

5 secret tests by vcs to make checks on your startup team

[Business](#)



Your presentation to your investor is sparkling with clarity, confidence, and chutzpah. You can feel the energy in the room bursting, and you feel like you have them eating from your hands. You finish your presentation with flair, you are expecting an applause, and you are already starting to bow. “ Ahem!” Your VC Investor clears his throat.

“ Great product, great traction. But, I am sorry, I don’t see a strong Team.

In fact, I am surprised how you have come so far. I don’t think you are going to last for six months.

Sorry, we are not going to invest, and in fact, we are going to have a serious chat with your lead investor to exit your startup before it crash lands.”

“ What? Wait! Team, where did that come from?” You hear yourself screaming.

You drop into your chair like a leaden stone and panic begins. And then you wake up. “ Thank God, it was a nightmare. But can it really happen?”

Yes, it can.

Team. Every Investor worth his salt will tell you that they invest in teams, not the product. The idea and the product can only go so far. What builds and sustains the business is the strength and harmony of your team.

What do you need to do to build a kick ass team? Here are the Five Critical Step

1 Focus On One Thing Which Decides Your Success

Gary Keller in *The One Thing* says “ Success demands singleness of purpose.” *The number one reason for business success is Focus.*

More importantly, what do you focus on?

Once your product idea is clear, your focus has to be on relentlessly answering the question “ What is the problem I am solving and how can I get better at it?

Too often I have sat through Startup Board meetings where the product is clear but who it is serving and what specific pain point it is solving is not clear.

Drive this clarity in your team. This singular focus will make sure that everyone in your team is working on the same customer problem. This focus will lead everyone owning the solution.

2 Have Your Team Own Your Business

As a startup founder, you clearly own the business and its outcome. But can you say that about everyone in your team?

The test is if you made your sales rep or a finance person do a presentation to the investor, would they say the same thing with the same clarity and passion?

If the normal bumps in the road come, will they desert you at the first moment or stick with you and ride out the storm? How does one build an ownership mindset? There are steps for that.

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The critical ones are sharing your vision for the business and then continuously communicating your journey with all its ups and downs to the team.

Make them an owner of the business: owning the problem and the solution. This brings the team closer to each other and builds alignment

3 Make Your Team Be Joined At The Hip

Alignment. What's that? It is a complete, wholehearted commitment to the process and agreed goal. Why does it matter?

Often people will nod their heads and agree when they want to go with the flow. Or they will argue endlessly.

As a startup head, you can't afford both behaviors.

You need to get your teams, product development, and sales or, finance and sales together.

Emphasize the goal you have for the company and how you want to delight the customer.

Now ask: What are the best behaviors we need to have to produce this outcome? What behaviors are required to Support these behaviors and outcome?

E. g. when you are solving the critical issues for your customer, your sales team discovers that there is an opportunity area for the client which if they work on can grow the customer sales.

As a company, you would want your sales team to offer a product that delivers that opportunity for your customer. You also need your product team to develop that solution rapidly.

But, the dev team might be already working on ten different projects. Which one should they prioritize?

These are real life situations which can drive a wedge between teams. But with alignment, they can become a source of joy for teams to work together and discover new ways to delight customers. The success of your teams will help them grow into giants.

4 Surround Yourself With Giants

Issac Newton said, “ If I have seen further, it is by standing on the shoulders of giants.”

While the temptation to do everything yourself will always be there for you, hire the best in the field. This will make sure that you will not have to look over their shoulder all the time.

This does not mean you always pay the highest to get the best. Find the ones who get your mission, who share the same values and will be absorbed in your culture.

Remember Culture eats strategy for breakfast.

The task of creating the culture is in your hands. Whether you build a culture of Navy Seals (independent, highly skilled, one team) or clock watchers is in

your hands. What is necessary is to have a team which moves fast, fails fast and learns fast.

5 Create, Action, And Destroy – Fast Fail

Angela Duckworth of Grit fame says “ People who are successful fail more than others. That’s what makes them successful.”

Make your startup an Idea Factory.

Get better at solving the customer problem every day.

Develop a fast fail mentality in your team. Encourage your team to generate ideas and take action on them immediately. If it fails, learn and record the learning and move to the next one.

The more idea experiments you run, the better you will get at delighting your customers and increasing the gap between your competitors.

Most of us from our school days are trained to look down at failures and to take it personally. You need to show your team how fast fail works.

Train them in looking at everything as an experiment. This will make sure that everyone remains objective in both success and failure.

We know the importance of building a strong team. But too often we get caught up in the daily meetings, to-do lists, and tasks.

We start looking at our team as “ resources”: something to be used, a means to an end.

Would you like to be treated as a machine which is fueled, used, depreciated and sold as junk?

Off course Not!

Daniel Goleman, the foremost expert on Emotional Intelligence, says, “ When we focus on ourselves, our world contracts as our problems and preoccupations loom large. But when we focus on others, our world expands.”

Tune into the music which your team is creating.

Be like an Orchestra conductor.

Set the tempo for your team, direct the notes they strike, let them conduct themselves with flair and guide them to a crescendo.

Let the music begin.

The Applause awaits you.