# The Recruiter’s Hat: Superstars

I worked for a while once at a staffing agency. It was just a placeholder job for me at the time so I had no idea how extremely valuable that experience was going to be for my career as an entrepreneur. I am often asked why I included a chapter on this in the StartUp Hats. This may be a hat you didn’t expect to see in the entrepreneur’s wardrobe but I assure you that this is one of the most important hats to master. In fact, if your venture is very successful then you may find that you are spending the majority of your day under this hat. As an entrepreneur, I was always amazed at how much time I spent each day finding, vetting and hiring superstars. This is how you build a company beyond its humble beginnings. Before you can lead you have to successfully recruit and of all the entrepreneur’s hats, this one is the least appreciated.

The Superstar Phenomenon

At one point early in my career, I had nearly two hundred software developers working for me. I discovered something extremely important. As I assigned projects and reviewed deliverables over time, I discovered that the productivity of my few coding “superstars” was up to four or five times greater than that of my average coder. It occurred to me that paying my superstars a third or so more salary was a great value.

The superstar phenomenon seems to hold true across all disciplines. It is a commonly heard axiom that in sales, eighty percent of a company’s revenue is generated by only twenty percent of its sales team. A superstar is someone who has the full package. They have the drive, experience, intelligence, work ethic, attitude and desire to really make a difference. A lot of their self-esteem is tied to how well they perform at their job and they are always on a mission. If you have a small startup and you’ve found even one or two superstars then you are extremely fortunate.

Mediocre Hires are the Worse Hires You Can Make

Some of the largest and fastest growing companies today were built using superstar hiring techniques. These companies sometimes even require their managers to fire up to five percent of their lowest performing staff regardless each year to create openings for potential new superstar hires. This may sound ruthless but the results are indisputable. Mediocre hires are the most common hires made but tragically, they are also the worst possible hire you can make. You will fire a bad hire and get another chance at bat but mediocre hires just hang around; not really good enough to keep but not bad enough to fire either. Worst of all, they are blocking the opening for that superstar that could be working for you.

Recruiting Superstars

Almost all of the first-time entrepreneurs I work with struggle with the recruiting hat. Life in a startup is usually governed by “go as fast as you can” but when it comes to hiring I encourage teams to slow down, take your time, interview several candidates meticulously and make no hire rather than a mediocre one. As I’ve pointed out before, we entrepreneurs tend to be optimists. We expect things to go well and often assume that new hires will just work out. In addition to this, we are always busier than a mosquito at a nudist camp. It can appear that any warm body to carry some of the load would be better than none. Don’t be lured into quick easy solutions. Most people aren’t superstars and a good number of them can even make you regret ever starting your venture. Making a bad hire is always painful but it is especially costly in a startup where founders are often doing most of the hiring and training. Your personal lost productivity is usually the first casualty of a poor hiring decision.

What would happen if your startup was made up entirely of superstars? Is that even possible? I believe that it is but it requires a lot of work under the recruiter’s hat and the stomach to let poor and mediocre hires go. Once you’ve got your product and pitch down and you start stamping out the cookies, it becomes increasingly about recruiting. The only way to increase the caliber of your hires is to increase the caliber of your hiring practices. That’s why I dedicated an entire chapter of the StartUp Hats to how to find and vet superstars.