

The Unicorn Playbook

Volume 2

Non-traditional approaches, exponential results.



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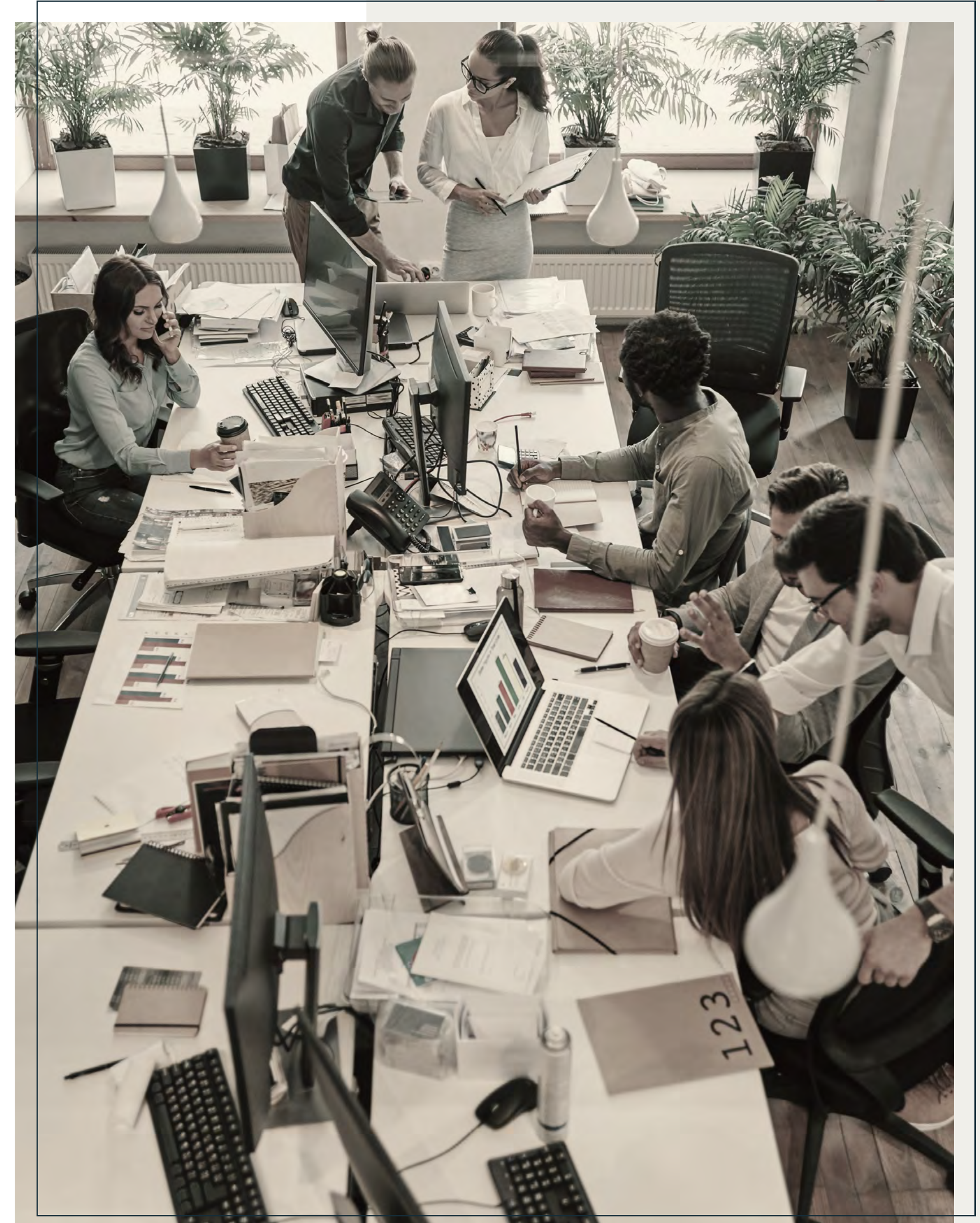
01 Introduction.

Unicorn status — a billion-dollar valuation as a private company — is no accident. In our first edition of this playbook, we interviewed industry experts who knew exactly what it takes from firsthand experience. It was clear that finance and operations functions were cornerstones to such growth.

In this follow-up edition of the Unicorn Playbook, we meet more industry experts wearing the exclusive badge of unicorn status. Certain factors of unicorn success are reiterated in this set of interviews. However, in Volume 2 our interviewees arrive with some non-traditional approaches.

As we dig deeper into the mechanics of the unicorn landscape — discussing ownership of processes, pre-revenue operations, how to hire before going to market, and the importance of hiring quality key leaders early — a less traditional blueprint emerges.

Those that were interviewed share the capacity to see past traditional finance role definitions and think like business partners, investors, leaders, innovators, and creators all at once. A non-traditional mindset that differs between what's right versus what's familiar is a communal trait among them. They share a demonstrated ability to innovate their functions — and, clearly, it's working.





Pedro Monteiro de Barros

VP of Finance at Remote

Remote has erupted in giant proportions, due in part to their “think big” approach from the outset. Pedro Monteiro de Barros is their VP of Finance and has largely orchestrated some of the early decisions behind that growth.

Pedro joined Remote in 2020, having previously acted as Director of Corporate Business Development at NBC Universal and having spent time with BlueCrow Capital Ltd and Build Up Labs working with startups in Lisbon. Having started his career in investment banking, Pedro had institutional experience from the get-go. However, the approaches he’s been taking at Remote have been far from traditional.

Pedro’s success comes from his culmination of product, finance, investment, and operations experience — as well as his personal approach — which he shares with us here in our Unicorn Playbook: Volume 2.



Praveer Melwani

CFO at Figma

Praveer was the first finance and business operations leader at Figma, and has since donned many hats as the company continues to grow exponentially. In the time between our interview for this ebook and its publication, Praveer was promoted to CFO. Beginning his career in investment banking at Union Square Advisors, he also previously held operations and finance roles at NerdWallet (Business Operations) and Dropbox (Strategic Finance).

We discussed everything people- and systems-related with Praveer, as he reflected on building it all from the ground up at Figma. Praveer shared not only practical but personal insights on what it takes to go beyond your finance role.

As we see more and more companies hiring finance leaders who see beyond numbers, Praveer sheds light on how you can better marry your softer, non-finance skills to the financial growth of your company.





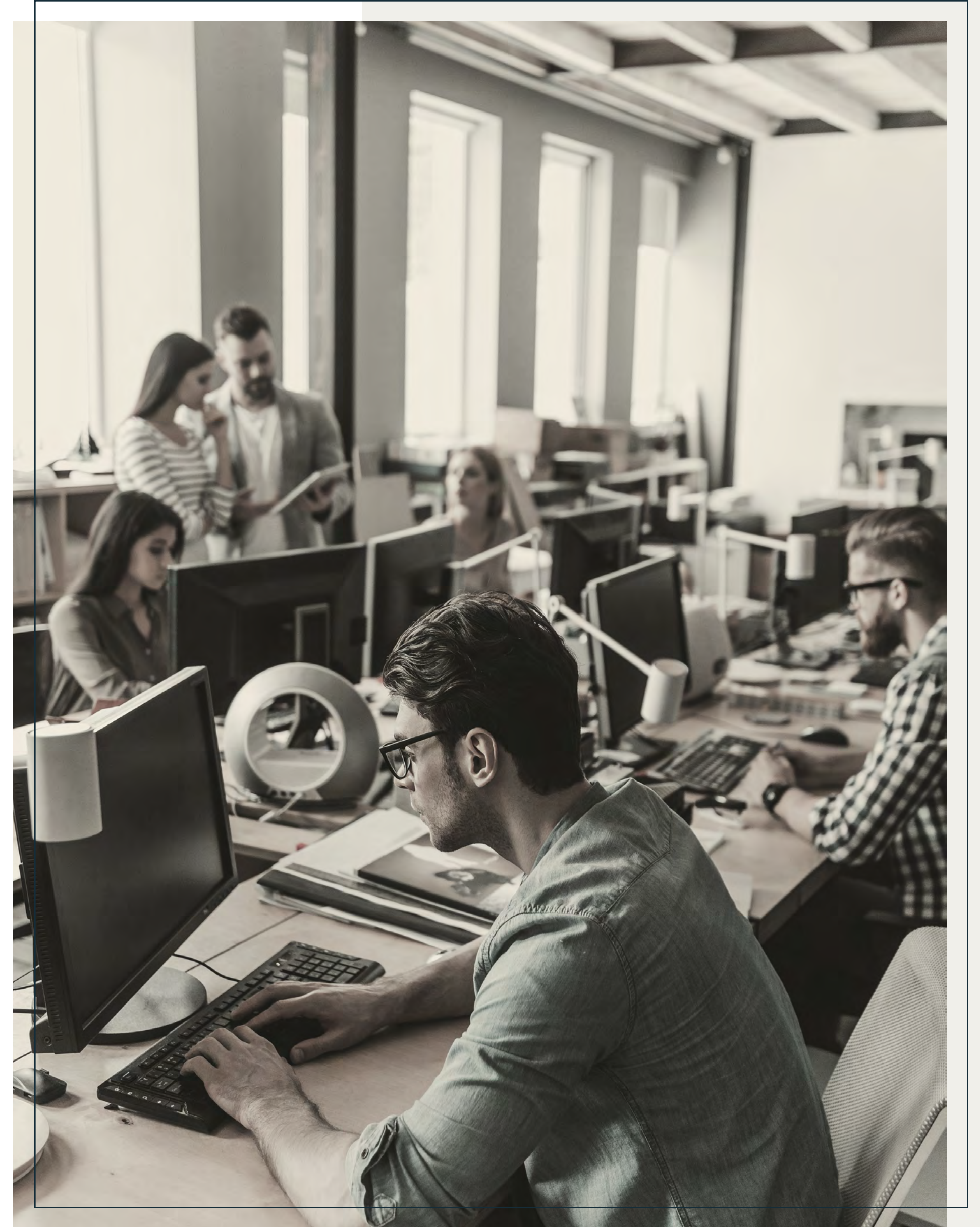
Kenny Mendes

Head of Finance, People, and Operations at Coda

Kenny Mendes has moved through finance, operations, and people teams. He yields a catalog of experience and insights as a result.

As one of Coda's earliest employees, he helped the company grow from a private beta to a product used by more than 25,000 teams globally. Kenny has jumped into everything from team-building, fundraising, and customer development. Prior to Coda, Kenny spent five years at Box leading the recruiting efforts. During that time, he helped grow the company from 40 to more than 1,200 employees and was an integral part of a startup's journey that ultimately led to a multi-billion dollar valuation.

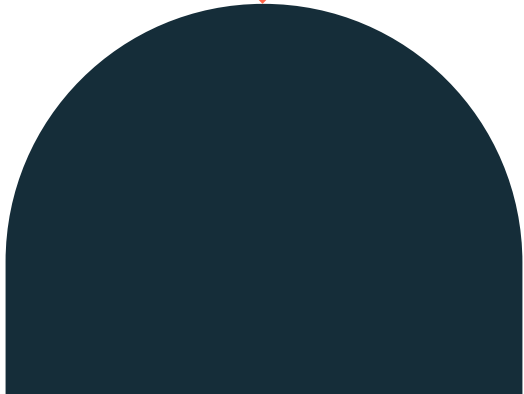
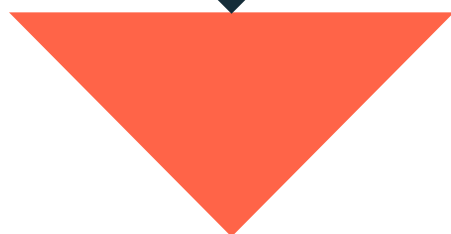
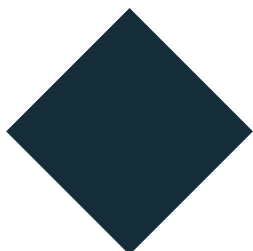
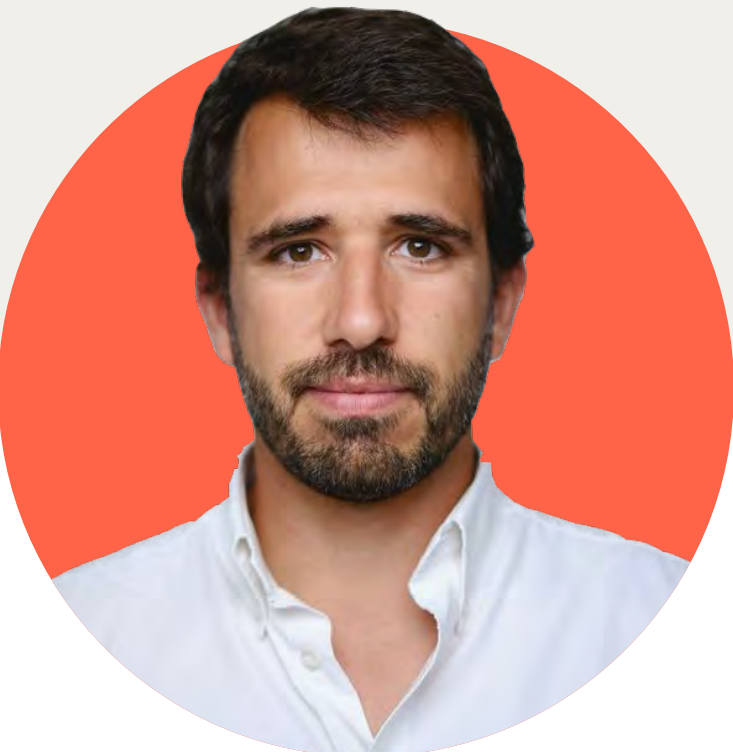
In our interview with Kenny, he discusses his broad experience, as well as the nonstandard practices Coda is using as one of the most unique unicorn companies out there today.



02

Pedro Monteiro de Barros

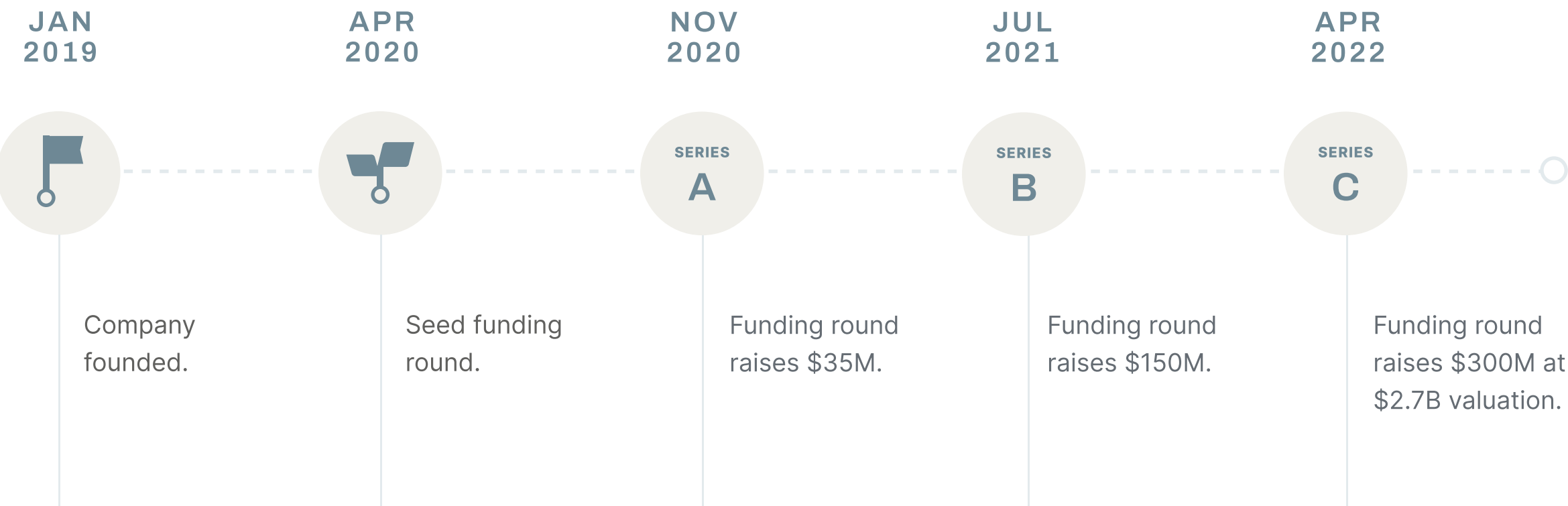
VP of Finance at Remote



About Remote.

Remote offers international payroll, benefits, and compliance services for distributed employees and contractors. Remote takes care of global payroll, benefits, compliance, and taxes, so businesses can focus on people. It was founded in 2019 and employs a team distributed across 75+ countries.

Timeline:



Investors:

Remote’s investors include Accel, General Catalyst, Index Ventures, Sequoia Capital, SoftBank Vision Fund 2, and Two Sigma Ventures.

Q

At Remote, you implemented an ERP almost straight away — an untraditional approach. You built for scale in *big measures*. What transferable lessons have you learned from that?

A

“

The biggest lesson I learned was to adapt my thinking to the growth trajectory of the firm as opposed to traditional processes.

The more I revisit stories of how others set up early-stage systems, the more I understand that an alternative growth mindset was what really enabled me to go to the next level of solutions. For example, moving straight to an ERP instead of going from solution to solution.

At Remote, that approach was successful, but it did bring difficulties.

“

Exponential growth moves so quickly that by the time you realize you might need something, you’ve probably already passed the point of needing it.

Figuring out how to implement new systems, processes, and so on, to be able to cope with the astronomical hypergrowth has been our biggest challenge.

Regarding our ERP, such early implementation was beneficial because it enabled us to manage global operations while staying as automated as possible. A centralized system that is compliant in different countries was vital for us, so it had to be an ERP. We actively interact with more than 80 countries through our operations at the moment.

Q

In terms of that all-in approach, do you think it works for every company?

A

Different companies have different challenges. The challenges at Remote were unique — the primary focus was global compliance. Multi-million dollar investments into an ERP and shared service center were required early. However, they were paramount to our success based on our business. Not every company needs to jump to those steps.

We got very used to hearing “it’s not possible” and “no,” but there are always alternative ways to make what you want to do possible. It may take a longer route, but it is possible when you put time and commitment into it.

“

Sometimes, people say it’s not possible because they’ve never tried.



Q

The bigger the systems, the more difficult it is to be responsive. How did you overcome that?

A

Just because a process exists, it doesn't mean you can't revisit it. Obviously, the larger you get — the more stakeholders that are involved, and the more endpoints that you need to connect — the more likely it is that you may lose some flexibility. We are still at a sweet spot where we can make changes and be flexible in a timely and reactive fashion.

“

We try to be as tech-based and product-based as possible.
We push for automation in almost everything we do.

A challenge surrounding software, as opposed to a manual tool or process, is much easier to rectify. Changing the flow and processes of a tech system is much easier than with manual tools.

Q

Obtaining data to calculate projections can be difficult during hypergrowth, especially in the early stages when significant data may not even exist yet. How did you manage the risks of implementing such big systems so early without supporting data?

A

Ultimately, we were “taking bets” without the data. The data points we did have were so few that, although they told us something, they were not very significant. For most of the decisions we needed to make, that data was not statistically relevant. Once you reach a steadier state of growth, that's when data starts helping you massively.

“

At Remote, the big decisions we made very early on were based on intuition — understanding where we were going, and discussing internally what our next level would be.

Our decisions were informed by connecting with folks who have worked in hypergrowth companies, or companies that mirror what we aspire to be down the road. With the constant vision that we would grow to enterprise size, we invested and made early decisions with the future in mind.



Q

Your headcount growth alone is its own unbelievable story. What did you concentrate on when hiring?

A

Transferable skills were my primary focus when sourcing new talent. I looked for employees who had previous exposure to companies that were similar to Remote in terms of operations, growth, and attributes.

We were very lucky with some of our early hires and made a lot of great ones that I sourced myself, without involving recruiters. I tried to hire in a really personalized way, especially with senior folks. That approach made all the difference regarding who we managed to bring on board.

There were periods when growing the team was taking up 80% of my time. When I joined Remote in 2020, we had a team of 19 people — we are close to 1,000 people today. I now have 60 people on my team alone.

“

I hired really experienced talent who could completely, or almost fully, own subjects immediately. It freed me to focus on the next challenges or next steps. Hiring amazing individuals who could make significant strategic decisions independently allowed me to focus on moving forward and building departments from the top down.

Q

Extremely experienced people don't just manage people, they independently build out processes. Is that what you were expecting from your experienced hires?

A

Their expertise definitely accelerated the development of our processes. They could use their experience to bring me processes, which we'd then document and perhaps implement. However, we did outsource some resources to Ernst & Young, so we had a very experienced set of people working with us from the other side. They constantly challenged us and, in response, we constantly upgraded the processes we were running — ultimately making us move faster.

I brought someone on to oversee systems and implementations. That was one of the best hires I've ever made. They are having a tremendous impact.

“

I do give a lot of ownership to individuals — that's the expectation. I cannot scale if I continue to do technical work all the time. I have to fully trust the individuals I have in the firm to make progress autonomously.

Q

Even for experienced hires, hypergrowth and early-stage operations can require agility. Did any of those hires struggle despite their expertise?

A

Most people already have a full understanding of the speed at which we operate by the time they join us and know how fast things are growing. The shock usually doesn't come from the rate of growth, but from the fact that, technically, we are still at early-stage operations as that growth is happening. Some senior hires struggle, despite their experience, with that early-stage dynamic.

“

It's a tough balance to strike when hiring — finding super experienced folks who are also scrappy and have grit when starting things from scratch.

We try to be superfluid in how we approach things. We implemented SAP, which was a massive implementation, only to realize the multinational support we needed wasn't there. We completely pivoted and started the implementation of a brand new ERP.

You have to allow yourself to make mistakes, to move in unexpected directions.

“

Learn what you learn, but don't live in the past — that's when you start failing. If you spend too much time looking at the past, you can't detach from it and you can't move forward as fast as you would like to.

Q

If you hadn't ended up growing as quickly as you did, do you think your experienced hires would have been left with nowhere to go? Or will they find a way to grow?

A

Experienced hires will definitely keep finding ways to move any company forward.

“

The beauty of having a super-experienced team is that they complement and support each other massively.

There is no tension — it's super complementary.



In our case, they know the ultimate goal and mission of Remote — that is to distribute global wealth and provide access to global talent across the world. Everything they do is toward that greater objective and not specific to them individually. Their careers continue developing massively with that mission. They gain more experience and more exposure to different challenges they've never faced before.

“

When you are growing as quickly as Remote is, there is always an opportunity to do more and drive more growth. We are very fortunate that we are growing so exponentially because it positively impacts everyone.

Q

Do you think your background in investment banking helps your way of thinking — especially in how you value growth?

A

I have a perseverance and grit toward work that came from both my education at an early age and my experience in investment banking, which was pretty early in my career. These characteristics are super necessary to drive success in a company like Remote.

“

Another trait driving my success is that, by default, I'm curious. It's a cliché — be curious, allow yourself to be surprised. I gain as much knowledge as possible and ultimately drive things forward not by making assumptions, but by being open to what's new, and by listening more than I speak.

That curiosity and my capability to quickly harbor information from different sources have been super relevant to my successes.

I can change context very quickly — moving between teams, calls, and conversations easily. This ability has played out quite well for me in how Remote is working, my contribution to the firm, how I motivate others, and how I drive things forward.



Q

Are you still as driven today to grow as quickly as before, or are you embracing a plateau and new steadiness?

A

We want to have a huge impact on the world. We are truly passionate about the democratization of access to wealth and talent. We'll do everything we can to improve people's lives, regardless of where they are in the world.

We are much more driven by our intrinsic vision and mission than a specific growth target. Those targets help with liquidity and funding, but we are also driven by the impact we want to have.

A happy day at Remote is when we are able to change someone's life in a rural region of the world, outside of big cities, allowing them to have a good job, and enabling them financially so they can improve their financial well-being and social mobility. We will likely start to have a global impact when we are 20, 30, or 50 times bigger than we are now.

“

We are obsessed with success and super anxious to succeed, but it's not specifically about the dollar amount here at Remote. It's about the impact we are having, which is reflected in the dollar amount.

We are for-profit and do understand that the greater the financial impact we have, the more growth we can drive. We try to balance budget, diversity, and exposure as our competing interests in driving what we do.

Q

What advice would you give an early-stage company starting out on its journey?

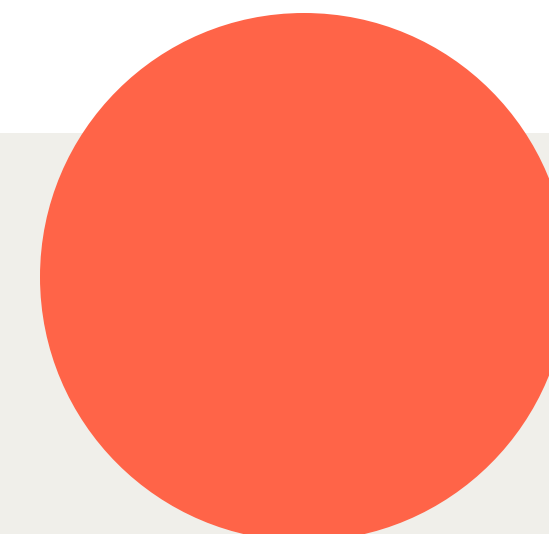
A

Build a very strong team, even if it's small in scale, with very experienced folks. You can outsource smaller tasks at a very efficient rate. The challenge of hiring juniors is so expensive — doing the training, cultural acclimatizations, and the impact it can drive. It's much harder to find that strategic experience, the know-how, that folks who can drive your business come with.

Secondly, enable your tech stack as quickly as possible for scalability.

“

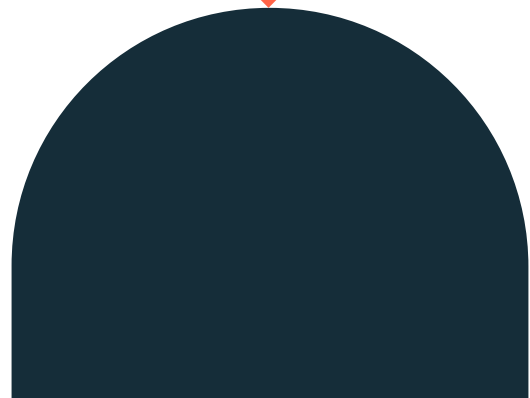
Humans are not scalable — systems are scalable. Getting that tech stack right early on is super relevant. In today's world, it's so easy to have access to the best tools in the world — Airbase being one of them.



03

Praveer Melwani

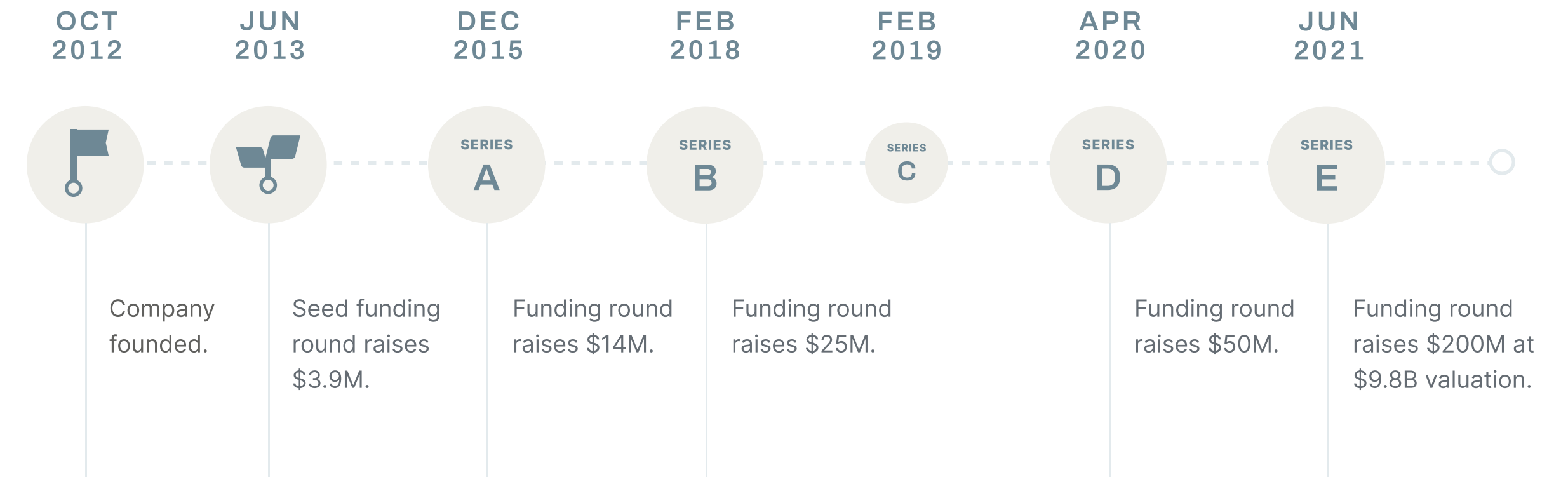
CFO at Figma



About Figma.

Figma is a design platform for teams who build products together. Born in the browser, Figma helps the entire product team create, test, and ship better designs, faster. Whether you're trying to consolidate tools, get more eyes on your work, or collaborate across time zones, Figma boosts creative productivity while keeping everyone on the same page.

Timeline:



Investors:

Figma's investors include Greylock Investments, Index Ventures, Andreessen Horowitz, Kleiner Perkins, and Sequoia Capital.

Q

As a hyper-growth company, Figma has gone through many changes during your time there. Can you tell us a little bit about what the company was like when you first joined?

A

I joined Figma in July 2017. We were pre-revenue at the time — about 25 or 30 folks altogether. Today we're about 700 people in total with a 15-person accounting team.

As the first person on the finance and accounting side, I set up our business operations and finance teams. When I first joined, there were only about four people in total on the business side — and the remainder of the team were product folks.

At that point we operated as a “catch-all function” team, handling the things that we knew we needed to do, or would inevitably be required. Many of our early operations were managed by outsourced vendors, including a bookkeeper and our legal and tax functions.

Q

As the first finance hire, where do you start?

A

When I started, things were pretty simple. We began with a self-serve, credit card-only, go-to-market model. Our biggest costs were AWS and people. My priority was to quickly understand how cash was moving through the business.



During the pre-revenue stage, managing runway is the lifeblood of your company. You have to know how much cash is in the bank and how far that's going to get you.

Setting up the right financial data and billing infrastructure was also a priority of mine. We needed that data so that we could accurately and thoughtfully understand what a customer was doing when they arrived at our platform, how they were transacting with us, and how they were growing over time.

Q

We're seeing a shift in early-stage and mid-market companies hiring professionals with a finance background, especially in investment banking, instead of an accounting background. What do finance professionals bring that accountants may not?

A

An accounting professional does a fantastic job telling the story of what happened in your financials. And, if your business isn't terribly complicated, outsourcing accounting is an efficient way to handle it. But, a good finance person will help weave the story about where things are going. In the early stages of a company, having someone with that foresight is a real advantage. Forecasting is key, particularly in a fast-growing company.

But it's the trust between accounting and finance that is vital. With my accounting team, I can trust that the numbers they share with me have been vetted, time and time again.

“

Ultimately, being able to marry the storytelling on the business side with the analytics on the finance and accounting side is what makes you a really strong finance partner.

The true value-add is to help connect the dots for the broader company.

Q

As a finance professional, did you specifically hire people that were going to shore up accounting expertise?

A

Definitely. I hired a senior manager who grew into the director of accounting about a year later. That was when we were still working with outsourced bookkeepers. When I hired for that role, it was against a backdrop of increasing complexity for us as a company. Operations around payroll, headcount, number of customers, and the number of vendors were all growing challenges.

I was intentional about hiring someone who could grow with the organization. As we continue to evolve the team, we're constantly looking to level ourselves up and our pace of learning. We brought in a controller earlier this year. He joined us from Slack where he saw the whole journey from the early stages to acquisition. It has been tremendously helpful to have someone who can lean on their prior experiences and network.

I'm constantly looking to identify every gap that I have and ensuring that I empower leaders around me to grow those functions.



Q

How important is it for the finance function to have key leadership people that have been through hypergrowth before — or do you think people can figure it out as they go?

A

“

I love hiring for aptitude, willingness to learn, and problem-solving ability.

There is an element of experience that’s hard to completely overlook, but I definitely think people can figure it out over time.

“

There’s a great quote: “Humans grow linearly, companies grow exponentially.”

It’s useful to keep in mind that things can move very quickly for everyone and knowing when to tap out and ask someone for help is really important. When you’re open to asking for help, I think you can learn a lot more, a lot faster.

Q

How has your role changed as the company has grown? (Note: Praveer was promoted to CFO shortly after this interview.)

A

Give me a problem or problem space, and we’ll incubate a new function, figure it out, and help the company move forward from it. If it makes sense for my team to own it, we’ll own it. If it makes sense for someone on another team to own it, they will.

“

I’m very much oriented toward becoming a partner in the business and making sure that we have the right business infrastructure and tooling set up for scale.

As an example, early on, my team stood up our sales ops function — think Salesforce, quota setting, etc. I had hired a generalist, and as we scaled and began hiring our own sales ops team, then it made sense for that function and leadership to live somewhere else.

Compliance is another similar example. At the time, we didn’t have a good process or the internal expertise we needed around compliance. I was tasked to find the right people to get us through the first set of compliance audits. Ultimately, we built a team to hand it off to who were much more capable.

Q

In terms of building out your infrastructure, how much time do you spend on managing and building out new systems?

A

Today, my team spends time building out those systems. I'm not as involved, but it's an area where I consistently push them.



Once people understand that automated systems and processes are what enable you to free up your time, they start investing in those areas.

We're at a point now where it makes sense to bring in a systems person — maybe even in a finance or accounting context — to help us fully map out where things will break and where we can be better automated.

We laid out our systems pretty well. We have a singular billing system that has made everyone's life easier. Because all of our data lives in Snowflake, there are no guessing-games around getting our numbers right.

Companies run into big issues when the finance team is reporting a different number than what's coming out of Salesforce or what other product metrics are saying. Making sure that data is in sync early, and prioritizing your time and attention to those accuracies first, is something you have to do.

Q

In terms of systems and their costs, do you feel it's more efficient to buy for what you need, or overbuild in anticipation of the next few years?

A

Overbuilding can be helpful for certain systems. We overbuilt when it came to NetSuite and implemented it before we'd even started charging people. Then, when we eventually needed full-blown NetSuite functionality, we added people and modules to an already implemented system.

Additional costs — such as adding seats or modules — are where things can get expensive. It's important to evaluate your needs before committing to a system. When considering costs, evaluate the probability of needing that additional functionality in the near future. It's somewhat a matter of waiting and watching probabilities.

It's also important to consider the time these implementations take, not only for the accounting team, but for other teams too. It's important to understand the tradeoffs for standing up a new system.

At an early stage, really honing in on the revenue side of things is way more important than other areas. That's not to say you should ignore or neglect catch-up in other areas, but your business outcomes at different stages will be different, and that will drive your focus.



Q

How have the metrics that you're managing shifted since you first started?

A

As the business accelerates, you segment and categorize — perhaps even sub-categorize — things in different ways. For example, we're no longer just looking at a consolidated geo view — we're looking at data by region.

We've started to look at more nuanced metrics, like what are our Days of AR? How are we thinking about managing our working capital in January? How are we looking at the efficiency of certain marketing spend? In the early days, we didn't have that level of detail in our metrics.

We've definitely broadened what we're looking at, but the core metrics continue to include ARR, cash, headcount, and total weekly active users. They're the metrics we've constantly looked at since the beginning to get a really strong pulse on what's going on.

Q

As an important source of data to everyone in the company, what has your process been over the different stages to communicate that information?

A

It depends, as there are all different types of data to be communicated. My team are the owners of financial data. We have a separate data team that serves each of the operating units. Our product teams tend to go to them if there's anything that they need, either on how the product is performing or how an experiment is running.

But our finance team communicates monthly, or even more frequently, with the entire company based on benchmark performance.

We explain how the company has been trending toward our goals. We currently carry out our forecast cadence on a quarterly basis. As we work through that, we'll bring the results back to the company and show them what has changed.

This allows us to show them why we may be evolving certain areas, or explain the reasoning behind any of our actions. We're fairly transparent as a company.



Even when we were only 30 people in a single room, I would get up every Monday and tell everybody, “we had 30 new customers last week — here are the customers. Here are the biggest ones, and here are the ones that I’m excited about.”



We’re known as the owners of critical financial data. That positions us within the company as the place people come to discuss particular questions they have, both around how we do things and customer metrics.

Q

What’s your best piece of advice for a finance person — perhaps the first one in the company — who has just realized they’re hitting the hypergrowth phase?

A

Let’s assume that they’ve got their systems and processes somewhat in order. They have confidence over cash that’s coming in, cash that’s going out, and how customers are tuning in and out of their products.

Beyond that, finance needs to avoid being viewed as a silo.



Don’t constrain yourself to any structured definition. Push yourself to go beyond the P&L, learning the ins and outs of the entirety of the business.

This will make you a much better partner all round. For example, becoming a better partner to the marketing team means understanding the user journey and workflow. It helps to empathize with what your growth leaders are having to trade off against.



When they come in, finance teams and finance people are often really good at what they do in a technical sense. Building empathy, learning how to influence, understanding the entire business, and the fundamental desire to do those things — they’re all softer skills that are going to make you super successful as a finance person over the long term.

Q

If you were to walk into another company tomorrow and do this whole four years over again — would you do it differently?

A

I would probably have hired faster — hiring certain individuals sooner would have enabled me to broaden their scope of influence faster.

“

Building for scale versus just “keeping the lights on” is also important.

Had I known we would grow as fast as we have, I probably would’ve hired one or two more people to avoid the feeling of burnout and constantly being underwater.

Q

What was it about this company, or the product, that attracted you to it in the first place?

A

There were many reasons why I was drawn to Figma. I was lucky to be at a stage in my career where I could evaluate a number of different opportunities. I understood the company stage I wanted to enter into. I wanted to go somewhere where I could really put my stamp on something and be given a challenge that would stretch me.

Regarding Figma, I started thinking about why design and collaborative design were going to be interesting over the next five or ten years. More often than not, you’re interacting with a company digitally. Designers, as a result, have seen their role and importance at a company increase creating the path for a tool like Figma to shine.



Q

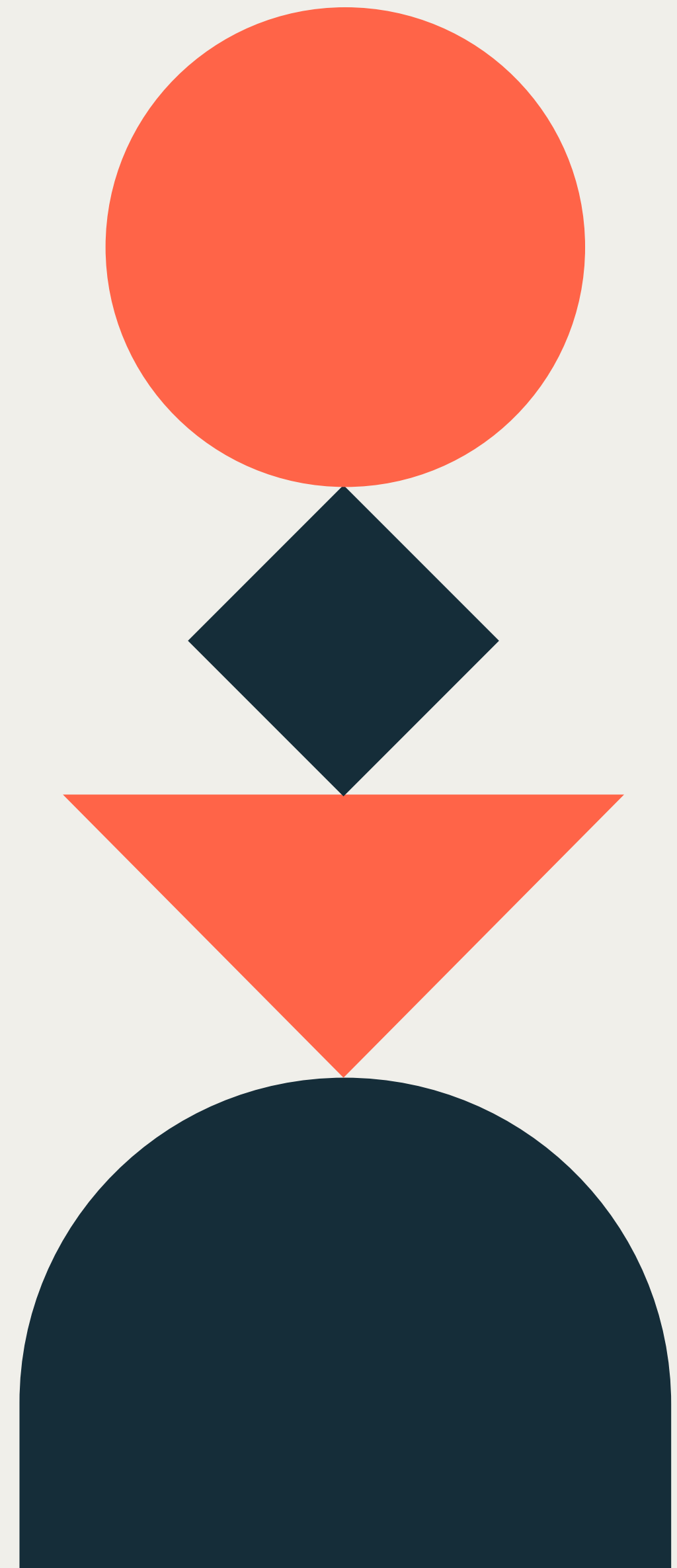
Would you do this hypergrowth journey again?

A

I love building things. And I love being able to learn. There's a novelty to learning things for the first time that's really fun for me. Would I go as early again? Maybe.

I would have to feel really good about the product and team. I definitely would do my diligence. I've been spoiled and lucky a couple of times, both with fantastic teams and great products. I appreciate how rare that is.

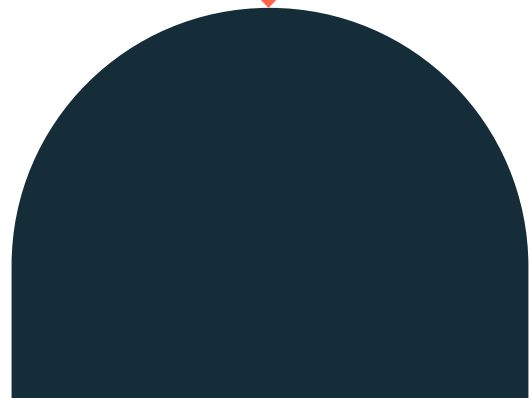
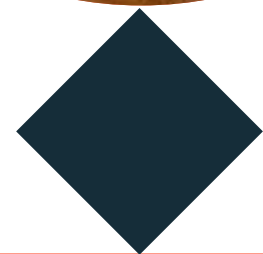
I do think a lot of things would have to go right for me to want to do this journey again. For now, I'm really happy and excited about where I am, and the great future ahead of us at Figma.



04

Kenny Mendes

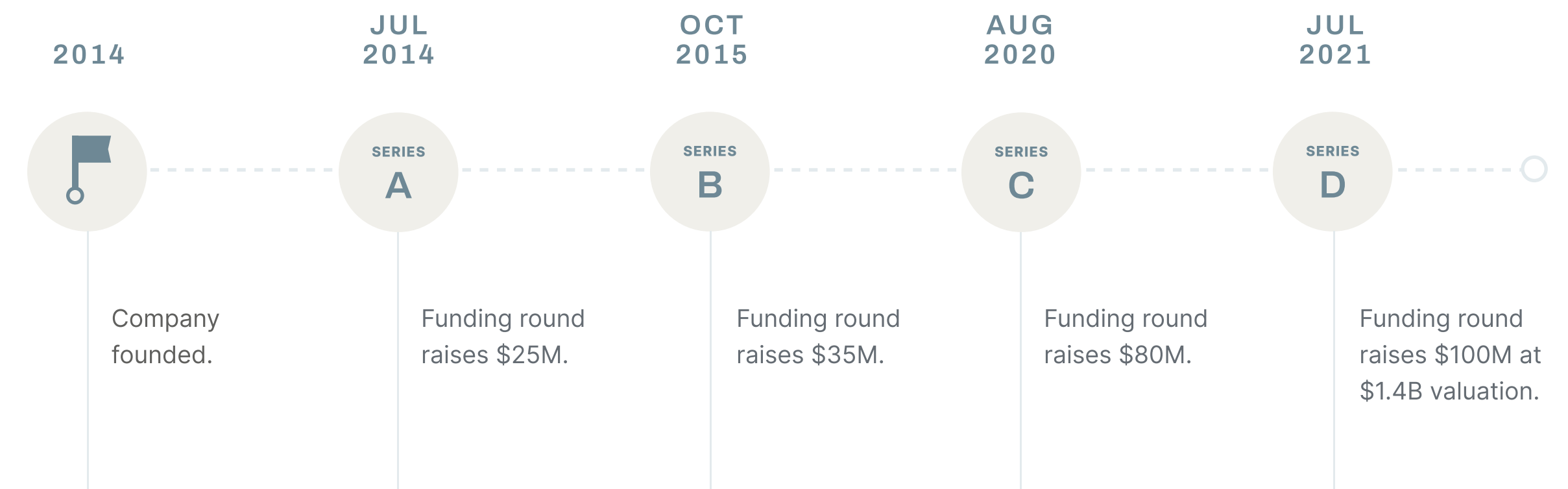
Head of Finance, People, and Operations at Coda



About Coda.

Coda is an all-in-one document that blends the flexibility of a document, the power of a spreadsheet, and the utility of applications into a single new canvas, enabling anyone to make a doc as powerful as an app. Coda is something entirely new, that looks and feels familiar. Makers start with a blank canvas and a familiar blinking cursor, but can use a new set of building blocks like tables that act like databases, or buttons that take action to create their own unique solutions.

Timeline:



Investors:

Coda's investors include Kleiner Perkins, Khosla Ventures, and Greylock Investments.

Q

You've seen hyper-growth at both Box and Coda. Upon arrival at both, how did you identify — and prioritize — the primary efforts needed to support that growth?

A

When I first joined them, neither Box nor Coda resembled hypergrowth mode. Box was a roughly \$20 million company. We had one or two account executives, we were growing slowly, and we had a six-person engineering team. Pretty soon, we got thrust into a situation where we were going to have to grow fast.

We were on to a really big idea and entering a rapidly expanding market. When that moment of growth comes, as Reid Hoffman says, it's a matter of "blitzscaling" to give yourself the best chance of winning the market.

The environment at Coda was even earlier — it was almost like a research and development project. There was a founding team of six with this very ambitious idea that was far from being accomplished. The first sequencing priority was to build Coda's core technology. We spent three or four years in stealth mode, testing early versions of the product with users. A lot of the typical unicorn challenges of hypergrowth, like hiring really quickly, didn't exist yet.

Q

At Coda, there was a huge opportunity for scale because of the product's innovacy. What factors helped you recognize that kind of opportunity?

A

A lot of companies look for product-market fit pretty early on, but Coda took its time to build the right foundations in the product before focusing on scaling. Over time, as your product improves, you start to see the right signals with how customers are relying on your product, and how disappointed they'd be if the product no longer existed.

When you start getting that feeling — and sometimes it's easier or harder to measure — you realize you need to do everything much faster. You want to invest much more aggressively in product and engineering to accelerate getting your roadmap built. You want to accelerate the go-to-market motions, getting the word out about your product, building up a sales organization, building up a support organization, and so on.



Q

Tell me about growing that foundational, smaller product-centric team. Were you mainly hiring developers, or also product marketing? What approach did you take to hiring for such a unique product in its infancy?

A

At Box, it was very classic. When we were hiring there, the company was divided into very clear functions: this is what a salesperson does, and this is what a marketing person does. We knew exactly how to hire for those functions. At Coda, we're following a very different go-to-market motion to other companies — it's very solution-centric.

We're trying to get people to use Coda to promote their ideas and get them out to the world, which ultimately creates more use cases. As a result, the core trait that we look for in most of our roles is that maker gene — people who really like creating, people that would really geek out on tools like Coda. Maybe they've encountered Coda before, maybe it's the first time they're using it, but you can really see evidence of that creator mindset.

Scaling a recruiting process and team is something I'm really familiar with. Whether it's building the recruiting team from scratch at Box, or getting it stood up here at Coda. My primary focus is the different buckets of the recruiting flow.

Attracting talent is the first part.



You have to be really good at attracting the best people into your company — really smart people that are in great jobs and great companies. You need to find a way to get their attention and get them to have that first conversation with you.

Then guide them through a process that's really efficient, really predictive, and effective at reaching your hiring goals.

The nice thing about Coda is that we have a product that anyone can use, for almost any use case. It's very easy for me to talk to a person, figure out what they're passionate about, and tie that back to why they'd really enjoy working on this product.



Q

Overall, has remote work made your recruiting easier or harder?

A

When the world shifted to distributed operations, we had already spent years running a distributed company — we didn't lose a step when COVID hit. In terms of recruiting, that was a big advantage for us. We could immediately point to how we run meetings, how we make decisions, and why it works well.

“

While most other companies were scrambling to suddenly communicate and collaborate in a remote-first world, we had already leaned into hiring remotely. We had five employees in a couple of different states. Now we'll hire anyone, anywhere. I think that's opened us up to a variety of talent across different locations.

Q

How do you generally incorporate an ownership culture into both the hiring process and your employees' mindset?

A

I wouldn't even call it ownership culture, I would call it transparency culture. We're a hyper-transparent organization, in lots of different ways. When we make offers, candidates get full information about our valuation history, their ownership percentage, and what that means — all in a grander context. Regarding internal decision-making and meeting cadence, all of our Slack channels are designed to encourage people to lurk and add feedback when they feel like they have a good idea.

“

Our planning is very open — we run open board meetings. Our board meetings actually involve the entire company. People from different focus areas present to the board on initiatives within that area. It's amazing in all sorts of different dimensions. We want people to be involved in the company and our board members are big fans of this mechanism. It's really unique.



We've done those open board meetings for many years. We have a stellar board. Reid Hoffman from Greylock. Mamoon Hamid, from Kleiner Perkins. Quentin Clark from General Catalyst. When we were small, Reid Hoffman and our other board members could literally walk computer to computer and see a product demo, or what's going on in a certain area. As we got bigger, we switched, and obviously COVID accelerated this, we now do it virtually over Zoom.

“

The philosophy is the same though, we don't want the board meetings to be closed with just the executive team — we want the whole company involved in this.

Q

It sounds like the communication throughout your company is kind of phenomenal. What principles underpin that kind of communication?

A

“

You want employees deeply connected to the “why.” Why are we doing this? Why does this matter? Why does my work matter? So that when they go home they feel like they moved the needle a ton on something that's super important.

Our way of doing that effectively, at scale, is basically having this hyper-transparent company. It's applied to everything from planning, to board meetings, to how we approach compensation, how we run our company engagement surveys, to every Friday having an open Q and A where people can ask any question or share what's on their mind.

Every team goes out and presents what they accomplished during the week. Individuals can actually highlight their work across the company and how it connects to a cohesive strategy. I think it leads to folks feeling really close to the broader mission, ultimately helping to move it forward.



Q

Let's talk about your tech stack. What does it look like and has it changed at all as you've grown?

A

We've been using QuickBooks for a long time. It's probably time for us to move on to NetSuite — that will happen soon. We've stayed with the same PEO, Sequoia. They handle our payroll. Next year, we'll probably start to get the groundwork going to move that function in-house.

“

I was fortunate to be an early Airbase user. We had 20 different credit cards floating around the company at Coda when someone sent me a connection to Airbase, and its Founder and CEO, Thejo Kote. I realized that this is already a big problem. Every time we add people, it becomes a bigger and bigger problem. We were early users of Airbase. Regarding spend management, for invoices and for all that stuff, we've been putting more and more into the system. That's helped a lot.

On the non-finance side, we're fortunate that we work at Coda and we've built really amazing Coda documents to guide every part of the company. We have a really elegant finance and headcount planning document. All of our planning documentation for the company live in Coda doc. Our recruiting pipeline syncs all run in Coda as well. So, Coda is basically the glue of this organization.

Q

By using your own product so productively, you prove that it really does work. What philosophies underpin your product that makes it so beneficial?

A

At Coda, we incorporate what we call the Dory. Dory is named after the fish that asks all the questions in “Finding Nemo.” Our “Dory” is a table where people can add questions, everyone can see the questions, and then upvote the ones that are most important for them.

In every meeting that we're in, you'll see that Dory. No one leaves that meeting without the most important questions being raised and answered. It prevents things like groupthink, or bias, or one person taking over the room. Dory is a canonical ritual at Coda and, beyond being an effective tool, it's a reflection of our company culture that values input from everyone.

Similarly, we're trying to go to all the different companies that we're paying attention to right now and figure out their golden rituals. What makes Pinterest run effectively? What makes Airbase run effectively? We're trying to turn those into templates for the rest of the world to consume.



Q

You seem focused on building sales and marketing teams, with finance responsibilities falling mostly into your hands — how do you manage long-term budgeting, metrics, and so on as you add employees?

A

When I first started, Coda was about seven or eight people — today, we're over 200.

We have an amazing leader running Finance at Coda, who has also worn lots of hats here — everything from being our first Product Manager to running our GTM teams. He understands our business inside and out, but also came from a strong Finance background at Google. Even when he wasn't overseeing Finance, he made sure we connected the dots from our product to our sales motion and accounting policies. Starting with the right approach has helped tremendously as we've grown.

Our outside accounting firm — KongBasileConsulting — have been really, really great partners as well, especially during periods where we had no in-house finance headcount.

Q

You are definitely taking non-standard approaches in many areas. Where does that innovacy flow from?

A

Our founder, Shishir Mehrotra, is an amazing product leader and great company leader. He's a first-principles thinker.

“

One of our core company values is this idea of right versus familiar.

If you think about the product category that we're in and look at how legacy tools like Microsoft Office or Google Docs work, you'll realize they're copycats of the first version of Word. It's a category where we see, over and over, people rebuilding the exact same tool in a new operating system.

“

We started the company with the view that we're going to start from scratch and rebuild what we believe is right.

It applies to not just our product decisions, but also to how we do equity competitions, how we run our board meetings, our go-to-market model — all of that — and even our decision to be a distributed startup well before the pandemic made that common.



Q

You mentioned outsourcing some primary functions such as accounting. What are some of the most important resources/tools you found? Is outsourcing one of them?

A

The most important thing that we've done, in any area, is to start from first principles and ask the right questions. You'll find when most companies need to solve a certain problem, they go figure out the vendor or the tool that solves it. Then they go implement it. A lot of times, finding the right tool isn't the problem — it's the philosophy, the decision. You can build a very lightweight, flexible process to handle that. That's kind of where Coda came in.

For years, we didn't even use an applicant tracking system for recruiting. We used Coda to be our core ATS. At one point, our volume got big enough where it made sense to switch over to a tool.

You'll see regularly in lots of different areas, like when it comes to how we do sales commissions for our sales reps, we didn't go pick up a piece of software that does that. We wrote a document on how we want this to work. Then we built that entire model in that same document using Coda. This allowed us to build processes the way we wanted them to work, not how some software application felt we should work.

Q

Looking back, what was the smartest or greatest thing you guys did?

A

I would re-emphasize starting processes, or facing problems, with the right versus familiar mindset. Getting a company that's well trained at doing this in every single area is vital — ranging from big product decisions, to how something should feature, how formulas should work in Coda, and right up to questions like, do we open a new office or not?

We're always willing to try something different and start from scratch. Again, breaking that problem down to what is right versus what feels familiar.



I would say the other best thing we did early on, was building a product that every knowledge worker could substantially benefit from, which meant we were going after a very big market.

Sometimes, entrepreneurs start with something that's smaller and has a much more limited market. But, it's just easier building a company that solves a broad set of problems for a large set of people in a landscape that people care about.



Q

Alternatively, what was the least smart thing you guys did?

A

You'll probably hear this a lot, but taking too long to phase out low performers. You lose so much time and it's not good for the employee or the company. I'd rather have a blank slate and start clean than have a person hanging around that's slowing down the company.

Q

Whether it's applying the first principles of problem-solving or establishing certain frameworks, how would you advise other fast-growing companies moving through the startup phase?

A

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Companies need to get more comfortable not copying what everyone else does.

One very common area where this is relevant is levels and compensation. At Coda, we have a unique philosophy of how we handle things like titles. We don't have titles, we want people to focus on growing the company and making the company successful. When you put people on a treadmill to focus on what level or title they're at, they're always thinking about getting to the next level. They're distracted from actually doing the thing that will drive the most impact.

“

We've done a lot to orient the company around team-centric thinking versus individual-centric thinking.

That's an area where people say, let's just look at what Google does, and we'll copy what Google does. It works really well for Google, but it won't necessarily for your company — it's not the right thing for most startups.



Q

Lastly, any final advice for companies trying to become a unicorn?

A



Become really, really, really good at hiring. It unlocks so many things for companies.

Our onboarding — the actual physical onboarding program — is typically a two- to three-week period where we have lots of pre-setup. We have courses, almost like programs, where we instill our values. We teach people how to use our product, we help them understand how company meetings and our cadence works.

We also have this really fun Coda document where, when we're onboarding someone new, we have a series of tasks we complete that range from making sure they get their favorite snack ordered, to checking in with them after their first month. All of these are automated via Slack and emails that are sent out automatically.



A lot of thought has been put into making sure that when we onboard someone, we're really on top of all the details that we can control to make sure they have a good experience.

We've had very little attrition in our company as a whole. I think that's because we've done a really good job getting people onboarded well, especially during this 100% remote time.

