# How to jump on a rocket ship

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So, you read my career management advice and you've decided you want to join a mid-stage, hypergrowth startup. Great. Now—how do you go about it?

I'm aiming this post at engineers, designers, PMs, and data scientists who are talented and ambitious but not necessarily "initiated" into the world of tech startups. The Silicon Valley job market is unlike most job markets. There is *tremendous* demand for great talent, and there is tremendous variation in outcomes of startups. There is less transparency in the market and far more hype compared to the economy at large. So my advice here is unlike most job-hunting advice, maybe even to the point of sounding a bit crazy to people in other fields or industries.

## Finding opportunities

The best startup opportunities are not obvious; they're not yet world-famous like Google, Facebook and Amazon. But they are well-known within startup circles. Here are some ways to find them:

- **Go through your network.** If you know anyone in the tech/startup world, tell them you're on the market. Ask what they think the most promising mid-stage startups are, and ask if they can introduce you to any of them.

  No network? Read on:

- **Browse the Breakout List,** a curated list of companies with "breakout" growth. (My employer, Flexport, is at the top of the list right now!)
- **Search the AngelList job board.** It's the best startup job board out there, and you can filter by role, location, and size/stage of company.

  Even better, **apply for A-List:** if you get in, you'll be on an elite list of top candidates.

Even better, **apply for A-List**, if you get in, you'll be on an elite list of top candidates, and companies will come to you.

- **Go through Interviewing.io or TripleByte.** These services, too, will vet you and then shop you around to companies.
- **Browse top investors' portfolios**. Some investors let you apply through a form and match you with their portfolio companies, including Union Square, First Round, Y Combinator, and Greylock.

  Others don't have a single application, but do have a combined job board for their portfolio, such as Andreessen Horowitz, Sequoia, and Floodgate.

  If an investor you like doesn't have a job board, you can still browse their portfolio and apply to companies: e.g., Founders Fund, Benchmark.

  If you have a good resume, you could also just contact a VC firm, explain what kind of opportunity you're looking for, and ask for introductions to their portfolio. Their companies are always hungry for talent, so they should be happy to do this even from a "cold" email.

  The above is not a complete list of top investors, just a few to get you started.
- Related, you could **try Via by On Deck,** which launched recently. This formalizes the process of getting introduced to startups via investors.

## Handling a flood of opportunities

If you have a good resume or you interview well, you will be *inundated* with opportunities. There will be more than you can handle. Here's how to manage this and guide it to a good conclusion:

- **Be selective.** Review the opportunities and decide which ones you're truly excited about. Don't apply for jobs indiscriminately.
- **Pay attention to stage.** If I were doing this today, I would aim for companies around Series B or C, with a last-round valuation north of $100M but not too far above $1B.

  Companies in this range are likely to have proven strong growth in a big market, but still have 10–100x upside if they are successful long-term.
- **Consider quitting your old job *before* starting the search.** If you have enough financial security, and enough confidence in your search, this can be a good move, because it lets you focus on the search full-time.

- **Aim to end up with 3–5 offers.** You always want multiple offers in order to compare and to have negotiating leverage. More than a handful, though, is overwhelming and pointless; it's a waste of your time and theirs. Depending on how good/confident you are, this probably means you want to aim for ~6 onsite interviews.
- **Aim to get them all around the same time.** Companies don't like to have offers open for a long time. Offers typically come with an expiration date a week or two out, although you can usually get an extension if you ask. Anticipating this, many companies will actually hold the formal offer (with compensation details) until you are ready to give them an answer within ~a week. All this leads into the next point:
- **Communicate your timeline explicitly throughout the process.** This will set expectations and help you come across as a professional who delivers on your commitments.
- **You never have to say "no", just put opportunities "on hold."** This is the polite way to be selective. If you want to pursue opportunities A through F, tell G and H that "this is really interesting, but I'm getting flooded with opportunities and I'd like to put this one on hold for now." They'll be disappointed, but they'll understand, and it gives you an opening to come back later if something changes.

## Deciding on an offer

OK. So you got a few offers. How do you decide?

- **You should be genuinely excited about the mission.** If you love what you're a part of, you'll be that much more motivated and energized. You should be eager to learn not only about the product and technology but about the business and the industry you'll be in.
- **You should also be excited about the work you'll be doing day-to-day.** A grand mission won't sustain you if you hate the actual job. In general, you should be as flexible as you can and do whatever the company needs of you. But if you really only want to work on machine learning, or UI, or distributed systems, or whatever, then make sure you find what you need.
- **You should believe in the product, the market, and the business strategy.** It has to make sense to you. You should see clearly the value you're creating, the customer you're creating it for, and what you have to offer vs. the competition and other alternatives. Ideally, you should see a clear long-term defensible advantage.
- **You should be *highly* impressed with the team, in both intellect and character.**

The people you'll be working with are going to matter more than anything. They will be the biggest determinant of your day-to-day quality of life at work. They will be your mentors and coaches, one of your best sources of learning. The leadership of the company sets the strategy, and they are the only ones who can fix it if it goes wrong. And the general environment will determine whether the company operates with honesty, integrity, trust and respect.

You should get to know the team you'll be working with, your management chain (as far up as you can go), and if possible the founders and other leadership of the company.

- **You should vet the numbers.** Get someone at the company to show you the key metrics, including financials such as revenue, and how they have grown over the last few years. Many companies will offer this to you, often presented by someone in the finance department. If they don't offer it, ask for it. If they refuse to share any numbers with you, even after they've given you an offer, it's probably not someplace you want to work. This is your chance to verify for yourself the company's growth story, and to learn more about how they think about their business and strategy.

  For a mid-stage startup, it's not surprising or alarming if they're not profitable yet. Usually, companies at this stage are investing in growth and development. However, it's important that the unit economics make sense: basically, they should be making money on every sale, even if they are spending all of that profit and more on things like hiring more engineers or expanding geographically. (If they're *losing* money on each sale, you should be a bit skeptical, and they should have a *very* good story about how their costs will go down in the near future.)

  You could also ask them about how much cash they have in the bank, how much they are burning, and what their expected runway is. An interesting question to ask is: "Suppose there was a big downturn in the financial markets tomorrow and it became impossible to raise another round of investment. What would you do?" Any company with a good amount of revenue should have a plan for how to reduce burn to extend runway indefinitely if needed.

  Note that, as a matter of professional integrity, you should treat any numbers they share with you at this stage as confidential, and not share them with anyone.

## Negotiating compensation

You have multiple offers in hand and you know which ones you are willing to accept. You even have a favorite. How do you manage the compensation issue?

Many people will tell you to negotiate. I am not an expert on salary negotiation, and I hate haggling. So here is what I suggest:

1. Decide which of the offers you are truly most excited about, *aside* from compensation.
2. Is that offer *also* the one with the highest comp? If so, count yourself lucky, and just take it.
3. If not, tell them: "Thank you for this offer! I received multiple offers, and you are my top choice. However, I was offered $X by another company. Can you match that? If so, I will definitely accept. If not, I will still consider it, but I'm not sure what I will decide."
4. If they match your best offer, great! You got the best of both worlds. Go to step 2 and take it.
5. If not, now you have to ask yourself: are you willing to take less money to work at your top choice? This is usually a good tradeoff (money for happiness), but it depends on the delta in both dimensions, and it's a personal choice with no universal answers. Choose wisely.
6. If you're not willing to take the lower salary, then eliminate that company. Go to step 1 and repeat with the remaining offers.

What if you didn't get multiple offers? Oops. Well, now you don't have much choice (unless you want to extend your job search). In this case, I would look up whatever information you can find on salary ranges that are comparable based on role, location, and stage of company. The AngelList job board mentioned above is a good source, since those postings include compensation ranges. If your offer seems in line with the general market, again, just take it. If it is below market, mention these data points and suggest a number that you think would be in the proper range.

If you approach all this professionally and tactfully, the worst a good company will do is say no. (If a company rescinds your offer just because you politely tried to negotiate, it's probably not a place you want to work.)

## Understanding equity

I mentioned salary above, but any tech offer will also include an equity component. How to think about this part?

First, you should understand *what* you have been offered. If you don't understand stock options or RSUs or whatever form your equity takes, ask questions or Google it until you feel you at least know what all the terms mean (such as “vesting” or “strike price”). There is plenty of information out there, and you shouldn’t be embarrassed to ask.

You should also understand what percentage of the company your shares represent, and you should know the last-round post-money valuation. Again, if a company won’t tell you these things, you probably don’t want to work there—but also, expect to receive this information under NDA and treat it as confidential. (You *might* also ask whether there are any nonstandard or “dirty” terms, such as greater than 1x liquidation preference; if you don’t understand these concepts well, though, you’ll have a hard time interpreting the answer. If you want to learn, read the term sheet series of blog posts by Brad Feld and Jason Mendelson, or if you want to go deep, read their book Venture Deals.)

If you are receiving stock options, you should know what expiration period they have after you leave the company: You want to see a long expiration period, like 5–10 years, not 90 days. (More context on this issue here.)

Of course, what you really want to know is unknown and unknowable: What will your shares be worth in an exit? Will there even be an exit? You can get super-analytical about this and build all the spreadsheets you want, but the reality is that the variance on outcomes is extremely high. You can dream about getting rich, and maybe you will, but you should be financially and emotionally prepared for your equity to be worth zero.

My take on equity at pre-IPO startups is that it’s less compensation and more of a promise: “If we succeed, you’ll get your share.” It’s not and can never be a guarantee of success. So just take it for what it is.

## Happy hunting

Best of luck! And feel free to contact me for further advice in specific situations.

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