

Think differently: How tech startups can overcome the odds and succeed

By [Ean Barnard](#)

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The odds of success for tech startups are not favourable, with only 40% eventually becoming profitable and very few truly succeeding. In fact, a staggering 87% of startups globally end up failing.



Ean Barnard, head of brand and marketing, Finch Technologies | image supplied

The path to success or failure is not determined by a single event, but rather by the countless decisions made leading up to it. These decisions, made on a daily basis, play a significant role in the ultimate outcome of the startup.

While having a strong market fit is important, it is the ability to make informed decisions and approach problems with a unique perspective that will greatly influence success.

Find the right decision-making framework for your company mission

Tech startup founders will often envision a specific mission and operational culture for their company but fail to create guiding frameworks for the people who come on board. Once you've set out to build the dream team, find an operational framework that enables your entire team to fulfil the mission.

Tailor it if needed but steer clear of “reinventing the wheel” too much. Efficient decision-making frameworks allow for autonomy, whilst still working towards the company mission.

Michael Bowren, co-founder of fintech startup Finch Technologies, says: “It’s all about finding your right fit - an agile decision-making framework works for us. This involves a collaborative and iterative approach to decision-making, where small teams work together to make decisions quickly and efficiently. Agile decision-making involves breaking down complex problems into smaller, manageable tasks, and using data and feedback to inform decisions.”

Many business owners are hesitant to provide autonomy because they feel it results in too much human error. However, startup founders who “fail” earlier are 20% more likely to succeed. In a tech environment, you need to fail quickly and learn quickly to adapt towards the path to success.

The right decision-making framework enables this. Founders need to offer their employees a clear path of both accountability and self-management in order to achieve business outcomes.

Change how you think about operational “black holes”

Founding a tech startup is both thrilling and nerve-wracking. Tech startups easily find themselves in a myriad of operational black holes that destroy productivity.

This is especially the case where market traction and client management become a big part of operations. Whether it’s client “boiler” meetings that stack up or dreaded scope creep, the right framework is an effective combat method against these becoming a pattern.

You’ll need to ensure the right person(s) with all the required context, insight, and experience are making the decisions you employed them for. This ensures healthy, confident teams who focus on core product versus falling prey to the panic some clients tend to create.



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It’s critical for decision-makers to “slow” down their thinking, and act “fast” once they have a clear understanding of what they want to say and how they are going to communicate it. Startups are meant to be agile so being bogged down in emails and meetings that lead to project creep is a major flag.

Slowing down your thinking is all about clarity. It frees up time everyone will spend going down the wrong route, and it ultimately prevents costly mistakes and big meetings.

Keep things practical and simple. For example, limit the number and type of weekly meetings clients are allowed to slot into

your calendar. Key players in meetings need to pitch with clear agendas. When the meeting goals are complete the meeting can be ended early. Why go the full 30 minutes?

Employees who take ownership drive profitability

Co-founder of Apple, Steve Jobs, once said: “When you’re in a startup, the first ten people will determine whether the company succeeds or not,”

When hiring your team, make sure they are the people who will support and drive your startup mission. Cowboy hiring tactics often lead to costly hiring mistakes. Stick to your culture fit, thoroughly assess potential employees and ask hard questions even when it’s uncomfortable. Willingness to take ownership and self-manage is key in the early team.

The tech industry is extremely competitive and won’t slow down its future growth curve. Tech startup founders need to stay on top of reward systems in their industries and tailor it for their teams. Considering everything, from equity options to flexible work arrangements.

Tech startups often operate in a fast-paced, high-pressure environment, with a lot of uncertainty and risk involved. Your employees know this, so a well-designed reward system can help to incentivise and reward the dream you want to keep.

Imagine innovation, productivity, and growth being a result of the right team versus something you have to drive with a stick every week.

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