

# Fail fast, learn fast: Q&A with Daniella DeGrace



Like many good business ideas, ProcedureFlow developed as a fix to a problem. In 2001, Innovatia was providing 1-800 tech support services for Nortel Networks. But its support agents found themselves diving into a 900-page book to find answers to customer questions. Training new agents took time. So Innovatia developed ProcedureFlow to improve new employee onboarding and found it reduced training time by 75 per cent. Other companies also adopted the tool. In 2015, ProcedureFlow was incorporated as Gemba Software Solutions. We spoke with the CEO, Daniella DeGrace, to get her thoughts on scaling and some advice for entrepreneurs considering the move. Previously, DeGrace worked with Radian6, Salesforce, Q1 labs, Alcatel and iMagicTV.

## Q & A

**Q You have helped scale many startups during your career. Can you share some important tips for those hoping to follow in your footsteps?**

First, ask yourself if your business is truly scalable. Understand your market opportunity and associated costs. Scale comes at a cost and maybe staying lean is the right decision for your business. Then test your market and prove it to yourself. I often see all the early effort placed on building the offering/product in a “build it, they will come” approach. Trust me, they rarely do. Try to keep it simple, efficient, and low cost. Once this is done, everything else will seem to fall into place.

You should reach a certain level of efficiency/speed before adding too many resources. It should be clear what you will achieve for every resource added. But make sure you surround yourself with the best talent you can afford at every stage you are in. Hiring wrong skills or personalities for the wrong stage can be incredibly costly. So hire slow and adjust fast.

As a founder, it’s often hard to trust others with your baby, but it is absolutely crucial to scaling a business. It also means you will need to have a good handle on how to sell your offering before you can get others to sell it. You will fail if you are the only one that knows how to sell it.

# Fail fast, learn fast – continued

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Put your ego aside. Don't be afraid to automate or use third-party services in certain areas of your business to inject speciality skills or increase speed of execution. But make sure you don't give away that personal touch, and keep developing key expertise in-house where it's important to your market.

Stay disciplined and keep good control of your finances. Keep spending focused on business growth. Always know exactly where you stand before and after each action.

Fail fast, learn fast, adjust and repeat. Stay connected to the realities of your business: what's working and what's not working.

## **Q** What are some of the things companies fail to do or don't realize when trying to scale?

CEOs don't always think bigger than big, and are not aggressive. You have less time than you think to execute on your plan.

Some CEOs fail to train and enable a team, as they are unable to relinquish full control of every aspect of activities like they did in the early days.

You may need to decide to centralize or decentralize your workforce based on market.

It's super hard work. Your roller coaster at every phase will have the highest highs and the lowest lows. Don't forget to have fun and keep energizing your team at all phases by ensuring everyone understands the plan and their role in the plan.

Start developing your investors/funding relationship early. It takes six to 12 months to close a round of funding, and scaling will need funding.

## **Q** Do you recommend a board of directors at this stage of development?

I absolutely do. I get incredible value from my board. But make sure you have the right board members who:

- Understand and are there to support your journey as a start-up
- Bring significant complementary skills/value
- Get along
- Can have aggressive conversations and debates
- Respect your role as CEO

## **Q** Any thoughts on mentorship, both as a mentor and an entrepreneur looking for mentorship?

I have had several mentors and advisors who have brought significant value at different times of my career. It's great to be able to bounce ideas by different people with varying experience. It opens up creative discussions, new ideas, avoidance of pitfalls, accelerating success, networking with introductions to customers and partners, subject matter expertise and so much more. I highly recommend it.