any of these diversity dimensions? Based on this assessment, what dimension(s) of diversity are you going to focus on hiring for over the course of the next quarter, 6 months, year?

Audit your interview process

Find out where the "problem" exists – look back at one of the last roles you hired for, and dissect each stage of the recruiting and interview process to identify where candidate diversity falls short. Are you simply not getting enough diverse candidates into the top of the funnel? Or perhaps you're doing a great job of moving diverse candidates through initial stages, but realize they're falling out of the interview process after the 1st on-site interview.

Taking a look at the various stages of an interview process, there are many insightful questions you can ask yourself as you attempt to establish where the diversity hiring breakdown occurs. Here's an outline you can use in your own process:

Sourcing for new candidates

» Are your recruiters actively reaching out to a diverse candidate pool? If they're not, where is the roadblock for them? Are they having trouble finding diverse candidates? Is the geographical location a hindrance? If recruiters are reaching out, are diverse candidates responding to their outreach? If not, what can be done to increase response rate? Does the messaging or the job description need to be tweaked? Do follow-ups need to be more frequent or personalized?

Review of inbound applicants

- » What is the ratio of non-diverse applicants to diverse candidates that you're receiving? If it's skewed towards non-diverse, what can you do as a company to outwardly attract the diversity you're seeking?
- Ratio aside, how many of the diverse candidate applications are we responding to? If that number is low, is it because the candidates truly aren't a fit?

Phone screens and on-site interviews with hiring managers, peers, leadership, etc.

- » What percentage of diverse vs non-diverse candidates are getting pushed through to the next step? If the candidate is withdrawing, did you debrief with them to get his or her feedback on why?
- » What's the feedback from everyone involved in the interview process for non-diverse vs diverse candidates? If a diverse candidate received negative feedback and was ultimately passed on, what was the specific feedback? Was it rational? Is that feedback tying directly back to the qualities/skills that

person was responsible for vetting out?

» How many of the finalists are diverse? A Harvard Business Review study revealed that when there is only 1 minority candidate in a pool of 3 or more, the chances of that candidate being hired is close to zero.

Offer

- » If diverse candidates have rejected your offers, have you gone back to have a follow up conversation and gather their candid feedback as to why?
- » Was your offer to the diverse candidate as competitive as it would have been for a non-diverse candidate in the same role?

Come up with a plan for how to fix the problem

Now that you've completed your audit and have uncovered problem areas, you need to work to implement a fix. For instance, you might uncover that diverse candidates soar through the initial phone screens, but once they meet with hiring managers or teams on site, teams are passing.

Sit down with the interview panel to make sure they are clear on what qualities and skills they are responsible for vetting out in the candidates. We recommend that you create a consistent candidate scorecard for the panel to use when interviewing to help them stay "on-task" when relaying feedback, encouraging them to focus only on how well the candidate measures up to the 4 or 5 key areas of skill previously decided on, rather than on things that are irrelevant to the candidate's ability to do the job (i.e. "the candidate was a little too shy for our culture", or "his accent could be distracting to customers").

Create a diverse hiring goal

Now that you've identified where the problem area is, it's time to create a SMART (specific, measurable, actionable, relevant and time-bound) diversity hiring goal. The most important things to keep in mind when creating a goal are:

Make sure you create a goal that is realistic

If you haven't hired any female engineers in the last year, then it's unlikely that you're going to hire 4 in the next three months. Instead, make the goal that out of the 3 open headcount you have this quarter for engineers, that at least one of them will be a female. It might seem like a small step, but that one female hire is going to feel like a huge win, and it's progress!

Make the goal known to everyone at your company and ask for their help in achieving it.

When you're open about the fact that there's a diversity problem, whether it's on one team or across the entire company, you make it everyone's responsibility to help in changing that. Whether it's encouraging employees to tap into their networks for diverse candidate referrals, or asking them to speak out on behalf of the company's mission to diversify its teams, share your goal and make the achievement of it a shared effort.

Create a "deadline" for your diversity hiring goal and make sure the entire interview committee is aware of it.

Whether it's over the course of 1 quarter or 6 months, setting a timeline is important in creating urgency and assessing progress.

Set checkpoints so that you're always aware of the progress you and your team are making towards your goal.

For example, if you're giving yourself 6 months to hire 3 ethnically diverse candidates on your sales team, set a monthly reminder leading up to check in on where things stand. If it's the end of month #1, and there are 5 sales candidates coming in for on-site interviews, how many of them fit the diversity profile you're aiming for? If that number is less than 2, this is a good time to check in with the recruiter and interview committee to see where improvement can be made.

Pre-schedule a "goal debrief" with your interview committee at the end to discuss the results.

If you reached your goal, talk about what you all did differently to make this happen, how you will implement these hiring practices across the organization, and set the next goal to continue on this path. If you didn't, use this time to brainstorm on why and how you'll do things differently going forward.

In 2017, creating a diverse workforce is imperative, not only for improving your bottom line, but also for boosting morale, culture and overall workplace happiness. We know this won't happen overnight, but by implementing the steps outlined above, you'll be well on your way to creating a more diverse and equitable work environment.



ATTRACTING DIVERSE CANDIDATES: WHAT WORKS, WHERE, AND HOW TO FIND THEM ostering and building a diverse workforce is no longer an option – it's a necessity. We wknow diverse teams not only foster innovation, creativity, and learning, but also lead to better outcomes for a business' bottom line. A study by McKinsey shows that companies in the top quartile for gender, racial, and ethnic diversity are more likely to have financial returns above their national industry medians.

We all want our organizations to succeed, so focusing on diversifying our workforce is imperative. But how do we get there? How and what can we be doing to attract diverse talent in the first place? Here are a few ideas to get you started.

Understand Your Diversity Hiring Goals

First and foremost, it's crucial to understand your diversity hiring goals so you can come up with a game plan and put some action items in place. Hopefully you already have a goal mapped out – maybe you're looking for women to make up a certain percentage of your hires, maybe it's increasing hires from underrepresented backgrounds.

Either way, you need to understand exactly who you're looking to hire so you can figure out how to attract and engage them in the most practical way – different things appeal to different groups. For instance, what may be appreciated by women may not matter to men; what millennials care about may not be the same as what older generations look for in a job.

Let Them Come to You

In other words, make sure your brand supports your diversity-related recruitment efforts. A strong employer brand is important when you're looking to attract top talent in general, but should also be used to your advantage when hiring for diversity.

An easy way to do this is by showcasing the diversity that you've already established on your company's careers page. An employer's website is almost always the first place candidates go to do research about a company so make sure you:

- Include pictures showcasing your diverse employees (ex: your female VPs!) and blurbs about why they enjoy working there.
- Encourage all employees to participate in attracting talent. For example, represent employees from underrepresented backgrounds on your company blog.
- » Highlight your mission statement on your diversity hiring initiatives (sometimes just saying it resonates with people).

All of these things show that you're supportive of a diverse workplace and understand why having one truly matters.

Crafting job descriptions in a way that makes everyone feel welcome to apply will also bolster your inbound diversity recruiting efforts. Make sure your job postings read well to different types of candidates. I can't tell you how many times I see a job description that uses "he" over and over or uses words like "ninja/rockstar" – truth is, even just using these typically male-associated terms can subconsciously discourage women from applying.

You should also be careful about what you advertise – while job descriptions are a great place to showcase your benefits, spending too much time talking about your ping-pong tables, beer kegs and video games may do the opposite of what you hope – by hyping up perks typically associated with one generation of workers (ie. millennials), you may end up turning off another (baby boomers or gen Xers).

Your job descriptions should focus on the things that actually matter – what the job entails, qualities the candidate must have, where this person will make a difference, etc. You'll encourage the right people to apply, regardless of gender, age, or any other irrelevant factors and remove any subconscious bias in the process.

Another great way to bring diverse candidates to you is to take advantage of the diverse employees you already have and lean on them (if they're willing to of course) to act as company ambassadors. For instance, your ambassadors can represent your company at career fairs, speak on panels and attend community events or meetups. You could also consider sponsoring an event with a focus on an underrepresented group ("Out in Tech", "Girls who Code", etc.) and have one of your employees act as a spokesperson or host.

» By getting your diverse employees (and really all employees) involved with your recruiting efforts, you put the message out there that you support a diverse, inclusive workplace, not to mention you'll be filling your candidate funnel in no time.

Look in the Right Places

While attracting diverse candidates to your organization is important, it's likely that you're going to have to do some searching of your own. It might seem obvious, but if you're looking for diverse candidates in the same places you look for your usual candidates, you're probably not going to have much success – otherwise, we'd all be pros at finding such hires.

Look into special alumni groups, veteran associations, community meetups, churches, cultural organizations, etc. Often times, if you simply reach out to these universities/ groups, they already have resume books of candidates they can send you. You can expand your reach by asking for referrals. I've already mentioned that using your current diverse employees as ambassadors is important, but make sure you're also tapping them for referrals. It's likely that these employees already have relationships with the talent pools you're trying to hire from – if not, maybe they have new ideas for places you can look.

It is important to keep in mind though that some diverse candidates may not have the same background as your usual talent pool (which should be why you're hiring for diversity in the first place – different backgrounds/ experiences lead to better ideas, innovation in the workplace).

I see it a lot – perhaps your company only wants candidates from certain Ivy League schools, or with a certain type of degree (Master's, MBA) – by excluding a huge group of people, you're likely missing out on fantastic talent, often from underrepresented groups that didn't have the same opportunity for whatever reason.

Applying the same open-minded mentality goes for resume gaps – sometimes they can be a major turn-off, when in fact, the gap is quite easily explained. Mothers raising families, serving time in the military, holding more than one job and so forth.

Encourage your hiring team to be more open, and let previous accomplishments rather than degrees and "perfect resumes" dictate candidate-worthiness.

Implement Meaningful Initiatives and Programs

Many companies tend to name drop their cool "perks" in order to attract talent, but take a more strategic approach and offer benefits that are most inclusive and meaningful for all types of talent you're looking to hire. Be sure to:

» Evaluate your health insurance benefits. Are they favorable/affordable to people with growing families? With disabilities? With the aging population? Do you offer any type of maternity/paternity leave? By providing options that support a variety of different backgrounds, you'll be more likely to attract – not to mention retain – diverse talent.

- Consider offering flexible hours and/or a work from home policy. Take into consideration the talent pool unable to spend as much time in the office for whatever reason – maybe due to strict childcare responsibilities, a longer commute in exchange for more affordable housing, or taking care of an elderly/disabled family member. Giving the opportunity to shift hours or work from home 1 or 2 days per week can be a huge differentiator.
- » Holidays of Choice. Do you allow employees to take time off for their religious holidays without penalizing them? Chances are, your company closes for some or all of the federal/bank holidays that many companies blanket across the organization, regardless of background/beliefs. But what about those who celebrate different holidays? Consider offering your employees the option to choose which holidays they take time off for (and don't make them use a vacation day!).

While some of the diversity hiring initiatives discussed here require a higher budget and more planning, map out what that investment means for you. In most cases, the benefit of gaining diverse talent to your workforce (and the ideas, generated revenue, etc. that go along) truly outweigh the cost.



BLIND HIRING: HOW TO IMPLEMENT INCLUSIVE HIRING STRATEGIES

iring is top priority for most businesses – and that's definitely true for OpenView's portfolio companies. But, have you ever thought about what your job descriptions say about your company or your culture? Or how the way you write job descriptions might discourage qualified candidates from even applying?

Well, according to an internal report from HP, men apply for a job when they meet 60% of the qualifications listed, while women will typically only apply if they meet 100% of the requirements laid out in a job description. HP attributes this phenomenon to the fact that women tend to be 'rule followers' – in other words, women will only apply to jobs for which they are certain they have the requisite experience.

But as a Talent Manager, I've seen plenty of beyondqualified women who are in fact perfect for jobs despite not having all of the "required" skills or experience.

Even the words you use in a job description can discourage certain segments of the population from applying. Words like 'leader', 'competitive' and 'dominant' can be found in job descriptions for roles in male-dominated industries, while words like 'responsible', 'dedicated' and 'sociable' are found in job descriptions for roles in female-dominated industries. In 2011, The American Psychological Association shed light on how these masculine and feminine stereotypes can increase gender inequality in applicant pools and therefore roles and industries.

To close the gender gap, we all must be cognizant of how we write and position job descriptions to ensure we're not only attracting qualified talent, but also promoting diversity within the ranks of our companies. Buffer, a social media management platform, took this advice to heart when they removed the word 'hacker' from their job descriptions after realizing that women made up only 2 percent of applicants when engineering roles included this word in the descriptions. Buffer realized the word 'hacker,' which many do not identify with, was discouraging a large portion of the potential talent pool from even applying. With some careful tweaking, the word 'hacker' was changed to 'developer.'

Excluding younger and male-associated benefits like "beer kegs," ping pong" and "video games" should also feature prominently in your effort to make job descriptions as inclusive as possible for people of all genders, races and ages.

Another tactic many companies are turning to is "blind hiring," a technique that hides demographic-related information about a candidate from a recruiter or a hiring manager that can lead to bias.

GapJumpers, which provides blind hiring services for large enterprise companies, shows just how successful this technique can be. According to their data, conventional resume screening meant that only a fifth of applicants who weren't white, male, able-bodied people from elite schools made it to first-round interviews. Blind hiring brought that number up to 60 percent.

In addition to GapJumpers, companies like Talent Sonar, a recruiting tool that helps companies implement best hiring practices, and Textio, which analyses data to find meaningful language patterns that cause some job posts to succeed where others fail, can be extremely helpful for companies focused on implementing unbiased recruiting.

Talent can be hard to find. Why make it more difficult by failing to use inclusive hiring practices?



HOW TO COACH MANAGERS TO HIRE FOR DIVERSITY

There are many obstacles undermining the goal of hiring a more diverse workforce. Often, we look to the "top of the funnel" for solutions – writing more inclusive job descriptions, advertising openings on a large array of sites, and incentivizing diverse sourcing and outreach. While these solutions are effective at increasing the diversity of a candidate pool, they are less effective at actually creating a diverse workplace. Ultimately, only the hiring managers can do that.

Excluding hiring managers in diversity initiatives can often leave a recruiting team spinning its wheels. Take, for example, Facebook's internal tech recruiting initiative in 2015. Every successful hire at Facebook equates to one point for the recruiter responsible for the candidate. The points are tied to individual performance reviews and bonuses. As a way to incentive diverse hiring, Facebook implemented a system where each successful diverse tech hire (women, and people of non-Caucasian/non-Asian descent) was equal to 2 points. The point system successfully incentivized recruiters to source more diverse candidates over the course of the year.

Recruiters were ultimately unsurprised, however, when Facebook's yearly diversity report came out reviewing 2015 and it indicated that the incentive program was ineffective. Facebook was only able to increase its women in tech presence in the US by 1% – from 16% to 17%. The statistics tracking their diversity for black and Latino employees in the US remained completely stagnant, at 1% and 3%, respectively. Facebook's initiative was unsuccessful, in large part, because hiring managers were not included in the diversity goals.

The takeaway lesson from Facebook's failed first attempt at increasing diversity is simple: Hiring managers must be engaged.

Fortunately, there are steps companies and individual hiring managers can take to increase successful diversity hiring.

First and foremost, setting attainable goals on both the company and department level for diverse hires helps align the mission of the entire team. At the department level, hiring managers are responsible for these goals. Both the recruiting team and the hiring manager should understand these goals:

- » How many diverse candidates are in process?
- » How many have you progressed to final interviews?
- » How many have you hired?

Providing both the recruiting team and the hiring manager access to this data creates a sense of transparency, teamwork, and ultimately, accountability.

In addition to making sure all members of the hiring process are aligned on diversity goals, it's important to **acknowledge that these hires can often take longer to successfully close.** Allowing increased hiringtime for searches that result in a diverse hire gives hiring managers the ability to meet more diverse candidates. Lengthening the hiring timeline can also act as a great way to remove pressure from a stressful hiring situation, which in turn can help mitigate unconscious bias that inevitably exists.

On an individual level, there are things hiring managers can do to prevent unconscious bias from derailing diversity efforts. This begins with acknowledging that every person has bias, whether they acknowledge it or not. Once acknowledged, it's important to alter hiring practices to reduce it as much possible, and a great place to start as a hiring manager is with the interview.

Interviewing can be a great way to better understand how competent a candidate is, and how they will fit in culturally with a team. However, informal conversations and small talk often benefit candidates with similar experiences and interests as the hiring manager. Without a defined set of questions and metrics by which to compare candidates, these informal conversations – unrelated to prior professional performance or qualifications – can influence hiring managers to choose the less diverse candidate (or the one who looks and talks just like them).

Setting up the interview process with clear expectations for each interviewer can reduce this occurrence. Start by defining what is most important to the job – what are the essential skills? What are the most important job functions? Building off of those requirements, define the questions that will be asked consistently of each and every candidate. The hiring manager should take detailed notes on each response. These notes will provide the basis for the candidate assessment.

When it comes time to make a decision, candidates should be evaluated on their responses to these questions. Keeping the deliberation discussion focused on the job functions and requirements can help the hiring manager ensure that they're making the least biased decision possible. And remember, hiring for diversity isn't just about doing the right thing. If organizations and hiring managers can successfully implement these strategies, they'll benefit from the strategic and monetary gains that have been shown to come from teams with diverse perspectives.



HOW ZENDESK, DATADOG, SLACK AND OTHERS INCORPORATE DIVERSITY INTO THEIR HIRING A t OpenView, we strongly believe that diversity starts from the top. When a leader genuinely cares about diversifying their organization, they create an open space for progress and innovation. We spoke to 15 top software leaders to learn how they foster diversity within their own companies. Through these conversations, it became clear that while there's no silver bullet to create a diverse and inclusive workplace, there are many passionate leaders moving the needle in the right direction.

Read on to learn how some of the best known tech companies create diverse workplaces.



ASTHA MALIK

VP of Platform & Product Marketing, Zendesk

"While leadership should set the tone for diversity and inclusion, its success depends on how we influence and make it easier for teams

to embrace and act. Opening the door for candid conversations is the first step towards making it real. And like any other imperative for success, leaders should then define measurable outcomes with a framework for success. These can include intolerance for certain behavior and quantifiable goals for talent screening, hiring, and retention coupled with development programs for generating awareness on why it matters and fostering diverse talent with opportunities. The combination of conversations, actionable commitment and leading by example is what can truly make a difference."



MAX YODER

CEO, Lessonly

"We strive to build a diverse culture representing different backgrounds, experiences and viewpoints – gender is only one component. For example, our product team

isn't just computer-science majors, but a mix of people who have learned to be developers and engineers through traditional and non-traditional routes. That diversity of background provokes diversity of thought and allows us to see more angles and find more interesting solutions than we otherwise might. Bringing these nontraditional people aboard started with finding one person who fit the mold, and then, with his permission, mining his network for other candidates. Everything blossomed from there."

GLEN EVANS

Head of Global Recruiting, Slack

"It starts from the top. The CEO and leadership team has to create a safe space for diversity to be discussed



openly. There are so many reasons people care, or should care, about workplace diversity, and that message has to be tied directly to company values. At Slack we started talking about the importance of diversity very early on – it's everyone's problem to tackle here, we don't have one particular recruiter focused on it for that reason. Our university recruiting program is tied to all non-traditional schools which has been a great way to find diverse talent that we might not have had exposure to at more commonly sought-after universities."



STEPHANIE BERNE

Senior Director Customer Success Management and Customer Advisory, Box

"My personal belief is that on this topic, our most critical responsibility as executives is to be honest about where

things actually stand, and avoid making statements about commitments to diversity without actual action or results to show for it (which I think plagues Silicon Valley right now – everyone talks about it, very few actually change)."

JEFF DIANA

High Growth Consultant & Former CPO, Atlassian

"You can't build a diverse workforce by depending on a hiring agenda alone, it has to be integrated into your company's culture. Choose



one of your best business leaders to lead the mission – not just a diverse leader, but one who is respected and admired. It's important that that leader does not over-commit – people aren't expecting instant success, but they do want commitment, focus and consistency. At Atlassian, we did a lot of unconscious bias training to help employees understand how one's mind works when vetting and hiring talent. We were also very open about our stats and progress around diversity hiring, and reported at the team level (rather than just at the company level) to ensure that all teams had diverse representation. It's also crucial to create a diverse board. Atlassian hired 3 diverse board members before going public. Lastly, always hire the BEST person for the job. Any time you hire for any reason other than merit, you discredit the diverse employees that already work for your organization."

JOSH FEAST

CEO, Cogito

"One major way we can ensure Cogito's continued success is by fostering teams comprised of people with different backgrounds and perspectives. To build a more



diverse company, I made sure that I LED the initiative and educated myself on why diversity is so important. We've built diversity into our cultural operating principles (it's one of our five core values) and have spent a lot of time explaining to our employees that it's not about social justice, it's about WHY and HOW diversity impacts business performance for the better. We've implemented tracking measures to monitor employee engagement and company progress around diversity, and have been completely open about the data within our organization. We also recently partnered with NCWIT to support us in this company-wide mission, and chose this organization as a partner because their research and data-based approach to tackling the diversity challenge is wholly unique."

YVONNE WASSENNER CEO, Airware

"Make diversity and inclusion part of your daily habit. Bring in diverse and inclusive leaders at the top; leaders who can be the social consciousness in the room and



pull in more talented team members from their diverse communities. Start from a position of trust, seek to educate those who mis-step or miss opportunities to create a more diverse and inclusive environment. Reward those who learn – jettison those who do not."



OLIVIER POMEL

CEO, Dataog

"We strongly believe that people from different backgrounds and experiences make innovation possible at Datadog. To foster a diverse workforce, we've implemented

a combination of community outreach, employee benefits, and management objectives. These include organizational partnerships (with groups like OutInTech and StartHer) for sourcing talent, employee benefits that appeal to candidates at varying stages of life and with varying personal needs, and by making diversity hires a key objective for recruiters and managers. In addition to these ongoing initiatives, we are continuing to look for new ways to attract and grow diverse talent at every level across our organization."

KYLE PORTER

CEO, SalesLoft

"I don't want to inject gender diversity because it's the politically correct thing to do. I want to honor females in the organization because I want to win and they help



do just that! We hold all hands meetings every week with internal and outside speakers – each time has included at least one female speaker. By bringing in outside speakers to discuss their own experiences and by creating mentoring opportunities in our organization, we create an environment where everyone – no matter race or gender – can flourish."



MIKE BERGELSON CEO, Everwise

"We've dedicted significant resources to building a world class development experience for women in leadership because more women at the top means

stronger companies, and because women deserve the

chance to get there. Internally, we're proud to have nearly equal representation among men and women overall, including women in key leadership roles at the individual contributor, middle management, executive and board levels. But our work is nowhere near done. In particular, we need to bring more diversity to our c-suite and board of directors. We're continually looking for ways to increase diversity of thought, perspective, and demographics."



DAVID CANCEL CEO, Drift

"The only thing that works when it comes to diversity at a company is making it a core value from day one. It has to be in your DNA. Otherwise by the time you get to 100+

people, it's too late. We love this quote from Verna Myers: "Diversity is being invited to the party; inclusion is being asked to dance." That's become a key part of hiring and our culture here at Drift."

ROB TOMCHICK

Head of Sales, Lever

"It starts with making everyone feel included. You can make grand plans to hire people from diverse backgrounds, but if they don't see and hear about an inclusive



environment at the company, they won't join. And if they

don't find an inclusive environment when they join, they'll leave. Start by taking an honest look at your company and determine if everyone truly has equal access to rewards and opportunities. What behavior is rewarded? What are the feedback loops for people to safely share their concerns? Are you proactively asking for feedback?"



M.T. RAY

VP of Talent, High Alpha

"Diversity and inclusion in the tech industry are complex issues with roots across the entire talent pipeline. High Alpha is committed to leveraging our unique

capabilities to address this problem, from the Talent Services we provide cross-portfolio to the companies we invest in through our venture fund. In 2016 we launched the Blue Angels Women's Group to encourage the women at High Alpha companies to build deeper relationships, provide a platform for more intentional professional development, and represent women in tech in the broader Indianapolis community. The group has had a profound impact both internally and externally, providing great networking and mentoring opportunities for the women that work across our portfolio, as well as driving a more diverse pipeline of talent. As we look at our goals in 2018, will be expanding programming to include the men of High Alpha. It's important that we are all part of this conversation."

GRANT MCGRAIL

Head of Enterprise Sales, WeWork

"I've spent over a decade in the software industry, where it's common to see disproportionately male sales teams. WeWork is intended



to be an inclusive community. As a company, we have an unofficial target for an even gender split staff and we are not far off that now. I'm proud to say our global enterprise sales team is nearly an even gender split too which gives us a distinct advantage when interacting with a variety of clients. It is very much our intention to ensure this balance remains as we grow."



CHRIS COMPARATO CEO, Toast

"At Toast, our mission and business revolve around food and technology. Food is a central and universal art form that brings people together, allowing us to appreciate

differences, varying cultures and diverse backgrounds. Our managers and teams hire and build their teams with this in mind, for example successfully partnering with organizations such as She Geeks Out and numerous University Diversity and Inclusion programs. We are thoughtfully and incrementally building our leadership team to be increasingly diverse. We also foster an impactful level of organic diversity in our culture through various clubs and groups at Toast including through Multi Grain and Women at Toast. All of this is a work in progress with more to do, but we feel we are putting the right foundational and building blocks in place."



HOW TO LAND THE BEST TALENT FOR YOUR STARTUP

ow many candidates do you talk to in a week? How many do you reach out to secure those conversations?

In our line of work, there's a fine balance between quality and quantity. It's easy to just go through the motions of hiring without putting much thought into who we're talking to or the goal of conversations we're having. I've seen countless recruiters who speak with a candidate once, send an email or two to schedule interviews, fail to build a relationship, and are blindsided when a candidate withdraws or declines an offer.

News flash: You should be the main point of contact for candidates during the hiring process.

As the candidates move through the interview stages, it's up to you to keep them engaged and sell them on the amazing opportunity in front of them. While there is no magic recipe to making a hire, you should always strive to connect with the candidate, help them navigate the hiring process and set yourself apart (in a good way!).

1. The initial outreach: Make it as personal as possible!

How many times have you gotten a canned LinkedIn message from another recruiter and immediately shrugged it off? You know a hundred other people probably got the exact same message – no reference to your company, your role, or how your experience aligns with the job they're trying to fill.

Your first outreach is such an easy place to stand out. By

tailoring your message to show that you've done your research, you automatically make the candidate feel valued and start the relationship off on the right foot. Include a specific piece of information that you found on her profile and let her know why/how that makes her a good fit – be it the industry experience, her current position, or something she mentions in her bio.

2. That very first phone call: Be transparent and establish trust.

Getting on the phone with a recruiter can be overwhelming, especially for a passive candidate (and yes, the best ones are always passive). Make sure you take time to build your relationship and begin establishing trust:

- » Give her insight into your role in the process and be transparent about what the company is looking for in this hire.
- » Listen to them and don't just rattle off a list of questions!
- Det them know how you can be a resource beyond the call – whether things progress in this interview process or not. They'll feel like you're taking them seriously and forming a real relationship, rather than just trying to fill a req.

Use this call to set the tone for your relationship. If the candidate trusts you, she will open up to you more – what she's really looking for, compensation, reasons for leaving, etc. – all valuable insights when hiring!

3. During the interview process: Communicate, and communicate often!

As a candidate moves through the interview process, recruiters often do a handoff to the hiring manager, stop communicating directly with the candidate and lose touch. Don't let that happen! Regular phone calls, emails, and text messages go a long way to helping the candidate feel engaged and kept in the loop.

After each step, try and grab a few minutes on the phone with them. Give them updates, get their feedback, and dig into their concerns – most of all, make yourself available. You are the "eyes and ears" for the hiring manager – by taking these opportunities to dig in, you can pick up on pieces of information that can be useful in closing or even disqualifying the candidate.

4. Offer stage: Extending an offer, or maybe not...

Hooray! You have a candidate in play that everyone loves and the team is ready to extend an offer. By now you should have a good idea whether or not the candidate will accept, but give them a call and let them know the hiring manager has some positive news and wants to chat. By planting the seed for the upcoming conversation, you're giving them the opportunity to gather their thoughts and prepare for an offer.

When things don't go as hoped, it often falls on the recruiter to be the bearer of bad news and let a candidate know the team is passing. Be tactful in your transparency, but give as much honest and constructive feedback as possible.

5. Know your limits: It's not all on you

While there are many situations you can, and should, handle yourself, sometimes it's better to pull the hiring manager in. For example, if a candidate expresses concerns about learning the product/industry quickly enough or is unsure about the growth path for the role, the hiring manager needs to know. By raising these issues with the hiring manager, you're giving both parties the opportunity to iron out any concerns and make sure there is a mutual fit earlier in the process. Similarly, if the team is passing, the hiring manager may want to follow up after you communicate the message to the candidate, especially for senior level roles or if the process was lengthy. A final message (preferably over the phone!) from the hiring manager shows respect, gratitude, and hopefully leaves the candidate feeling positive about the company.



SCALING YOUR STARTUP: LESSONS IN GLOBAL EXPANSION FROM ATLASSIAN'S CPO s the former Chief People Officer of Atlassian, Jeff Diana saw the company grow from 275+ employees, primarily based in Australia, to more than 2,000 located in offices around the world.

"When I first joined" Diana says, "We were relatively unknown except to hardcore developers – JIRA users. But by the time I left, we'd hit a \$600 million dollar run rate and had an IPO of over \$6 billion dollars."

While global expansion is a problem any startup founder would love to have, actually executing on that growth and doing so in a way that keeps culture intact can seem nearly impossible. For Diana, his experience at Atlassian taught him the importance of strong teams, cross-country (and cultural) alignment and how to stay focused in the midst of unparalleled global growth.

Location, location, location.

After joining Atlassian, one of Diana's most pressing challenges was determining how to build a sophisticated location-based hiring strategy. "Originally, everything started in the Sydney market," he says. "The Confluence and JIRA products were there, the underlying technology teams were based there, and – because Atlassian's go-to-market model was atypical for enterprise – there wasn't a traditional field sales team."

But as the company expanded, they spun up offices in San Francisco (which handled mainly go-to-market, marketing, customer touch, and eventually much of the general administrative functions including HR, finance, and legal) and Amsterdam, which served as the company's European headquarters.

So how did Jeff and team decide where to open which office next?

Centralizing certain functions at certain locations had a lot to do with ensuring team efficiency. "You want to think through what work needs to be co-located together," Diana explains.

"Typically, product teams will tell you that if they can have the designer, product manager, engineer, and marketer in one location, they'll be more aligned and able to move faster." While Diana believes this is true, he acknowledges that the challenge increases with scale. "When you have five hundred or a thousand people developing the product, it's hard to build that out in any one market. Instead, you have to segment which pieces get done by which location."

Matching people and functions to locations also had to do with who was readily available in a given market. "Sydney was great for young talent and early engineers out of university," Diana says. "But, when we needed people that had seen scale or run large teams, we couldn't find them locally because software-at-scale didn't exist in that market. You need to play to the strengths and profiles of the people in each market."

In addition to going where the talent was, Diana and his team were also thinking ahead to what was in store for the company. "Knowing that going public was on the horizon, it was important to have a footprint in the US," Diana says. "We knew that was the market the founders wanted to go public in, so it just made sense to get that footprint on the board sooner rather than later."

Forging Effective Remote Relationships

When you're running a company with a dispersed footprint, team building becomes more complex. Even in singlelocation operations, managing culture and forging effective remote relationships can be challenging. Spread your functional leaders around the globe, and the challenge increases exponentially.

"One of the ways the dispersed leadership team stayed close was the practice of taking turns each month to visit either Sydney or San Francisco," Diana says. "We came up with a rhythm for moving around the globe, even at the executive level. We would deliberately go offsite, rent a house for a few days, and essentially live together."

In addition to regular, in-person working sessions for the executive team, Atlassian's approach to team building also included quarterly meetings with a larger group. "We were intentional about traveling because it's human nature to create connections physically, face to face," Diana says. "You can grow relationships, once they're established, using tools like email and so forth; but the really rich connections happen in person. You have to be willing to put the dollars and time against the effort."

Atlassian's global presence and philosophy around travel also served as a recruiting tool. "We were small and not always able to offer the most varied career choices," Diana explains. "But we could provide the opportunity for assignments in Amsterdam, Sydney, San Francisco, and later in places like Manila and Austin."

Fostering a Diversity of Cultures

With the global team up and running, there was still a lot of ongoing work to do around managing culture. "One of the first steps is recognizing that cultures are different," says Diana. "It's not just about getting groups together. You have to adapt the way you communicate." Atlassian invested in regular global events to bring people together from different geographies and encourage them to share the different vibes that made each of their distinct "neighborhoods" special.

It's a common cultural mistake to fall into patterns of behavior and communication based on a shared location. "You have to watch out for the inherent bias of the people you know best, the people who are co-located with you," Diana explains. "Sometimes when there's a lack of familiarity with talent in different parts of the organization, we default to grabbing the person we know best because they sit next to us. We have to work really hard to avoid that."

Another element that helped the company keep everyone together was a strong set of values and a clear mission. "You maintain a consistent culture by making sure your values and mission are core and that they're woven into the recruiting process, how you onboard people, and all of your people programs including how you reward folks, how you promote people, what you recognize, and what you communicate." By consistently integrating values and mission into the fabric of company processes, Diana was able to deliver a clear and consistent message that helped unite everyone across all locations.

Relying on 'Rituals' to Maintain Alignment

From a day-to-day operational standpoint, the Atlassian team was supported with a well-structured meeting cadence, big picture rituals, and the right communication tools.

"Originally, we did our all-hands monthly," Diana says. "We ran them locally using the same content, but as we grew, it became harder to maintain alignment. Because of the speed and pace and the growing number of people in the organization, we increased the frequency to weekly and ran them globally. This allowed for quicker meetings and ensured that everybody was hearing the same message at the same time."

To supplement the all-hands meetings, Atlassian also implemented two "big picture" rituals: the Shiplt ritual and the "painted picture" ritual.

The ShipIt ritual, which happened each quarter, involved shutting down the entire company for 24 hours so each team could hack a new invention. "The engineers would be hacking code while those of us in other functions were hacking processes, documents, or experiences," Diana recalls. Atlassian live streamed the shipping events at every location so the entire company could see all the in-process projects.

The "painted picture" ritual covered the company's long-term mission or vision – ten or twenty years out. "We grind in operational goals each quarter," Diana says. "But for this process everyone in the company dreamed three years out and 'painted the picture' of what would make them feel super proud and the company successful outside of the numbers – things we might be doing for our customers, employees, partners, or the community across a broad set of categories."

Again, the company did this in a very visible way. "Everyone teed up the dream they would like to see," Diana says. "And then the founders would combine all input and come back with a painted picture that we talked about every three months so we could assess how we were doing against the vision."

Using Technology to Overcome Time Zones

While unifying rituals are critical to keeping a globally distributed team on the same page, it's also important to master the tactical elements of communication. Take time differences, for instance. "When your team is globally distributed, you can't walk down the hall and grab someone for a conversation," Diana says. "You have to map your time overlap pretty effectively and be comfortable planning the time lags between conversations."

Ensuring that communication is smooth also requires the implementation of effective tools. Atlassian used a couple of their own products to great effect. "We use HipChat, but whether you use that or Slack or something else, it's just really important to facilitate real-time communication across geographic borders."

Another tool the team used for collaboration was Atlassian's content collaboration software, Confluence. "Having a knowledge-based, intranet-type of technology is also critical," says Diana. "Confluence works really well for this, allowing people to share information, comment, and work collaboratively."

Structuring Your Leadership Team

While Jeff Diana's work with the Atlassian team is a great case study for how to successfully build and manage a global company, there's no question that their story also represents a complex and highly coordinated effort. How do you structure the ownership of such a broad and deep strategy, and when is the right time to hire a Chief People Officer?

"The ultimate ownership sat at the executive team level, and then each member of the leadership team owned different pieces of it," says Diana. "For instance, our head of go-tomarket drove the communication rhythm of our all-hands, while I – as the Chief People Officer – was responsible for looking at the rituals as a whole, creating cohesion in the fabric of the company, and developing our footprint strategy."

To help a company identify when they're ready to bring on a Chief People Officer, Diana uses a three-year assessment exercise. "I ask the CEO to build out three years from today – what's their footprint going to look like and their headcount? If they have a hundred people today, in three years will they have three hundred, five hundred? I ask them to tell me what their plan looks like if everything goes well, and we work backwards from that."

"We determine how much of their headcount will be in each function (which will teach you something about where the company is placing its bets) as well as what work needs to sit together and whether they think they'll be able to find all that talent in one location."

"We look at what methods they have as a frame to think through their footprint and how quickly they're going to need help around the complex space. Once you go through that exercise, you can kind of back into when's the best time to bring someone on."

The Future is Global

And as for the future, Diana sees more companies going global and following in the footsteps of the Atlassian team. "I think the days of a company at scale having a single location are mostly gone," says Diana. "You have to be near the customer to best serve them and you have to have access to talent you simply can't get in one location."



DEBUNKING THE ARGUMENT THAT THERE AREN'T ENOUGH WOMEN___

The argument, "we just can't find 'qualified women' to serve on our board," is nothing new, but honestly I am surprised how much I continue to hear it. It is trite, so last century and, most importantly, not true.

What is the definition of "qualified"? Must the pool be composed of current public company CEOs? If that's the case, you'll likely find significantly fewer men as well, as there is a shrinking pool of publicly traded male CEOs who can or want to serve on boards. In addition, research busts the myth that sitting CEOs are the best directors. Despite the fact that sitting CEOs are highly sought-after for board seats, 79% of directors in a Stanford study said that, "in practice, active CEOs are no better than non-CEO board members." So empirically, that non-CEO executive woman you know is just as qualified to serve as a board director as any CEO on the docket, possibly even more. And historically, less than 30% of board members are or were CEOs.

The average large board adds fewer than two members per year. With such limited turnover, boards often seek out what has become known as a "unicorn" board member, ultimately a board member who cannot be found due to excessive requirements. For example, a board seeks a minority woman who is a current CEO or CFO, with digital and global growth experience and IT/cyber experience, who has been on a public company board and brings age diversity. For younger companies, add to that list someone who has also grown the company and taken it public. There's a reason this candidate is called a unicorn. You'd be just as likely to find either.

Women with CFO/financial expert criteria have been one of the first segments many boards have added over the last decade and still appeal to many boards for audit committee chairs and members. Increasingly, board members who have a firm grasp on the use of Big Data, AI, cybersecurity and overall business uses for IT, appear to be the next wave of women in high demand. The Athena Alliance network of highly qualified women is certainly acquainted with this nominee, as is obvious in the 2017 award honorees we've listed here.

There are many women in the corporate arena who also have high level legal backgrounds with savvy business skills, and can provide incredible value for companies aiming to grow via acquisition or facing high risk in their regulatory environment, like disruptive companies need to address.

For that matter, what about board members who understand what it takes to grow the employee number from a small operation to a large, global industry over a short period of time? CEOs don't usually come with this skill set, and most internal HR teams don't have that kind of in-house experience, so having guidance from someone who has done this is a great asset – and yes, many CHRO are female. I just heard at a board event from a speaker who sits on five public boards, that the Comp Committee for a public company has been said to be more a risky assignment than the Audit Committee today.

A FastCompany article noted that many European companies have begun to tap into networks of U.S. female executives and add them to their own corporate boards. Susan Adams, author of the article, concluded "The excuse by some U.S. companies that they aren't able to find enough qualified women in their own backyard just doesn't hold water." At Athena Alliance, we agree, because we know amazing executive women qualified to serve on boards if given the opportunity. Resist the urge to use this excuse, and instead take action to reach out in search of connected women beyond your network. We are ready, willing and able to connect you with our own network of highly educated, highly successful, board-ready women.

Finding the right talent for your growing startup is never easy. You're looking for the best and brightest to take your baby, the company you founded, to the next level. And for your already-stretched-thin recruiting team (assuming you have one), adding another requirement is a big ask. But, incorporating diversity hiring initiatives into your recruiting program is so worth it.

Studies show that groups with greater diversity solve complex problems better and faster than homogenous groups, yet only 5% of technology leadership jobs are held by women.

At OpenView, we have made it a point to remedy this gender gap by setting our own high standards for sourcing and recruiting diverse candidates both for our firm and our portfolio. We hope that the lessons in this book inspire you to build your own diversity recruiting program so that you too continue to strive for gender parity within the tech ecosystem.

ABOUT OPENVIEW

OpenView, the expansion stage venture firm, helps build software companies into market leaders. Through our Expansion Platform, we help companies hire the best talent, acquire and retain the right customers and partner with industry leaders so they can dominate their markets. Our focus on the expansion stage makes us uniquely suited to provide truly tailored operational support to our portfolio companies. Learn more at ov.vc.

CLOSING

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The Athena Alliance is an organization dedicated to advancing diversity in the boardroom.

BRIDGING THE GENDER GAP IS ONE OF TECH'S MOST DIFFICULT, YET MOST WORTHY CHALLENGES. THE STRATEGIES LAID OUT IN THIS BOOK ARE A MUST READ FOR EVERY FOUNDER, CEO AND TALENT LEADER.

"When it comes to leveraging diversity as a competitive advantage, OpenView is a model for the required commitment that must go well beyond pledges and goals to results oriented engagement with portfolio CEOs and the community at large. This book is an insightful fast track to OpenView's best tips for CEOs everywhere genuinely interested in maximizing the dividends of diversity."

- COCO BROWN | Founder & CEO, Athena Alliance

"There are so many reasons people care, or should care, about workplace diversity, and that message has to be tied directly to company values. At Slack we started talking about the importance of diversity very early on – it's everyone's problem to tackle here."

- GLEN EVANS | Head of Global Recruiting, Slack

"The only thing that works when it comes to diversity at a company is making it a core value from day one. It has to be in your DNA. Otherwise by the time you get to 100+ people, it's too late."

DAVID CANCEL | CEO, Drift