CHAPTER 4:

Making a Career

Your First Year

Congratulations! You're part of the team!

In your first few weeks, you'll get aligned with your manager and team on approach and expectations. You'll get up and running, doing real work. It's your manager's responsibility to give you proper opportunities to demonstrate your skills and fit for the job. This includes your technical expertise, your engagement with coworkers, and your ability to take feedback and adapt to the 37signals culture. Similarly, it's on you to take advantage of those opportunities and to show that you're capable of meeting the team standards.

When you start, you'll receive an outline of expected performance metrics. Those standards will be clear and attainable, and your manager will give you frequent, candid feedback on how you're doing meeting them, as you go.

You'll have formal performance reviews with your manager at the 3-, 6-, and 12-month marks. On occasion, despite our collective best efforts, it's not a fit. We don't do full-scale performance improvement plans during the first year. So if during that time it starts looking like your long-term employment won't work out, your manager will let you know early and why.

By the time you've reached your 1st anniversary with the company, we expect to be as excited about working with you as we were on day one. Likewise you should consider if you feel the same about having joined the team. When both of those answers are "hell yeah!", you'll move into a less frequent performance review cycle. Just once a year, around your anniversary of joining the company.

Your first year with 37signals should confirm what we learned in the hiring phase — you're well suited for this job, and you're invigorated by the work to be done. Just put in your best effort, make sure you reach out if things aren't feeling right, embrace the feedback you get from your manager, and openly share your feedback with them!

Mastery & Titles

Advancing your career at 37signals doesn't mean giving up on your craft. No matter your role, you can become better at the work itself and level up that way. This is especially important since we're a relatively small company with few layers of managerial cake.

Within each of our job functions, we've mapped our trajectory of mastery to five different levels. That title structure is shared amongst all departments, but the particulars of what characterizes one level from another will of course be different.

- Junior (L1)
- Mid-level (L2)
- Senior (L3)
- Lead (L4)
- Principal (L5)

Mastery and internal leveling are assessed and determined during hiring.

If you're hired at a level below Senior, you should work towards developing Senior level skills. Juniors should achieve Senior in 4 years (2 to Mid-level, 2 to Senior), and Mid-level contributors should achieve Senior in 2 years. When everyone is able to follow that trajectory, we create healthy, high-performing teams where everyone can trust each other to run at similar speeds. When people aren't able to level up within the above timeframes, after ample opportunities to do so, we usually determine that to be a bad long-term fit and we'll decide to part ways.

Once you reach Senior, there is no expectation of further progression to Lead or Principal. In fact, most people will not achieve the Principal title! We see that level as reserved for people whose innovative work creates a resounding impact across the organization and even the industry. Those who do end up progressing all the way through our path usually have worked at 37signals for a decade or more.

The proficiencies expected of all of our major teams by level are documented here: <u>Designers</u>, <u>Ops</u>, <u>Programmers</u>, <u>QA</u>, and <u>Support</u>.

Pay & Promotions

37signals pays at the top 10% for our industry at San Francisco salary levels, regardless of where you live. The comparison data is provided by a company called Radford that polls compensation data from all the major companies in our industry and plenty of our smaller peers as well.

Some jobs at 37signals are *not* matched to Radford comparison data. Compensation for common technical roles like programming and design is reliably competitive in a market like San Francisco. For some non-technical roles, compensation is much lower, and much less competitive. To compensate for that industry disparity, we instituted a <u>$73,500 salary floor</u> (floor adjusted for inflation since publishing).

The Radford data is reviewed once per year at the end of November. If it's warranted, that is if the market rates in the top 10% have gone up, we'll increase pay on January 1st to follow suit. We don't decrease pay, even if the market rates may have dropped. If that happens, we'll hold them steady until they come up again.

Everyone in the same role at the same level is paid the same at 37signals.

When you get a promotion, that is you move from one level to another, you'll get a corresponding pay raise effective on your next pay cycle.

Performance Reviews

You'll meet with your manager for formal performance reviews. When you're new to 37signals, you'll meet at the 3-month, 6-month, and 1-year marks. The you'll meet once a year, around your anniversary with the company. Your manager will share performance expectations for your role when you start, and they'll keep you apprised of any changes to expectations should they evolve.

Managers are expected to document performance review outcomes and any action items or deadlines that come out of the meetings.

Performance Improvement Plans

If your work performance is not meeting expectations, you may be put on a Performance Improvement Plan (PIP). We only initiate PIPs if your manager's concern is correctable in the short term. We do not initiate PIPs for fundamental performance issues that relate to your core job skills. If you're a Programmer whose coding skills are not at the level they need to be, we'd forego a PIP. However, we may initiate a PIP to help you improve your performance in a coachable skill like project management.