

# Our Culture

STEADILY.

# About this

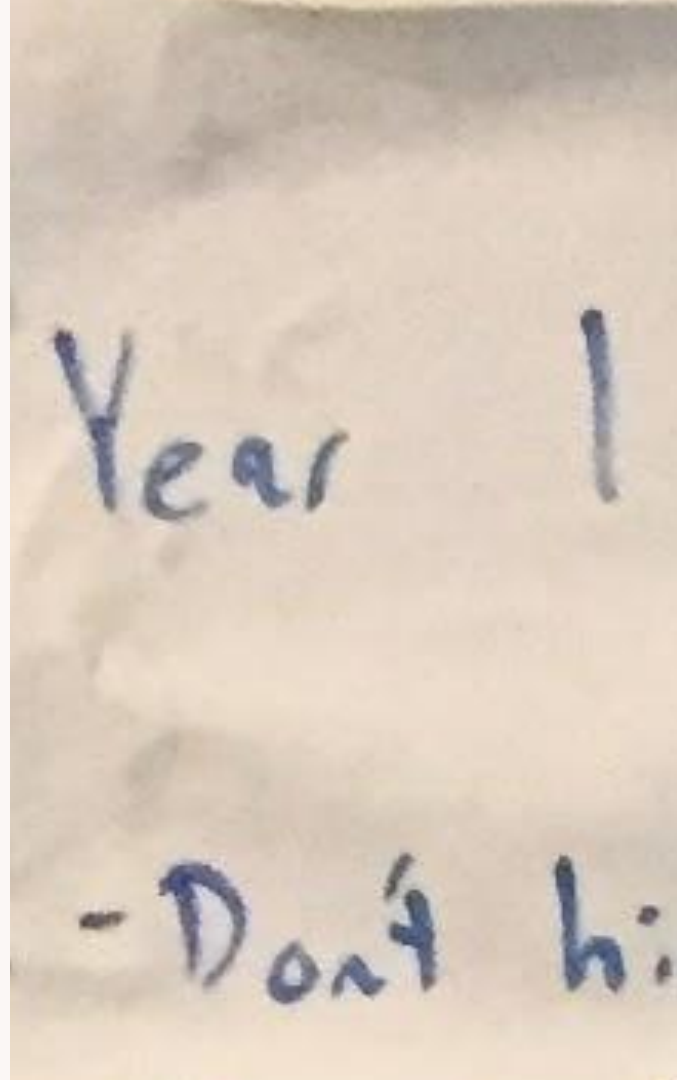
When I started my previous company (Interviewed) in 2015, we kept a three-foot-tall Post-It in the wall that was a mix of Year 1 goals and principles. Over time we crossed some off, added more, and fleshed out our thinking into a playbook for new hires.

These ideas were heavily informed by what we had seen work and fail at prior startups and YCombinator (a startup incubator). We continued to run by that playbook after getting acquired by Indeed. I later discovered the Netflix Culture Deck and the No Rules Rules book, which informed how we think at Steadily. I recommend reading the book.

Consistent with one of our engineering maxims: “Shamelessly copy good ideas; don’t needlessly reinvent the wheel” when it came time to write down the playbook for Steadily, we copied from [Netflix](#) and [Amazon](#).

As our distinct identity evolved, we’ve kept this fresh so that it accurately reflects the day-to-day reality of Steadily. We’re currently on v9.

--Darren



# **We seek excellence**

Our culture focuses on helping us  
achieve excellence.

# 6 aspects of our culture

1. **Values are what we Value**
2. High Performance
3. Freedom & Responsibility
4. Context, not Control
5. Pay Top of Market
6. Promotions & Development



Many companies have nice sounding value statements displayed in the lobby, such as:

- Integrity
- Communication
- Respect
- Excellence



Enron, whose leaders went to jail, and which went bankrupt from fraud, had these values displayed in their lobby:

- Integrity
- Communication
- Respect
- Excellence



These values were not, however, what was really valued at Enron.

**A company's actual values are shown by who gets rewarded, promoted, or let go**

# **We value people who live these principles**

- Ownership
- Insist on the highest standards
- Simplify
- Bias for action
- Frugality
- Hire and retain the best
- Have backbone; disagree and commit
- Are right, a lot
- Deliver results



**Will we say this  
of you...**

# Ownership

You think long term and don't sacrifice long-term value for short-term results. You act on behalf of the entire company, beyond just your own team. You never say "that's not my job."

# Insist on the highest standards

You have relentlessly high standards — many people think your standards are unreasonably high. You are continually raising the bar and drive your team to deliver high-quality. You ensure that defects do not get punted down the line and that problems are fixed so they stay fixed.

# **Simplify**

You expect and require innovation and invention from your team and always find ways to simplify. You shamelessly copy good ideas and don't reinvent the wheel.

## **Bias for action**

Speed matters in business. Many decisions and actions are reversible and do not need extensive study. You take calculated risks.

## **Hire and retain the best**

You raise the performance bar with every hire and promotion. You recognize exceptional talent and help them grow. You cut smartly.

# Frugality

You accomplish more with less. Constraints breed resourcefulness, self-sufficiency, and invention. There are no extra points for growing headcount or budget size; quite the opposite.

# Have backbone; disagree and commit

You respectfully challenge decisions when you disagree, even when doing so is uncomfortable or exhausting. You have conviction and are tenacious. You do not compromise for the sake of social cohesion.

Once a decision is made, you commit wholly.

## **Are right, a lot**

You are right a lot. You have strong judgment and good instincts. You seek conflicting perspectives and work to disconfirm your beliefs.

## **Deliver results**

You focus on the key inputs for our business and deliver them with the right quality and in a timely fashion. Despite setbacks, you rise to the occasion and never settle.

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**Imagine if every person  
at Steadily is someone  
you can depend on,  
respect, and learn  
from...**

# A great workplace is **stellar** colleagues

A great workplace is not espresso, lush benefits, sushi lunches, boozy parties, or swanky offices. We do some of these things, but only if they are efficient at attracting and retaining stellar colleagues.





**Like every company, we  
try to hire well**

# Unlike most companies...

**Merely adequate** performance will  
result in separation.

# **We operate like a pro sports team, not a family**

Steadily leaders recruit, develop, and cut **smartly**, so we have stars in every position.

# The **Keeper Test** that managers use

Which of my people, if they told me they were leaving for a similar job at a peer company, **would I fight hard to keep at Steadily?**

# Honest always

As a Steadling, no one in your group should be materially surprised of your views. To test candor, ask your manager: “If I told you I were leaving, how hard would you work to change my mind?”

# **Pro sports team metaphor is good, but imperfect because...**

Athletic teams have a **fixed** number of positions, so team members are always competing with each other for one of the precious slots. Whereas we can have unlimited starters.

# Corporate team

The more talent we have, the more we can accomplish, so our people help each other all the time.

Internal cutthroat behavior or toxic politics has no place here.

**We help each other to  
be great**



# Objections

- Isn't loyalty good?
- What about hard workers?
- What about brilliant jerks?

# Loyalty is great

Loyalty is good as a stabilizer.

People who have been stars for us and hit a bad patch get a near term pass because we think they are likely to become stars again.

We want the same: if Steadily hits a temporary bad patch, we want people to stick with us.

But unlimited loyalty to a shrinking firm, or to an ineffective employee, is not what we are about.

**Long hours  
are often  
necessary,  
but not  
sufficient**

We rarely work a 40 hour week;  
the intensity is high.

But working long hours isn't the  
point, it's the means to the end:  
to put a dent in the universe by  
building a magnificent  
company.

B-level performance despite “A  
for effort” will result in  
separation, with respect.

# No brilliant jerks

Some companies tolerate them.

For us, the cost to effective teamwork is too high.

Diverse styles are fine, as long as the person embodies our principles.

# Why do we insist on high performance?

In procedural work, the top-10% are **2x** better than the average. But in creative work, the best are **10x** better than the average.

Whether a role is procedural or creative, there's a huge premium for creating teams of the best.

# Why do we insist on high performance?

A great workplace is **stellar colleagues.**

# **Our high performance culture is not right for everyone**

Many people love our culture, and stay a long time.

People who thrive on excellence, candor, and change, love it here

Some people value comfort and stability over performance and may feel fearful at Steadily.

We try to get better at attracting only the former, and helping the latter realize we are not right for them.

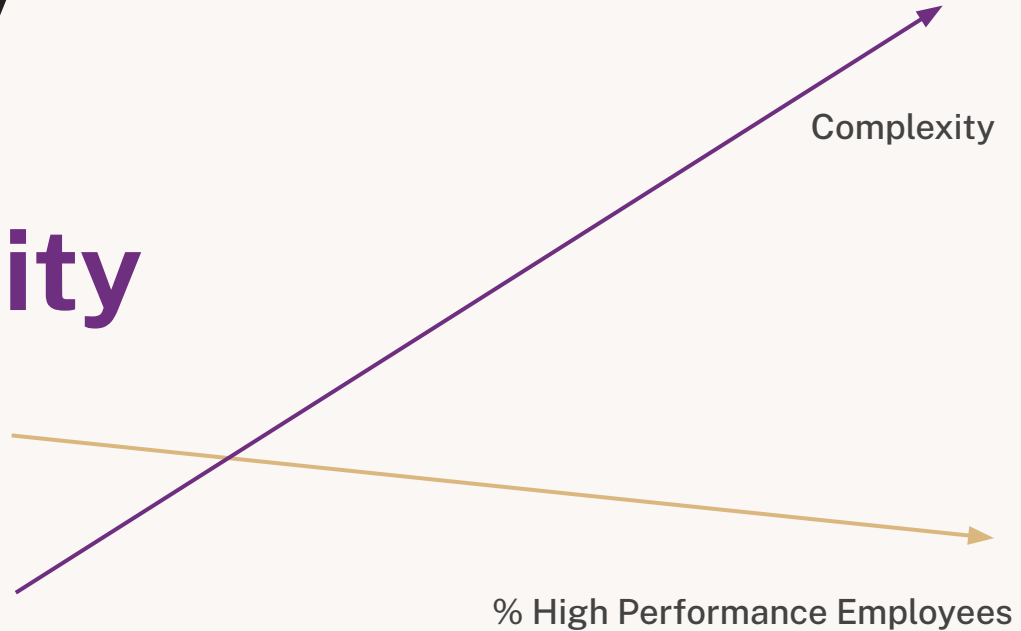
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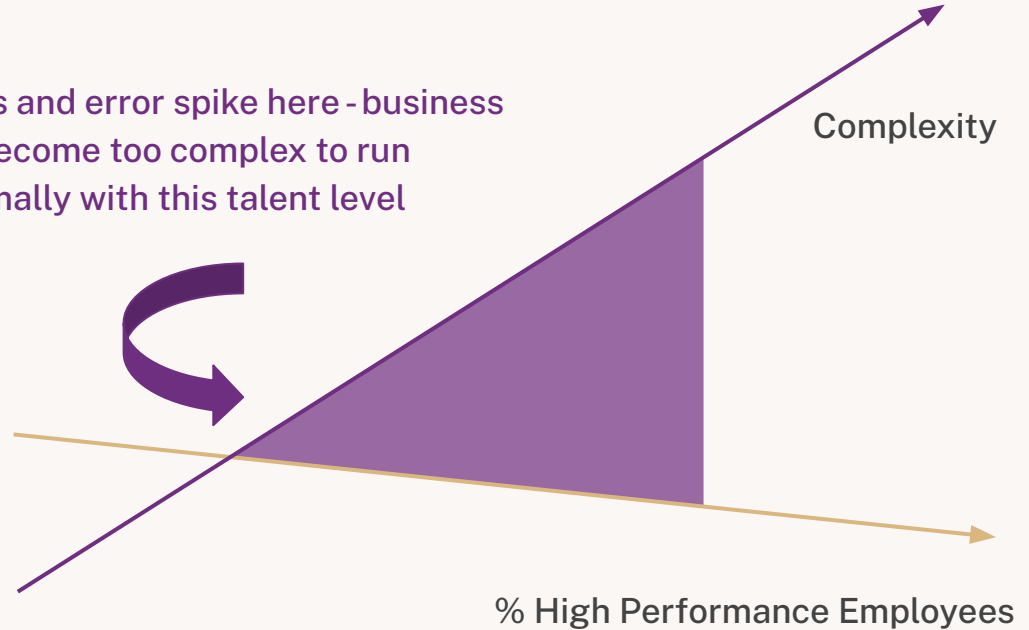
**Why do most companies  
become **bureaucratic** as  
they grow?**

**Complexity  
rises and  
talent density  
shrinks**

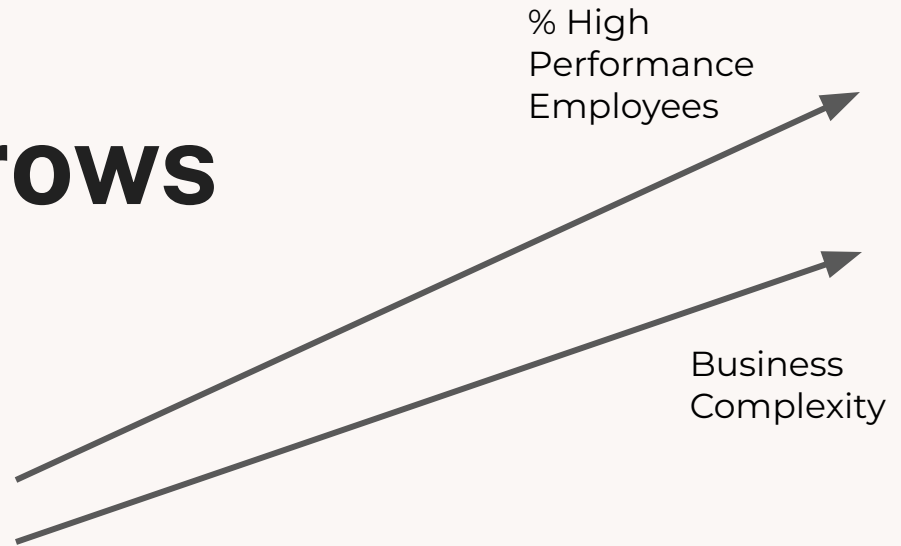


# Chaos results

Chaos and error spike here - business  
has become too complex to run  
informally with this talent level



**The key: increase  
talent density  
faster than  
complexity grows**



# Minimize complexity growth

- Focus on doing a few big things exceptionally well
- Eliminate distracting complexity (barnacles)
- Be wary of efficiency optimizations that increase complexity and rigidity



**Responsible people thrive  
on freedom and are worthy  
of freedom**

# The rare responsible person

1. Self motivating
2. Self aware
3. Self disciplined
4. Self improving
5. Acts like a leader
6. Doesn't wait to be told what to do
7. Picks up the trash lying on the floor

# **We're an insurance company... and a tech startup**

We exist in a **paradox**.

As an insurance company, we depend on good processes to do the right thing for policyholders.

As a tech startup, we fight process and complexity to innovate quickly.

Each role has unique boundaries: creative here, by-the-book there.



# Good vs bad process

**Good process** helps talented teams get more done or prevents **unrecoverable** mistakes:

- Checking photos of the property before binding a policy
- Having a schedule and sticking to it when you're customer-facing
- Letting all admins know when altering Salesforce configs
- Fully documenting each account and customer interaction

**Bad process** accumulates over time like barnacles on a boat:

- Lots of recurring weekly meetings
- Deploying code once a week to reduce disruptions
- Getting multi-level sign-offs for designs and projects
- Pre-approvals for all spending
- Looping in the whole leadership team when two could solve it

# **Question the process.**

Then commit once decided.

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*“If you want to build a ship, don't  
drum up the people to gather wood,  
divide the work, and give orders.  
Instead, teach them to yearn for the  
vast and endless sea.”*

Antoine de Saint-Exupery, Author of The Little  
Prince



The best managers figure out how to get great outcomes by setting the appropriate **context**, rather than by trying to control their people.

# Good context

- Link to company/team goals
- Relative priority (how important or time sensitive is it)
- Level of precision & refinement (a rough experiment or polished product)
- Key stakeholders
- Definition of success or key metrics

# Working in-person increases context

- Working with people face-face lets you hear chatter by the fridge or read the look on someone's face after a tough conversation
- Being in-person makes it easier to make fast, smart decisions and build bonds between people
- That's why we keep traditional office hours and why we're intentional about which roles we hire remotely

# Dumb moves

When someone does something dumb, ask what role you played in it.

**What context did you fail to set?** Are you articulating and inspiring enough about goals and strategies?



# Why manage via context?

High performance people will do better work if they understand the context.

# Investing in context

This is why we are so open internally about strategies and results.

# Context not control means:

- We share metrics and results with everybody in the company
- We explain the **why** of everything we ask for
- We question the process

# It does not mean:

- People ignore the processes they don't like
- People work whenever/wherever they want

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# Paying top of market is core to high performance culture

One stellar teammate gets more done  
and costs less than two adequate  
teammates. We endeavor to have **only**  
stellar people.

# 3 tests for top of market

1. What could they get elsewhere?
2. What would we pay for replacement?
3. What would we pay to keep that person?
  - a. Assuming they had a bigger offer elsewhere.

# Requires great judgement

Goal is to keep each employee at top of market for that person:

- Pay them more than anyone else likely would
- Pay them as much as a replacement would cost
- Pay them as much as we would pay to keep them if they had higher offer from elsewhere

# Titles are misleading

This is why we do not use salary bands:

- Lots of people have the title “Major League Pitcher” but they are not all equally effective
- Similarly, all people with the title “Senior Marketing Manager” or “Director of Engineering” are not equally effective
- So the art of compensation is answering the Three Tests for each employee



# Annual comp review

At many firms, when employees are hired, market compensation applies, but at comp review time, it no longer applies!

At Steadily, market comp always applies:

- Essentially, top of market comp is re-established a couple of times a year for high performing employees
- Comp review does not happen on the employee's work anniversary, instead, managers should answer the Three Tests for the personal market for each of their employees once a year

# No fixed comp budgets

There are no centrally administered “raise pools” each year. Instead, each manager aligns their people near the top of their personal market.

# Comp over time

Some people will move up in comp very quickly because their value in the marketplace is moving up quickly, driven by increasing skills and/or great demand for their area

Some people will stay flat because their value in the marketplace has done that

- Depends in part on inflation and economy
- Always top of market, though, for that person

# Bad comp practices

- Manager sets pay at Nth percentile of title-linked compensation data
  - The “Major League Pitcher” problem
- Manager cares about internal parity instead of external market value
  - Fairness in comp is being true to the market
- Manager gives everyone a 4% raise
  - Very unlikely to reflect the market

# When top of market comp is done right

Employees will feel they are getting paid well relative to their other options in the market.

We will rarely counter an external offer with higher comp when someone is voluntarily leaving because we should already have moved comp to our max for that person.

# Versus traditional model

- Traditional model is good prior year earns a raise, independent of market
  - Problem is employees can get materially under-paid or over-paid relative to the market, over time
  - When materially under-paid, employees switch firms to take advantage of market-based pay on hiring
  - When materially over-paid, employees are trapped in current firm
- Consistent market-based pay is better model

# Employee success

It's pretty ingrained in our society that the size of one's raise is the indicator of how well one did the prior year

- But for us the other factor is the outside market

Employee success is still a big factor in comp because it influences market value

- In particular, how much we would pay to keep the person

# **Interview elsewhere to find out your value**

It's a healthy idea, not a traitorous one, to understand what other firms would pay you, by interviewing and talking to peers at other companies

- Talk with your manager about what you find in terms of comp
- Stay mindful of company confidential information



# Big salary is efficient

Big salary is the most efficient form of comp:

- Most motivating for any given expense level
- Put all that expense of fringe benefits into big salaries, and give people freedom to spend their salaries as they think best
- Employees can decide how much Steadily stock they want versus salary
- We still offer standard benefits like health insurance and 401K because those are efficient

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**In some time periods, in some groups, there will be lots of opportunity and growth at Steadily**

Some people, through both luck and talent, will have extraordinary career growth.

# Baseball: minors to majors

Very talented people usually get to move up, but only true for the very talented.

Some luck in terms of what positions open up and what the competition is.

Some people move to other teams to get the opportunity they want.

Great teams keep their best talent.

Some minor league players keep playing even though they don't move up because they love the game.

# **Steadily doesn't have to be for life**

In some times, in some groups, there may not be enough growth opportunity for everyone.

In which case, we should celebrate someone leaving Steadily for a bigger job that we didn't have available to offer them.

# Three conditions for promotion

1. **Job has to be big enough**
  - a. Even with the person devoting all their energy to the role, there would still be more to do.
  - b. Doesn't create an unneeded role to satisfy the desire to promote someone
  - c. Maintains a flat org structure with thin management.
2. **Person has to be superstar**
  - a. Could get the next level job here if applying from outside and we knew their talents well
  - b. Could get the next level job at peer firm that knew their talents well
3. **Person is an extraordinary role model of our culture and values**

# Development

We develop people by surrounding them with stellar colleagues and giving them big challenges to work on. In other words, we give people the opportunity to develop themselves.

Mediocre colleagues or unchallenging work is what kills progress of a person's skills.

# **We don't have formal “career planning”**

Formalized development is rarely effective, and we don't try to do it e.g.

- Mentor assignment
- Rotation around a firm
- Multi-year career paths

We want people to take initiative for their own career growth, and not rely on a corporation for “planning” their careers.

Mentor relationships are great when they form organically; cultivate them over time.



# We support self- improvement

High performance people are generally self-improving through experience, observation, introspection, reading, and discussion

- As long as they have stellar colleagues and big challenges to work on
- We all try to help each other grow
- We are very honest with each other

# **Your economic security is based on your skills and reputation**

We try hard to consistently provide opportunity to grow both by surrounding you with great talent.

# **We're pragmatic about remote hiring**

- Sometimes the pool of stellar talent isn't big enough locally
- We benchmark the value of in-person work for each role on a scale of 1-Medium to 4-Extreme
- Then, we raise the hiring bar for remote in proportion to the benchmark
- We don't backtrack: once someone's hired remote, we won't require them to move to keep their job

# Remote hiring (cont.)

- We advertise 1-Medium roles (like sales) as remote-friendly because the odds are good we'll hire that role remotely
- For the roles scored 2, 3, and 4, we don't proactively look outside of Austin/KC, but we consider remote candidates who are exceptionally strong
- People-manager roles are presumed to be a 3-Very High or 4-Extreme in-person score
- As a result, we've hired many individual contributors remotely and the majority of managers in-person

**We will keep improving  
our culture as we grow  
and get better at  
seeking excellence.**

**STEADILY.**