

URL: <https://stvp.stanford.edu/clips/right-people-right-opportunity>

The Silicon Valley playbook for growing startups often involves hiring executives from big-name companies. The culture at Zoom, observes Emergence Capital general partner Santiago Subotovsky, was different: Rather than hiring outsiders and giving them C-level titles, founder and CEO Eric Yuan took a more organic approach, matching the right people with the right opportunities and allowing them to grow within the company. Hiring people who want to learn, rather than people who want fancy titles, adds Yuan, builds loyalty, and those people are often better suited to the decade-long marathon of building a startup.



Transcript

- [Santiago Subotovsky] In this like Silicon Valley, 00:00:05,150 where everyone's starting companies.. There's always this expectation that, as you grow the company, you're gonna be hiring different executives from other companies.. Who've done this, been there, they have the credibility, and that seems to be the playbook.. You start a company in the enterprise sector, you wanna hire people from Salesforce, you wanna hire people from Box, you wanna hire people from ServiceNow, and I came in with that mindset into Zoom.. And Eric taught me that there's another way to build great companies.. And the way Zoom built an incredible team, is by bringing in people who worked incredibly hard and who were passionate like Eric was when he started the company.. They were not doing it for the title.. For a very long time, we didn't have C-level executives at Zoom.. They were all head of, even until the company went public.. He was like the head of marketing and Janine was running everything..

She would have been like a CMO at any other company.. But she didn't care about that.. She cared about Zoom.. And Eric gave the right people, the right opportunity.. And these people delivered incredibly well.. And they were able to grow with the company and they are still adding a lot of value.. And for me, that was a great lesson.. But I struggled initially, because I felt that everyone else was hiring the who's who, and we were not.. But we were hiring the right people.. - Can you guys speak a little bit more to that? 00:01:34,750 Because it feels like that is something that's very unique in novel for the journey and success of Zoom..

Is it that both in funding Eric, it was a people driven decision.. There wasn't -- And then also Eric, in the culture that you've built, it's been focused, it sounds like on the qualities of the individuals more than their resumes or their backgrounds.. And so can you speak to how, any key tactics that you've done to create this culture where people want to work hard for you? Or how do you identify those people that will be out performers, if you can't look at their resumes and their backgrounds and what they've done in the past? - Yeah.. So, Ravi, that's a great question.. 00:02:16,090 Thank you.. Thank you for sharing that.. That's exactly the overall actives.. The reason why, for any startup companies, it's a long journey.. Like you really cannot assume with a close range of four, five years, you can achieve something.. When we started Zoom 2011, our first sort of full of milestone in terms of rising to be a success is [indistinct], right? It's a long journey..

Like you're not journey, if you hire someone who's greater bhagwan, you know, already very successful in other companies.. Do you think they are going to stay with you for like another 10 years? Our tactics is more like, we want to hire those people with a greater potential.. They want to learn.. Are also self motivated.. I agree the scenario will be everyone at a zoom, myself included.. We can grow ourselves, to the next level.. We can become a better word of ourselves along with the company goals.. Guess what? Those employees, they tended to be very loyal, right? That's really important, right? Otherwise within a long journey, four or five years later, some employees, especially, successful other companies of four or five years.. I still did not think anything.. They might quit..

You don't want have those employees.. You know that's why, even when you set up a stretch goal, right? Promoted someone may not be ready, but as long as we want to learn, I think that should be okay.. That's our philosophy.. But anyway, I'm not seeing that as a poor back.. Right? So it is also full of challenges.. Like suddenly you have a pandemic crisis Guess what? Our leader myself included all employees, they cannot grow themselves, right? There's 30 times more traffic then you're probably looking back and say, ah, you should have hired someone who did that before, right? Again, this is also

learning curve for us as well...