CEO SECRETS TO BUSINESS GROWTH
Real-world advice from 4 successful leaders
MEET ASTRO AND FRIENDS!
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GROW YOUR BUSINESS
With advice from 4 successful CEOS.

Small businesses have generated 65% of the net-new jobs in the United States since 1995. Numbers like that tell us small businesses don’t just “matter” – they actually define and drive our economy. Yet small business owners don’t have time to bask in this truth; instead most must grapple with the everyday stresses of building and growing their businesses.

There are no shortcuts on the path to success, but advice from those that have been-there-done-that before just might offer the inspiration you need. That’s why we interviewed 4 CEOs from companies that have achieved enviable growth. These leaders have grown their businesses from small teams of inspired individuals to companies competing on a larger scale. How did they get there? Read on to learn the secrets of their success.
MEET OUR 4 CEOS

BRIAN HAMILTON
Sageworks
sageworks.com

Industry
Finance services / technology

Product
Solutions for financial analysis and risk management

Founded
1998

JENNIFER TEJADA
PagerDuty
pagerduty.com

Industry
Technology

Product
Digital operations management platform

Founded
2009

ROB FROHWEIN
Kabbage
kabbage.com

Industry
Finance services / technology

Product
Automated lending platform

Founded
2008

IRENE BARAN
Speck
speckproducts.com

Industry
Consumer goods

Product
Products and protective cases for smart devices

Founded
2001
What’s the mindset a CEO needs in order to take a business to the next level?

**Emphasize innovation**

ROB FROHWEIN

We always say our competitors know where we have been and where we are, but not where we’re going. Having a competitive culture that emphasizes innovation is incredibly important to avoid being sidelined by competitors or newcomers.

**Have a learn-it-all approach**

JENNIFER TEJADA

As a CEO, everything you do centers around solving big problems for your customers. So it’s crucial to be “eyes-wide-open” in monitoring the strategic landscape for the next wave that could either fuel your growth or disrupt your business. Finding your next whitespace requires a learn-it-all approach versus a know-it-all approach.

“It’s crucial to be “eyes-wide-open” in monitoring the strategic landscape for the next wave that could either fuel your growth or disrupt your business.”

Furthermore, a learn-it-all mindset is best nurtured by exposure to new and different ways of thinking. As a leader, bring together diverse teams made up of people with a range of backgrounds and experience. I truly believe connecting diversity and inclusion to business is a huge competitive advantage.
What’s the mindset a CEO needs in order to take a business to the next level?

**Be open to taking advice**

BRIAN HAMILTON

There are three important elements.

1. The CEO has to be confident in the products and model, but open to taking advice. When an entrepreneur comes up with a great idea, he or she doesn’t let anyone skew the vision or challenge its execution. But when taken too far, ignoring people’s advice and opinions can prove devastating.

2. They need to really love their customers. Sometimes I meet an owner who clearly can’t stand the sight of the next person to walk through the door, and instantly I know that business is doomed.

3. They must have confidence in their staffs’ abilities. CEOs have to look closely at their personnel before deciding to scale. They’re building a foundation on these people. If they’re not confident in them, it’s not time to add more employees and overhead.

**Empower your people**

IRENE BARAN

Empower your people. It’s true what they say: Running a business takes a village. Simply put, you have to be able to trust and rely on your team if you want to move your business forward.
QUESTION TWO

What’s the one thing you did early on that set you up for success?

Automate products

ROB FROHWEIN

We were incredibly fortunate to have focused early on the use of technology to automate our products. This has kept us ahead of the curve from a competitive perspective and allowed us to quickly adapt to market opportunities.

“This has kept us ahead of the curve from a competitive perspective.”

We also focused on employee satisfaction and company culture from the early days, which has allowed us to attract and retain top talent.

Insist on team culture

IRENE BARAN

You’ve got to be relentless to make sure you find the best people for the team. Once you do that, it’s the culture that brings everyone together and keeps them “bought into” the mission. Nothing’s easy when you’re growing a business, but when you nail those two things, everything else will fall into place.
Our co-founders and early team nailed product-to-market fit; then we remained focused, while others diversified. PagerDuty built a product that addressed a visceral pain point. Consumers’ increasing reliance on digitally-dependent services has caused the roles of development and IT Ops to shift, bringing them closer to the front lines of the customer experience. These teams now face greater pressure to ensure services and applications perform beautifully. PagerDuty eases that pressure by preventing and resolving business-impacting incidents for exceptional customer experience.

“We’ve built upon that moving forward, but it all started with the right product for the right problem.”

From the beginning, our customers saw great value in alleviating that pain point. We’ve built upon that moving forward, but it all started with the right product for the right problem.
I was too accommodating when managing up. It’s good to be flexible, of course, but I should have prioritized my own ideas and timelines better. The way to succeed is to concentrate on the job at hand and not worry too much about the opinions of others.

As competition grew, our lead acquisition costs also grew. So we needed to become more diligent in our marketing and sales funnels, which were sidelined in the early years. Understanding what was happening and addressing these challenges became priority to our founders, who scaled the teams with new and different skills sets. The lesson for startups is to be honest about what is not working and move quickly to address the issue, even if that means changing how you structure and approach entire portions of the business.

Many of our early mistakes centered around hiring the right people. It’s difficult to get the right person for the right stage of a startup, and also difficult to know when it’s time to bring on additional folks to provide support to your existing team. In retrospect, and in certain cases, I wish we’d hired more senior, experienced people who could have stayed in the role longer to help us scale more efficiently.
What did you learn from your own mistakes that other CEOs should focus on at the start?

Think twice before expanding

BRIAN HAMILTON

One lesson I learned the hard way is to think twice before opening a second office location. Can a company expand geographically to new areas? In my experience, the answer is “not easily.” Several times in my life as an entrepreneur, I’ve wanted to be able to reach new customers and pools of talent via a second office location. And now I’ve failed at it so many times that I’m going to call myself an indirect expert on the topic. It’s difficult to run different locations for three reasons.

1. You need a mini-CEO for each office, and it’s tough to find and trust that person.
2. It’s difficult to transfer the company’s values to another environment that’s physically removed from the home base, especially when the people in that other location have not been brought up in the mothership.
3. It’s critical that people can communicate in person. You need the connection and depth of relationship that only comes from close proximity.
Growing businesses have to be smart about their money. How do you prioritize your growth investments?

**Use a data-driven approach**

JENNIFER TEJADA

We continually evaluate the performance of our investments and adjust resource allocation based on each initiative’s relative market opportunities. We use a data-driven approach, so we spend time thinking about all this as we develop the operational blueprint for each year. Throughout the year we double check what’s prioritized against our operational blueprint, and that keeps us on track with spending.

**Invest in technology and innovation**

ROB FROHWEIN

We have a fairly scrappy culture from a spending perspective, despite the fact that we still provide employee perks like lunches, snacks, technology, and fitness. We tend to invest in technology and innovation over building huge teams. Our hiring strategy (hiring just in time, not just hiring because it’s in the budget) helps us keep costs low.
**Don’t compromise on customer service**

**BRIAN HAMILTON**

Prioritize making great products, attracting customers, and keeping them happy. Don’t compromise on customer service. My list of things not to prioritize is actually quite a bit longer. When running a startup, do not prioritize hiring in advance of revenue or hiring too many “overhead” people, who cost the company money but don’t sell or produce anything directly. It is best to keep these costs as low as possible. Also, don’t try to build a “management team.” Like renting office space too early, this just increases overhead unnecessarily. A senior team should be built once there’s proof of concept for the business model, and once you need structure to allow the business to continue growing. Finally, don’t borrow money if you don’t need it, even when the bank is willing to lend.

**Invest in core talent**

**IRENE BARAN**

Ours is a fairly simple business. The bottom line is that we need to make excellent products. So that’s where we invest: in design and development, as well as in talent overall. I’d rather have a really excellent small team than a mediocre large team.

“We invest in design and development, as well as in talent overall.”
Success takes time. One of my complaints with how entrepreneurship is represented in popular culture is the idea that businesses either fly quickly or fail immediately. You can see these two paths represented in films like The Social Network (the spectacular success) or Startup.com (the spectacular crash and burn). The truth is that it usually takes years to build a great business, or to fail. Most successful entrepreneurs I know put in three to five years of hard work to get their businesses off the ground to the point they’re self-sustaining. If you’re considering starting a business, don’t get discouraged if you’re not an overnight success.

Hire people who are so good, they scare you. You’re only as good as the people you surround yourself with, and chances are they’re very different from you. Embrace that as a compliment.

“You’re only as good as the people you surround yourself with.”
What’s your #1 tip to future entrepreneurs?

**Surround yourself with smart people**

ROB FROHWEIN

Surround yourself with people smarter than you are, whether it’s advisors, board members, team members, or strategic partners. There’s always something to learn. Also, recognize that whatever success you are able to achieve is not just because you had a great idea and were able to execute on it, but because you were in the right place at the right time. Humility can clear your vision to see new opportunities and to act on ideas that aren’t necessarily your own.

**Be authentic**

IRENE BARAN

Be authentic. Be real. Share yourself. We are all people, so connecting with others and forming connections is very important. Not only does this improve your workday and mood at the most basic of levels, those connections might prove valuable down the road.
QUESTION SIX

Our CEO, Marc Benioff, includes meditation in his routine. What do you include in your work routine that keeps you on top of your game?

Prioritize your health
IRENE BARAN

Exercise. Every morning. You have to prioritize yourself and your health to stay at the top of your game. Exercise is how I choose to do that, so I never skimp on this.

Stay on the move
BRIAN HAMILTON

I’m always on the move. I regularly have walking meetings outside with members of my team. Walking keeps me sane.

Walk around the office
ROB FROHWEIN

Walking around the office, making tea in the kitchen, and talking to various team members. These things keep me in the know. Not only do I hear about everyone’s weekend plans (which are always more interesting than mine), I also hear about issues in the office or with the product, and learn about things we can do better. I’m a morning person, but I rarely get to the office before 9:30. I enjoy spending time with my family in the mornings, making my son’s lunch and dropping him off at school, and making sure I have a clean kitchen to return to at the end of the day all put me in a good frame of mind.

Prioritize your mornings
JENNIFER TEJADA

My daily routine starts with family. They keep me grounded. I avoid email and the news so I can consolidate and prioritize my mornings with mental acuity before my day takes on a life of its own.
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