



BOUNCE-AROUND BETTY

YOUR JACK-(OR JILL)-OF-ALL-TRADES

“When we started out, our team could do a little bit of everything. For many of them we were their first professional job. As the company grew, we did outgrow some employees and recruited specialists in key roles. But we’re also very proud of the number of early employees who grew exponentially and are now key leaders in the organization.”

– **John Flynn**, Open Lending CEO and EY
Entrepreneur of the Year 2019

Startups usually don’t have a lot—of money, resources, time—really much of anything. Most of the time, the founder has a great idea and a couple of friends or associates to help figure out how to move that idea toward reality. The “team” consists of whomever the founder has nearby: a ragtag bunch that could be trusted to at least try and figure things out. Since there’s usually not much money, whatever problems arise, whatever needs to get done, you and your team have to figure it out on a shoestring. You have no choice.

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When your startup gains traction and looks like it might make it, it's usually the direct result of the heroic efforts of these early team members. With few exceptions, there's usually a tireless jack-(or jill)-of-all-trades who knows a little about everything. But more importantly, they've got a figure-it-out mentality and they're willing to learn and scrap and claw to get it done. In fact, I don't think I've EVER seen a startup that's "made it" without a few of these folks on the team.

Meet Bounce-Around Betty. She's been there since day one, she's an amazing person, and she's willing to do whatever it takes to get things done. You need someone to tackle creating your startup's logo and your first set of business cards? She's on it. There's a problem with the supply chain? Betty will be on the first flight out tomorrow morning. Need to figure out the witchcraft that is Google Analytics or advertising on Facebook? She'll dive in and learn the digital marketing basics to get you started. Whenever you need something challenging done, Betty jumps right in, headfirst, without knowing whether she'll sink or swim.

These types of people are AMAZING assets in the early days. As I mentioned, you need these guys and gals in order to survive scrappy startup hell. Finding and utilizing people like Betty are key to making your business successful. If this book was about helping would-be entrepreneurs start a business, I'd spend a whole chapter encouraging you to go FIND this person and convince them to come work for you. ASAP!

But this book is for entrepreneurs who are trying to grow and scale their companies. And as you grow and be-

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gin to “professionalize” your business, your needs in each functional area will outgrow the experience and knowledge of your legacy generalists. As you begin rebranding and overhauling your website, you realize that Betty’s marketing knowledge probably topped out with laying out the business cards. As you seek to own the direct-to-consumer e-commerce channel, a couple of sporadic Facebook ads won’t cut it anymore. You’ll likely reach the point where it becomes apparent that your secret weapon is truly a master of none!

In most cases, Betty can still be a great employee for your growing company, assuming she doesn’t lose that drive, that eagerness to learn, and that willingness to do whatever it takes that made her your go-to employee early on. But problems occur when we either promote Betty beyond her capacity or her role is so ambiguous it causes confusion and problems with the rest of the team. In this chapter, I’ll offer advice for how to keep Betty’s (and your company’s) best interests in mind as you grow beyond the everyone-does-whatever-it-takes era. I’ll also share stories from clients and friends who handled this situation well—and some who didn’t. I’m quite confident Betty will resonate with you.

The Swiss Army Knife

A good friend of mine, Tom, owns an e-commerce company that’s taken the online world by storm. He offers a quality product at a lower-than-retail price by utilizing a direct-to-consumer business model. His company now does close to \$80 million in annual revenue, employs more

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than a hundred people, and sells its products all over the world. It's safe to say that he's made it.

But early on, it was just Tom and his first employee—let's call her Betty—sitting in a WeWork office space, trying to figure things out on the fly. Tom knew Betty from the neighborhood, but he didn't know much about her education or job experience. She sure didn't know much about running a business, but hell, neither did Tom! They worked well together, and Tom knew he could trust Betty to learn and work her ass off—right alongside him.

The first major hurdle for the company was solving some sourcing challenges they were having with their product. Betty took point, driving down to Mexico to tour their production facility, research alternatives, and sort out the logistics of what would become their supply chain. She made things happen. By the end of her trip, she had a production deal lined up with a local factory and had sourced raw materials to boot!

When she returned to Austin, she jumped right into her next task. The founder's plan was to disrupt the existing industry by selling directly to consumers, utilizing a robust e-commerce engine. The problem was, he didn't know how to build that engine. And he certainly couldn't afford to hire someone who did! They couldn't even afford a consultant. So, he called in his one-woman cavalry, and Betty was on the case.

In a matter of weeks, Betty went from using her high school Spanish classes to strike deals in Mexico to researching SEO, learning Facebook and Google algorithms, and playing around with HubSpot. She eventually figured out the basics of digital marketing and

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advertising and was the lynchpin for the initial success that Tom's company had in selling their product.

As the company grew, Tom knew he needed to continue feeding the beast. He reached a point where he could afford an experienced e-commerce marketing specialist, and felt he needed to make that move. Betty was great at getting the ball rolling and proving the concept, but Tom knew he needed a focused strategic marketing plan, and team. Betty understood this and was perfectly happy to move on to the next thing that needed fixing—customer experience.

Together, Betty and Tom researched other companies' fulfillment and customer service engines, and designed their own based on what they liked and didn't like. Betty jumped right in like she always did, and quickly had a solid prototype in place!

As the company grew, Tom found himself replacing Betty at every turn. She was great at getting things going, but she wasn't the right person to lead these functional areas as they grew beyond the startup phase. Like Tom, Betty was learning as she went. The company needed next-level leaders to push the pace of growth and make his vision a reality.

In Tom's case, Betty was happy to accept the next challenge when it arose. She didn't seem to mind being replaced as head of marketing or manufacturing or customer service when it was determined that an experienced leader was necessary in each of those functions to support their pace of growth.

In the end, they realized their growth meant her "bounce-around" days might be numbered. Tom, who

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was also experiencing this type of growth for the first time, wanted to help her progress. He asked her what she wanted to do for her career and the company, because he felt she had earned the right to choose her own path (within reason). Betty was most interested in operations, and she had a gift for it. They ultimately moved her into that department, but not as the leader. She ended up working for a new chief operating officer Tom brought in as an experienced leader. One of the key criteria Tom had when selecting his new COO was someone who could be a great mentor and coach to his team and help them advance their careers—including, and especially, Betty.

Outgrowing Your Betty

Having a Betty on your team is a critical part of your early success . . . until it isn't. I'm not going to lie to you—there's no easy answer when dealing with these situations. There's no hard-and-fast rule that says, "Two years in, you need to replace your generalists with specialists!" or "Once you've hit \$1 million in revenue, bring in a COO!" It all depends on your company, your growth, and your vision—as well as your Betty's skill set, emotional intelligence, and career goals. There's a lot of moving parts here, and there's no one-size-fits-all solution. Definitely more art than science!

As we saw with Tom, companies will usually need to bring in specialists to lead the various functional areas of the business. For first-timers, it might take a bit longer to realize that, but most get there eventually.

Hiring specialists offers a few key advantages beyond the obvious, "They know what they're doing!" angle. First

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off, you can hire someone who has critical experience working in a company your size, in your industry, or at your pace of growth. I've talked a lot about the need to add a few key leaders who've got the experience needed to help you reach your goals. But here, I'm talking pretty early in the game, so you're not ready to bring in a heavy hitter just yet. Hiring functional specialists is your opportunity to add people to the team with insight and experience to improve the prototypes Betty built, taking additional steps to make the company better and stronger.

Adding experience gives you the opportunity to start professionalizing your team, putting pieces in place for future growth. You're confident that Bounce-Around Betty will always figure things out—but what if your team didn't have to “figure it out” and already knew what to do? Betty was great on the phone with early customers, but she's not the right person to design and build the customer service engine, including processes, tools, and the team you need for future growth.

Bounce-Around Betty is such an important employee for entrepreneurial companies, partially because you can't hire all the specialists you may want all at once, and partially because you simply can't predict every area of need before you need it. She fills a critical role at a critical time! Tom's example above is fairly common. He prioritized the e-commerce engine, then as soon as he could afford to hire someone to improve upon Betty's work, he did. He then asked her to tackle his next challenges—fulfillment, then customer service, then accounting, and so on. You get the picture.

It's great that Betty is willing to take on whatever

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challenge is next, especially something else she knows nothing about. She's able to learn on the fly and do "good enough," like she always has. But eventually you'll reach a point where "good enough" just isn't, well, good enough. Betty's best asset has become a liability. She's a Swiss Army knife, and the company now needs a scalpel.

When Betty Goes Bad

For a slightly different twist on this near-universal challenge, let me tell you about a good friend of mine who runs a very successful professional services firm in Florida. Three friends got together and started the company ten years prior. Early on, the three of them were partners and split duties, doing whatever needed to be done to the best of their abilities. Tonya, Jim, and Bernie each did a little bit of everything and each "bounced around" to whatever needed doing next.

Tonya was the majority owner and was also the visionary leader. She led the firm and served as managing partner. Jim was a strong subject-matter expert and immersed himself in client service and management of key accounts. But Bernie never really grew beyond the generalist phase. He wasn't as strong as Tonya and Jim and didn't have an obvious role, so he kept bouncing around for a lot longer than he should have. He did his best in whatever role he was asked to perform. But as the company grew, it became apparent that his best wasn't good enough. So, he bounced and bounced.

This case is a bit unusual because Bernie was a partner and co-founder of the business, so he wanted a lead-

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ership role like Tonya and Jim had. When the company grew to the point of needing a sales leader or human resources leader, Bernie wanted those roles. But he wasn't qualified to lead those teams—and to be honest, he wasn't really qualified to be a “leader” at all.

As Bernie bounced from one leadership role to another, Tonya spent time fixing whatever mess he left behind. Most of the team HATED working for Bernie as he tried to “figure it out.” They were more talented than him, they knew what they were doing, and he only got in the way. But they didn't feel like they could tell Bernie he was wrong or go over his head because he was a partner.

At one point, Bernie needed to add several new hires to the marketing team he was leading. In chapter 9 I talk about B-players hiring C-players (they definitely don't hire A-players!). Well, Bernie was no different. He shied away from A-players or candidates who wanted to build a world-class marketing department. He was insecure, and this was how he protected himself.

This example is obviously an egregious one. Normally your Betty won't be a partner, so you won't feel as constrained as Tonya did. But in this case, her Betty is still bouncing around to various departments and leadership roles. He won't accept a lesser position, and Tonya and Jim are too loyal to force the issue, even though doing so would help the business tremendously. To be honest, this issue has really harmed Tonya's status as the leader of the company. Why? Because almost every other employee sees the same issues with this arrangement that you probably do!

From Bouncing Around to Growing Professionally

In most cases, Betty's a good employee who doesn't need to leave just because you need more specialists. She's a valuable member of the team and can continue adding value if she's in the right role.

Much of what happens with Betty will depend on how you approach the situation. As usual, it also depends on the personalities, expectations, and egos involved. If you demote Betty to assistant to the new VP of Sales without giving her a heads-up—yeah, that'll piss her off. But do it right, and you can put Betty AND your company in a great position to succeed.

Hopefully you now realize that you can't solve this problem by giving Betty whatever role she wants. However, if most of your leadership team has proven, relevant experience and has a mentor mindset, and Betty is willing and able to learn under their tutelage, then she's probably someone you can invest in.

Identify the role that plays best to Betty's strengths and allows her to grow professionally, but also fuels the company's growth goals. That's easier said than done and may require some soul-searching and tough conversations.

If your relationship with Betty has a foundation of trust and open communication, you should be able to approach her and discuss the situation. Be honest with her. Her knack for figuring things out has been a great asset, but a different skill set is needed now. You need leaders who have skins on the wall. Sure, you want to help develop her skills so she can grow professionally—AND you need her to help position the company to achieve its goals.

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I've had a few of these conversations. When I've made it clear that I'm new to this too, it helps "Betty" understand. The reason you're adding proven leaders to the leadership team is because **YOU DON'T WANT TO LEARN EVERYTHING THE HARD WAY**. Betty should understand this; after all, you've been through a lot together!

Sometimes, she'll push back. She thinks she's ready to lead marketing because of everything she did to develop the brand. She argues that she knows the company better than anyone. She can do this! But remember, your goal isn't to make her happy. Your goal is to professionalize your organization to grow beyond anything Betty—or you—has previously experienced. Explain this to her and make sure she knows that her professional growth is also important to you. Tell her your plan to bring in someone to mentor her to become a future leader with your company or elsewhere. If she's humble and values the opportunity, she'll jump at the chance to learn under a next-level leader.

If you're anything like me, it's hard to have these conversations. More often than I care to admit, I've given in to Betty and given her whatever position she wanted. But trust me, you're not doing her any favors by putting her in a position to fail.

If you find yourself struggling with situations like this, consider bringing in another set of eyes. Have your mentor or coach assess your Betty situation and give you their perspective. This helps to remove your personal feelings from the equation.

Remember, your goal isn't to promote Betty until she

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fails miserably. You want to do what's best for the company and ideally find the right spot for her to grow. This balance can be tricky, but with the right approach and the right Betty, it can be found! Check out Intermission I for more ideas on how to deal with your own Betty situation.