



# Post-Funding Toolkit for Leaders

The tools you need to make your fundraiser worthwhile

**builtin**



## INTRODUCTION

We've all heard the stat: 9 out of 10 startups fail, but investing in the right foundation will set you up for success.

Your funding pitch likely centered on the big three: People, Process and Technology. And people is number one for a reason.

By investing in the people function early-on as a leader, you'll be better prepared to build a team that has the technical skills, business prowess and marketing knowledge to make your idea come alive. No matter how great of an idea you have or how much funding you've raised, a good team behind you is just as important.

Without an investment in hiring, you'll fail to find the right people and fill the roles you need to meet investors' goals.

Setting the foundation for who you need to hire and when will mitigate the risk of business failure down the road. Here's a toolkit to help you build an effective team through conversations and planning with your team leads and people function.

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## SECTION I

# Talent Industry Benchmarks

Before we begin sharing the necessary tools to build an effective team, we wanted to take a step back and share the industry benchmarks for hiring. These statistics will help you understand how much money, time and resources you'll need to build your dream workforce and meet your investors' goals.



## SECTION I

### Average Time-to-hire

**What it is:** Time-to-hire — more commonly known within the HR world as time-to-fill — measures the number of days between when a job is first posted until a candidate accepts an offer for the role.

**Why it matters:** Every day a role goes unfilled, it costs your company hundreds if not thousands of dollars. A recruiter's biggest priority is to hire the best candidate in the shortest amount of time, but there are a lot of moving parts that contribute to time-to-fill. As a leader, you need to account for time-to-fill metrics in order to set proper output expectations with your investors. You need time to find the right person for the right role.

**Industry benchmark:** The Society for Human Resource Management (SHRM) estimates the average time-to-fill is 36 days. However, this metric varies depending on the industry, role and job market. On the next page you'll find role-specific estimates of time-to-fill to give you a brief look at these variations.

## SECTION I

<b>Business Function</b>	<b>US &amp; Canada Time-to-hire (days)</b>
Administrative/HR	35
Analyst/Consulting	54
Customer Service	38
Engineering	60
Finance/Accounting	45
Information Technology/Design	51
Marketing/Advertising/Creative	50
Sales/Business Development	48

**While an HR role takes 35 days to fill, an engineering role takes 60 days to fill.**

That's a substantial difference in how long it takes to hire certain roles. This difference will be even greater when hiring a senior-level role and an entry-level position, so make sure to do your research before reporting to your investors on when they can expect certain business objectives to be met.

## SECTION I

### Average Cost-per-Hire

**What it is:** Cost-per-hire (CPH) measures the amount of money a company spends to hire an individual employee. It factors in all that a company spends on a new hire from the time a role opens up to the time a candidate accepts the offer. This can include any financial expense from ad spend to agency fees to employee referrals, and much more.

**Industry benchmark:** SHRM determined the average cost-per-hire is \$4,425, while the average CPH for an executive is more than three times that at \$14,936. Not only does cost-per-hire vary by role level, but by job function and industry, as well.

**Why it matters:** For high-demand roles like engineers, web developers and data scientists, you can expect to dedicate more time to interviewing candidates and more resources to creating competitive offers. On the next page is a breakdown of how cost-per-hire can significantly change depending on the role you're hiring for.



**SECTION I**

<b>Role Level</b>	<b>Average Cost-Per-Hire</b>
Entry-Level Employee	<u>\$3,400</u>
Role With Salary Less Than \$30K	<u>16% of annual salary</u>
Role With Salary More Than \$75K	<u>20% of annual salary</u>
Executive Leader	<u>\$14,936</u>
Engineer	<u>\$50,000+</u>

If you're looking to hire an engineering role, on average it will take you 60 days to fill the position and cost you upwards of \$50,000.

These numbers should show you how important the people function is given the fact that you'll likely need engineering hires post-funding. These roles, along with other highly sought-after positions, take a lot more time and money. Make sure you're ready and able to dedicate the time and resources you need to fill these roles with great candidates.



## SECTION I

### **What Candidates Care About**

In order to quickly and effectively hire the candidates you need, knowing what each type of candidate is looking for in an employer can be helpful. While it's important to conduct primary research to verify what your ideal candidates truly care about, we want to help you get started by sharing aggregated information on what some of the most in-demand skill sets look for in a job opportunity.

These insights on the following pages will help you get that much closer to building the team you need to make your business a success.



## SECTION I

<b>Software Engineering</b>	
1	Languages, frameworks and other technologies they'd be using
2	Workplace environment or company culture
3	Professional development opportunities
4	The impact their work output would have and the extent of its use
5	The company's industry

Source: Stack Overflow 2019 Developer Survey; [insights.stackoverflow.com/survey/2019](https://insights.stackoverflow.com/survey/2019)

<b>Sales</b>	
1	Promotion opportunities
2	Having a good manager
3	Employees they enjoy working with
4	Robust training program for new hires
5	High-base salary

Source: *What The Best Salespeople Are Looking For in a Job*; [glassdoor.com/employers/blog/what-the-best-salespeople-are-looking-for-in-a-job/](https://www.glassdoor.com/employers/blog/what-the-best-salespeople-are-looking-for-in-a-job/)

## SECTION I

<b>Data Science</b>	
1	Challenging problems to work on
2	Opportunities to network with peers
3	Clear career paths
4	Work-life balance

Source: *What Data Scientists Want*; <https://www.kdnuggets.com/2018/08/what-data-scientists-want.html>

<b>Product</b>	
1	A culture of accountability
2	A clear vision and established business objectives
3	A well-defined role
4	Freedom to manage as they see fit
5	A customer-driven mindset

Source: *How to Attract Top Product Management Talent*;  
<https://productcoalition.com/how-to-attract-top-product-management-talent-24230c9fd776>

## SECTION I

<b>Marketing</b>	
1	Opportunities for professional development
2	Better compensation
3	An organization that prioritizes the marketing function
4	Highly skilled co-workers
5	Work-life balance

Source: Data Snapshot: 2017 Career Outlook for Tech Marketers;  
<https://community.spiceworks.com/blogs/marketing/2680-data-snapshot-2017-career-outlook-for-tech-marketers>

<b>Universal</b>	
1	Company culture
2	Diversity and inclusion
3	Professional development
4	Office space/office tours
5	Senior leadership interviews
6	Founding stories/company mission overviews

After writing and analyzing the results of thousands of articles on behalf of our partners, we know from experience that the following topics are popular with all candidates, regardless of their skill set.

## SECTION II

# Worksheet: Assessing Needs

Now that you have a basic understanding of hiring industry benchmarks, it's time to start assessing your own business's needs.

How are you going to achieve investor goals? Who already works for your organization that can fulfill these goals? What gaps do you need to fill in each department in order to measure up?

The answers to these questions will help you and your talent team determine your company's hiring goals in order to scale successfully. Use the following worksheet to determine what gaps you need to fill in your organization to meet investor goals.

Have your department leaders complete this worksheet so you and your talent team can understand what your hiring goals should look like post-fundraise.

---

Department Goal: _____	
Goal Deadline: _____	Goal Owner: _____

**Team to Fulfill Goal:**

Existing Team Members

Roles Needed

- |    |    |
|----|----|
| 1. | 1. |
| 2. | 2. |
| 3. | 3. |
| 4. | 4. |
| 5. | 5. |

**Post-Hiring Ramp Up Time for New Roles:**

Role: _____	Onboarding Timeline: _____
Role: _____	Onboarding Timeline: _____
Role: _____	Onboarding Timeline: _____

**Additional Resources Needed to Fulfill Goal:**

Tools      Budget      Other \_\_\_\_\_

### SECTION III

# Deck Template: Goal Reporting

Once you understand the roles you need to fill to meet investor goals, you need to track and report on your progress. Use the following worksheet to communicate and set expectations with investors on your goals.

# Goal Timeline Update



Input updates from each department on how they are pacing to meet the investor goals they are responsible for.

<i>[Insert Company Name] Goal Update</i>				
<b>Goal</b>	<b>Department</b>	<b>Deadline</b>	<b>Progress</b>	<b>Additional Notes</b>
<i>EX: Build Analytics Tool</i>	<i>Engineering/Product</i>	<i>11/01/2020</i>	<i>On-Time</i>	<i>New software engineer has been onboarded, build in process</i>

## Tips for Building This Template:

- Build it directly in the deck you plan to share with or present to investors.
- Have the goal, department and deadline columns locked and empower each goal owner to fill out the progress and additional notes columns.
- Provide a drop-down of options in the progress column. Something like: Ahead of Schedule, On-Time, Delayed, Off-Track.
- Require that goal owners fill out the additional notes column with the recent progress or updates on the goal.



#### SECTION IV

# Checklist: Impacting Recruitment

As each department begins working to hire the roles they need, you can step in to help attract and fill the most sought after roles. It not only will help your talent teams and hiring managers, but you as well. After all, you are responsible for meeting investor goals, and hiring the right people has a lot to do with that.

To help you, we've built a checklist of the things you can do to help your company find the right talent quickly.

# Checklist: How Leaders Can Expedite Recruitment

## 1. *Network Outreach*

Your network is likely much larger than most given your role and expertise. Use that to your advantage. When you have a key position or multiple roles you need to fill post-fundraise, make the time for dedicated outreach to those you think would be a good fit or those who might have good recommendations for candidates.

Whether you send a few emails a day or set up coffee catch ups, this outreach will go far in helping build a pipeline of potential candidates for the roles you need to fill in order to reach your goals.

## 2. *Social Media Promotion*

Similar to the one-to-one outreach we proposed above, you also need to make it known to the masses that you're hiring and growing quickly. Social media is a great way to do this.

Promoting your hiring efforts on social media will not only reach those in your network who might be able to help you find a great candidate but reach candidates individually who are looking for their next opportunity.



### *3. Manage Priorities With Hiring Managers*

Post-fundraise there is a lot of work to be done but nothing should be more important than filling key roles. Because of this, it's important you set expectations with hiring managers accordingly.

You might even go as far as pausing other work so they can spend time sourcing, interviewing and onboarding candidates. **This short-term reset in priorities can make a big impact down the road if you can bring in the right people quickly.**



### *4. Increase the Recruitment Budget*

As your company grows and scales after a round of funding, the level of roles you'll need to fill changes. No longer are you solely looking for entry-level employees but rather those with specialized skill sets.

This new hiring criteria will likely require bigger investments to bring in the talent you need. Whether it's new tools, additional headcount or monetary-backed tactics like an employee referral program, you need to account for additional budgetary needs. Work with your people team to understand which investments will give your company the most value and biggest returns.



## *5. Give Your People Team A Seat at The Table*

Including your people team in major business decisions is beneficial for your company's long-term growth. As your company continues to grow, so will your responsibilities. While you might have the time to dedicate to recruitment now, that will not always be the case.

By giving your people team a seat at the table, they'll have direct insight into who they need to hire and when in order to meet your organization's long-term objectives. This level of insight will help your team save time, money and attract the right talent while simultaneously bubbling up any potential workforce challenges so you can jump in when needed.



## SECTION V

# Your Existing Workforce Still Matters

Your current employees have been instrumental in your company's growth so far and you need to make sure they're supported in your next chapter. With a round of funding can come a lot of change: new employees, new teams and new goals. All of this will affect the culture you've built at your company. Read on to discover how you can best support existing employees post-funding.

## SECTION V

Recruiting top candidates is a central part of scaling your business and meeting investor goals. However, if you make no effort to keep current employees engaged, motivated and happy, they'll leave.

A dedicated employee retention strategy will not only help you provide employees the support they need to thrive in their roles, it also shows, quite simply, that you care about your people. That is the cornerstone of a great organization that employees will be clamoring to join and eager to stay with.

# Checklist: Retention Tactics Post-Funding



## *1. Offer Financial Rewards*

Raising a round of funding is super exciting for your entire workforce, especially those who were influential in getting your company to where it is today. Consider rewarding your employees for their hard work in making your company a success with a financial reward. This could be in the form of a raise, a bonus or more equity in the company.

No matter how you decide to reward your employees, remember that some form of recognition is key to keeping your best employees around.



## *2. Make Company Culture A Constant*

Your company culture is a manifestation of your values and a central component of the employee experience. **As more employees join your team, new voices and opinions will influence your culture.** If company culture isn't a part of your onboarding process and consistently on your radar, it will shift as your business grows.

In order to maintain — and, more importantly, improve — your culture as you scale, you must frequently discuss your company's values and mission with your current workforce and potential employees.



## *3. Hire For Culture-Add, Not Fit*

As you hire new employees, **don't let steep hiring goals derail the great company culture your team has built.** Encourage your hiring managers to hire for culture add — candidates who will bring something new to the table — rather than culture fit.

Doing so will help your company culture evolve so you don't have a company of look-alikes, but rather a diverse group of thought to propel your organization to new heights.

# Final Thoughts

While this toolkit focuses on your immediate hiring needs post-fundraise, it will provide immense value in the years to come. Remember, a not-so-great team is the reason many startups fail. Don't let that happen to your company.

You've worked this hard to come up with a business idea and get the capital you need to make it happen. **Don't let the critical step of hiring get in the way of your company's success.**

The investment you put into your people function now will set the foundation for who you want to hire and how your culture will exist moving forward.

You can only do so much on your own. The team of people you have behind you will define whether your idea is a success or failure. Keep the people function as a throughline in your responsibilities as your company grows and scales; doing so will set you up for success long-term.



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