

Masters of Scale Episode Transcript – Melanie Perkins

“The secret power of onboarding, w/Canva's Melanie Perkins”

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PRODUCER: Hmm where is it? *How to Win Friends and Influence People?* Hmmm no. *The 7 Habits?* Nah. Ah, okay, *How to Improve Your Memory.*

RON WHITE: How many times have you shook somebody's hand and two seconds later, you're looking at them and you don't remember their name?

REID HOFFMAN: That's Ron White. He's a memory expert, with courses, seminars – and [a YouTube channel](#) – on how to improve your memory. Which is good news if, like me, you've ever met someone at a party and forgotten their name in the middle of talking to them.

WHITE: It's not because you got a bad memory. Your brain is not hearing a name and forgetting it two seconds later because you have a bad memory. It's a problem of focus. You're not listening. You're thinking about, what do they think about me? What do I think about them? Have I seen them before? And you've got all this chatter going around in your brain.

HOFFMAN: Ron has some quick advice for getting past that party-pooping faux pas.

WHITE: Whenever you're meeting somebody, before they say hello, ask yourself the question: What is their name? What is their name? What is their name? What is their name? Now don't say that out loud because they're going to think you're a weirdo. But ask yourself the question. Why? Because it's going to focus your brain.

The reason we remember a face and not a name is because we saw the face. We never saw the name. The mind remembers what it sees. So visualize everything that you want to see. If their name is Lisa, visualize the Mona Lisa. If you want to memorize it's the War of 1812, imagine a dozen eggs and the soldiers are fighting with eggs.

HOFFMAN: But Ron himself can do a little better than putting faces to names at a work mixer or high school reunion. He's been training for 30 years. He's memorized the entire U.S. Constitution. He once held the record for memorizing a randomized deck of cards, in one minute 27 seconds. He even created a system to beat the Simon memory game.

You remember Simon – the memory game that looks like a flying saucer from the 1970s.

WHITE: I have a YouTube channel where I put out memory training videos all the time. I thought, what does everybody understand about memory? They understand the Simon

game, where it flashes colors, red, yellow, blue, green, and then you have to try to see how many colors you can memorize.

HOFFMAN: If you want to know how to do THAT, find “Ron White, Memory Expert” on YouTube. But Ron hasn’t devoted his life to improving his memory just for the sake of parlor tricks.

WHITE: I’m a veteran of the war in Afghanistan. When I got back from Afghanistan, I memorized everybody who died in the order of their death. And I travel around and I write it out on a wall. It’s 7,000 words, it’s 52 feet long. It takes 10 hours to write out these 7,000 words.

And whenever people hear those things, one of the natural assumptions that they make is, wow, this guy must be a genius, or he must be born with a special ability that I don’t have. And nothing is further from the truth. I could not be more of a normal brain, normal IQ, normal, average guy. Everybody thinks, everybody thinks: “I have a terrible memory. I am no good at names. I am no good at studying. I can’t remember.” Well, everybody thinks that, but everybody can get better.

HOFFMAN: And Ron wants everyone to get better. He’s mastered the art of turning casual viewers into eager students – by giving them a reason to believe.

WHITE: Somebody said to me yesterday, “Ron, do you have a special gift?” I said, “Well, if you’re talking about memory, no, I don’t have a special gift. If I have a special gift, it is discipline. It’s the discipline that I sat down and actually mastered this system. But if anybody will sit down and do it, they can get great results from their brain.” So one of the greatest things for me for onboarding and kind of building a following was making it fun, giving them a challenge, letting them see the end.

HOFFMAN: You probably know “onboarding” as a sort of dry HR term for adding new employees to a company. If you’re in software, you might know it as adding new users to your platform. Onboarding is those things ... but it goes much deeper.

I believe that onboarding is a hidden key to lasting success. It starts with quick wins – and results in long-term buy-in. And it isn’t just for employees.

[THEME MUSIC]

HOFFMAN: I’m Reid Hoffman, cofounder of LinkedIn, partner at Greylock, and your host. And I believe that onboarding is a hidden key to lasting success. It starts with quick wins – and results in long-term buy-in. And it isn’t just for employees.

I want you to take a moment and think back ... back ... to the very first time you listened to this show. And if it’s your very first episode, welcome!

There was probably a moment when you realized that our format is a little different.

- Each show is organized around a theory of how companies scale.
- Each guest shares stories to bring that theory to life.
- Additional cameo guests appear – to help cement the theory in your mind.
- And sometimes ... just sometimes ... we break into song.

If this is your 78th episode, these things are now pretty obvious. But a brand-new listener might have a few questions.

LISTENER: Why doesn't Reid just let the guest talk?

LISTENER: Who is this episode even about? I was listening to one guest but then all of a sudden, it's another?

LISTENER: Ugggh STOP with the sound effects already! We know what the Simon game sounds like!

HOFFMAN: There's a reason we structure our show the way we do. Our mission is to democratize entrepreneurship – for leaders at every stage from student to CEO. And we know that people learn in different ways. Some learn through ideas – and the more concrete we make the ideas, the more they'll stick. Most people learn best through human stories. And the more visual or sensory we make the stories, the more they'll stick. Like Ron White, the memory expert, pointed out, "the mind remembers what it sees."

So all this – the music, the metaphors, *me talking to you right now* – it's all a way to frame the content so you can use it in your own life.

But be honest, it kind of helps to know that. Right? It helps to know, right at the beginning, what to expect. So you can feel smart, instead of stupid or bewildered. And in creating this episode, it occurred to us that it might have been useful if we had just told you all that up front 78 episodes ago. But like all the products we talk about on the show, Masters of Scale is a work in progress.

And this leads us back to onboarding. The process of laying out expectations, getting rid of confusion, giving someone a quick "win" because now they "get it" – that's all onboarding. And it really doesn't get the attention it deserves. It's how customers learn to use your product, it's how employees learn the ropes, and how everyone from investors to vendors learn your mission and culture.

And it's steadily progressive, just like a game of Simon. People don't just stay "onboarded" at the same level forever. If you do it right, they'll go deeper and deeper, and they'll stay with you, maybe for life.

I wanted to talk to Melanie Perkins about this, because as the cofounder and CEO of Canva, successful onboarding of every kind has been core to her mission. Canva is an online design

platform with 40 million monthly active users, and over three billion designs created — that’s 80 new designs every second.

Melanie co-founded the company with her partner Cliff Obrecht specifically because of how painful it was to get onboarded to the popular design software of the late 2000s. If the phrase “scalable vector graphic” strikes fear into your heart, you may already know what I mean.

I reached Melanie remotely, the way every interview has been conducted during the pandemic. Melanie’s in Australia, marking Masters of Scale’s first-ever Zoom across the Pacific.

HOFFMAN: So I’m here for Masters of Scale with Melanie Perkins.

MELANIE PERKINS: Thank you so much for having me on. It’s very exciting to be joining you from Down Under.

HOFFMAN: Melanie grew up in Perth, on Australia’s Western coast. It was there that she and her two siblings got their first taste of entrepreneurship.

PERKINS: I was about 15, and I made some scarves, and I sold them at women’s boutiques. And I would get incredibly nervous and call up these shops and sell these scarves that I’d handmade. And I put little handmade tags on them because I thought if I had a tag, it would help them to forgive any of the little difficulties, the little errors that I’d made.

HOFFMAN: Melanie’s mom had urged her to start this small business — and she had a bigger plan behind it.

PERKINS: My mom, she encouraged us three kids to start our own teeny little businesses. Even though it didn’t make a lot of money, I learned, firstly, that I could take on something that was really scary and then succeed. And it also meant that I could make a business myself rather than having to just purely work for someone else.

HOFFMAN: What I love about this teeny business was the way it onboarded Melanie to the ins and outs of running a business. Her mother knew that the success or failure of the scarf trade really didn’t matter; it was the confidence and experience that would stick. For Melanie, it was a first step in a lifelong journey of entrepreneurship. She started her next business while a student at the University of Western Australia. She tutored her peers in design programs like Photoshop, and the programs proved hard for her students to crack.

PERKINS: I didn’t mind the complexity of the programs, but the change was seeing other students struggling. They were really, really complicated. They would take a whole semester just to learn the very basics of how to use the software, where the buttons were. It would take an absurd number of clicks just to learn to do the most simple of things. And it seemed completely ridiculous. And at the same time, Facebook was taking

off. And it was like, why is it so complicated to create a design? Why do people have to study for such a long time to be able to do the basics? Whereas on Facebook, people could just jump on Facebook and start using it straight away without having to have gone through this incredibly long period of learning ahead of that.

HOFFMAN: This insight would be Melanie's 'aha moment' – how had Facebook made it so easy for new users to get on board? And why couldn't a graphic design program do the same? Because a long, frustrating ramp-up to proficiency isn't just inefficient – it's actually discouraging. When someone has a bad onboarding experience, it can turn them off not to just that one piece of software, but to an entire creative path.

PERKINS: At the time, I think it was \$1,200 to purchase software, which was completely absurd and out of the reach of pretty much most people and certainly students and nonprofits and so many small businesses that desperately needed it.

And I was like, surely in my futuristic world, in my head, people are not using this archaic software. People are using things that are seamless and it enables them to achieve their goals really quickly and efficiently.

It was really apparent that the entire design industry was going to be different in the future. It was going to be online and simple and collaborative. And that was going to apply to absolutely every design type.

HOFFMAN: Melanie expected that someone else was going to design that future she envisioned, any minute. The software she pictured would make user onboarding painless, and fast. So when it didn't happen, she decided to create it herself.

PERKINS: Once I had it incredibly clear in my mind's eye that this is where the world was headed, it seemed a logical step to start the business. But at that point in time, I was 19 and I had very little business experience other than my scarves, and very little marketing experience.

HOFFMAN: Melanie recruited her boyfriend, Cliff Obrecht, to help her.

PERKINS: I actually went in an inventor competition because that was a lot more popular than startup competitions in Perth, in 2008. And my entry was called the world's most sophisticated multi-user online publishing system. So I was trying to sound very inventor-y at the time.

HOFFMAN: Melanie and Cliff wanted to take on the entire design market. But with no software engineers and not a lot of capital, they took a page from Onboarding 101 – start simple, and work your way up. So they did, with the yearbook.

PERKINS: We intentionally tackled the niche market of school yearbooks because we didn't have the resources or experience to tackle the entire market at the start, enabling schools to create their yearbooks and getting them printed and delivered to the school dorm.

HOFFMAN: Melanie and Cliff founded their first company together, Fusion Books, as proof of concept for the most important tentpoles of Melanie's design philosophy:

PERKINS: It was going to be online and simple and collaborative.

HOFFMAN: But early on, Melanie and Cliff also recognized that making the tool simple wouldn't be enough. They would have to make it so intuitive, the user learning curve all but disappeared.

PERKINS: When we launched Fusion for the first time, the whole point was it was drag and drop. That you can drag and drop everything onto your page. But we noticed that a lot of people clicked. And so of course, it was really critical that we enabled people to click things and for it to land on their page.

HOFFMAN: They owed this insight to intense observation of their customers. Intense as in, one on one.

PERKINS: Every time we would give someone a new account, I'd actually call the customer and give them a walkthrough, or my partner Cliff would do the same. And so, it meant we spoke to hundreds of people, and got a really, really deep insight into what it was that they needed, questions that they had, things that didn't make sense, a button that didn't make perfect sense the first time they saw it.

HOFFMAN: This handcrafted focus on customer onboarding didn't just make their product better; it made the users more likely to stick with it. Speed to productivity is the key metric in onboarding. The faster your users get good at your product, the more likely they are to stay.

On the other hand, if they start feeling lost, or annoyed, they might just say, "This isn't for me." Onboarding isn't just, "here's how you use the thing." It's also, "here's why it's the right tool for you."

PERKINS: For a couple of minutes, we wanted to make sure people felt confident and smart and empowered, and that they could totally design.

HOFFMAN: Melanie and Cliff saw their customers gaining confidence in the platform, and in their own abilities. This led Fusion Books to take off, and soon, customers wanted to use it to tackle new challenges.

PERKINS: We started to grow. And people kept on asking us, can we use this for other things? Can we use your software to design our school newsletter? Can we use it to

design our student portfolios and all sorts of other things? We had such deep insights into the customer experience that we really wanted to take that to the bigger market and to enable everyone to design everything.

HOFFMAN: But to reach that bigger market, Fusion would need startup capital. And eventually, a new name.

PERKINS: We thought Fusion Books was a perfect name. Over the years afterwards, we realized it was a terrible name for a whole host of reasons. Like everything was called Fusion. "Books" was very limiting. And we didn't get the dot-com. So, we spent a whole year trying to find a name. I loved the idea of Canvas. And I liked the idea of Canvas Chef, because it's sort of like you'd have all of these high-quality fresh ingredients and be able to throw them in the pan and be able to create something wonderful really quickly. I liked that name. I got feedback from other people, it's a little dorky. Eventually we were sitting there and we had a French engineer. We're like, "What's canvas in French?" And he was like, "Canva."

HOFFMAN: So now you're doing this other thing, which is, well, don't know how to market, we'll learn how to market. Don't how to build global software, we'll learn how to do it. What were the first steps in pulling Canva together?

PERKINS: I think that what you just described is what I like to call "just in time learning." I feel like every single lesson that you learn in a startup is just in time or sometimes just after you needed to know it. We had already built Fusion, but when we wanted to tackle the bigger market, we needed to firstly get investment, and we also needed to find a tech team that had the technical capacity to be able to build it out.

HOFFMAN: This "just-in-time" learning Melanie describes is part of the classic entrepreneurial journey. When you have an idea that you want to make the foundation of your company, you can't afford to spend 20 years prepping for the job you want one day. By the time you're ready to start, someone else has long since taken your idea and run with it.

Instead, you need to learn as you go, solving more and more complex problems – which in Melanie's case, meant trying to get funded.

PERKINS: The first time that I met a VC, one had flown over from Silicon Valley to Perth, Bill Tai, and I had a little conversation with him after a conference.

COMPUTER VOICE: Bill Tai, Silicon Valley venture capitalist.

HOFFMAN: Bill Tai had come to Perth for the Innovator of the Year Awards conference. Afterwards, Melanie grabbed a moment to get in front of him.

PERKINS: He said if I went to San Francisco, he'd be happy to meet with me. So I went over to San Francisco, I met with him, I presented my vision, which was the future of publishing.

HOFFMAN: Melanie's first meeting with Bill Tai would be a perfect example of the "just in time learning" new entrepreneurs find themselves doing. Melanie had learned how to onboard users to a new platform and learn a new skill set. Now, she was the student, learning how to onboard investors. And there was a bit of self-teaching going on.

PERKINS: I happened to learn, apparently, if you mimic someone's body language, they'll like you more. And I was doing absolutely every single thing I possibly could to get Bill to like me and like my business and like my vision for the future of publishing. And so, while I had my ridiculous paper pitch deck sitting there in the cafe trying to explain how we're going to beat all these big companies and really make a difference here, I thought that I also should mimic his body language to help him think that I was more on the same page.

He kind of leaned forward and you lean forward, and he leaned back, and you lean back, and it seems like you're totally cool, and totally nailing it. And then he put his arm behind his chair. And while I'm trying to like eat my lunch and flip my paper pitch deck, I just couldn't, I could not put my arm behind my chair, it was the most awkward thing in the whole world. I don't know if it helped.

HOFFMAN: As someone who has been on the other side of those meetings, I can tell you that these attempts don't usually work – though they are often taught in sales and negotiation classes. It depends a lot on the intent behind them. I'll share with you a related story I recently told one of our producers. His name is Jordan.

HOFFMAN: A bunch of people go to these Dale Carnegie classes about "How to Win Friends and Influence People." And one of the things that they tend to teach in the Dale Carnegie classes, use a person's name. So it'd be like, "Hey Jordan, your feedback is really good today." And Jordan, I actually think that the trim that you've given on your beard is well." And the problem is, when people do this very simply they tend to go one, Jordan, let me talk to you about this again. And Jordan and you go, "Whoa!" Right? And one of the probably most entertaining exchanges I've had is an entrepreneur who had clearly gotten to a Dale Carnegie class or read a Dale Carnegie book was using my name in every third sentence or so, like, "Reid, dah, dah, dah, dah. Reid dah, dah, dah." and so I said, "Oh, so you like Dale Carnegie, do you?" He's like, "Yeah, I really do." But you're like, "You didn't understand what I was telling you." The natural question would be, "Why did you ask me that question?" Right? Because it would be like, "Because you're saying my name too much."

HOFFMAN: Melanie wasn't making that mistake, even if her mirroring felt a bit awkward. Actually some natural mirroring does establish rapport because it allows you to be in sync with

the other person's mood. And that can create the feeling of a shared experience. It actually can trigger some buy-in under the right circumstances. Unfortunately, in this case, it didn't look like it was working.

PERKINS: He seemed to be on his phone texting the whole time. I felt like an absolute disaster. After the meeting, I got home and had seen that he was actually making introductions to a lot of other people, which was pretty damn cool.

HOFFMAN: This was a key moment in Canva's journey... and it brings us to a kind of onboarding we don't always talk about in this way. And that is onboarding *investors*. Your pitch is actually your first piece of onboarding, frequently before you have a single customer. It's your job to make it easy for them to understand the problem you're trying to solve, and the solution you're offering.

PERKINS: In the early days, investors very much self-selected. Early investors that believed in our vision would actually invest. Everyone else would reject us. We really just came in and were like, "We have this wonderful plan, this wonderful solution." But because the investors didn't know anything about design, they didn't care about the market, they didn't think it was a big market. And so, we realized quite quickly that we couldn't just go in and tell them that wonderful solution that they didn't care about. It was really critical to have a big buildup. This is a huge market that affects so many people. And we have the solution to this problem that you didn't know one minute ago that you cared about.

HOFFMAN: It matters that your pitch to investors onboards them not just to the 'what' of your company, but the 'why.' Start by giving them a quick win. Make your investment thesis clear. Present the most compelling hook of your business as soon as you possibly can. And it's important to understand how investors think. As Melanie learned....

PERKINS: Even though we'd been a startup, we didn't know anything much about startups or venture capital or that there was this whole world. I didn't really understand, when someone says I will fund you, that didn't mean that they were going to fund your entire company for the rest of its lifetime. What it actually meant was that, "I would be interested to participate as an angel in a larger round that you need to put together."

HOFFMAN: What I love about that story is how upfront Melanie is about what she didn't know. She admits what many first-time founders try to hide: that they knew almost nothing about fundraising before they started. They have to onboard themselves to the world of finance at the same time they're onboarding investors to their mission.

For Melanie, her next learning moment was finding a chief technology officer. Melanie and her team were working with a high-powered advisor: Lars Rasmussen, cofounder of Google Maps. If Lars signed off on their new hire, so would investors like Bill Tai.

PERKINS: He knew that we needed to have a very high technical bar. What that actually eventuated was a whole year of him rejecting every single candidate that I brought him because no one was up to the standard that we needed.

Every time he would reject someone, I'd be like, okay, I'm going to go to another conference. I'm going to go speak here, I'm going to email someone. I'm going to go to a hackathon weekend, just literally doing anything I possibly could to try and find the right people. And then he'd be like, nope, they're just not up to scratch.

HOFFMAN: I, by the way, know Lars, so I totally understand how this conversation goes.

HOFFMAN: This was a frustrating cycle, to be sure. But it was also necessary. A strong CTO is so foundational to creating a technology company that investors will buy into. And it's important even if funding isn't on the line.

Think back to what we said about onboarding users. You're not just educating them, you're enticing them. Well, that's true tenfold when onboarding a core team member. You're asking someone to believe so much in your vision that they're willing to commit the next years of their life to it. The amount of buy-in is huge.

Eventually, that person appeared, and Cameron Adams became Canva's Chief Product Officer and third confounder. It was the acceleration they needed to get buy-in from the other investors, and more and more got on board.

PERKINS: And so it was actually, we ended up with like 20 or 30 investors in that first round.

HOFFMAN: Including Melanie's first target investor, Bill Tai.

PERKINS: Quite far into the round, then Bill was like, okay, I'm actually going to invest now.

[AD BREAK]

HOFFMAN: We're back! With Melanie Perkins. When we last left her, she had secured her first round of funding for Canva. Their small, but growing, team was developing Canva's software to deliver on a central promise: make design easy, collaborative, and online. Which is another way of saying, make it easy for new users to get on board.

PERKINS: We had been developing Canva for a year, and we had spent all this time and effort trying to make sure that the product was as perfect as we possibly could get it. And that was a year after all the other years of trying to get investors and VCs and our team members to join. So, this had been a long time in the making. And we're thinking, okay, we're almost ready to launch.

HOFFMAN: But Melanie and her team were about to hit a new level jump in difficulty.

PERKINS: We watched user testers use the product. And all of a sudden, we realized, people were scared to touch buttons, people were scared to drag and drop.

HOFFMAN: This was a surprise to me when I heard it. With a brand-new design product, I might expect some user frustration. But “scared” is a strong reaction when you’re talking about slide decks and fonts. Why would a design platform cause, not just confusion, but fear?

But to Melanie, this reaction made sense.

PERKINS: People had been told their entire lives that they weren't creative, that they didn't have a design bone in their body. And all of a sudden, they were put with this tool, and they were scared to actually use it. And so, we had to spend a lot of time refining that user experience when people first jumped into the product, to ensure that when people came in, within a couple of minutes, they were having fun, they felt playful, they felt that they could actually do this. And then very importantly, they would share it with their friends and their social networks.

HOFFMAN: Bringing users from a state of fear to a state of play. This is a great way to think of the user onboarding experience. We often think of user onboarding as a way of bringing them up to a target level of competence. Because you can't really unlock a product's benefits until you know how to use it. But that process has to, at some level, feel fun. Otherwise, you'll get user churn, as they leave as frustrated as the college students Melanie used to tutor.

Melanie knew that her team needed to find a fix, fast.

PERKINS: We launched something called the Five Starter Challenges. And those were really simple things, like change the color of the circle to red, put a hat on a monkey, all these tiny little games I guess. But every time someone did it, they felt confident and they got a little spark of joy, and they're like, I can do this. And then they'd move to the next one, and they'd feel a little bit more confident each time. And so, in just a couple of minutes, they'd be sharing it on social media, and also feeling a lot more confident in their own ability.

HOFFMAN: That “little spark of joy” is super important to onboarding users successfully. It's a bit of overt gamification... and that's okay. Getting to a state of play should feel more like a game, and users tend to expect it in their experience of a new platform.

You can actually see this kind of innocent gamification on LinkedIn, with the Profile Completeness Status bar. The more sections of your profile you fill in, the closer to 100 percent you score. It's a simple way to get users to find, and use, all of the profile features without putting them through a tutorial. There's a feeling of satisfaction we get in seeing our status bar

reach 100 percent. Is it gamification? Yes! And that's fine, because it benefits the user. It teaches them how to use the platform in a joyful way.

Ron White, the memory expert we heard from at the top of the show, uses some gamification too.

WHITE: I do martial arts, I am a purple belt in jujitsu, I've taken other styles of karate. So I gamified memory training. And I call it becoming a black belt in memory. So they take the first couple of lessons, the most basic stuff, it's the white-belt level. And then when they learn a little bit more then I tell them, "Hey, this is yellow-belt-level stuff. Hey, this is orange-belt-level stuff. This is purple belt. This is brown belt. Ah, you are now a black belt in memory."

And I even give people a certificate when they finish, you got your black belt memory certificate. So one of the greatest things for me for onboarding and kind of building a following was making it fun, giving them a challenge, letting them see the end.

HOFFMAN: With this same kind of playful approach to onboarding, Canva's user base has scaled quickly since its official launch in 2013. By 2014, Canva reached a million users. Today, they have 40 million monthly active users across 190 countries. But they still user-test. A lot.

PERKINS: We've had over a million pieces of customer feedback, which gives us a lot of insights. And then we have a whole team of people that are just reading this feedback and then reporting it back into our teams.

I spend a great deal of time reading that myself. I spend an incredible amount of time user-testing our product. So, actually watching people and listening to people use the product. If they click a button and they expect that button to work in a certain way, we want that button to work in the way that someone expected. Because the person is never wrong, it's always the software.

HOFFMAN: Remember, at Fusion Books, Melanie and her team had learned to make an object clickable and draggable because that's what the customer intuited was right. At Canva, the same rules apply.

It's about more than getting to a better product design. It's about making sure the product design is having its intended effect – if it's getting users to buy in, stick around, and learn the platform.

Broadly speaking, Melanie is right: the user is never wrong, it's always the software. BUT, you could also say the user's instincts change with their expertise. You can almost go to the classic medieval guild structure for an analogy:

Apprentice, journeyman, and master.

You want your users to get to master status, but you obviously can't start there. So it's a unique challenge to build something that lets the apprentice buy in right at the beginning ... and keeps the master user engaged.

To do this, you'll have to scale your workforce, which introduces another type of onboarding altogether.

PERKINS: We have 1,000 people now at Canva. More than half of that is in our product org alone. And so, we have them user testing their products every day, every week, trying to make sure that we're continuously refining that experience.

HOFFMAN: I think there are some parallels between how you onboard customers in the product and how you onboard employees, because you think a lot about the, kind of, what's the simplest set of ways that you can get started, that you can get aligned with the design capabilities for everybody. How do you do that in terms of onboarding employees?

PERKINS: One of the critical things is to get them to be really deeply across our vision and where we're trying to go. So we actually take our new team members through our future pitch deck. It's the same decks that we're taking our investors through, so everyone has a really clear picture of where we're going.

HOFFMAN: We said earlier that a key metric is speed to productivity. That's something that onboarding users and onboarding employees have in common. Training new employees is typically one of the most expensive processes a company will ever take on. The longer it takes, the more costly it becomes.

And like in user onboarding, a slow and frustrating climb to proficiency can hurt the employee experience. You don't need to fight to get buy-in with employees the same way you do with users, because new employees tend to already be motivated. They want to succeed, they want to get paid, and they want to advance within the company. But if you thwart this natural enthusiasm with a bad onboarding process, it can wane. And suddenly your employee is wondering whether this is the right place for them after all.

For a perfect example of this, think of a new waiter at a restaurant, learning the menu.

NEW WAITER: The specials of the day are... pasta... lobster ravioli... pasta primavera and... ummmm – sorry, it's my first day.

HOFFMAN: Some restaurants make the waitstaff learn the entire menu before they're even allowed on the floor. Others throw them into the deep end on their first shift.

PICKY CUSTOMER: Are the eggs farm-raised? Is the salmon cruelty-free? Does the pasta have gluten? Actually does anything have gluten?

NEW WAITER: uh... sorry, let me just ask my manager...

HOFFMAN: Canva has tried to strike the perfect Goldilocks balance of onboarding that's challenging, inviting, and fun.

PERKINS: So we spend a lot of time trying to perfect the onboarding experience for our team members. When they go to their desk, we have their laptop set up, a balloon set up on their chair. We have all sorts of little gifts and swag to try and make that very first moment a really wonderful experience for them.

We have an onboarding bootcamp. It's a couple of weeks. You meet specialties across the organization. Our vision talk is part of the bootcamp.

HOFFMAN: Melanie and her cofounders have taken their handcrafted approach to onboarding users, and applied it to employees too:

PERKINS: We go through a little bit of Canva history, and then we deep dive into the investor pitch decks. That's not the royal we. That's Cliff, my co-founder, and I. Cam, our other co-founder, runs a different session as well.

HOFFMAN: This reminded me of when Cliff and Melanie would call each new user of Fusion Books, personally. It's time-consuming work that's often delegated down the chain. But the hands-on, personalized approach to onboarding works for employees too.

PERKINS: We do it monthly, and then, we sometimes do it more frequently depending on how many people there are as well. I've done that pitch deck thousands of times, I think. And then at the end, they actually have a ceremony and it's just a little bit of fun.

HOFFMAN: In the end, getting workers to full productivity is only the first part of employee onboarding. The second part is giving them the feeling that they are fully integrated into the team. This is where good cultural practices and good onboarding practices meet.

PERKINS: Starting at a new organization or at a new company is often quite intimidating and filled with a lot of emotion. And so we want to help people to feel part of the team straight away, to really get to know our culture.

HOFFMAN: There's also another practice Melanie told me about that combines onboarding with ongoing investment in good culture.

PERKINS: Every three months we do something called a season opener. We get the entire company together for the entire day, and we get each of the groups we're talking

about, their big goals that they're driving towards. They often show you our future mocks, future designs, and really paint the picture of where they're going.

HOFFMAN: I've talked to other guests before about the value of frequent celebrations to strengthen teams. But I found these quarterly session openers really interesting. It reminded me of Y Combinator demos in the sense of showing off, "Here are our bigger ideas and what we're thinking about."

PERKINS: One of our values is to set crazy big goals and make them happen. And then when they happen, we have a hilarious celebration. So, when we launched our paid products for the first time, we released doves. Like literal doves, it was hilarious. When we launched in Spanish, which was the first international market that we launched in, we had a little La Tomatina festival where everyone threw tomatoes.

HOFFMAN: Like most other social activities, these season openers have had to adjust to COVID times.

PERKINS: It used to be in-person, in each of our offices, but now we do it online, and we send everyone a box. There are always very clear labels on the outside that says, "Do not open." And so, everyone has these boxes that they're not allowed to open, that are sitting in their home. And everyone's always like, "What's in the box?"

And then, the season opener comes, and we have this moment where the whole company unboxes their box, and then there's often envelopes inside or secret clues. And then throughout the presentation, we'll have an announcement. We'll be like, "So we just hit this really exciting milestone. And the milestone is... Open envelope number one." And then people open the envelope, which is a bit of fun.

And then we'll have some treats in there for people to eat throughout the day. Last time, we had an origami challenge. So the whole company was doing an origami challenge and posting it on Slack. It's just little fun things that help bring the company together. And I think that that element of physicality is quite wonderful because as everyone's feeling distant, you don't want it just to feel like another Zoom call.

HOFFMAN: This may sound like gamification in the employee experience, but I actually think it's a bit different. Because you don't really want to gamify employee onboarding in an obvious way. It can make the employee mistrust your intentions, or even alienate them. Instead, you want to do things that make them feel like they are included inside the tent, versus being acted upon. Incentifying progress with celebrations is fine – tomato-throwing and origami-folding and all. As long as the incentives make the employee feel like a more integrated part of the team.

PERKINS: I think that trying to create that shape and create that little moment of pride for people when they join a new company, is a lot of fun and really critical, I think.

HOFFMAN: And that's why I was interested to learn that these season openers are not just for employees – they're for investors too.

PERKINS: We onboard investors in a similar way of saying the pitch deck, and then, coming to our season openers. They're joining in and watching our team. It gets quite elaborate.

One of my favorite quotes in the world is “happiness is when what you do, what you think, and what you say are in harmony.” We're telling the investors the same thing as we're telling our team, as we're telling everyone else. I think that that really helps to make sure that things are moving in alignment.

HOFFMAN: If you look at your company's growth through the lens of onboarding, it becomes so clear how important it is for scale.

ONBOARDING SONG:

Onboard yourself to an en-tre-pre-nurial way
Bring on investors that can help and will want to stay
Build a product that brings users fast
Do it well and your company will last

New markets you're moving towards
You gotta gotta get
ON BOARD

You gotta get
ON BOARD

Bring everybody in to the situation
incentivize the progress with a celebration
Integrate into the group before you get a reward

User experience from end-to-end is the key
Leave them feeling smart and confident and tweet-worthy
That special moment, it's a customers dream
As an investor, user, partner or even employees
switch your self on plug in the cord

You gotta gotta get
ON BOARD

You gotta gotta get
ON BOARD

HOFFMAN:

- First, you onboard yourself to the entrepreneurial process.
- Next, you onboard investors that can help you get started.
- Next, build a great product that does a great job of onboarding users fast.
- Do THAT well, and your company grows, so you must onboard many new employees, and new investors too.
- Do THAT well, and you can do things like onboard new features – new corporate partners –or even new market sectors.

PERKINS: We're tackling 20 different industries at Canva, trying to combine them all together, make a simple integrated experience that feels like one unified experience for the customer. At the same time, as each of the different industries we are tackling are in their own right, a really large industry. So, we're trying to tackle design products and collaboration products and stock photography and illustrations and templates. And, trying to take all of that and put it together.

HOFFMAN: Canva is now onboarding partners that will help realize that 20-industry goal.

PERKINS: So, there's many places on the internet now where they've got the Canva button. And so you click the button, it pops up Canva, and they can create a design and they click publish, and it goes directly back to their site, and it takes about five seconds. And you'll be seeing that rolling out on some very well-known sites in the not too distant future.

HOFFMAN: Ultimately, onboarding partners is all about creating an end-to-end user experience that will make their customers happy as well as yours.

PERKINS: I mentioned before about onboarding. For a couple of minutes, we wanted to make sure people felt confident and smart and empowered, and that they could totally design. But we also apply that to our packaging. So when you get a print product delivered to your door, as we just hit 500,000 people who have had their print printed and had it delivered to the door. We wanted to ensure that it's a really exciting moment for people. So when they open it, there's a beautiful quote in it, and it's really designed to be tweet-worthy. So people take a photo and then tweet about it or share it on social media. And so trying to create that really special moment that is an exciting, elevated moment, has been something that we've been really working on with our customers. And then really working on with our team.

HOFFMAN: At its best, onboarding – whether it's users, employees, investors, partners, or even yourself – goes far beyond that first quick win. It's a disciplined act of continually reaffirming “buy-in.” When you get it, that's when you know you've truly onboarded them for the long haul.

I'm Reid Hoffman. Thanks for listening.