

## Masters of Scale Episode Transcript: Paul English

"Always be recruiting"

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**ARSHAY COOPER:** I remember walking into the lunchroom, and I see this boat. And I've never seen a boat before. I didn't know how to swim. They were asking everyone to join the crew team, and right away, my answer was no.

**REID HOFFMAN:** That's Arshay Cooper. He's an author and motivational speaker. But back in high school, he was a Chicago kid who had never seen a boat. Until one day he walked into the cafeteria, and there it was: bright white and 34 feet long. Behind it played a video of Olympic athletes rowing, brought in by recruiters. And beside it? Recruiters from a local rowing team.

**COOPER:** No one on the TV screen looked like me, and it was just so foreign that I said no to the opportunity.

**HOFFMAN:** Arshay wasn't the only student who said no. So the recruiters changed tactics.

**COOPER:** I came back the next day, and there was pizza, and I'm a sucker for pizza.

**HOFFMAN:** But it takes more than pizza to get kids to fall in love with the sport.

**COOPER:** The first time on the water they pushed us out, and everyone was afraid. I mean, we had these guys that were used to the craziest things that happened on the west side of Chicago. And we were all in the boat, and people were crying, they wouldn't dip their oar in the water. And they pushed us back into the dock, and we didn't go for a row that day.

**HOFFMAN:** Arshay's coaches kept encouraging their young team to push out again.

**COOPER:** "Sit tall. Breathe. You belong here. One catch at a time. Follow the person behind you."

It becomes a sport of meditation, a sport of competitiveness. And you're following the person behind you, and you just hear the blade slapping the water.

And you're like downloading that serenity. And that was like our true introduction to wellness.

**HOFFMAN:** He eventually became captain of the country's first all-Black high school rowing team.

**COOPER:** The next thing you know, I went from this kid who didn't have much dreams and ambitions to walking through Ivy League schools and regattas with my teammates from the west side of Chicago.

**HOFFMAN:** He would go on to help found more crew programs in low-income communities around the country.

**COOPER:** My vision is to make sure the sport reflects the diversity in this country. And so I go to schools, I go to boat houses, and I help them to diversify their programs.

We give academic support and college recruitment support. It's been awesome. It's not really about just being fast. It's about developing great humans through sports and through team.

**HOFFMAN:** The way Arshay talks about rowing doesn't just inspire young people, it also may have just inspired you! That's the incredible power of recruiting. It connects amazing talent with opportunities they might not otherwise see.

But it's also not something you do just once. Recruiting is a constant drumbeat. And that goes extra when you're hiring at scale.

That's why I believe you should always be recruiting. The more your business scales, the more tempting it will be to delegate this task to others. Resist that urge! And never stop personally scouting for your next 11-star employees.

### **[THEME MUSIC]**

**HOFFMAN:** I'm Reid Hoffman, cofounder of LinkedIn, partner at Greylock, and your host. And I believe you should always be recruiting. The more your business scales, the more tempting it will be to delegate this task to others. Resist that urge! And never stop personally scouting for your next 11-star employees.

Take a moment and consider the carnival barker.

What image comes into your mind?

Maybe a gentleman in a red-and-white striped jacket, and a wide-brimmed straw hat? He's yelling about a unique specimen of nature that happens to be just inside this tent.

**CARNIVAL BARKER:** "Step right up! And see the amazing three-tailed mermaid!"

**HOFFMAN:** Or he's inviting you into a skill game that's ever so slightly rigged...

**CARNIVAL BARKER:** Try your hand at the ring toss, folks! Just five dollars gets you five throws!

**HOFFMAN:** It's an aggressive sales pitch. And it's probably not the tone you want to take in your own business. But the carnival barker doesn't stop. They keep up their spiel for hours, drawing in crowds from all corners of the fair.

When it comes to recruiting, I don't recommend you become a carnival barker...

**CARNIVAL BARKER:** Step right up, step right up to the HR Department. Try your hand at the amazing Marketing Associate position! 45 hours a week gets you \$60K plus full health coverage!

**HOFFMAN:** But I do think you should borrow this one page from the barker's playbook. Hiring and recruiting is a constant need, not something you can check off the to-do list once your key leadership is in place. You should always be recruiting – not just for the jobs that you have open right now, but for the ones that will exist next year, and the year after that.

This is not a task you can ever fully delegate. Even if your company has the best recruiting department in the world, it's a mindset everyone – from the CEO to the assistant office manager – should carry with them.

I wanted to talk to Paul English about this because few founders are as passionate and relentless about the subject of recruiting. An entrepreneur and philanthropist many times over, Paul is best known as the co-founder of the travel search platform, Kayak. He's sold startups to Intuit and Trend Micro; and most recently, he sold the fintech company Lola to Capital One. He's currently innovating in the podcast space with his latest startup, Moonbeam. And he's got lots of ideas for more.

**PAUL ENGLISH:** I now own 256 domain names. And with each domain name I own, there's an idea for a company.

**HOFFMAN:** As a serial founder, Paul's had deep experience in making those first critical hires that lay the foundation of every company. In fact, he knows so much about this subject, he could teach a master class. So, that's just what we've asked him to do. This is your Masters of Scale Master Class in Recruiting, measured out into five lessons. As you take your business from 0-10, then from 10 to 100, and beyond, let them guide your way. Starting with...

### LESSON 1: RECRUIT YOUR INNER CIRCLE.

You might say Paul's recruiting journey started when he was in high school, and he recruited his mother to what he considered a very important task.

**ENGLISH:** I'm one of seven. I have three brothers and three sisters and grew up in a small home. And somehow convinced my mom to buy a Commodore VIC-20, which was our first home computer.

**HOFFMAN:** That \$300 computer became an all-consuming passion for Paul. He started seeking out other programmers who could help him advance his skills.

**ENGLISH:** I became obsessed with it. So I read the whole manual, and taught myself how to program. And this was pre-web, so I had to actually go to computer meetings to find other hackers who learned how to get different things out of the soundboard and how to manipulate the graphics on the screen.

**HOFFMAN:** One of the brightest stars in Paul's circle of hackers was actually his brother.

**ENGLISH:** His name is Ed English. He's most famous for having created Frogger for the Atari platform.

**HOFFMAN:** For our younger listeners, it's impossible to overstate just how massively popular Frogger was at the time. Paul's brother was a bona fide gaming celebrity. But it wasn't long before Ed recruited Paul to be a composer for games.

**ENGLISH:** I was a musician at the time. And I worked for him, and I became a sound effect designer. That's when I learned that, "Whoa, you can make a lot of money programming."

**HOFFMAN:** Before long, Paul had written a game of his own.

**ENGLISH:** The game is called Cupid. I still have the ROM chip.

**HOFFMAN:** In Cupid, the player would try to capture the hearts on the screen, without getting hit by one of Cupid's arrows. Paul had written the game for fun, but Ed saw something more.

**ENGLISH:** He said, "This is more than a toy. I think you could sell it."

**HOFFMAN:** Paul sent the game off – in red, heart-shaped tins – to game companies until one of them said yes. With his brother's help, Paul negotiated his first major sale.

**ENGLISH:** Sadly after I sold it to them, they ended up folding pretty quickly, so my game never actually made it to market.

**HOFFMAN:** Paul's first foray into entrepreneurship didn't give him quite the payout he'd been promised. But it showed him the power of recruiting the talent around you. Seeing the importance of recruiting happens naturally with most first-time founders.

When you're just starting out, and your work is unproven, you reach for the people that believe in you. Often that's friends or family. This is actually fine as long as this doesn't remain your recruiting strategy. Continuing to recruit your own immediate circle can lead to monoculture. So the first moment you are able to expand and diversify your professional network, make that your #1 mission.

## LESSON 2: SCOUT LIKE YOUR COMPANY DEPENDS ON IT. (Because it does!)

Paul learned this essential hiring lesson several years later, at his first so-called "real" job. It was at the Boston-based software company Interleaf. He started on the product development team in 1989.

**ENGLISH:** I remember interviewing, I was just a peon. I was a programmer. And someone else ran the hiring process, like, my boss's boss's boss.

**HOFFMAN:** Paul was one of about 100 programmers in a thousand-person company. But he started to get curious about how the firm handled new hires.

**ENGLISH:** How do we find these people? How do you decide who to hire, and how do you decide who gets to interview them? And does everyone who interviews them get veto power or not? How do you make a decision? I became really curious about all that, but it wasn't my company. I wasn't running the company. So I just observed it and asked some questions. It was later when I started building my own companies that I started being like, 'Oh my God, this is the only thing that matters.'

**HOFFMAN:** What Paul observed in those interviews would become a central point of his hiring philosophy. It's one you might be familiar with, if you've heard our episodes with Aneel Bhusri or Danny Meyer. (Which of course you can find in our Masters of Scale feed.)

**ENGLISH:** With any startup, the first 10 people you hire are really important, because they set the tone for the next hundred people you hire and the next thousand people you hire.

**HOFFMAN:** Paul is exactly right; those first 10 hires aren't just for your employees, they are your cultural co-founders. Their skills and capacities not only determine what your company can do, but who you can be.

In fact, you can scout for these early co-founders before you even have a company at all! As soon as you have an idea, whether it's for a new department, a new initiative, or a new business, start scouting your network for who you can recruit to help ... even if your goals are not yet fully defined.

That's something Paul learned when he was recruited to be the cofounder of KAYAK.

It was 2004, and Paul was already a successful entrepreneur. He had left Interleaf for the startup world, and sold his first company, Boston Light Software, to Intuit ... right before the dot-com crash. He'd also founded the cybersecurity firm Intermute, with his brother Ed.

Now Paul was on the hunt for his next big project.

**ENGLISH:** I basically said, "I think there's this thing called a VC, or venture capitalist. I've never actually met one, but I hear that they help people create successful companies."

**HOFFMAN:** Paul met one of these fabled VCs at Greylock, named Bill Kaiser.

**ENGLISH:** I called Bill, and I said, "I want to start another company. And I want to do something really big." And Bill said, "There's an office at Greylock. Come set up tomorrow."

**HOFFMAN:** Paul joined Greylock as an entrepreneur-in-residence – a part of his story I actually didn't know! As an EIR, Paul's task was scouting for his next big idea, and the people who could help pull it off.

**ENGLISH:** I have a friend Larry Bond, at General Catalyst, who called me to look at a company for him. As I was leaving, one of the other partners saw me and said, "Oh, what are you doing here today?" I said, "I'm meeting with Larry Bond." And he said, "There's an entrepreneur named Steve Hafner who wants to create a travel company. Would you talk to him?"

**HOFFMAN:** Steve Hafner already had a job in travel – he was a senior executive at Orbitz. But Orbitz had been struggling. And Steve had a theory about why.

**ENGLISH:** Went down to Legal Sea Foods, had a couple of drinks, and he pitched me. He said, "A big problem at Orbitz is that 70% of the people who used Orbitz would find the flight they wanted. They would then leave Orbitz and go directly to the airline and book it there, and Orbitz therefore got no money whatsoever." And he said, "There's got to be a way where we can make money, even if we don't sell the ticket." So we came up with the idea of doing a pure search engine where we didn't sell anything.

**HOFFMAN:** Steve and Paul started brainstorming right there in the restaurant about the pure travel search engine that would eventually be known as KAYAK. It would be simple, fast, and instead of listing certain flights, they would list every flight and hotel on earth.

**ENGLISH:** We collaborated on how one would build such a site and what else it could do. And we had a lot of fun talking about it. And he said, "Why don't you join me? I'm looking for a CTO."

**HOFFMAN:** Notice how fast Steve Hafner leaned in to recruit Paul. Remember, they had just met! If co-founding a company is like entering a marriage, this would be like running off to Vegas to elope!

**ENGLISH:** And I said, "No, I just sold my last company. I'm going to go create another one. And I said, "I'll find a CTO for you. What are you paying?" He said, "A buck 50 and 4%," so \$150,000 and 4% of the company. I said, "I think that sounds great. I run a group called Boston CTO. It's all the best CTOs in Boston. I'll find someone for you."

**HOFFMAN:** But Steve asked Paul again: "why don't you do it?" And again, Paul said no.

**ENGLISH:** He said, "What would it take to have you do this?" And jokingly, after a couple drinks, I said, "I don't know, at a minimum 50/50." And he stuck his hand across the table, and he goes, "You're in partner".

**HOFFMAN:** This fast reply prompted an equally fast answer from Paul. "Yes."

After lunch, the brand-new co-founders went upstairs to the offices of General Catalyst where Paul had been visiting at the start of the day.

**ENGLISH:** Joel Cutler, the VC said, "How did it go?" Steve says, "Good news is Paul's my co-founder now, my equal co-founder. We're each putting a million dollars in," which he neglected to mention to me during lunch. But it really was one lunch, and it just showed that Steve and I are very impulsive. There are so many things that I love about entrepreneurs. But my favorite skill is impulsivity. When you see something, just jump on it.

**HOFFMAN:** Well, it's a bias to action and also speed. So for example, you're saying impulsivity, which is one way of looking at the positive, negative, but the speed of it, the speed of making decisions ... because it wasn't just the speed of code that you were later constructing Kayak. It was the speed of operation and execution and building it, including the, "let's go now."

**ENGLISH:** Yeah, absolutely. Yeah.

**HOFFMAN:** This bias for speed over everything, including efficiency, is a key factor in the entrepreneurial mindset. And we'll take a closer look at recruiting with speed later in the episode. But it's worth hearing this little coda to Paul's story...

**ENGLISH:** The interesting thing is we then went and pitched Greylock on KAYAK, and Greylock turned us down. So that was disappointing. I'm like-

**HOFFMAN:** Oops.

**ENGLISH:** I'm an EIR. I mean, I thought I was already vetted.

**HOFFMAN:** Hey, no investor gets it right every time. And likewise, the majority of recruiting meetings don't end with forming a billion-dollar business. When you're scouting for talent, you'll fail more often than you'll succeed. That's just one more reason to keep doing it.

### LESSON 3: RECRUIT PEOPLE WHOSE STRENGTHS ARE YOUR WEAKNESSES.

From their very first meeting, Paul English and Steve Hafner discovered that while they were aligned on mission, they had complementary skill sets. Steve was already a veteran in the online travel space. Paul had the eye for design and simplicity that would be critical to building KAYAK.

**ENGLISH:** I have an intolerance for complexity, it's literally a weakness of mine. Sometimes you need complexity, and I'm just not good with it, because my mind is very oriented towards simplify, simplify, simplify. And with Kayak, we always try to figure out how can we get more white space, less stuff on the screen, but make it so clear that we have no abandonment issues, that people don't leave the site. They just see what they want, they click it, and they get the flight or the hotel they want, and we make some money.

**HOFFMAN:** Paul's so-called "weakness" was also his greatest strength ... but that cuts both ways.

**ENGLISH:** We could talk about my weaknesses for a couple of hours.

I have a terrible memory. I'm not good in large meetings. I'm not good with paperwork. I'm not good at managing finances. I'm socially awkward. I think I have face blindness; sometimes I don't recognize someone that I had dinner with two years ago. I meet them in the street, and I forget that I had met them before. I get lost. I have a bad sense of direction...

**HOFFMAN:** OK, that's probably enough.

**ENGLISH:** I'm terrible at operations. I'm bored by spreadsheets. We learned to have a sense of humor about all the things that I'm terrible at.

**HOFFMAN:** We have some similar weaknesses. One of the things I think I started a trend or was very early in a trend of, in the Valley of having a Chief of Staff. When I first hired a person to be my Chief of Staff. I remember a VC saying, "Well, who do you think you are? The President?" And I was like, "No, no. I just recognize that I'm not as good at these processes. There's balls that I drop and that I need a very senior, accomplished person to be helping me because their strengths kind of plug to where my weaknesses are.

**HOFFMAN:** When you have a firm grasp on all your weaknesses, that actually frees you up to double down on your strengths. And then you can hire for the traits you lack.

**ENGLISH:** The first thing I do when I start a company is I say, “Who’s going to do operations for me?” Because they do all the stuff either that I’m incompetent at or that I’m bored at. And with a really good ops person, I then get to work on the fun stuff.

**HOFFMAN:** Being clear-eyed about your own shortcomings can help shine a bright light on your recruiting needs.

But doing a truly honest inventory of your personal weaknesses is actually easier said than done. Especially for early-stage founders, who are asked to be at least competent at everything. You may not even know yet where your true strengths lie! So if you don’t know that, how can you hire for it?

Paul has two pieces of advice for that. One is simply to select really honest people when hiring.

**ENGLISH:** I think it’s good to be self aware. It’s good to have truth tellers around you; people that are really raw with you and tell you when you’re full of shit, or when you’re ahead of your skis.

**HOFFMAN:** The second piece of advice? Be open enough to allow that kind of raw advice to land.

**ENGLISH:** I’ve always said that people follow confidence, but they’re loyal to vulnerability. And so, if you’re vulnerable with your team about the things you’re terrible at, someone will lean in and take that over for you.

My team are superstars and they hide all my incompetence, but if you’re good at recruiting, it’s really all that matters.

## **[AD BREAK]**

**HOFFMAN:** We’re back with Paul English, and his Master Class in recruiting. If you’re enjoying this episode, you can share it using the link [mastersofscale.com/english](https://mastersofscale.com/english). And to hear my full conversation with Paul, become a member at [mastersofscale.com/membership](https://mastersofscale.com/membership).

It’s time for LESSON 4: RECRUIT AT SPEED.

Earlier in the show, we heard how Paul was recruited to be the cofounder of KAYAK over the course of a single lunch. It’s a quintessentially entrepreneurial story. But it also flies in the face of another classic piece of hiring advice: “choose carefully.”

This is what he said about hiring your very first employees:

**ENGLISH:** With any startup, the first 10 people you hire are really important, because they set the tone for the next hundred people you hire and the next thousand people you hire.

**HOFFMAN:** This is absolutely true. And it's why many founders, including myself, preach caution when it comes to your first hires. Bad ones are hard to get rid of, and course-correcting can be painful. So it surprised me a little that when Paul and I spoke about the scouting process, he said this:

**ENGLISH:** One rule I have for recruiting is when you first hear someone's name, a clock starts ticking. I have seven days to make her an offer letter.

**HOFFMAN:** Seven days, from "There's this person I met" to "Here's an offer." If you don't think that this sounds like a recipe for precision, you're not alone.

**ENGLISH:** Some people say, "Is seven days too fast? You make a lot of mistakes," but speed and accuracy are not at opposite. If you watch Formula One races and you watch the pit crews, they're really fast. And if they make a mistake, people die. But to operate at that speed the way you do it is you're just very process-oriented. You're really good at how you use tools, and how you check yourself. And recruiting can work like that.

**HOFFMAN:** That sounds pretty good. Who wouldn't want Formula One-type precision in their hiring? But mastering that blend of speed and precision takes practice. Let's hear how Paul does it.

**ENGLISH:** Let's say that I'm creating a new health startup, and you and I are brainstorming about it over coffee in San Francisco. And you say, "Wow, there's a woman I met who worked on Google Health for a while. She was a VP of Marketing there. I'm forgetting her name."

**HOFFMAN:** As soon as this person is identified, that seven-day clock starts ticking.

**ENGLISH:** That's a lot I have to do in seven days. I have to get her name, find her, convince her to meet me. And then in that first meeting, it's really a conversation to get to know each other.

**HOFFMAN:** OK, so you've gotten to that first conversation. Now your challenge is to get acquainted in a way that feels organic, but also answers your burning hiring questions. It's a balancing act.

**ENGLISH:** All recruiting is about 50% selling and 50% evaluating. First of all, try to get a rapport really quickly with a candidate. I find something on their resume or their LinkedIn

profile that I'm excited about, and I'll jump right in. Use that as common topic, get them excited.

And then I evaluate them largely on, are they fast? Can they handle curve balls? Have they been able to handle change? Because by definition, startup is all about change.

**HOFFMAN:** Notice what's underneath Paul's advice. Start from a genuine place of curiosity to make a human connection. Then start focusing your questions more and more precisely to seek out what you really need to know.

**ENGLISH:** I don't believe in theoretical questions because if you ask a theoretical question, you get bullshit answers.

So what I do is I pick a project on their resume. And you say, "Who did you work with on that? Did you work with quality engineers? Tell me one thing about them that blew you away, and one thing about them that annoyed you."

**HOFFMAN:** Note, Paul isn't asking candidates to rat out their irritating former colleagues. This is about getting them to speak with specificity.

**ENGLISH:** "You can make up a name. I don't really care who they are," And the reason I ask this on a specific project, specific people, is they tend not to bullshit me when you get specific. And they'll tell me something they really loved about someone, and something they really didn't like.

What I can discern from that is, first of all, if there's not something that excites you about everyone on your team, that's a red flag, red flag. Because everyone has strengths. And if you can't tease out someone's strength to learn from, red flag, and then everyone has weaknesses. And if you can't pull something out that someone could have done better, it means you don't have a critical eye.

**HOFFMAN:** Through asking specific questions, Paul has learned how to step on the honesty gas pedal, and blow past the platitudes. Remember, finding truth-tellers is one of your most important goals.

Truth-tellers are even more important when it comes to arguably the most under-appreciated weapon in your hiring arsenal: the reference check. I believe reference checks can actually tell you more about a candidate than a one-on-one interview. In an interview, your candidate will be well-practiced and on their best behavior. A great reference can tell you what the candidate is like day to day.

**ENGLISH:** Sometimes they give me three or four references, I'll look them up. But if one of the references seems particularly impressive, I want to track that person down. I also believe in cold references, the candidate might not have listed someone, and again,

through the magic of LinkedIn, I can find someone I know who knows this candidate. You have to be careful not to expose that they might be job hunting, but I'll call the intermediary and say, "Hey, do you know this guy, Reid Hoffman?" "I'm trying to decide if I should recruit him. What can you tell me about him?" And this is someone I know. They know me, they know you, they're going to be honest to me.

**HOFFMAN:** Just like in your candidate interview, how you ask the question matters.

**ENGLISH:** A lot of times you'll say, "What is their weakness?" But that tends to get bullshit answers. And so what I'll say is, "If I do get the chance to work with Reid, tell me something I should focus on to make sure I'm a good manager for him. What do I need to do to make him stronger?" It's another way of asking, "What's Reid's weaknesses?" And when you ask it the way I just said, you tend to get an honest response.

**HOFFMAN:** There's one more piece of counterintuitive advice Paul has for us. It's not just a time-saver. It's a recruiting accelerant.

**ENGLISH:** During my reference checking, if the person is amazing, I recruit them. I recruit the reference! Because if this is the best boss the person ever had, I want to work with them too.

**HOFFMAN:** As you step up your hiring, you'll need to move fast, without sacrificing precision. So don't be shy about using these hacks in your next recruiting phase. Like a Formula One pit crew, they'll keep you moving at speed.

## LESSON 5: RECRUIT YOUR CUSTOMERS.

OK, this isn't recruiting in the classic sense of hiring. But employees aren't the only ones that build your business. Your users help build it too. This is something Paul English has believed from very early on.

**HOFFMAN:** Back to a couple other things on KAYAK, one of them, which astounded me is that you put your cell phone number down as the customer service number for a while.

**ENGLISH:** Yeah, it's a trick I learned from Scott Cook. Scott is a great friend and mentor of mine at Intuit. I sold my little e-commerce company to Intuit during dotcom 1.0, and then I served as VP technology. And one time we were sitting in a meeting talking about how electronic invoicing and payments should work within QuickBooks, and we're kind of just ideating, and coming up with a bunch of ideas. And you could see Scott like steam coming out of his ears and he had his arms crossed. He's kind of looking at his shoes, and looking more and more frustrated.

And I looked at him like, "Scott, what do you think?" And he said, "It's interesting what you guys think about our customers. There's a phone one right here on the table, can

one of you pick up the fucking phone and call an actual customer and see what they think?"

**HOFFMAN:** Scott's point, while coarsely made, struck a chord with Paul.

**ENGLISH:** It just made me think that it is nice what engineers think about a problem but unless you're talking to a customer, you could be making up stuff that no one cares about.

**HOFFMAN:** Paul wanted to recruit those customers to help make KAYAK better. So, he had their calls for help come to him.

**ENGLISH:** The funniest call I got was from an older woman who said, "I'm trying to get my daughter to come visit me. We're trying to find flights for her." And she called me on my cell phone. I said, "I'm happy to help you. Where'd you get this phone number?" And she said, "It's on the bulletin board at the senior home." So someone wrote my name, Paul, travel, my cell phone number. And I said, "Have you tried KAYAK?" And she said, "What's that?" I said, "It's a website to find flights." And she said, "Well, we don't own a computer."

**HOFFMAN:** This woman without a computer was not even really a customer. But it was a clarifying moment for Paul.

**ENGLISH:** I learned something from the call: Travel can be stressful, and she wanted her daughter to come visit. And even though she didn't own a computer, I tuned my compassion skills during that call, and it made me more compassionate to the next person. And it made me just focus on: we got to make this simple.

**HOFFMAN:** Making your phone number the customer help line may strike you as a bit of genius ... or like Russian roulette. Because if you fail to make your product simple, that phone will be ringing off the hook.

That reality is one reason so many companies tend to outsource customer care. Or create a labyrinth of automated menus to keep customer service calls at bay. Paul noticed this too — and he had a big problem with it.

**ENGLISH:** My mom died in 2001 and asked me to take care of my dad who had an early stage Alzheimer's. He had rapid decline after my mom died. And then at some point I realized he was struggling on the phone, and many people with cognitive impairment, they were okay one-on-one. They're not so good in groups, and they're not so good on the phone.

And when I realized that my father literally couldn't make phone calls anymore, when the IVR would speak to him and say, "Press one for this, press two, for that," he would talk to

the IVR and it wouldn't understand him. And it was a little bit embarrassing, you know, dignity stealing. I'm thinking, "Okay, he's paying money to his phone company. It's a phone company, why doesn't a human answer when he presses zero?"

**HOFFMAN:** By 2004, Paul had had enough. Even as he was building KAYAK, he started a side project to help get a human being at any corporation on the phone. The project name speaks for itself. "GetHuman."

**ENGLISH:** So I started GetHuman as a blog to expose companies about how to get to a human. "Here's a secret phone number, it's not on the website, but if you called this phone number, a human will answer."

**HOFFMAN:** Paul didn't start GetHuman for the sake of those companies. It was for everyday people like his dad or like that woman from the senior center. But he also knew how much businesses stood to learn from the customers calling them. Some companies weren't thrilled about GetHuman, and would respond by changing their phone numbers. But others recognized the same recruiting potential Paul did.

**ENGLISH:** I remember a woman at Dell Computer. She said, "I work at customer support in Dell. I love what you're doing. We just canceled the phone number on your website, but here's the new one."

**HOFFMAN:** Fostering this kind of direct contact is also a pretty cost-effective way to do market research.

**ENGLISH:** Why spend money to talk to customers when they're already calling you, why can't you just learn from your existing customers?

**HOFFMAN:** In this spirit, Paul wants to recruit the users of his latest product, Moonbeam. It's a podcast app inspired by an entirely different platform, TikTok.

**ENGLISH:** The cool thing about TikTok, is not what it looks like the first day, or week you use it. The more you use it, it discovers interest in you that you might not have even put into a configuration screen up front. They have just phenomenal machine learning, it makes me realize how bad YouTube is at this. But TikTok just nails me.

**HOFFMAN:** Paul wants Moonbeam to learn its users just as well.

**ENGLISH:** The idea is you start up Moonbeam and immediately, we start playing something. Short, curated clips by humans on our team, sort of the best minute from many, many podcasts. But then based on how you interact with it, do you listen to the whole thing? Do you double tap on it to star it? Do you share it? Do you subscribe to it? Do you tip that podcast host? We feed that to a machine learning algorithm and we start feeding you better and better content.

**HOFFMAN:** This feedback loop lets Moonbeam recruit its users as talent scouts, tastemakers, and critics. And it helps build a direct channel between audience and show creator. On that note, to wrap up this final lesson, Paul pitched us on an idea to recruit you, the listeners of Masters of Scale.

**ENGLISH:** Reid, today you and I are talking. Right now, it's Thursday. I have no idea when this is going to air. I know your producers are going to get real busy tonight working on this episode. Imagine if for a small set of users, they were getting a livestream feed of this unstructured conversation with the two of us, and your producers were getting feedback from them. I wonder if we expose the listeners, not just to the podcast host after the fact, but even if we could expose the listeners to your producers, even in real time.

**HOFFMAN:** We wondered about that too. So, true to the "Always be recruiting" mission, we'd like to recruit you, our listeners, to the cause. If being able to react to producer conversations is something you'd be interested in, tell us on Twitter or Instagram. We're @mastersofscale.

I'm Reid Hoffman. Thanks for listening.