

# Scaling Management without Sacrificing Culture



**Michael Rembetsy**  
@mrembetsy



**Patrick McDonnell**  
@mcdonnps

# Agenda

Presentation: 40 minutes

Break: 5 minutes

Decision roundtable: 45 minutes









TELEPHONE



# About Etsy

- 40 million members
- 26 million active listings
- 1 million active sellers
- Over 25% of orders cross borders
- \$1.35 billion in GMS 2013



# The early days

# 49

employees at end of 2008



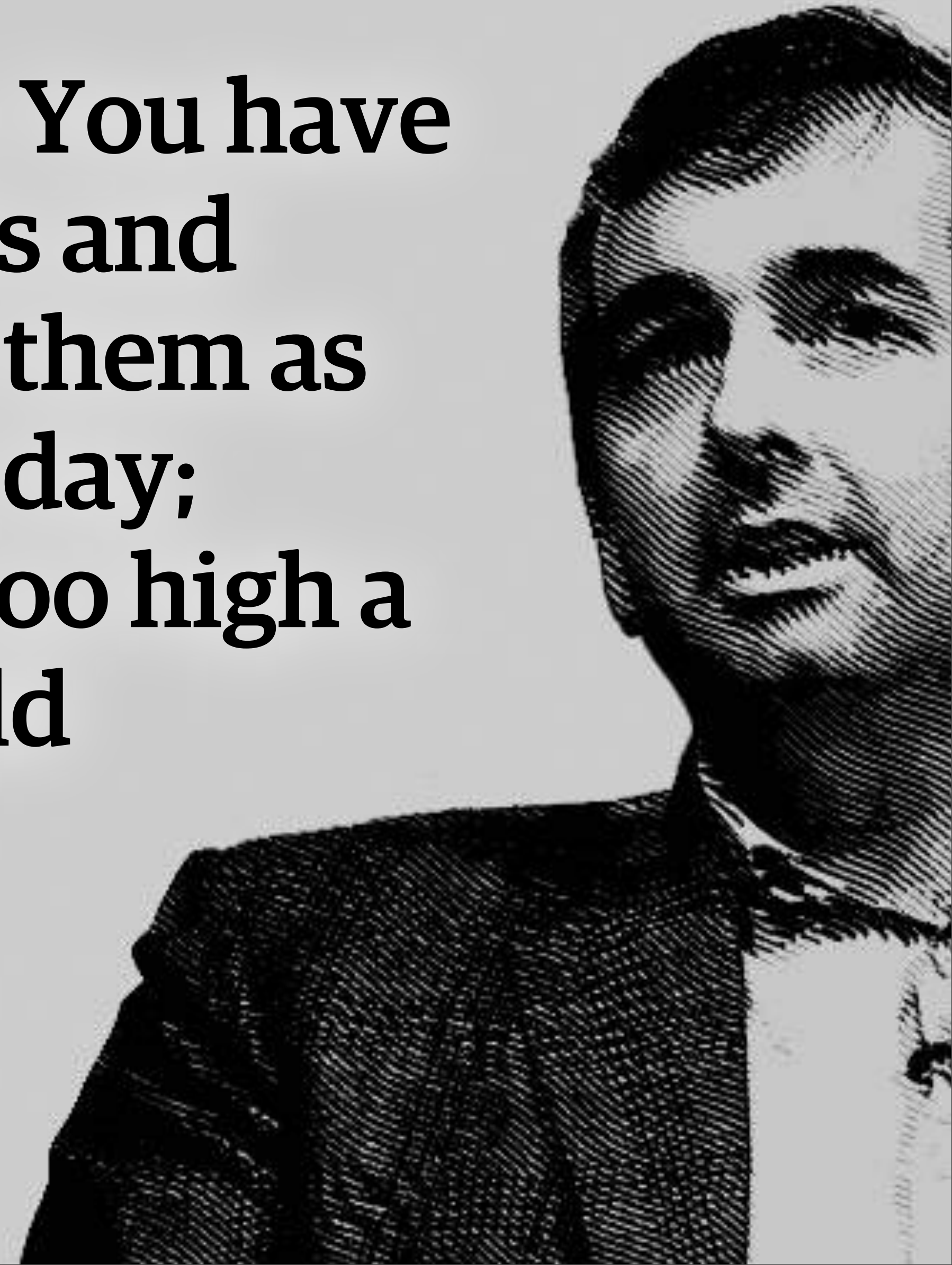


**Chad Dickerson**



“This quote from Emerson really inspires me:

**‘Finish each day and be done with it. You have done what you could. Some blunders and absurdities no doubt crept in; forget them as soon as you can. Tomorrow is a new day; begin it well and serenely and with too high a spirit to be encumbered with your old nonsense.’”**





Phase I:  
Organizational Infancy  
(2008-2011)



What did managers do?



# What did we lack?

- Salary bands
- Skills matrix
- 1:1s
- Career path
- IC / management path
- Formalized recruiting and sourcing
- Formalized feedback loops or reviews



# Culture is action

- Started creating action items around ideas
- Beta testing processes around organization
- How can engineering improve other departments?

# Culture isn't forced

- Culture is fostered when entire organizations are on board with change
- Culture is behavior
- Dictatorships fail, leadership works



# What did we start with?

**Skills matrix**

Salary bands

1:1s

Reviews

# Etsy's Skills Matrix

## Individual Contributor Job Levels (Salaried) to include levels 3-6 for Member Ops

Level	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	LEVEL 5
<b>Description</b>	GAINING EXPERIENCE	DEVELOPING	CAREER	ADVANCED	EXPERT
<b>Analogy</b>	Knows about rope; learns a lot more about rope	Can tie basic knots; Shown complex knots	Calculates rope strength; Knows a lot about knots	Understands rope making	Knows how to make rope
<b>Knowledge</b>	Learns to use professional concepts. Applies company/technical practices, policies and procedures to resolve routine issues.	Developing professional expertise, applies company/sound technical practices, policies and procedures to resolve a variety of issues.	A seasoned, experienced professional with a full understanding of area of specialization; resolves a wide range of issues in creative ways. This job is the fully qualified, career-oriented, journey-level position.	Having wide-ranging experience, uses professional concepts and company objectives to resolve complex issues in creative and effective ways. Some barriers to entry exist at this level (e.g., dept/peer review). Level at which career may plateau.	Having extensive experience, uses professional concepts and company objectives to resolve complex issues in creative and effective ways. Some barriers to entry exist at this level (e.g., dept/peer review).
<b>Job Complexity</b>	Works on problems of limited scope. Follows standard practices and procedures in analyzing situations or data from which answers can be readily obtained. Builds stable working relationships internally.	Works on problems of moderate scope where analysis of situations or data requires a review of a variety of factors. Exercises judgment within defined procedures and practices to determine appropriate action. Builds productive internal/external working relationships.	Works on problems of diverse scope where analysis of data requires evaluation of identifiable factors. Demonstrates good judgment in selecting methods and techniques for obtaining solutions. Networks with senior internal and external personnel in own area of expertise.	Works on complex issues where analysis of situations or data requires an in-depth evaluation of variable factors. Exercises judgment in selecting methods, techniques and evaluation criteria for obtaining results. Networks with key contacts outside own area of expertise.	Works on highly complex issues where analysis of situations or data requires an in-depth evaluation of variable factors. Exercises judgment in selecting methods, techniques and evaluation criteria for obtaining results. Networks with key contacts outside own area of expertise.
<b>Supervision</b>	Normally receives detailed instructions on most work.	Normally receives general instructions on routine work, detailed instructions on new projects or assignments.	Normally receives little instruction on day-to-day work, general instructions on new assignments.	Determines methods and procedures on new assignments and may coordinate activities of other employees (Team Lead).	Determines methods and procedures on new assignments and may coordinate activities of other employees (Team Lead).

## Management Job Levels

Level	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 4	LEVEL 5
<b>Example Title</b>	N/A	SUPERVISOR	MANAGER	SENIOR MANAGER	DEPARTMENT HEAD
<b>Analogy</b>		Guides team while rock climbing	Leads extended alpine mountain-climbing trips	Pilots expedition through unexpected snow storm	Coordinates complex expeditions



# What did we start with?

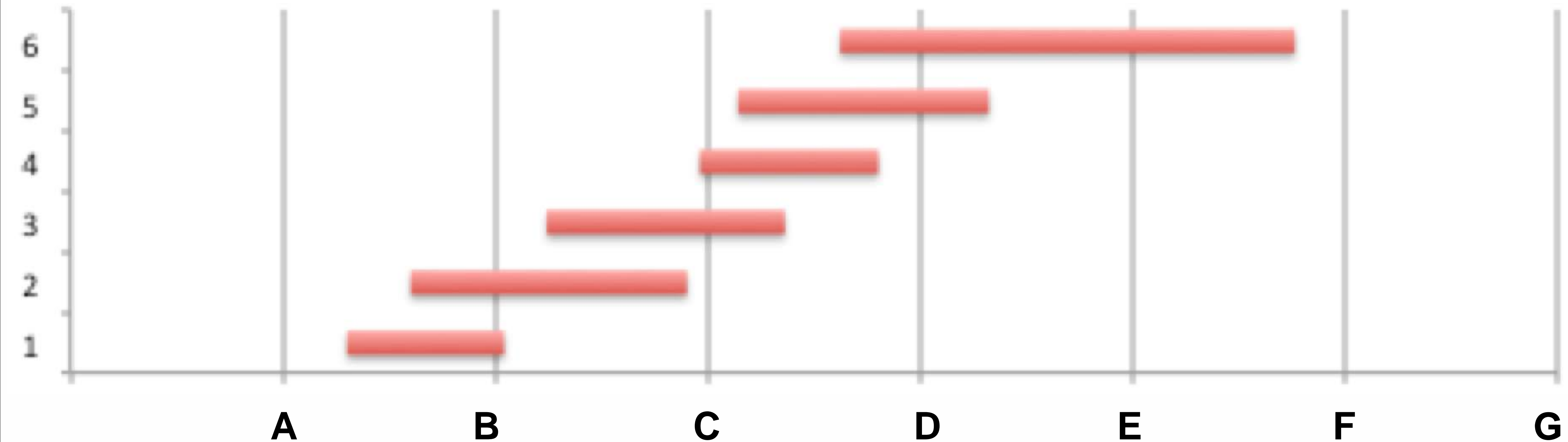
Skills matrix

**Salary bands**

1:1s

Reviews

# Salary Band Example





# What did we start with?

Skills matrix

Salary bands

**1:1s**

Reviews



# 'THE SECRET' SAUCE





# The Update, The Vent, and The Disaster

Business is noisy.

Business is full of people worrying loudly about projects, process, and other people. These people have opinions and they share them all over the place — all the time. This collective chatter is part of the daily regimen of a healthy business, but this chatter will bury the individual voice unless someone pays attention.

Your job in a 1:1 is to give the smallest voice a chance to be heard, and I start with a question: “How are you?”

## The Basics

Before we start, let's go over the basic rules I follow regarding 1:1s:

# What did we start with?

Skills matrix

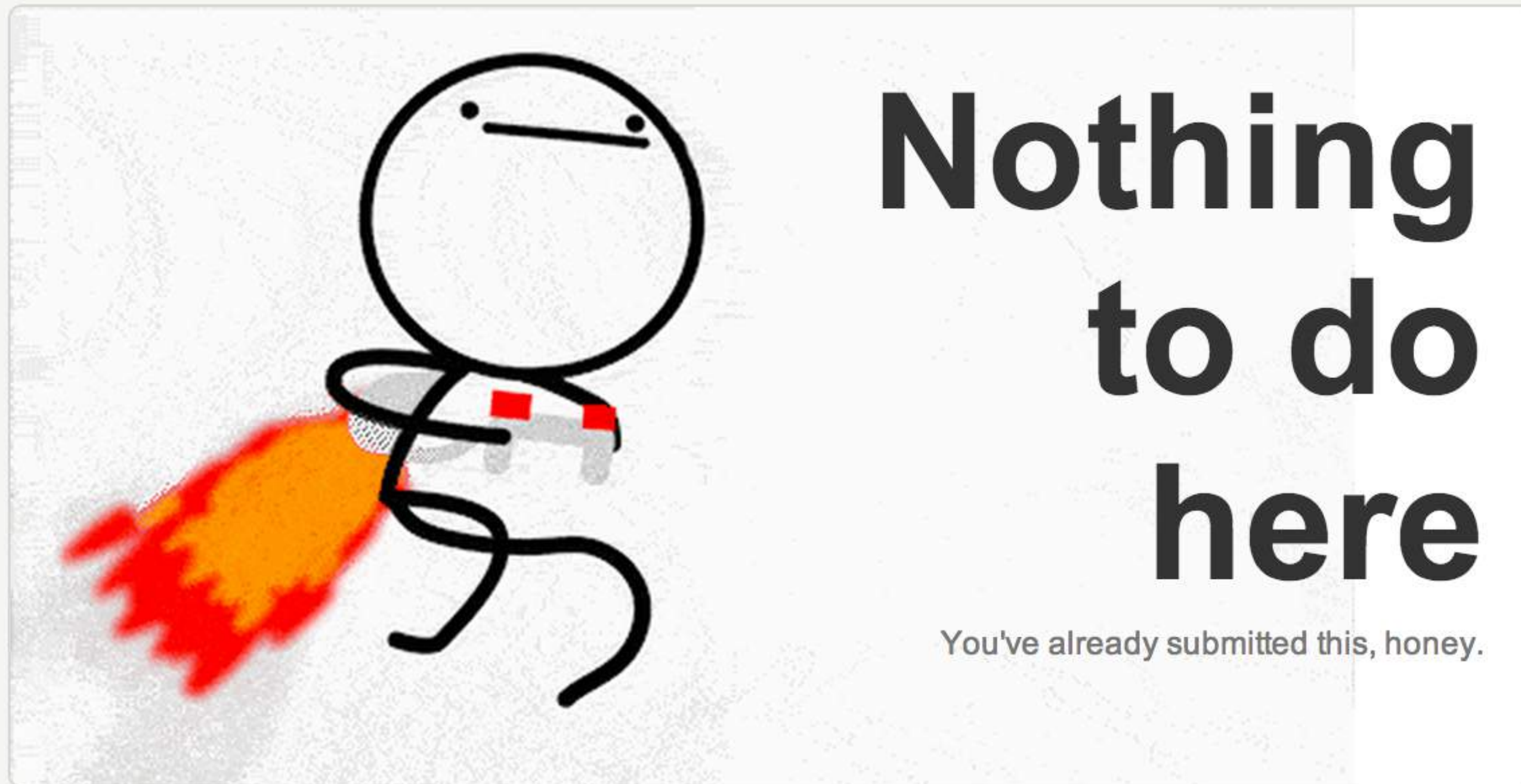
Salary bands

1:1s

**Reviews**



## Feedback for yourself



What do you think you've been doing a good (or great) job on at Etsy? Write about what you feel is most important. Need a few hints? See below.

What are some things you think you could do better, or where you could use some help? Hint: see hints.

Need some help? Below are some things you might want to think about. Every role is different, so focus on what's most important for you and your team.

**Skills** – Do you have all the skills you need to do your job exceptionally well? Do you make an effort to keep up with or pick up new ones as you find out about them?

**Communication** – How well do you communicate important things to your teammates? To your manager? To people on other teams?

**Teamwork** – Do you cooperate well with your manager and your teammates? Even when you disagree?

**Accountability** - Do you take responsibility for work that's assigned to you? Do you make sure to stick with it until it's done? Do you work hard to get it done on time?

**Judgment** – How good are you at analyzing facts? How well do you solve problems? Do you make good decisions in your work that helps to avoid problems later?

**Planning** – Do you scope out, schedule, and prioritize your work? Are you able to gather resources to create and communicate plans? How well do you anticipate/adjust for problems?

**Leadership** – Do you demonstrate ethical behavior and build credibility? Do you help others see their potential and help them develop their skills? Do you drive projects to



## Manager tasks

No pending requests to approve

[View team status and reviews](#)

## Personal to-do list

Complete your self-evaluation



Leave feedback for your manager



Leave feedback for **Destiny Montague**



Leave feedback for **Robert Baboomian**



Leave feedback for **Avleen Vig**



Review feedback left by your manager



### About Reverb

We all want Etsy to scale and succeed, to create an economy of better choices, and to affect more people's lives for the better. We each play our part to help buyers and sellers connect and exchange their unique goods, tastes, and experiences in a personal way.

The goal of the Feedback Program is to help you grow in a personal and professional way, and to help you have the biggest impact you can on Etsy's success. Everyone should have the chance to give feedback, get feedback, understand what's expected, and focus energy on the most important stuff.

# Landing page



# Feedback for yourself

What do you feel are your strengths and examples of your accomplishments or things you've done well? *(optional)*

In what areas do you feel could you improve? Where should you focus on growing and developing? *(optional)*

Describe your personal and professional goals for the year. Indicate any support or help you may need in order to meet these goals. *(optional)*

Anything else you'd like to add or share directly with your manager or other leaders at Etsy? General comments? Include them here. *(optional)*

# Self-evaluation

**Need some help?** Below are some things you might want to think about. Every role is different, so focus on what's most important for you and your team.

## **Skills**

Do you have all the skills you need to do your job exceptionally well? Do you make an effort to keep up with or pick up new ones as you find out about them?

## **Communication**

How well do you communicate important things to your teammates? To your manager? To people on other teams?

## **Teamwork**

Do you cooperate well with your manager and your teammates? Even when you disagree?

## **Accountability**

Do you take responsibility for work that's assigned to you? Do you make sure to stick with it until it's done? Do you work hard to get it done on time?

## **Judgment**

How good are you at analyzing facts? How well do you solve problems? Do you make good decisions in your work that helps to



# Feedback for Avleen Vig

What do you most value about working with this person? What are examples of their best work or strengths? *(optional)*

Where could they focus on growing and improving? Please provide specific examples here as well. *(optional)*

Is there anything else you'd like to add that would be helpful for their manager to know? *(optional)*

## Peer feedback

**Hints:** Here are some questions to help you give feedback about your fellow Admin.

### **Skills**

Do they have all the skills necessary to do their job exceptionally well? Do they make an effort to keep up with or pick up new ones?

### **Communication**

Do they communicate important things to you and your team? Do they communicate in a clear and efficient way?

### **Teamwork**

Do they cooperate well with the team and your manager? Even when they disagree? Do they offer to chip in on group projects?

### **Accountability**

Do they take responsibility for work that's been assigned to them? Do they make sure to stick with it until it's done? Do they work hard to get it done on time?

### **Judgment**

How good are they at analyzing facts? How well do they solve problems? Do they make good decisions that help avoid problems later?

### **Planning**



# Feedback for your manager (Michael Rembetsy)

What has your manager done really well? How has your manager helped you develop? What are reasons you value working with him or her? Please provide specific examples. *(optional)*

What are some areas where your manager could focus on improving? Please provide specific examples. *(optional)*

Is there is anything else you'd like to share about your manager? *(optional)*

## Upward feedback

**Hints:** Here are some questions to help you give feedback about your fellow Admin.

### **Skills**

Do they have all the skills necessary to do their job exceptionally well? Do they make an effort to keep up with or pick up new ones?

### **Communication**

Do they communicate important things to you and your team? Do they communicate in a clear and efficient way?

### **Teamwork**

Do they cooperate well with the team and your manager? Even when they disagree? Do they offer to chip in on group projects?

### **Accountability**

Do they take responsibility for work that's been assigned to them? Do they make sure to stick with it until it's done? Do they work hard to get it done on time?

### **Judgment**

How good are they at analyzing facts? How well do they solve problems? Do they make good decisions that help avoid problems later?

### **Planning**



# Jonathan Cowie

Manager: Patrick McDonnell

Export ▾

What does this person do really well? What are their strengths?  
What are some examples of their best work and accomplishments?

Where could they specifically focus on growing and improving?  
What steps could they take in order to get there?

Revisit the goals section of the employee's self evaluation and set some actionable goals and expectations for the employee.

What will you do over the next 6 months to help support the employee in developing their skills and achieving their goals?

## Feedback for reports

Self

Co-worker Feedback

Strengths

Areas For Improvement

Other

### Jonathan's Self-Evaluation

What do you feel are your strengths and examples of your accomplishments or things you've done well?

In what areas do you feel could you improve?  
Where should you focus on growing and developing?

Describe your personal and professional goals for the year. Indicate any support or help you



# Results of first management initiatives

- Direction
- Clarity
- Feedback
- Perceived happiness

# Early Managers

- ICs with additional responsibilities
  - People, direction, salaries
- Hired guns from outside
  - We had to hire management talent instead of growing it because we didn't know how



# Increased knowledge sharing

- Started offsites (both teams and managers)
  - Rock climbing, bowling, “escape the room”
- Concentrated tech leadership meetings
- Centralized project management and workflow collaboration

# Knowledge is power

- Solidified standards and direction
- More collaboration between managers
- Focus on the company rather than the team
- Engineering “generosity of spirit”



177  
employees

6x  
number of engineers  
as in 2008

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8x  
number of managers as in 2008



# **Bobby Gormsen**





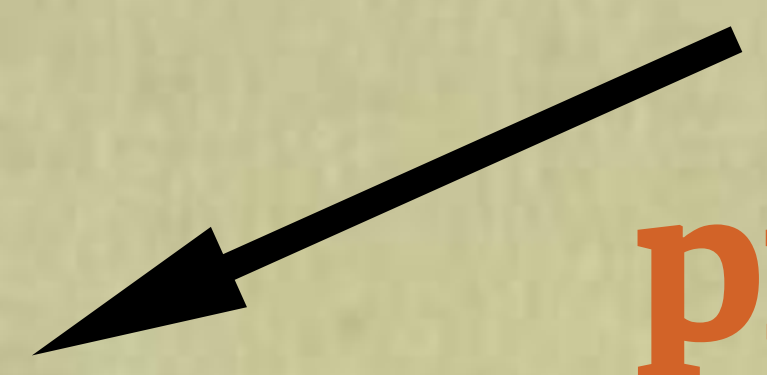
# Rasmus Lerdorf

Phase II:  
Supported Growth  
(2011-present)





**Manager  
magic  
pixie dust**





**Marc Hedlund**



381

employees  
near end of 2011

8x

headcount growth  
over 3 years

# Learning & Development Launches

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**Paloma Medina**



**Reflect**

**Acquire Insight**

**Practice**

**Reflect**

**Dens**

**Acquire Insight**

**Practice**







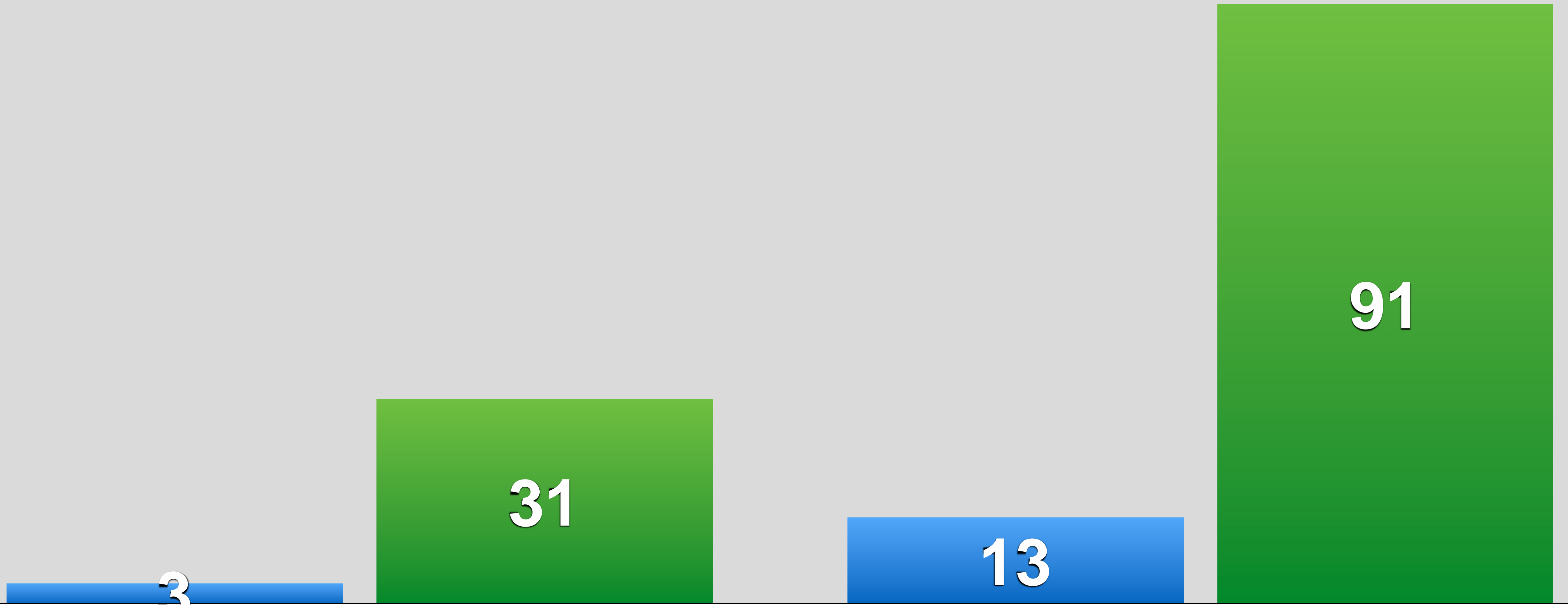
# Den sessions

- 8 people to a den is ideal (5 for remote dens)
  - IC dens and manager dens are separate
- Foster empathy across departments
- Build long-lasting support networks for managers outside of the dens



# Den Rules

- Safe confidential place to share stories and best practices
- What happens in the den stays in the den
- Facilitator required



**2013**

**2014**

**■ Dens ■ Participants**



**Reflect**

Dens

**Acquire Insight**

**Practice**

**Reflect**

Dens

**Acquire Insight**

**Workshops**

**Practice**



# Goal COACHING

## Foundations

- Specific
- Measurable
- Action oriented
- Realistic
- Time-bound

## Advanced

- What would benefit be if you achieve it?
- What are potential obstacles?

LinkedIn Learning





**Reflect**

Dens

**Acquire Insight**

Workshops

**Practice**



**Reflect**

Dens

**Acquire Insight**

Workshops

**Practice**

**Practice Labs**







Were we successful?

# Retooling

- Some things worked, some didn't
  - Design Gym wasn't the right fit
  - Dens and workshops are major components to this day
- L&D rock band



# L&D works, let's grow it!

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**Jenn Coombs**



**Romy Weisfelt**

# Manager Onboarding System (MOS)

- Care package with helpful hints
- First HR business partner session with manager
- New manager dens and roundtables
- Meeting with Paloma to customize your L&D experience





The new manager roundtable meets every-other-week on Thursdays. Those attending this roundtable are new managers at Etsy - either they've managed before but not here, or they're completely new to management. People attend for three months and then graduate into L&D dens. The goal of this roundtable is to create a safe space for new managers to ask questions, share insights and learnings, and practice facilitating group discussions.

- [Burnout \(6/5/14\)](#)
- [Decision-making authority between roles \(2/27/14\)](#)
- [Gathering feedback as a new manager, how to structure your first one-on-one \(11/6\)](#)
- [Getting to know your team \(7/17/14\)](#)
- [Hiring and sourcing \(4/10/14\)](#)
- [Hiring for Etsyness \(10/9/14\)](#)
- [IC leveling in engineering \(5/8/14\)](#)
- [Introverts and extroverts on teams \(7/31/14\)](#)
- [Motivating and recognizing folks without money \(5/22/14\)](#)
- [Perception of you and your team \(6/19/14\)](#)
- [Reverb, getting guidance on giving feedback \(3/27/14\)](#)
- [Team dynamics and hiring for them \(7/3/14\)](#)
- [Team stages, and managing up \(8/14/14\)](#)
- [Working with other teams and being sensitive to their resource needs \(8/28/14\)](#)





About

Home

Sitemap

## Managing Yourself

[Individual Goals](#)

[Improving Productivity](#)

[Receiving Feedback](#)

[Stress Management](#)

## Managing Your Team

[Building a Strong Team](#)

[Personality & Conflict](#)

[Better 1:1s](#)

[Performance Improvement](#)

[Reverb, Feedback, Employee Movements & Transfers](#)

## Managing On-Boarding

[New Manager Checklist](#)

[Managing a New Team](#)

## Managing The Office

[Planning a Meeting or Event](#)

[Connecting with Others](#)

[Finding Office Supplies](#)

## Blogs

[Rands in Repose](#)

[FriendDA Updates](#)

I've made small changes to the FriendDA based on feedback to this post. All the proposed changes in the

## Books

[Manage Your Day](#)

Quick read on newest research in productivity for creatively

[Managing Humans](#)

Rands in Repose blog in book form

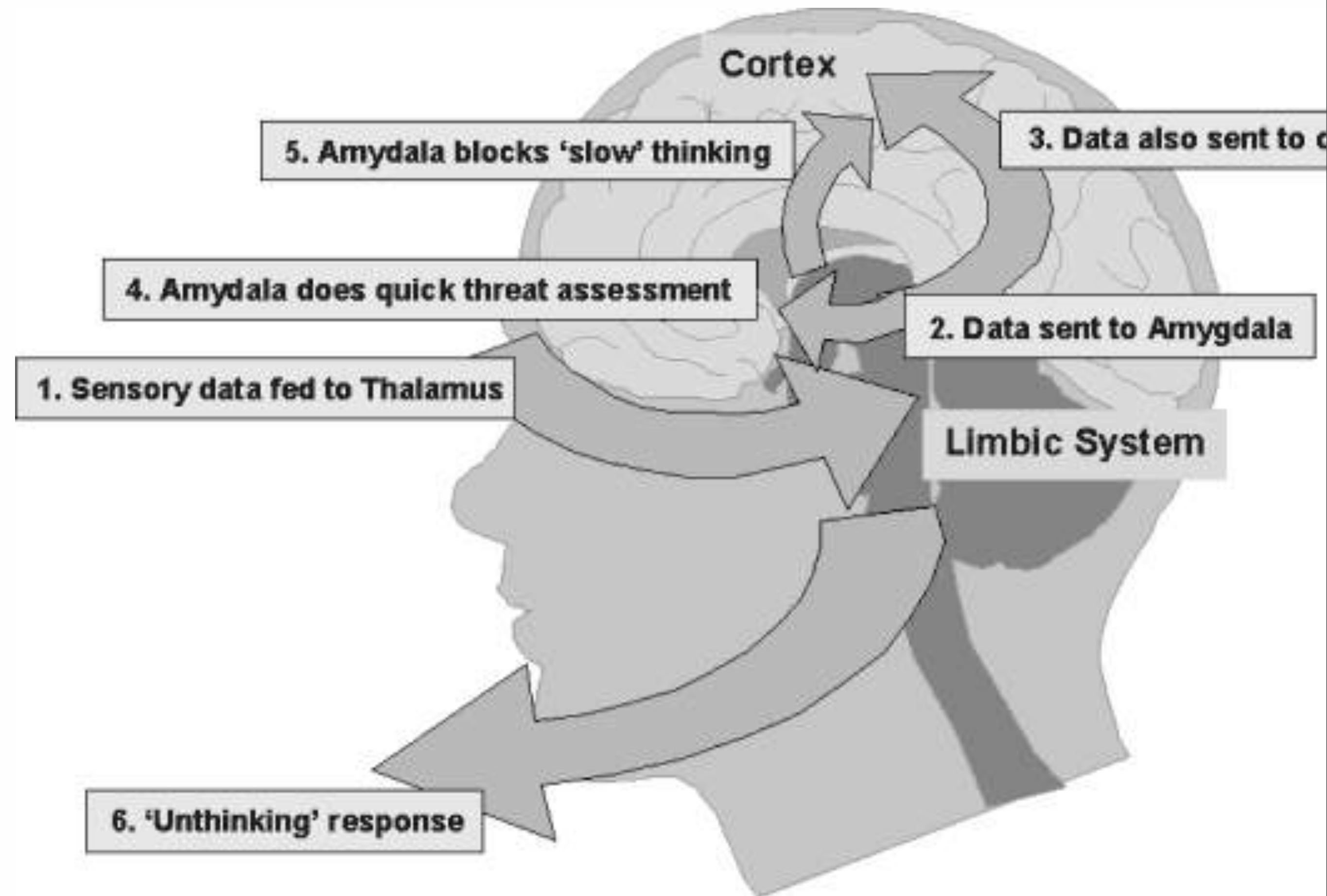






# Conflict resolution

- Are you triggered?
- Negotiation
- Hard conversations
- Intervention sessions





# Roundtables get serious

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**John Goulah**

# Types of roundtables

- Best practices
- Council
- Systems reviews
- **Decision**



Break Time:  
5 Minutes

Etsy