

Interview Article with Mr. Jagan Karthick and Mr. Abrar (DERBI Foundation)



On 15th December 2022, Mr. Jagan Karthick (Program Lead) and Mr. Abrar: DERBI Foundation delivered an address on HR and allied activities in start-ups. Pre-session, the Dimensions committee had the honour to interview Mr. Jagan Karthick and Mr. Abrar to capture insights from their experience. The questions were open to both of them.

The interaction was as follows:

Dimensions Team: “What kind of organizational structure best suits the nature of work that you do in Derbi?”

Mr. Jagan Karthick: “It's a flat organization model, from CEO to office staff, we don't have a hierarchy, we sit in the open space because we work with a startup culture. So, you can see that we are also dressed informally. So, we work in a typically informal mode.”

Dimensions Team: “When start-ups hire, what are their major criteria? Has it changed after COVID-19?”

Mr. Jagan Karthick: “Hiring is a challenge for start-ups irrespective of whether it is before or covid, one of the reasons is that other corporates mostly promise job security and better salary. If you join a startup, you will be given multiple roles and then I don't know whether you'll be given that corporate type of salary plus job security. And right now, there's no job security in all places but the risk is a little higher than in a startup. Founders are still facing difficulties in hiring due to a lack of interest in the ecosystem itself.”

Mr. Abrar: “Yes, adding on to Jagan, mostly 99% of the startups work on an extempore and ad hoc basis and depends on the stage of the startup if it is an early stage, mid-size or scaling up, so scaling up a startup is somewhere they have settled down, have a structure, employee benefits, and policies in place, but for an early stage startup, the priority is to get things done. No matter whether the person has a degree or not, he should be compatible enough to get one task or one activity done, but the moment you go in, you will be having a lot of surprises, you might have joined in as a marketing associate, but at times you should also do sales, operations, and HR, in early stages. For an individual, it's a volatile environment”.

Dimensions Team: “Do employees in startups face a problem with layoffs, like being laid off without prior notice or something like that? Have you come across any problem like that in startups majorly?”

Mr. Jagan Karthick: “It is a very tough question to answer, there are two types of startups. One, companies like Biju’s, etc. announced about laying off a thousand employees, bigger companies don’t ask you to leave immediately, even if they do, they give some three months of your salary, as per policy. The growing companies work with the founders closely and employees are like family. Employee problems are considered, they are treated as equal stakeholders even if their financial status is not ok.”

Dimensions Team: “In your opinion, what do you think are the challenges that HRs in startups face in general?”

Mr. Jagan Karthick: “Challenges, right? What do you think?”

Dimensions Team: “I did work in a startup for my internship, Sapio analytics. I worked there as an HR recruiter. So, some challenges I faced were that we didn't have a proper structure, so we didn't know what to do next, and we didn't have like a guide. There were about 40 employees.”

Mr. Jagan Karthick: “HR is of least importance in start-ups is what I feel, in a company of about ten to fifteen employees, the founder himself hires people, in one with more numbers, due to government norms, PF and other things that they may think of recruiting any junior person with three or four years of experience who knows the basics of HR to handle labor laws, etc. just for the compliance as part of it. But what happens when they grow: Once they raise a bigger amount of funding, then they need to focus on the right people.”

Dimensions Team: “How do they aim to retain people in startups? How much do incubation centers like yours handhold them for retaining employees?”

Mr. Jagan Karthick: “We handhold founders in our incubation center and I have not seen start-ups lay off employees, as they grow, they tend to bring in HR policies regarding Lay-offs, we as an incubation center assist them in legal, finance, and HR aspects on the business or strategy part of it”

Mr. Abrar: “To add on, in the incubation space there is a famous statement: We bet on founders, not on companies, we groom founders, to select a start-up for incubation we have that as a parameter: What is the founder’s memorability? Their capacity to unlearn and learn things, we start from there”

Dimensions Team: “What personality traits must be present in a founder for a start-up to be successful?”

Mr. Abrar: “The success of a start-up is not in our control, that is volatile, a start-up can be a success today and a failure tomorrow, for instance, Byju’s valuation dropped from 22 billion dollars to 5 billion dollars in 2 months, when it comes to personality traits, we focus on mentorability and coachability, capacity to unlearn and relearn, humbleness, must not have co-founder conflicts, empathy, etc. It is very easy to get a life partner than a co-founder they say”

Dimensions Team: What advice would you like to give to students who want to get into start-ups or entrepreneurship?

Mr. Abrar: “There is a lot of support from the state and central government if you have the passion, it is not an easy task.”

Mr. Jagan Karthick: “Always think of your family, if it is stable you can afford to set your eyes on starting on your own, it is an individual call”