**Maulik Sailor**

My name is Matthew Todd, and welcome to Inside the ScaleUp. This is the podcast for founders, executives in tech, looking to make an impact and learn from their peers in the tech business, we lift the lid on tech businesses, interviewing leaders and following their journey from startup to scale up and beyond covering everything from developing product market fit, funding and fundraising models to value proposition structure and growth marketing.

We learn from that journey so that you can understand how they really work, the failures, the success the lessons along the way, so that you can take their learnings and apply them within your own startup or scale up and join the ever-growing list of high growth UK SaaS businesses. Hey, welcome back to the podcast pleased today to be joined by Maulik Sailor, Founder, CEO of codemonk.ai. Great to have you here.

**Maulik Sailor**

Thank you, Matthew,

**Matthew Todd**

No worries looking forward to learning more about codemonk.ai, learning more about the journey as well. But for the audience listening today, don't give us a little bit of background about what codemonk.ai is and how you got there.

**Maulik Sailor**

So codemonk.ai is a platform for companies to build tech teams. The reason why we started that is given my background has always been in product development, working with global teams of software engineers and digital technical people.

One thing, which I always struggle with is your product roadmap keeps on changing continuously, whereas the team does not change as fast as you need them to. I just found recruitment to be really slow, is more reactive, it takes three to six months or higher for a single role.

I wanted to have a solution, which enables me to change the skills availability in the team as quickly as the product changes. So that you know you can be faster, you can be more agile, you can be more lean, as a growing, growing startup. And that's what really got us to start codemonk.ai. Then we also analyze certain behavior on the on the people side.

We believe that the way people are working, in particular, the tech roles is really changing very fast, especially post dynamic. So I think we want to capitalize on the new emerging way of, you know, working from anywhere, you know, whatever the future of work means, yeah,

**Matthew Todd**

I think it's a combination of your own product management experience, hiring experience, as well as seeing those working patterns change then.

**Maulik Sailor**

Yes, correct. So, it was a, I would say, an emergent story. You know, we were looking, we were monitoring certain trends over last few years. Then we were trying to come up with some MVP, and so on, and then pandemic hit. So we literally just launched whatever we had in our mind at the time, and then we continuously iterated on it,

**Matthew Todd**

Why launch something? Why not just you know, find your own way inside of the companies and startups you're working for and with? Why not just address that locally? Why create the SaaS platform in the first place?

**Maulik Sailor**

So, it's an interesting question, right? So, we actually did not want it to create a SaaS platform to begin with. We wanted it to be more like a discovery platform where the companies and talent can just discover each other based on that individual motivations, right. As we start to scaling, and as we started growing the platform, two different conflicting ideas came up. One is, we believe that the enterprise customers or companies will probably not use the platform. They are still used to this whole, you know, managed services, like recruitment services and all.

Whereas fast growing companies would want something where they can they don't have to wait for human delays, right, they just want something that works on a click of a button.

So hence we decided to launch the SaaS side of the equation. I don't think we have it perfect yet. We're still iterating on it. But hopefully, you know, we'll get to within the workflows of, let's say, our first grading scale up so that, you know, they can scale that teams as well, along with their own individual growth story.

**Matthew Todd**

Is changing those hiring patterns, is that an easy barrier to break down? Or was it pretty difficult? Or do people see the value in the speed once they do start engaging in a different way?

**Maulik Sailor**

Yes, I think the initial barrier is high. Companies do not want to change processes that are working for them. So in the beginning, we do find a lot of challenge trying to convince them in the value of our platform, why they need to change from the old school. Post a job on LinkedIn, find people on LinkedIn, take them through the whole process, and why an alternative way is better .

So it takes a lot of effort from our end to do that. But once they do, what we see in our clients is once they hire us for a single role, then they build the entire team on the platform as well. So then they are very comfortable, you know, they just set up their projects, and then let the platform recommend them the talent as their project grows.

So, we are working towards that goal. You know, we are developing certain machine learning algorithms to analyze the patterns and the skills gap, the capabilities and other things to work it out. You know, we are not there yet. But right now, what we are able to do is give you talent recommendations based on the gap in your existing team. What is missing right now? How can you plug those gaps to the platform? But we want to make it more productive as we scale. We are also working on something very exciting. You know, as I said, recruitment is very reactive. You identify a problem, like a gap in your team, and then you go to the market to fill that gap. It takes normally three to six months to fill up a single role. You can get contractors faster, but still is about a month, or six weeks turnaround. We are flipping the entire process, that you have the request skills available to you before you actually need, based on your ever-changing roadmap.

**Matthew Todd**

I see that sounds really interesting. Definitely a very different way to look at recruitment.

**Maulik Sailor**

We actually, you know, don't really call it recruitment. Yes, we are competing within the recruitment space. But we don't think that we are a recruitment services provider or a recruitment platform. We are like, I'm like an access to skills platform, right.

If you think the industry about 10, 15 years ago, previously, you will do all your hardware setup in house, and then host your software's and everything else. Now, you just basically plug and play, whatever you need, you just find the cloud service provider for that, or the service you need. You just simply sign up and within two minutes, it's up and running, right.

We want something similar, where, depending on what you're trying to do, you know, whatever is missing in your delivery capabilities. A lot of things can be done automatically, but things which need human input, can you have that human input on an on-demand basis, as and when you need to, for how long as you need to. So, it's different than recruiting someone and coming them in, you know, for them to do the job for them to get paid on a monthly payroll basis and all. So, I think there's a lot of discovery to be done in this space. But one thing we are clear is that we do not want to be just another recruitment provider.

**Matthew Todd**

So, you're very much going down to a deeper level than that. It really is about on demand that refers to the talent that you need to drive your product forward.

**Maulik Sailor**

Yes. Also on the talent side, I think if you're familiar with, then there's a time recently where people are talking about portfolio carriers. What it means is that you do not work nine to five for one particular employer. Instead, you leverage your skills to as many companies or clients you can. So the equation is changing from employer and employee to more of a specialist with some specialism and the clients or consumer of that specialty. How can you maximize your time or your or you’re the value creation that you're doing?

So that trend is also happening on the talent side. All we're trying to do is we're trying to get companies who have certain requirements, and especially with certain specialism, how can we really get them to transact in a meaningful way? I don't really know how to define it, but it's more like you know, micro servicing. Micro services are technical term, but we are applying that into human or talent cloud, or talent definition rather than hardware.

**Matthew Todd**

In terms of having the rights, skills and talent then available on platform to provide to those companies. How did you manage to get enough of a pool that provide a meaningful service and talent pool whether would be availability as well as the quality?

**Maulik Sailor**

Yeah, that's a great question. You know, for any marketplace are a platform startup. When they're scaling you always face this chicken and egg problem. You know, do you build the supply side first, or do you build the demand side first? When we launched, as I said, we just launched whatever we had, and we started to build the demand side first. When the demand came in, they were asking for skill set, which we did not have available on our platform. So then we started to scale on the on the supply side on the talent side, to create more skills, availability, and so on.

In the beginning, it was a lot of manual effort, you know, I would be reaching out to individuals, I know, call them for a favor that, hey, you know, just create your profile, give me feedback. What do you think, you know, where can I improve? So I would reach out to people, my work colleagues that I've known for last 15, 20 years, and call them to do that. A lot of them did. That got us further insight in how they're completing their profile, where they're blocking. No one likes to enter a lot of detail. So our onboarding process was a little bit longer. We tried to streamline that, you know, make it as, like an automated you know, we allow LinkedIn profile input.

The way we work is also very different. We need certain data points, like you know, your individual skills profile, which LinkedIn or any other tool does not have. This is something unique we have developed. So again, we had to really iterate on the UX a few times before we got enough people converting. Then one more assumption we had, when we when we were doing that, we always believed that a lot of freelance or talent marketplace are focused on individual contributors. As in, if you want an individual freelancer, you go and find one on those platform. But we knew that a lot of people do not want to work as an individual contractor, or individual contributor, sorry. As a contractor, by default, you are considered as an IC.

But these very people want to work as part of a team. They want to work with not a big team, but a small team that they can rely on them to gather, they can deliver more value to their client. This I have personally used many times. So I have a few contractors that I have used over the last six, seven years to get a lot of project work done for me. We all worked well as a team. So, we had that insight.

What we did, we launche d this teams feature on our platform where the individual contributors

can create their own teams with the people they want to work with and create almost like a micro agencies, which are specialists into certain domains, certain frameworks, certain technologies, or whatever. That really helps us to scale the talent side, you know, because every single person we are now signing up is now inviting another four or five people to sign up to our platform. That really gave us that hockey stick growth on the talent side.

**Matthew Todd**

That's an interesting insight. You're right that these independent freelancers contractors do typically prefer working as part of a team, but then by fostering that on the platform, it's interesting that you would then get more talent referrals because of it.

**Maulik Sailor**

Yes, exactly. You get one smart person on the platform; he is going to bring similar people on the platform as well. So that also helps us to push, you know, the talent quality, the skills availability, and other supply side issues on the platforms.

I would say at this moment. The supply side or the talent side is purely organic. It's working like every week; we get about 1000 odd talent signing up on the platform without any marketing efforts. It took us one year to get to the first 1000 talent, signups. The second year, we got to about 7000. We are just six months into our third year and we now have more than 50,000 talent on the platform.

**Matthew Todd**

Wow, that's pretty impressive talent growth.

**Maulik Sailor**

Yeah, exactly. The team's feature is what really gave us that growth.

**Matthew Todd**

When you start scaling the talent at that level, how do you manage quality? Have you had to introduce any other measures to ensure that the people on there are who they say they are and are genuinely good at what they do?

**Maulik Sailor**

Yes, that's a big challenge for most of the talent marketplace. We cannot vet for every single skill set and every single role. Hence, we narrowed our focus only to the tech roles. So, we are not to open for non-technical roles like marketing or accounting. We focus purely on tech robes.

Then we worked with a specialist vendor to create a very bespoke assessment suit. For every single technical skills that we identified to be relevant for the kind of services or the kind of talent our client would want to hire, we took about a year to develop every single test for the skills, there's still a lot to be developed, you know, so we are still working on it. Again, these tests are designed to be quick tests pass or fail, multiple style questionnaires.

So again, one insight we had is most of the talent do not want to take a lot of tests, especially the good ones and the senior ones, and we want them on the platform. So, because they're good, they know, they will get the jobs wherever they want, but we want them on our platform, so that you know, we can leverage their capabilities and their experience. So we develop the test in a way, where it’s a very quick, multiple style MCQ that you can go through, and either you pass or fail, and the barrier to passing is really high. So, once the pass is, its permanent. So, they get like a green tick for that particular skill on their profile, which they cannot change anymore. So, that's part of the onboarding process, the talent is saying, I'm good in, let's say, a JavaScript framework, and I've done X Y Zed projects within that, then the platform will identify that. So we'll give them about seven tests to be done around that expertise. They have to pass those. If they fail. Then they get directed, which means they say they are really good, but our platform doesn’t think they are good.

Then on top of that the background check, KYC checks are also complicated, you know, especially in a in a global environment. We manually check, currently, a lot of profiles, one on one, we do that background I.D check, we get on video calls with them, and so on. On top of that, we are also working with a specialist provider, which can do a very detailed in depth background check, which we offer as an add on services to a client.

**Matthew Todd**

Sounds like a very robust way to, to ensure that the quality is there and the platform can be trusted. It’s got to be, you know, so important for this kind of platform.

So, switching over to the other side of the equation. From finding clients who are have those skills gaps, who are looking for, for that talent, how have you approached finding those clients to onboard? You mentioned that bringing on the first person was key, but I'd be interested to hear how you identify opportunity to bring people onto the platform.

**Maulik Sailor**

That's a difficult one, we are still working on it. You know, there are a lot of experiments we are doing now to understand the client conversion journey. An interesting insight I can give you right now, the clients who are paying us to use our services are not using our platform. Whereas the clients who are using our platform, they are not yet willing to pay, right. That's an ironic situation. It doesn't mean our platform is bad, it's just that the bigger clients, you know, as I said, the enterprise clients are used to working in old ways.

So when we pitch for our services, the response we get from Enterprise Client is 'I need to fill up all this?' or 'just give me the roles'. What we do is we act on behalf of the client on our platform and build a team for them. Then we give those teams the extracted profiles, and we give it to the client. They hire them and they're happy to work with them. So we kind of have an add on offline service that we introduce in between and the and they're perfectly happy to use you know, the outcomes right. Now, with the other side of the equation with what we find normally the startups and scale ups are more willing to sign up to the platform. They sign up they set up their projects, and they are looking to work with the teams, but we are trying to understand how they can work. What, are the barriers from which are stopping them from converting and so on. I think one barrier which we have identified is that we have all this notion, you know, that someone has worked for, let's say, Google or Facebook, by definition they are supposed to be very good. You're operating in a remote world in a global world, a lot of really good talents in different parts of the world. They will not work for Google or Facebook or fine companies. So naturally, we think they are not very good. But in my experience, I have found some really good database, or technical talent in different parts of the world who have not worked for this bank or any bigger, you know, well known brands. But their core fundamental skills are really good.

So getting startups that are declining to sign up to convince that value, I think that is where we need to do some more retracement. Maybe we need to set up some challenge for our talent to take and, showcase their capabilities for the clients to be more convinced. Maybe that's one idea which we are going to work on.

But this is where I think we are currently seeing some friction on when they can work. But yeah, my advice to most of the scaleups, who are trying to recruit a lot of talent, you got to really move out of your FAANG zone, you know, it’s a cost versus outcome. So, what is your return on investment? Yes, you will get really amazing data from FAANG companies or other top companies, maybe you will end up paying a lot. Is this really worth that money, versus you can get probably better developer in a different part of world for a really good price. You can set up the arrangement in a way where it's more flexible arrangement. You can scale up and down as and when you need to. You can have the skill on a full-time basis on a part time basis on an ad hoc basis, whatever the combination is, you can create that on a platform. Then have a team that works for you in the best possible manner.

That's typical advice that I would give to a lot of growing startups. We live by it. Our own platform is built by people from the platform. So, we initially we built the platform using a few developers I knew personally. But as we scaled, we also scaled our team. People that are working on our platform, they take care of everything. Super reliable people. They take ownership of their work and deliver good value, good quality and good value output at a very good price.

**Matthew Todd**

That's really good that you've been able to actually use the platform to iterate and build on the platform, I think that's the ultimate proof that you have a system that works, you have a method that works and you have access to the right kind of talent as well.

**Maulik Sailor**

Yeah. Our core team, our core platform team is working from four different continents. 90% of my full-time staff, they have never met in person. We've been running like this without any physical office for last three years. We are growing, we have raised to pre-seed round. As a platform, we are growing, we are generating revenues, we are profitable from cash flow point of view, and so on. Which is what a lot of startups aspire to do. We are already doing that without having an office without having, you know, all those bank employees.

Our engineering quality was actually reviewed by the VC, the pre seed investor who came in. Outlier Ventures, they're one of the top VCs out there. They've reviewed over engineering practices. They were also very impressed with what we have done.

**Matthew Todd**

I like also what you're saying about different models for people engaging with you as well. The fact that you were willing to work with those enterprise customers with more like a service-based offer as well as the platform offer. I think a lot of SaaS companies and startups especially can actually be really hesitant to put in any kind of professional services on top of the platform, because they perhaps have a vision of oh, we've got this SaaS platform, it should be entirely self-serve. We build it and customers will just turn up and use it and pay us lots of money, which of course isn't quite how things go in the real world. I think because of that, perhaps they don't put those professional services in place.

But actually a lot of SaaS companies, a lot of successful SaaS companies do have a percentage of revenue that is derived from professional services as well. That's okay, that is also expected. As long as there's below a certain percentage, you can still consider yourself to be a SaaS business and have professional services.

**Maulik Sailor**

That's a very good point, Matt. When we pitch to investors, like some VCs, they want to see, are you are you really a SaaS business? Or are you more of a services business and we said, like, look, it doesn't matter whether you define us as SaaS, or, or a services business. What matters is we have a tool, which is being used by our users and we have defined our pricing based on the usage of that particular tool.

We have two channels, whether the client is self-servicing and happy to pay for that service, or they were willing to pay more by us providing a little bit of an add on service without really breaking our legs, then what's wrong in that. What matters is our growth rate. That's what we're focusing on.

**Matthew Todd**

That is definitely the right attitude. I would expect, you know, a lot of businesses SaaS startups, they probably should be adding professional services on top. Especially early on whether the platform may not even be entirely the right fit for them to self-serve at that point in time anyway. Also, as you say, you also have to have a degree of fitting in with their existing patterns, whilst innovating whilst disrupting as well, you have to bridge that gap somehow.

**Maulik Sailor**

Exactly. It helps when we have to understand their working pattern, their existing workflows, for us to be able to plug into those gaps, or replace those workflows with a smarter solution. We can know that only if we are actually doing the work on behalf of the client.

**Matthew Todd**

Speaking of working practices, how people are working, you mentioned your team is geographically distributed, you can mention changes in working patterns, as well as the portfolio type careers. How do you envisage that whole world of work and talent engagement changing over the next year or two? How do you see your platform being able to support that?

**Maulik Sailor**

So I think there are plenty of stats out there, which predicts that PAC work is going to be mostly remote only is going to be increasingly remote is going to be increasingly freelance places. So I think there's some stat from a platform called Buffer, and also data and a lot of research and they think about 80% of the tech roles will become freelance and on and an on demand basis.

So a, your permanent employment within tech industry is going down anyways. On-demand workers are becoming more and more like a norm. Right now, if you see post pandemic, a lot of companies are hiring on a remote basis. Developers do not want to go back to the office, not everyone, but some prefer going back to the office. But a lot of them do not want to go back to offices, for multiple reasons. You're saving time, you're saving money on your commute, you can still collaborate with your team, you know, you can always find ways to collaborate, online or in person, depending on your work environment. So you get more from your life by working remotely from wherever you like. We think that trend is going to continue. We are taking one more bet in that process, that the traditional employment definition that we know, possibly is no longer relevant. You know, what is unemployment? I think the whole employment models were designed in 18th century, during the industrial era, where you wanted a lot of workforces to come together in a factory to work on the assembly lines to produce the output. It was a sequential process, hence you needed to coordinate the human demand power and everything else. Now, the thanks to technologies’ the growth in software automation, AI and everything else, the work within the tech domain mainly is more distributed, is more async. Even your API's are async now.

So people are getting more convenient in working in an async manner, that communications are becoming very async. So then is the employment contracts, and the whole regulations around them make sense anymore? Or is there's a need for something new over here? Maybe a new way of working the new regulation and governance around that, from government point of view as well, to make it happen. I don't really know what's the answer to that to that trend. But we do think that the tack work will become quite different. Maybe you don't need to define your employment contract anymore. You're just paying for the outcome saying, I need XYZ, just tell you a price, I'm happy to pay for it. If you deliver me the outcome, you can enforce that using smart contract, using Blockchain.

There are already certain things happening in the space around that. Virtual teams are working on a blockchain platform to deliver outcomes for the client. The deliverables are defined as a smart contract. Once you have all the tick marks done, it automatically transmits or settles the payments between the two party and so on. So they'll put the new models emerging in that space. We believe that that's what is going to happen within the tech industry first, and possibly will replicate to, to other industries.

**Matthew Todd**

It's going to be really interesting to keep an eye on. I think you're right in saying I think there will be innovation in terms of contracts management, point of view contracts, and also in terms of the payroll side of things, as well. I know that can certainly be a barrier, that complexity or perceived complexity and different regulations, depending on where your talent is based in the world as well can come into play.

But if you can simplify that for people and find a way to align it, the regulation with what's possible with what your platform can do with what is going to work best for the people needing access to that talent, I can see there being a lot of scope for innovation in those areas.

**Maulik Sailor**

Regulation is a key challenge here. A lot of countries and their government do not want to lose the tax revenues. That's what is more important for them. Hence, they create all these regulations on how many stay days you can stay in that country, and how many days you can work remotely. That is a reason why you also see a lot of employment of record providers coming up in last few years, like Omnipresent, Oyster, which are all our partners, by the way, to provide the compliance cover for our clients.

But you know, you have all those compliance platforms available, and they're tackling the problem head on in a lot of different countries. The concerns, from the client point of view, there should be certain concerns, but I think those concerns are addressed by a lot of existing solutions.

**Matthew Todd**

Perhaps one of the issues to tackle there then, maybe awareness, as providers do emerge with solutions for this kind of globally distributed way of working. I think a lot of startups, scaleups probably just aren't aware of those solutions, or perhaps aren't aware of how accessible they are to them.

So, I think it's really interesting that you can find a way to pull all of that together, to simplify that whole process. I know a lot of people that have started looking into employing people in different parts of the world and, and just got overwhelmed at the first step with not being able to understand what they are allowed to do supposed to do, etc.

**Maulik Sailor**

Yeah. Also, I think it's a shift in mentality which needs to happen from the startup founders. You want your startup for most of the founders, right? You want your startup to be used by a global audiences. Thanks to internet, anyone can use the online products anywhere. So why would you not have your talent anywhere?

**Matthew Todd**

No, absolutely. I think that will also bring, you know, a more diverse perspective on what your product does, as well as how it's built, it's surely stand a better chance of appealing to a global audience if you have a global team building it.

**Maulik Sailor**

Yes, exactly. To be honest, I wish I was a little bit lucky that I worked in a global 24/7 delivery model back in like 2006 2007. Where my product team, the way it was designed, had different components built in different parts of the world. We were continuously every day the cycle was repeating.

Every day, we are getting a lot more done. Instead of working nine to five, the team was working 24/7 continuously, not one person is working 24/7. But the way that teams were located and the workflow was designed, we're getting continued 24/7 output continuously.

**Matthew Todd**

That paradigm shift, I've not seen that done in many places, if any. I've seen a few companies get close to it. But yeah, myself I've seen when it does work, while it works incredibly well. The productivity, the ability to adapt, and change. People measure velocity in their development teams, they typically don't measure it very well for the right reasons, etc. But when you do have those kind of models implemented, the speed at which you are able to deliver that Ali can be extremely impressive.

**Maulik Sailor**

Talking of that delivery, our current delivery team, which is again spread in multiple parts of the world, they will all work flexibility, we have not defined that your work nine to five. We just say between your team, you coordinate how you want to work. Make sure that you're not blocking any other person. The team takes ownership of that. They ensure they're proactive in their communication, or any dependencies they have, they try to resolve it upfront. I see them to be really flexible. Some of the people, a lot of people migrate for work. But a lot of my team members are actually migrating back to their families, and staying with them in remote part of the world, and they're still coming online, they're still getting their work completed. They are removing any dependencies.

At times, I'm the one who is blocking them, and they chase me. You need to resolve this, or unblock me so that I can continue with my work and so on. So I think that mentality change is more important, you can easily trust the people to do the work. Security normally is defined as a zero trust environment, you can implement global security protocols where you can monitor every single activity that these people are doing. You can implement rules or policies, stopping them from doing things that you don't want them to do, and so on. So it's possible that we don't normally take those extra measures internally, we trust our people to do the right thing. So far, I would say my team is really good. I'm really proud of my team.

**Matthew Todd**

It's great that you fully buy into the model, because that's how you're building your platform and then allowing other people to build their, their tech products and businesses as well. I think it's got that great kind of self-serving nature to it, where you, you know, it works because if it didn't work, you wouldn't be in business yourself anyway. So, I think that's really good when you do get those kind of alignment in in products and the people that are building them.

**Maulik Sailor**

I want to talk about time training. A lot of companies believe when someone is working remotely or from home, they're not working. So they install all this time tracking software and restful greetings. We had certain issues in our team as well that you know, some of the people, they say they are online, but they're not online, they say they'll deliver the work they're not delivering.

So yeah, we had certain problems. There was some recommendation from other team members that they installed time tracking and all. But me particularly, proactively resisted any time tracking. Our motto was simple, if you need to track someone's time, it means you can't trust that person. That person does not have any home in codemonk.ai or on our platform.

**Matthew Todd**

A good policy does show a lack of trust. If there's a lack of trust there, why are you working with someone you don't trust?

**Maulik Sailor**

Exactly. So, hire people that you can trust, trust them to deliver, give them that opportunity to fail? If they do not fail, they deliver the work that you're giving them to do in a good way, then why can you not have that person working for you. Then you don't need time tracking, you don't need to micromanage. You get better outcomes.

I very strongly advocate for global employment models, I advocate for companies to particularly scale-up companies to really build elastic teams, do not recruit everyone in house. You see all these layoffs happening because companies don't really know what they're recruiting for. Even the big companies cannot really get it right. So best thing is to have flexibility, maybe have certain key roles in house. Then build around those roles. Pay for outcomes. Do not micromanage on time. Whether you're online or offline, you know, focus on the outcomes. Focus on the deliverables.

So if you make sure that you define the right outcome for your team, and show that they understand what they need to do to achieve that outcome. Make them understand what are the timelines you're working on? Understand any of their concerns, if they have. Once you're all on the same page, just kick off and let it run. In my experience, I've seen people really going out of their way to deliver those outcomes.

**Matthew Todd**

When there is a clear goal that that people are aiming for. They have the capability the skills or expertise to deliver it. They're typically very motivated to get that done. I've seen a lot of time myself was that kind of model of engaging freelance talent can often be far more effective than a time based model, which can sometimes not always, but sometimes lead to some inefficiencies.

**Maulik Sailor**

One of the Agile principles is that you need to keep your team small. To create small teams, trust them to deliver, implement your checkpoints, regular checkpoints, to understand where they're getting blocked, and try to proactively remove those blockers will get you better outcomes.

**Matthew Todd**

I've seen that many times before, I've seen two people sit down and off his headphones on staring at the screen, and they are talking to each other on Slack, even though they are right next to each other.

**Maulik Sailor**

Then the company spent a lot of time and money trying to increase the collaboration. Let's do team building. But it's not working. That's a fallacy. You're just wasting time, everyone's time and money, for the wrong outcome.

If these people, they're coming in the office, they're not talking to each other. They're not as social as you want them to be. It doesn't matter. Let them work remotely, they will be better, they will be happy.

**Matthew Todd**

Not everyone is suited to that. But I think a lot of people in tech roles, if you give people the option to do that, then you open yourself up to that global talent pool where you can often get a better outcome in terms of quality and in terms of costs, and time.

**Maulik Sailor**

I strongly recommend that. Scale ups in particular. The funding situation has changed. A lot of scale-ups are getting down round. They're getting lower valuations, for you're not able to raise as much as you would want to in the current climate. Again, there is a slowdown, so you're not able to grow as fast as you would like to.

So if your top line has reduced, why don't you reduce your overhead? Reduce your R&D cost. You can still have a better bottom line if you reduce that middle bit in between. I think going global and going remote is one of the best ways of doing that.

**Matthew Todd**

Just before we do wrap things up as well, is there any other advice you would give any founder, startup or scale up listening to this?

**Maulik Sailor**

So typically, a typical management advice a lot of founders and CEOs get is to reduce capex and move the yellow lines to the opex. As in you're reducing your capital expenditure and make it variable operational expenditure feature as a variable cost. So that you're not paying upfront, and instead you pay in chunks as you scale. That's a better financial management.

Hence, a lot of SaaS tools basically work with enterprise because enterprise are proactively looking to move to variable cost and opex rather than capex, right? Your TAC team is one of the biggest capex you have. Why don't you move that to opex? Make it variable which can scale up and down as per your other financial metrics.

You can really financially engineer your company in the best possible manner to ensure that you will always have enough liquidity. You can extend your runway, you can extend or increase the margins you're earning and so on. So I believe that this is the right model to go. You have cloud hardware, why don't you have cloud skills, pro enabled by talent anywhere in the world?

Focus on the outcomes, don't worry about nine to five. Don't bother time tracking. If you're getting the right count right outcomes at the right price at the right time, then just go for it.

**Matthew Todd**

No, I think that's great advice. A great way to look at software engineering but also in the context of financial engineering to one is going to give yourself the best chance of success. Thank you for sharing your story this morning and taking the time.

**Maulik Sailor**

Thanks a lot, Matthew. Thanks a lot for any of the audience listening. Always feel free to reach out for any tips or any advice, or even just to save notes on individual growth stories and failures that we face every single day.

**Matthew Todd**

Thank you for joining me on this episode of Inside the scaler. Remember for the show notes and in depth resources from today's guest. You can find these on the website inside the scale up.com can also leave feedback on today's episode, as well as the just guests and companies you'd like to hear from. Thank you for listening.