

Faculti Summary

<https://faculti.net/how-investors-shape-who-and-how-startups-hire/>

This video discusses the collaborative process of job design between entrepreneurs and investors in early-stage startups, emphasizing the importance of structuring roles and responsibilities as part of organizational development. It explains that entrepreneurs often engage external collaborators, particularly investors, to help build enduring job structures due to their limited resources. While investors are crucial to the success of startups, the relationship can be fraught with tension as both parties desire control over company direction.

The research conducted via interviews and observations in the startup ecosystem reveals insights into how entrepreneurs and investors navigate the job design process. The findings indicate that job design is especially consequential at early stages, with initial job roles serving as foundational scaffolding for future organizational structures. Despite existing literature primarily focusing on job design as a deliberate internal process, there is limited understanding of how external influences, particularly investors, contribute actively to this process.

The study introduces a two-step model of job design collaborations—recognizing the need for new work and engaging in interrelated processes to allocate tasks across jobs. The collaboration not only addresses immediate hiring needs but also equips entrepreneurs with frameworks for future job design, showing that the collaborative processes yield lasting job structures that adapt as startups grow.

The contribution of this research highlights the significance of external actors in shaping job design and suggests that similar dynamics may occur in established firms, where different types of investors and experts play a role in job design processes. This video opens avenues for understanding how external collaboration can influence organizational structures across various contexts.