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On a Mission to End Attrition:

Melvin Hines on Bridging the Resources Gap for Underserved Students with Upswing's EdTech Platform

Introduction

On a typically sweltering summer day in Austin, Texas in 2016, Melvin Hines (JD'09, MBA'11), the founder of the education technology (edtech) startup Upswing, remembers how he had just started to become used to "how things were going pretty good" with his venture. As recently as the previous year, he and his co-founders had been periodically struggling to meet payroll and raise more funding – but now those touch-and-go early days seemed gone for good.

One of their first hires, lead salesperson Jennifer Banks, was hitting it out of the park for their team. In only a couple of years, with a combination of tenacity, resilience and enthusiasm, she had secured a significant number of accounts, counting toward Upswing tripling its annual revenue. And, largely on the back of those strong sales, the energy and momentum at the startup was high, and growing. This had enabled Melvin to raise a significant amount of money from angel investors to secure the financial longevity of their operations.

To help Jennifer with her increasing workload, Melvin finally felt Upswing could afford to hire and had recently added Charles Smith, their second full-time employee, to the team. Though he didn't have the prior experience of Jennifer, he was proving to be a great fit not only in his sales role but also in terms of Upswing's startup culture.

Melvin felt confident in the hiring choices he had made so far, so on that summer day he was quite surprised to come into work and find Charles' resignation letter in his inbox – just 6 months into his tenure. Melvin immediately asked himself what could have gone so wrong in Charles' experience that necessitated this drastic, unexpected action on his part? How could he not have seen this coming? Had he missed all the red flags? What were the early warning signs that he had failed to notice?

The sudden departure of a high-performing team member for unknown reasons led Melvin to question his managerial perceptions. As far as he knew, Charles had never given any inclination that he was unhappy. And, only a few months earlier, Upswing also had another major departure from their team: one of their four co-founders had decided to pursue a separate path professionally. This caused a

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destabilizing situation which took energy and time away from other important growth priorities in order to overcome.

Melvin was suddenly worried that this type of turnover could precipitate a cycle of continually having to replace Upswing's staff, which would distract from the main goal of growing the company. He started to doubt his skills at assessing and matching individual expertise and experience to what was needed for the venture to succeed at each new stage of maturity. He even wondered if his emotional-intelligence skills might need a tune-up or if perhaps he should have considered different personalities in employees vs. those of the co-founders he had chosen so well. Most importantly, how could he work to prevent these types of disruptions in the future? It was time to figure out what had gone wrong, and to fix it.

Formative Lessons

"Serving underserved students was the reason I started Upswing. If I didn't care about serving these students, I wouldn't have created an ed-tech platform" remarked Melvin as he explained that what inspired him to found Upswing in 2013 were his own experiences growing up and going to school in the mostly poor town of Albany, Georgia. With a population of around 100,000 when Melvin grew up, Albany continues to have the highest concentrated poverty rate of any metro area in Georgia, and one of the highest nationwide. What he saw and observed there was incorporated, later on, into a larger understanding of the world that he developed while attending the top-tier higher-education institutions where he pursued a bachelor's and two master's degrees.

As a child, Melvin was described as a "thoughtful and reserved kid" who responded well to the high expectations that his parents and his extended family of aunts and uncles had for him and his siblings: "they were adamant that one of us had to become a lawyer, and the other a doctor. No ifs or buts." His parents, both employed at the Marine Corps Logistics Base right outside Albany, were good role models for him in this respect. He grew up watching them both determinedly pursue higher-education degrees as adults, even while they were working full time and raising their young family.

This situation was highly unusual in his socio-economic circle – not because of the great challenges and hardships he saw his parents face in order to pursue those goals, but because the very idea of 'higher education' was an unreachable frontier that most of his friends (and kids with whom he went to school) would never imagine or even consider. "This was reflected in the fact that we didn't even have college prep courses at our high school, Albany High", Melvin explained. "I actually didn't find out that other high schools offered their students SAT and ACT prep courses until I learned about it in college. I was stunned".

The typical outcome at his school was that "over half" of the students dropped out before even receiving their high school diploma. Out of 250 students, Melvin was one of only 68 teenagers to graduate in his high school class. This statistic meant a majority of the classmates with whom he had grown up would not have the traditional pathways to higher education open to them. Due to such a low educational attainment rate, those living in Albany's high-poverty neighborhoods faced enormous barriers

to economic opportunity throughout the rest of their lives. "They were cut down right out of the high-school gate", Melvin notes.

His best friend fell into this category. "She was so extremely bright. She had been assigned by the school to the special/gifted/advanced classes that they had, and in which I was placed. That's where I met her. I've always wondered what great things she could have achieved if she had been able to attend college, if she had a supportive environment at home, or a network to sustain her, or additional mentorship from others at school", Melvin ponders. "But her mom, who was a single parent, struggled to provide for her family, so she didn't check if she had done her homework or even if she got home at night. At that time, I wished that was true for me and that, like her, I could show up to school whenever I felt like it. Back then I thought, wow, that is pretty cool. I wanted that. It was a burden to have my parents constantly on my back. Obviously, I don't think that anymore".

Melvin's family also belonged to a very strong church community which included many other adults in his life. Most critically, these were "all of our teachers from school. We couldn't get away with anything. Everything my siblings and I did wrong in school was instantly transmitted through the church grapevine to our parents. 'Mrs. so-and-so said you were acting up in class last week' would be easily passed around in church by the adults, and inevitably there would always be some form of punishment that would be associated with that. I had a lot of aunts, uncles and other adults watching over me, conspiring and making sure I kept on the right path. And that church community was a big part of that foundation. There wasn't much I got away with."

In retrospect, Melvin now believes that the differentiator between him and his friends who dropped out of high school has little to do with the conventional societal narratives of smarts, hard work and meritocracy. "The biggest reason why I graduated and others didn't was so simple: a lot of personal support. My siblings and I received it from our entire family. Our parents were very strict and wanted to see their children succeed so they wouldn't have the same struggles that they did. Now I understand how lucky I was and, in many respects, privileged. Though my high school was not the greatest, I had a two-parent household that pushed us, supported and rooted for us to succeed." This critical factor to his success didn't become clear to him until many years later.

After he finished high school, Melvin was accepted to go to college at the University of Georgia. Away from home for the first time, it took several years for him to see and understand how the "other half lives" and how that was actually radically different from the experiences he and his high school classmates had growing up. That enormous opportunity gap and the inequities it caused were what motivated Melvin to found Upswing so he could help level the playing field for the many other underserved college students across the U.S.

A Larger World Opens

In his new surroundings at college, Melvin said he quickly "felt out of place" because, unlike most of those in the student population on campus, he had not "attended elite private schools or affluent suburban public schools with access to resources and opportunities beyond my wildest dreams". As he explains it, "What I found out was that navigating higher education beyond the classroom required a large

cultural capital and knowledge of unwritten rules I didn't yet know. I mean, I didn't even get the jokes people were making."

Another factor was that on a mostly white campus, Melvin suddenly stood out because he was black. "I would look around, and I would see that I was one of the few black people in those spaces. At the time I attended, black males totaled 1.9% of the total population. It definitely had the effect of making me feel that I didn't fit in. There just weren't many others who looked like me who had been there before me, to lean on for advice."

Melvin found out that for him, the learning curve in college included much more than just the content of the classes he was taking. It encompassed a "whole new way of being, how you expressed yourself both formally and casually. I was still in Georgia but, to me, it was like I landed on a totally different planet. There had been so many barriers that I didn't even know I had growing up. They had been invisible to me up to that point–I didn't even know they existed until I saw the resources that everyone else had had. Like, the total lack of test prep help in high school."

This initial "limited scope of vision" with which Melvin felt he arrived in college quickly expanded, and in the next four years he observed and absorbed his new surroundings to successfully earn his bachelor's degree from UGA. After that, his next milestone was receiving a dual JD/MBA from Duke University.

It was during this time in graduate school that he started to realize that the many students with his background who, over the years, he had seen drop out of school, had done so because they lacked the resources and support that others he met in college received and took for granted. Melvin explains that "everyone else shared this knowledge of how the world works and what opportunities existed out there for them–normal things, like summer jobs. My classmates implicitly knew how to play and win a game, from the words they used to their choice in extracurricular activities that I didn't even know existed. This cultural knowledge they had growing up made it easy for them to navigate."

But that is not the common perspective advanced in society, where "students are so often told that if they work hard, they will succeed. And if they fail, it's because they didn't put in the necessary effort or aren't smart enough. In high school and even college, I had subscribed to this framework for success." But over time, Melvin "began to realize that this perspective overlooks the invisible advantages and systemic inequalities faced by so many" of the students he knew during his formative background. These barriers he himself had been able to overcome – but "only because of my family's constant support, encouragement and grounding stability."

By the early 2010s when Melvin was going to graduate school, he started to notice that there were a lot of progressive innovators who appeared in education - Salman Khan in California, Geoffrey Canada in New York, and Michelle Rhee in DC, to name a few. But he noticed how "none of these innovators' work had trickled down into towns like mine. In Albany we still had no flipped classrooms, charter schools, etc. As a result, despite all of the major advancements in education, my high school still didn't even have the basics, like mentors or counselors. The impact was obvious: even those students I knew who graduated with a 4.0 GPA and overcame all those odds of that environment would end up being

denied college education at some of the most prestigious institutions either due to lack of funding, poor SAT scores, or something else that was out of their control."

A Mission Comes Into Focus

After graduating from Duke, Melvin started work as a consultant for Best Practices, LLC, a healthcare and biotech research and consulting company where he had interned during his time in business school. Best Practices helped pharmaceutical companies with go-to-market strategies for new drugs, conducted benchmarking research, and provided specialized industry reports for their clients. Melvin was offered and accepted a position with them as a research and legal associate, which saw him get experience as a third-party consultant for several client organizations. In addition to his consulting job, he was also offered and accepted a position as a law professor at North Carolina Central University in Durham, NC. He started teaching there as faculty part-time in 2012. This professional milieu he now accessed due to his advanced education was a foreign, non-existent world from the point of view of the kids with whom he had grown up in Albany.

While he had been attending graduate school and now, during his time on the teaching faculty there, Melvin started advising college students on the NCCU campus. He felt drawn to provide some of the support, coaching and guidance that he knew from experience students like him would need to navigate and succeed in that environment. "While I was teaching there as faculty, because of my age, many of the students would come up after class or message me online asking for advice and mentorship". This type of work led him to closely interact with students who were having difficulties in school and actively reaching out for help. In the hundreds of such interactions that Melvin held with his informal mentees, he recognized the familiar pattern of the same predominant barriers he knew were preventing these students from remaining in school. He found himself not only "supporting their academics, but also serving as a catch-all mentor, advising on everything from course selection to existential questions about how to choose a career. I was basically providing an after-school program on how to navigate life."

This work only strengthened Melvin's previous impressions "that success in school is not dependent on academic ability alone" and that many socio-economic factors, such as "affordable childcare, financial stipends, transportation, and accessible mental health services, among so many other instructional and non-instructional resources" are the type of difficult challenges that quickly turn into insurmountable obstacles for students of non-traditional backgrounds. Listening to his mentees share their daily struggles to stay in school and perform well "solidified the notion that only consistent support from trusted confidants can help students develop the skills and resilience needed to navigate higher education with confidence".

As time went by, Melvin grew restless with its limited reach and the obvious need for more of it. He started to wonder "if and how there might be a way that I could have a larger impact than through those one-on-one mentoring sessions." For example, he knew that there were others like him willing to tutor and support the many students who needed it, but most were unable to do so because they weren't close to or directly living on campus, as he was. To address this issue, he started conceiving of a digital service that would provide an entire distributed "mentorship network to connect poor college students with mentors who've been through this process before them." Creating such an online support group was

a powerful idea for two reasons: it would not only increase the numbers of mentors available, regardless of their location, but it would also help students receive tutoring without the added expense and time spent on commuting to campus, which he knew was a drawback for many who were forced to work while going to school.

Originally, the goal for Melvin was to just create a simple online mentorship network that would increase the availability of guidance and support for nontraditional students. Over time, this mission evolved "to include all the other much needed services – subject-specific tutoring, mental health services, and the myriad other reasons I knew students don't succeed in school, beyond just lack of mentorship." Melvin's research revealed that "80% of Americans live outside of large cities in towns like the one where I grew up" in Albany, Georgia. For him, it was those students, from those communities, who received little or no support either at home or in schools, that he wanted to help get through college.

The idea of equity of opportunity, of "leveling the playing field for those kids," was at the core of his motivation – and passion: "That is the only reason why I got into this crazy start-up game", he adds. "I am pretty passionate about the type of work I like to do, and I dislike injustice of any kind", says Melvin with a chuckle when asked how others might describe him. As far as he was concerned, Upswing was really going to be a social enterprise venture that just happened to look a lot like a more conventional ed-tech startup.

The Birth of Upswing

The Upswing origin story didn't start in earnest until Melvin met his first co-founder, Amrut Dhumal, while the two of them were MBA students at Duke University's Fuqua School of Business. In a turn of uncanny synchronicity, prior to attending business school, Amrut's family had co-founded a K-12 school specifically for low-income students in Navi Mumbai, India. It was only natural that Amrut's and Melvin's many late-night, dorm-room conversations ended up being centered around what they both cared a great deal about: the many unmet needs of marginalized and poor students.

Out of those discussions, more concrete plans for an online mentoring service first started to develop from the realm of theory into that of practice about a year after graduation in August 2012. Initially, "Amrut and I started working on another company, called Ink. It had a similar premise, but was based in India, not the United States. We would provide underprivileged students in India access to a platform where they could get mentorship and tutoring to go to University. Rich families already had this access, but the poorer ones usually did not, or they were forced to spend way too much of their incomes to send their kids to tutoring programs. Many took advantage of these poorer families by offering low-quality services that didn't actually help their students get into University. We wanted to set a higher standard for such mentoring services in order to help those families."

Amrut worked on the on-the-ground operations for Ink in India, while Melvin worked on fundraising for it in the U.S., where investment dollars were easier to raise. The idea was that Melvin would ultimately join Amrut in India for their new company. But in the process of trying to raise money for Ink, many investors were asking Melvin why he wouldn't start something similar in the U.S. to address the needs of American students.

Then, only a few months after embarking down this path, it became apparent that Melvin and Amrut had conflicting schedules—Amrut was in India and Melvin in Durham, North Carolina. The time differences and other commitments prevented them from implementing ideas for the startup and so they decided to part ways. "It was really challenging for us both to meet, given our different time zones. So we decided we would split up and start two separate businesses, and we'd each take on new company names. That was when Upswing was born."

After Amrut and Melvin stopped working together, Melvin's passion for this vision remained strong, and he continued to develop plans for Upswing on his own, part-time. What Melvin eventually envisioned was a service that would give students the ability to continually stay connected to their colleges, remotely, to receive the type of resources they needed to "navigate the unwritten rules of higher education, engage in their coursework, and bolster their confidence". The goal was to help them keep up their motivation, stick with school through the tough times and adequately finish their education.

The vision was to build a digital platform that would provide mentoring and tutoring services "on-demand, accessible 24/7, and be accompanied by an awareness campaign using communication tools that students rely on every day, like text messages." This would be implemented via an SMS-based chatbot named ANA (Academic Notification Assistant) and a wraparound services platform that would give students access to remote, live help for academic, mental health and many other topics, including a 24/7 network of general-support coaches supplied by Upswing. Appendix B & C show in more detail the main features of today's Upswing 2.0 (updated) version of the software and the value it can provide to both the students and the school administrators who use it.

Melvin's Luck with Roommates Returns

During this time, as Melvin was working and teaching in Durham, NC, he was living with a new roommate, Alex Pritchett. Like Melvin, Alex was originally from Georgia but he had the experience of growing up in an upper middle class suburb of Atlanta. Four years younger than Melvin, he had finished a B.S. degree at the University of North Carolina Kenan-Flagler School of Business, just a 10-minute drive from where they were both now living. Alex's own experience at UNC had been that of co-founding the Community Empowerment Fund (CEF), a student-run microfinance organization in Chapel Hill, NC. The organization was focused on distributing zero-interest loans to individuals at risk of homelessness who needed capital to start a business and/or get back on their feet, and it also helped people build their savings by providing matching funds from local sources. Melvin and Alex easily bonded over the same impact-driven motivation that was at the center of their lives, and their passion for many of the same issues.

In fact, they discovered they had even more in common. Alex had also started another program while at UNC, one that provided after-school mentoring services for Latino youth at a nearby school. He recruited and led a team of volunteers who helped students with both academic (math, English and science tutoring) and personal (cooking, basic engineering, communication) development, while guiding them through the entire college application process. Alex saw the enormous difference that this type of support had made in those students' lives, and this gave him the idea to also make these types of life-mentoring services available to the microfinance nonprofit clients. After CEF added services that helped

their constituency improve certain life skills, such as finance, wellness, and legal matters, this in turn proved to drastically improve the outcome of their program. This shared belief that both Alex and Melvin had in making a difference by providing personal support to those who often did not have access to adequate resources became an extremely strong connection between the two roommates.

While they were living together, Alex witnessed first-hand Melvin's efforts to develop Upswing. Inevitably, Alex took such an interest in this work that Melvin recruited him as Upswing's second co-founder – and made him his COO. Alex was not only passionate about Upswing; he also showed Melvin that he was 100% committed to the startup's social mission and had much-needed project management experience.

At that time, Alex was working as a Project Manager for Railinc, a software development company for the road industry. He had become familiar with business processes via capability mapping, scenario development, as-is and to-be process flow documentation, and multi-year roadmap planning. He learned how to gather and move from idea generation to business requirements, to the practical side of software development activities, such as completing the needed documentation of data analysis through SAS and SQL, providing user-acceptance testing, and tracking the software development lifecycle.

His work as a business architect in application design and strategic planning for new products and services at Railinc was invaluable to Upswing successfully developing their first MVP (Minimum Viable Product). In those early days, the Upswing platform was entirely dependent on outsourced engineering services from several vendors. That type of product development was complex to manage. Melvin explains: "Our Alpha was built using third party tools (Wordpress, a chat extension, and Google docs). Alex was good at writing user stories and overseeing product development. We hired an Indian-based firm to build our MVP the following summer, and Alex oversaw this. At the time, they charged somewhere around $7/hour. Typically while outsourced contractors are cheaper, you're not able to price them that cheaply. We were able to because Alex handled so much of the oversight based upon his background."

Still, neither one of the co-founders at this time had the coding skills that were the key ingredients for any digital enterprise. Appendix A highlights a short professional bio of the two co-founders.

Market Strategy and Sales Choices

In April 2013, Upswing received its first pilot contract with Durham Public Schools, even though their intended market had actually been college students. Nevertheless, they accepted, and Melvin quit his job in order to finish developing a rudimentary working version of the platform. He continued to work as a consultant part time to save money, but by July 2013, Alex also decided to quit his job. That is when he and Melvin started working on Upswing full time and embarked together on a full-on blitz campaign for sales.

Melvin explains how their core social mission dictated their market strategy and "whatever we ultimately created had to 1) specifically help underserved students succeed and 2) be free to those

students. Those constraints actually were helpful for focusing sales, because we were able to better focus on specific levers. For example, we knew that, as a result, we needed to target community colleges to accomplish both goals, and still generate revenue. Community colleges – especially rural ones – are usually less sought after because it takes longer to travel to them, and their budgets are smaller. So when we would come and speak, they would be giddy that we'd take the time to connect."

For their efforts, the pair would take turns sending emails to colleges within a day's drive. If the college took interest, they would travel there in person to pitch Upswing. During their pitching sessions, they used an iPad to show PowerPoint screenshots of the platform, they explained how Upswing could improve the college students' needs, and took turns answering questions that the other did not know. After each pitch—good or bad—Melvin and Alex would come back to Durham, analyze the lessons learned, and repeat the cycle.

Finally, after months of pounding the pavement, in October 2013, Upswing got its first collegiate pilot contract from Central Carolina Community College. At only $1,400, the hard value of the contract was almost symbolic more than, instead, financially substantive – but it finally gave Melvin and Alex a firm, concrete endorsement, the opportunity for a test case that would generate usage data needed for additional sales, and the much needed invigorating confidence to continue.

Rounding Out the Founding Team

Three months later, by February 2014, Upswing had also landed another big break: an opportunity to join a startup accelerator (now turned venture capital fund) called Tech Wildcatters in Dallas, TX. Melvin and Alex now had a golden opportunity to continue incubating Upswing in a supportive and vibrant co-working environment suitable for early ventures such as theirs. And that is where, in fact, they were able to not only finish building out the first bona-fide iteration of the Upswing platform but they were also lucky enough to meet their remaining co-founders, Chris Webb and Morgan Intrator.

Chris and Morgan had known each other since college at Vanderbilt University in Nashville, Tennessee and, after graduation, they each moved to New York City where they took jobs in different sectors. One night, they happened to run into each other at a bar and ended up reconnecting over several rounds of drinks.

Morgan, originally from Colorado, was in NYC working for a financial company when he had realized there was a need in his industry for creating a platform where people in finance could learn and practice for professional certification financial exams. This was something that did not exist at the time. Morgan also liked to tinker with front-end software development, but had not gotten very far. It was Chris who was actually the pro in this technical domain.

Originally from Nashville, Chris' family had gone to Vanderbilt for many generations and were well-known in the Nashville area for their charitable giving and work on several nonprofit boards. At

Vanderbilt, he received a Bachelor of Science degree in Mathematics and Computer Science and was recruited after graduation by TriTek Solutions, an IT services and consulting company in NYC. As a Principal Software Consultant, he had deep knowledge of software development and the technical skills to be able to build a software product from scratch. Chris's and Morgan's chance run-in at the bar made them think "how cool would it be to work together" and develop Morgan's idea, which he had called YourSigma.

For some time, Chris and Morgan both worked on the project part time and remotely, until they applied and were accepted to join Tech Wildcatters, which had the effect of making them commit fully to their venture. When they arrived in Dallas, their financial education platform was in many respects more advanced than Upswing's product at the time. Upswing's offering was very basic, and it was connected to many third-party services that did not always work together well. For example, Upswing used Skype to show that tutors were online, but the Skype functionality was not reliable and would often glitch out with no way to fix it.

On the other hand, Chris and Morgan had been developing their own code using Chris' superior programming skills. Their focus had been on building and adding more features, even before putting their product out in the market. They had the opposite problem from the one that Upswing was experiencing: Chris and Morgan had a polished, custom-built product but had struggled to get clients, while Upswing had a comparatively weak product cobbled together from a patchwork that didn't always work well together. But, on the flipside, Upswing had a great sales team in Melvin and Alex.

Given the overlap they soon discovered in the shared educational focus of their missions, the compatible features and comparable requirements for their products, and their startups' complementary skills and resources, it became obvious that they could achieve a lot more if they worked together than they would alone. While they were still at the Tech Wildcatters, the four co-founders decided the best solution for all involved was to join forces and to collectively commit to Upswing's social impact mission, which spoke the most to all of their interests.

The partners-to-be were excited to jump right into formal equity negotiations for their respective shares of Upswing, but what followed was an emotionally intense period of a couple of weeks. A positive outcome to this process by-no-means looked guaranteed and, precisely because the final result was still uncertain, this period of time turned out to be very stressful for all four of them.

Luckily, they finally reached a solid agreement for the management and ownership of Upswing. Though some of this information is still partly covered by confidentiality agreements, Melvin was able to disclose that "the agreement included a standard four-year time-based vesting schedule with a one-year cliff. It wasn't a complicated contract. We felt that if everyone was doing a good job, great. We just made sure we had a structure in there to be able to vote someone off the team, if things went off the rails, just as a nuclear option."

Melvin remembered the great satisfaction he felt on that day in April 2014 when he looked at the Upswing contract with all four co-founder signatures present on the freshly-inked paper. Through a string of great luck and serendipity, as well as his own judgment and intuition to make good choices, he had

somehow managed to find and assemble the perfect combination of knowledge and abilities in Upswing's founding group: a nicely-balanced ratio of both subject-matter specialists and also of the general, Jack-of-all-trades skill sets that are needed in all early ventures.

For Melvin, who had been working on the project since 2012, it felt as though he had finally put in place the core team with all the ingredients he would need to turn his startup idea into a solid success. And, as any startup founder worth their salt knows, this was one of the most important business decisions that he had made during the precarious inception process of his brand-new venture.

For that moment, he allowed himself a quick breath to enjoy the synergy that had developed between the four co-founders and the great compatibility their team possessed in terms of their skills, personalities and vision, having just sealed their partnership into the foreseeable future with a simple and straightforward contractual alignment of incentives and responsibilities.

Building Culture Early On

After signing the Upswing ownership contract in April 2014, Chris and Morgan set out to apply their technical know-how and rebuild the Upswing's platform from the bottom up by repurposing YourSigma's already existing ed-tech architecture. This would not only make the services Upswing would provide to their new college client operate much better and more consistently, but it would also make the platform secure, stable, and scalable for all the other colleges and students they were going to grow as clients in the future.

Throughout their time at the accelerator, the four founders made a point of sitting next to each other in order to build a strong working relationship. In keeping with this tight and close-knit cultural ethos, shortly after leaving the accelerator, they unanimously decided to move in together in order to save money, maintain the cohesiveness of the team, and work around the clock without the friction and waste of time involved in commuting. They also decided that the easiest, most affordable geographical option was to move to nearby Austin. And, in order to "keep overhead low", they set up their official (yet informal) 'headquarters' in the living room of their newly-shared house. This would make the initial $75,000 investment they had received from the incubator when they graduated the program go much farther.

After they moved in together and established their first office, each co-founder began to settle into their new role at the company: Alex, operations (Chief Operations Officer); Chris, technology (Chief Technology Officer); Morgan, customer success (Chief Customer Officer); and Melvin, executive management (Chief Executive Officer). They made a deliberate effort to create a culture that allowed them to build and continue to maintain close and positive relationships with each other. Weekly dinners and team-bonding activities were a must for their young venture, both at home and in the office.

As Melvin describes it with a smile, "it was definitely a mix of personalities in our house; it made for some interesting dynamics, and at times it was challenging to get all four of us on the same page." Alex was the youngling of the group, with endless energy in terms of both putting in the hard work and of

having a boundless appetite for fun. "Alex was the most outgoing of all of us, always down for anything", Melvin recalls. "Chris was very thoughtful, friendly, but also kept a lot to himself; it was hard to pry him away from being absorbed in his code. He was a total perfectionist, which was sometimes antithetical to how you have to get things done in a startup. For example, he was protective of his code and did not like to share it with the independent contractor developers we sometimes had to hire. We definitely had some arguments here and there over that, for sure." And Morgan, though he still felt very invested in Upswing, "was the most skeptical" out of the four in terms of his enthusiasm. It was up to Melvin, with his charismatic and relatively laid-back demeanor, to smooth out any issues that arose between them and to keep their momentum going forward.

Their house-office also "turned out to be the place where various people from the Austin start-up community would go at night for poker games and things like that, so it was a fun time. People were coming and going through our house at all times of the day and night." This kept the energy of their group high, and their spirits positive, despite a brutal schedule that saw them never have days off and routinely not get to stop working until "well after midnight".

Early Hiring Considerations

By the middle of summer 2014, Upswing had secured contracts with a total of five colleges (Durham Tech, Bladen Community College, Central Carolina Community College, Sandhills Community College, and Davidson County Community College) and was now generating $100,000 in revenue per year. This is when they realized that in order to prove and reaffirm Upswing's value to their new institutional clients, they needed one person to focus solely on managing and increasing the level of user engagement of their platform by marketing it directly to the students on those campuses. In addition, they now needed a professional salesperson to generate and grow Upswing's revenue and continually bring in more colleges, so that Melvin could focus entirely on capital fundraising.

The co-founders were now confronted with the next pivotal set of questions that are guaranteed to follow newfound success in a young venture: early hiring decisions for their first full-time staff. Melvin knew that this was a milestone that was as critically significant for the startup's trajectory as choosing his co-founders had been. Many challenges and questions involving these new types of teammates lay ahead.

At that time, Upswing already had interns and contractors who were working part-time on various tasks, so the team felt that it would not be too difficult to attract these same types of people to their team with full-time employment. Besides, their house/office had become the de-facto social and networking club for many local entrepreneurs, so both their professional connections and Upswing's reputation had been growing in the Austin area, where they were planning to recruit.

However, hiring full-time employees was going to transition the co-founders into a higher level of responsibility than they had faced before. Up to that point, the risks they had taken only affected themselves, the four equity partners. This new phase carried with it the sobering reality of being responsible for someone else's ability to put food on the table and keep a roof over their head. From this

point forward, their choices and decisions were not only for themselves but would also affect the lives of others.

Before Melvin and his co-founders hired their first employee, it was decided to set up several staff benefits such as a basic health insurance package and free weekly lunches. They would also offer free Netflix and gym memberships because Melvin and his co-founders felt that it would be difficult to compete for employees without a traditional, well-established office – one that was at least separate from their own living situation – and without the ability to offer salaries that were comparable to other major technology companies. Thus, they took care to implement a set of incentives attractive enough that their new employees would not feel they were making too great of a sacrifice to work at Upswing.

Besides these additional benefits, the final hiring package for both the student marketing coordinator and the sales manager position included base compensation, equity shares, sales commission and bonuses. Once these details had been decided, Upswing started advertising and looking for employees through AngelList during the summer of 2014. Melvin had decided that it was not an efficient use of his time to tap into his own professional and academic networks, as he thought that many of the people he knew would not want to work with him on such a risky project in the tech startup space. They chose to use AngelList because it was felt that anyone looking for opportunities on an entrepreneurship-focused job board already understood what a startup environment was like and that they would be prepared to make the type of lifestyle sacrifices common in the industry in exchange for the excitement and experience of working on a brand new venture.

Scraping the Barrel on Payroll

Neha Danan, the new full-time student marketing coordinator they hired, was straight out of college, while Jennifer Banks, the new full-time sales manager, had some prior ed-tech experience. Melvin and his team chose Neha and Jennifer because both of them were extremely enthusiastic about Upswing's social mission, eager to get the startup experience, and had the potential to grow into their new roles along with Upswing's expanding needs.

At the beginning of fall 2014, Upswing had seven people on the team: the four co-founders, Melvin, Alex, Chris and Morgan; the full-time employees, Neha and Jennifer; and also an intern, Daisy. At that time, in order to be able to afford their two new full-time employees, the co-founders set their own pay to only $1,000 a month. The meager monthly stipend was just enough to maintain their minimum living expenses in Austin in their shared household/office.

All of Upswing's other expenses, including the newly established bi-weekly payroll for their two employees, were coming out of the quickly diminishing $75,000 investment they had received from graduating the incubator and the $100,000 in total sales they had secured – but had yet to receive – from their first batch of clients.

Because of this, there were many times when Upswing got uncomfortably close to being unable to pay for basic expenses or, even more problematic, to not being able to cover the payroll for their new employees. The core team had to stay resilient and be scrappy, resourceful and astute through such times. For example, they would have to delay payments that were due in order to be able to use the money to make up their employees' salaries. Or they would agree not to pay themselves at all in order to get a few extra weeks to find an investor or get a new loan.

Other times, Melvin and his co-founders resorted to selling excess work computers or subleasing a portion of their office space to make ends meet. Once, even though they had no potential sales at that time in their pipeline, they managed to convince an investor to believe in their mission and they received his check as a Hail Mary at the very last minute – when they literally had no money left in their bank account.

During this time, the co-founders were transparent with their first employees about the startup's financial limitations, so everyone knew the reality of their situation. And thankfully, despite having multiple months where it looked like they would not be able to meet payroll, Upswing always managed, one way or another, to pay its employees on time.

The fragility of their financial resources at the time meant that while the team was busy working on growing Upswing's client revenues and on improving the product and services they offered, Melvin's main concern had to be maintaining Upswing's positive cash flow. To accomplish this, he had no choice but to spend all of his time raising additional investment funds to continually bridge the startup's liquidity until earnings would sustain expenses.

Low Traction on Raising Capital

Melvin felt that the fundraising process was extremely arduous and at times, downright depressing. He often found himself pitching to investors who "'laughed off' [the idea of Upswing], meaning that they were thinking, 'it's cute that you're trying to create a platform for poor students, but this isn't a fundable business,' and they would dismiss it as an unworthy of investment "in less than 30 minutes. This happened multiple times, where people told us things like, 'Why don't you just become a nonprofit?'" Melvin notes, "Most entrepreneurs who begin businesses do so because of a need they've seen in their community. It appears at times that while white male entrepreneurs pitch products that benefit their community and can be considered a good investment, minority entrepreneurs pitch products to benefit their community and are told that it is not an investable business. That in itself prevents more minority entrepreneurs from beginning startups."

In addition to resistance to Upswing's market strategy focus, Melvin recalls how "at the time when I was first fundraising, the world had yet to turn to technology to support learning and education delivery. Very few investors thought investing in ed-tech made sense at the time. Today things are very different." According to data from several research analysts, when Upswing was founded and started to raise capital at the beginning of the last decade, the edtech sector was once a sleepy corner of the SaaS market. **Figure 1** below illustrates the significant growth of global investment in edtech in the span of 10

years from 2010 to 2020. The edtech sector started the last decade as a niche market with only approximately $500m of venture capital invested in 2010, and finished 32x higher at $16.1B in 2020, and nearly 2x the previous investment record in 2019, according to HolonIQ.
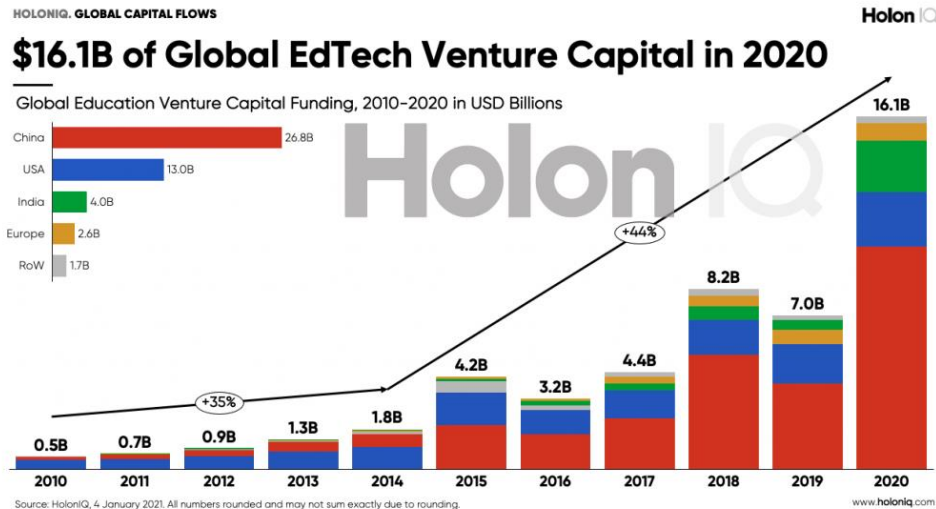

Figure 1 *Venture capital funding for education technology ventures from 2010-2020. Source: www.holonIQ.com, accessed 7/31/2022.*

In the wake of COVID-19, 2021 proved to be another record year for edtech funding, with $20.1B of investment and a 34% increase over just the previous year of 2020, according to BrightEye Ventures. Not surprisingly, edtech was considered by students and parents, schools and teachers, professors and institutions, governments and employers around the world to be a critical resource that could power them with the tools, content, processes and learning outcomes to mitigate educational loss through the pandemic and facilitate up-skilling into a new labor economy. The pandemic crisis expedited the world's transition to a digital learning infrastructure and this trend is projected to accelerate for the rest of this decade.

But while the overall supply of capital continued to expand and the sector was maturing during the past decade, most of the later investments since 2015 had pooled around the early market "winners" that got picked at the beginning of the decade. As shown in **Figure 2** below, even though the overall investment in edtech was growing year by year, most of that increase went toward the larger, later-stage rounds of companies that were successful at the initial market share grab. By comparison, investments in seed rounds and early stage companies (like Upswing at that time) were actually decreasing by the end of the decade, and ended flat by 2020, mirroring the 2010 prior levels.

Figure 2. EDTECH VC DEALS ($B) BY STAGE

Source: PitchBook | Geography: Global | *As of September 30, 2020

Figure 2 *Education technology venture capital deals by stage from 2010 to 2020. Source: PitchBook.com, accessed on July 31, 2022.*

At that beginning of the last decade there also was no major push, as exists today, to fund minority founders in technology. As Melvin explains, "less than 1% of all funding went to black entrepreneurs, and most funds still relied on the 'good old boy' network of referrals. Most minorities, like myself, have no network to exploit, so I had issues getting anyone to take our calls. For example, when I went to raise my seed round, with no network whatsoever, I cold-contacted almost 1,000 venture capital firms. No exaggeration. Only 1 invested."

On top of this, most funding took place out West. Melvin believes that these aspects – a dearth of well-connected personal contacts or networks, a lack of funding focus on minority founders, and the general venture-capital market disinterest in the ed-tech sector and their target market in particular – combined as a perfect storm that made it exceedingly difficult to convince funders that "what we were doing was worth it," as he puts it. And comments such as "maybe you should do tutoring with VR glasses?" were offered as helpful feedback and the obvious improvement to be made to the Upswing product, becoming a common mantra for investors responding to the company's pitch deck.

Though they had to live through stressful periods when they barely made the payroll, it did not deter the team's optimism about the company's future. The early "soft-power" investment Melvin had made into building a strong organizational culture for Upswing was paying off. Indeed, the entire team believed that if they remained focused on ensuring that the startup performed well and lived up to the commitments it made to the students and college partners, their success was all but guaranteed.

Two Steps Forward, One Step Back

This proved to be true. At the beginning of 2015, along with the beginning of the surge in investment influx for edtech, Upswing started to receive fresh outside funds from multiple angel

investors. This allowed the four co-founders to pump their monthly salaries from $1,000 to $4,000 per month.

Despite this progress, during the spring of 2015, a year after they had met at Tech Wildcatters, Morgan, who was in charge of customer success, decided to leave Upswing to work in a more secure and predictable corporate setting. He had been doing "the entrepreneurship grind" for longer than Melvin and Alex had and, by that time, "Morgan was done with start-up life."

To Morgan, the most important part of his vision had been of building an app that would blow up quickly. Instead, it appeared that Upswing's trajectory would be a long, steady climb, not an overnight success. Creating a platform tailored to the most-often neglected part of the college student population definitely did not have the exponential growth potential or the investment appeal of other, broader-based technologies that had become well known at giving tech start-up founders much sought-after Silicon Valley notoriety, instant name recognition in funding circles, and even the heady pop-culture cache that comes with those obligatory, adulatory cover stories in Forbes or Wired magazines.

And yet, Upswing's more modest, value-driven mission that focused on the underserved student market and targeting community colleges was not creating the traction problem one might have expected if they were only considering Upswing's simple-revenue growth. Melvin explains: "Our singular commitment to our uncommon market was in fact the reason why we became so popular, and why we scaled quickly wherever we deployed, despite very little funding. Hardly anyone else cared to address this group, so we were the only game in town. Whenever we got a new client, the engagement numbers were always high. Our slow-growth problem in terms of revenue was driven not by the level of usage for our platform, which was fantastic, but by other factors, which were three-fold: 1) the ACV (Annual Contract Value) we were charging per school at that time was tiny at only about $8k = $12k 2) tutoring by itself was a commodity, and so we churned many clients, and 3) our school contacts in the student services departments at community colleges didn't have a retention mandate, but a cost-savings mandate. This is why later we learned to pivot our business model and sales strategy to focus on the higher-ups in universities, like VPs and Provosts, etc. They were the ones who actually cared about the number and the percentage of students they were graduating, instead of always asking themselves how much they could cut expenses, like the mid-level administrators usually were."

After Morgan made known to his teammates his decision to leave, the immediate concern for Melvin and Alex became whether or not "Chris was going to go next" and whether his approach to entrepreneurship was that of "accepting the slower burn that Upswing had ahead of itself" or if he was also "looking to find that rocket ship" of outsized success. This would have been a significant blow to the startup, since Chris had built the entire system from the ground up, practically on his own, and no one would have been able to "take over the code and make things work in the same way."

Partly because he had been influenced by the philanthropic ethos of his own family when growing up, Chris's own personal vision and professional interest remained well aligned with Upswing's social mission and the resulting development pathway for the startup. His personality was, thankfully for Upswing, not one to covet the narratives that popularized, or straight-up glamorized, the outsized ascendancy of atypical unicorn tech companies.

Even though it was a "difficult" prospect, the remaining founders decided to buy back Morgan's equity shares because doing so at that time would have been cheaper for Upswing than waiting until the company was better funded. Since they were planning on raising more capital soon, a subsequent round of fundraising would have increased Upswing's valuation, which would have resulted in having to pay Morgan a higher amount for his shares at a later time. So despite the funds not being fully available for an outright purchase of Morgan's shares, the three co-founders decided it was best to bite the bullet and go through with the purchase right away..

Another factor that made buying out Morgan a hard management decision that would significantly diminish their already precarious cashflow at the time, was the fact that most of his shares had actually already fully vested. Melvin explains the situation: "When Morgan and Chris had joined the team, it was via an 'acqui-hire' deal. So a portion of their equity was provided to them upfront for the acquisition of their technology in YourSigma. Because of this transaction, Morgan had received all of this equity immediately. We also gave 'credit' to them for their vested time in YourSigma prior to joining Upswing. As a result, Morgan's vested equity was already 50%-75% vested."

In the end, Melvin "can't remember exactly how much equity belonged to Morgan when he left, but at approximately 15-20% equity (or however much it was) at the $6M valuation Upswing had achieved at its last round of fundraising meant we were using up a significant amount of our runway to buy Morgan out." In order to be able to make the deal go through at that time without compromising Upswing's cash flow too much, the only solution was that they all had to agree on a monthly payment plan for Morgan's shares. This recurring deficit stretched out for several months over the rest of 2015 until the purchase was completed.

Though Morgan's departure was a stumbling block for the remaining team, it proved to only be a temporary one. In the summer after Morgan left, Melvin had more success in securing additional funding. This meant that even though they had lost one of their original co-founders, Upswing had managed to retain and continue to pay for the employment of the rest of its core team (co-founders and full-time employees).

In addition, Melvin's additional fundraising meant that they were also able to confidently grow their office to include other part-time employees, which brought the total of Upswing's entire staff to approximately 10-15 people. And, at this time, almost a year after adding a full-time sales manager in Jennifer, that hiring decision was also paying off: she had now expanded Upswing's presence to over 20 schools, substantially increasing their annual revenue.

A First Acquisition

During the fall of 2015, Upswing started to notice that they were taking clients away from AskOnline, a peer-tutoring platform that had "as its secret sauce a great little asynchronous writing tool" that Upswing was lacking. That company's CEO got in touch with Melvin to congratulate him on Upswing's overall success and, soon after, a deal was struck where Upswing decided to make its first acquisition by purchasing AskOnline in an equity-only deal with a convertible note.

What followed was a series of long and complex legal and financial transactions, as well as the difficult technical integration work of the two software platforms. Yet the most challenging aspect of the acquisition turned out to be managing the transition of AskOnline's employees to the Upswing team.

At the time when Melvin flew in to meet and sign the purchase contract with AskOnline's CEO, he was also set to meet – for the very first time – the startup's 6 employees. What Melvin didn't know was that the AskOnline staff had no knowledge of the CEO's dealings, so when Melvin arrived and was introduced to them, they were entirely blindsided. This was the very first time they had ever been told that the company was being sold. As Melvin succinctly put it, "oh man, it was a mess". That same day, he was slated to spend time with each employee to "interview them and see who would be a good fit" for Upswing. "Needless to say, people were very upset" by the news, and the staff interviews didn't exactly go as planned.

Given Melvin's focus on building a strong culture in the office, Upswing had a policy that its staff work together in the same building in order to facilitate interaction and collaboration. This type of camaraderie was important to the success of Upswing, but this presented a conflict with the fully-remote work setup that was present at AskOnline.

Upswing spent "a lot of time seriously considering" how they could try to incorporate the AskOnline employees into their existing team. But given the manner in which the news of the sale had been initially delivered to them by their CEO and the backlash that created, as well as Upswing's preference for an on-site work arrangement, there was little interest from the AskOnline employees in joining Upswing. Ultimately, none of the staff decided to stay on through the sale. Melvin had hoped that one of the benefits of this transaction would be "gaining some of AskOnline's organizational know-how and industry-versed, trained staff. Unfortunately that did not work out for us."

Melvin recalls the pros and cons of that situation: "It was a tough deal because the founder promised us a lot of things that turned out to be unhelpful. For example, we were promised servers that turned out to be outdated, employees who were disgruntled and didn't know what was happening, and fundraising support that we never received. It turned out to be good however, because since then, we've generated nearly 4x the revenue from the contracts we received from AskOnline's clients, and for that cash stream we only paid in equity."

Despite these initial conflicts, the result of Upswing's first acquisition proved to be a positive one: they were able to develop a higher-quality product line by incorporating a new asynchronous writing tool for their clients and students to use, as well as transfer several colleges and universities from AskOnline to Upswing's roster.

When Upswing acquired AskOnline, the entire income portfolio they absorbed represented less than $100k per year total. Many of the clients that Upswing inherited and retained, including the University of Memphis, and the entire Houston Community College System, ended up "paying Upswing's much higher fees" than the ones to which they had originally committed with AskOnline. Since the acquisition - even when considering the colleges that did leave Upswing after the transition - the total income from AskOnline's previous clients has brought in over $1.1M to Upswing. Melvin notes that

"in the end, it turned out to be a very successful acquisition." Indeed, "from an ROI perspective, this turned out to be a beneficial early play," concludes Melvin.

A Tale of Two Employees

As Upswing began going through the daily growing pains of a young startup, Melvin noticed that Neha, who was initially hired as the student marketing coordinator, was exceeding expectations. In August 2015, as the number of college partnerships grew and after Morgan left his position as head of customer success, Melvin promoted Neha to become manager for the customer success team. It was a client-facing position where she would provide support to the colleges, and Melvin thought this was an excellent fit since she was already engaging with student ambassadors on campuses.

Upswing needed someone who could handle "the numbers, manage the goals of the customer success teams, and be the point person for administrative disputes", and Neha was the person for the job. Did she have prior experience in this role? No. Was she perfect at the role immediately? Not at all. Neha had to get up to speed quickly and learn her way with little direction. However, she had grit and determination and for Melvin, that meant more to him than experience.

Jennifer, on the other hand, brought prior experience in the education technology space. She was also passionate, dedicated, and committed to the cause. As Upswing's first salesperson, she helped secure a base of 28 college partners and added over $350,000 a year in sales contracts. This helped fuel Upswing's growth from approximately $125,000 in annual revenue at the end of 2014 to over $450,000 by the end of 2015.

However, while successfully growing their external partnerships, internally Jennifer was running into issues on the social level. Melvin and the team started receiving complaints about her negativity and frequent criticism of the Upswing technology platform. This was a new situation for Melvin and he struggled with what to do. Firing Jennifer meant the possibility of losing partnerships with key colleges and negatively impacting Upswing's ability to generate sales and revenue. In fact, Jennifer's contributions to Upswing sales and revenue had been a key driver in helping Melvin convince angel investors to invest $2 million (through a series of convertible notes) in the company between 2014 and 2016.

Melvin was unsure of how to proceed to address this internal conflict. He wanted to find a third way– one that would both resolve the growing discord and the building tension regarding Jennifer's behavior on his team, and best support Jennifer and her professional growth at Upswing.

Waffling on Firing

Even though Melvin was aware of Jennifer's issues, he felt that he could tolerate them for the sake of getting additional sales. To him, growing the revenue was worth putting up with Jennifer's attitude. Alex, however, was the one who convinced him that the situation was untenable. He argued that she was affecting everyone's morale, and the others on the team were not able to handle her as

nonchalantly as Melvin could. So Melvin had to start planning how best to let Jennifer go. He debated his approach and even the exact wording to use for several days before he got up the courage to set up a meeting to speak with her one-on-one.

During the meeting, Melvin brought up the issues that he and the rest of the Upwing staff had experienced with Jennifer's demeanor and attitude. Jennifer immediately responded that she saw this as an opportunity to improve, pushed back by pointing out her own concerns with the feedback, rationalized why she thought she was getting negative reviews, and promised to try to build a better relationship with her colleagues. Her defensive arguments and her assertive willingness to work on creating a better atmosphere at work convinced Melvin the situation would get better. This changed the strength of his initial resolve. That day, he could not go through with firing her as he had planned. Or, the way he puts it crisply, "I did try. But failed."

Blindsided by the Obvious

Melvin likes to explain that "there actually isn't a lot of magic to sales. You basically need 1) an ability to handle the word no, 2) a process mindset for managing follow-ups, 3) a certain level of empathy for those you speak with, and 4) a resilience to continue going." In the beginning of 2016, it was for those qualities that Melvin and his team were looking to hire.

In early 2016 Melvin felt that they could finally afford to add a new full-time sales associate to help Jennifer expand her reach. After a longer-than-usual and rigorous interviewing process, the team thought they found all those talents in Charles Smith, a peppy recent college graduate "who looked all ready to go and get his hands dirty." Everyone believed that he had great potential in sales, and Charles proved them all correct. In only the first few weeks, it became clear that he was not only exceeding expectations for performance but that also everyone really enjoyed having him onboard. Between the contracts that he and Jennifer were now bringing in together, Upswing's sales department was humming and beating their set targets. It also looked like Charles was such a good fit that he would hopefully stay with the company for multiple years.

However, that optimism was dashed when Charles put in his letter of resignation within six months of joining Upswing. Melvin thinks that "usually, you can get a feel for whether an employee can be convinced to stay and the situation is salvageable. This one was clearly not. And if I had known his real thoughts at that moment, I would have also known there was no chance for us to keep him. I did try."

Upswing was a small company. Melvin had meaningful interactions with everyone in the company, and Charles was even his direct report. But to Melvin, there were no signs that Charles was unhappy at Upswing. The fact he didn't see this coming was troubling and unsettling. How could Melvin determine the real reasons why Charles had left, given the lack of feedback from him up to that point? This information would be critical to know in order not only to prevent such situations from happening, but also in order to be able to improve the Upswing hiring process in the future.

When Upswing had set up its employment hiring policies, it had been decided that at the end of everyone's tenure, exit interviews would be conducted by at least one of the co-founders who did not have the departing employee in a direct line of reporting. Melvin came to believe that "usually you can learn a lot when someone is on their way out. Many companies don't care to do it, and when they do, they don't discuss it. I think the difference here was we knew we were new at this and in a perpetual state of learning. So we wanted as much data on any issues with the company as we could find."

In order to empower Charles to provide candid and open feedback on his reasons for leaving Upswing, Melvin felt he needed to hire an external advisor to conduct Charles' exit interview. This was because Charles had obviously been masking his real feelings from the rest of the team. During the interview, Charles stated that he was leaving Upswing because of Jennifer. She made him dread coming to work and he had continued to look for a new job in secret during the whole 6 months he had been working with Upswing because the thought of interacting with Jennifer made him "sick."

When Melvin read the feedback from Charles' exit interview, his reaction was feeling as if he had been "blindsided by the obvious. It convinced me that my failure to fire her earlier lost us a really good employee. So I 100% blamed myself." He now realized that Jennifer was unable to change her behavior, and this was always going to impact others by creating a toxic work environment around her. "In retrospect, I would have committed to firing Jennifer the first time. What I didn't know was that her behavior was impacting the others in the company to that extreme level. I thought it was just me, and that I could handle that."

Losing Charles because Melvin had kept Jennifer on the team despite prior complaints from others was a difficult lesson for Melvin. What Melvin now knew was that "whenever you make a hire, you hire two people -- what the person can do, and their personality. Jennifer's personality was not a good fit for the company, and I should have accepted that. It's not right to blame her for that; instead, you let her know that's the case so she can find a place where it is a good fit. I didn't do that, which was where I went wrong."

With that expanded understanding, it became clear to him that firing Jennifer would not only be beneficial to the company, but it would also help her: it would force her to find a work environment where her personality may be a better fit. "I've learned to recognize firing is different from what I thought before. I always thought if someone didn't perform well, it was my fault and I needed to take the blame rather than them. Instead, I learned that my biggest blame was not firing her initially because 1) it made everyone else miserable, and 2) it kept her here in a place she wasn't appreciated, instead of going to a new place where she could potentially thrive."

Melvin set up another meeting with her. This time, he wrote everything he wanted to say in advance on a piece of paper, so that he would not be derailed by Jennifer's arguments. He also asked Alex to be in the room. He started the meeting by immediately focusing on what the objective was, which was letting Jennifer go from Upswing. As he described to her the negative feedback he was still receiving about her from colleagues, Jennifer started raising her defenses again. While Melvin still heard her out, he kept to his plan, continued to reiterate his points, and moved on to her severance package. At that point,

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Jennifer knew there was no way of turning back from her departing Upswing. She officially left the company in the fall of 2016.

Learning from Hiring Mistakes

After they fired Jennifer, Upswing changed their hiring strategy. "I just recognized that maybe we were not as good at hiring and picking people as I thought. Interviews are typically no longer than an hour long in any setting. With the exception of some scenario planning of technical projects, those one-hour interviews are only helpful to remove the most unqualified of candidates. But they aren't great for much else."

On top of this, Melvin believes that "there's the fact that an interview is like a first date. No one airs their past, dislikes, and idiosyncrasies on first dates. They want to appear their best, and that's what the interview session is like. It's only after a few weeks of working with the person that the rose-colored glasses get removed, and the candidate brings their full self to work."

To prevent such situations from reoccurring, Upswing researched a lot of HR best practices and created new plans that provided them with better guidelines for hiring well-qualified candidates who would also be able to perform well within the context of their culture.

At that time, Upswing decided to first make offers to potential employees on a contractor basis for a month (especially people straight from college) and, if they did well during that first month, then it would offer them a full-time position. Later on, Upswing would include as part of their interviewing process the assignment of case projects and problem-solving exercises. They found this approach to be a much more accurate predictor of someone's capabilities and expertise, and ultimate performance, than the type of unstructured meet-and-greet interviews they used to conduct.

Eventually, these new policies expanded to include a 30/60/90 rule. Depending on the position and level, specific milestones are set for each role to be met at 30, 60 and 90 days. If the employee does not meet the milestones during the time period, Upswing assumes it's not going to work out with that employee and moves to terminate. Melvin explains that "30/60/90 helps because you have time to see all these things appear when working with a person to accomplish set goals. It also gives the candidate the ability to understand if they actually would like working here as well."

There have been several people over the years who did not reach these milestones and did not work out. Upswing is now able to find out quickly if that will be the case. "For example, an engineer might be required to push their first piece of code in the first 30 days or fix their first bug. If they are struggling with that, we know the qualifications are just not there, and we can both move on."

Another problem Melvin noticed was that "even when not trying, people tend to bring in their biases to interviewing, which allows people to view the candidate non-objectively. I've seen trends of women hiring women, people of color hiring the same, and White people hiring Whites." Candidates were now asked to interview with several team members to ensure that multiple and diverse perspectives were always included in the final decision-making.

Lastly, Upswing keeps its team motivated through a quarterly offsite retreat that people fly in from all over the country to attend. This type of activity formalized the previously impromptu manner in which Melvin had built their internal community and interrelatedness. "It helps re-energize us as one group, takes us out of the daily grind and gives us the needed perspective to keep continuing to grow. It costs us about $30k to put on but it's more than worth it from a motivation and team-cohesion standpoint."

On the Upswing

After Charles left and Jennifer was fired, Neha continued to thrive in her customer success role while Upswing continued to grow. This was in part attributable to a revised sales strategy of "focusing less on number of clients per year and more on how much revenue we generate per client, to ensure our clients see us as a retention partner and not simply a vendor." Using this pivot, Upswing was also able to generate over $10M in funding, expanding its full-time staff to nearly 30 team members.

The hiring challenges that Melvin and his team were able to overcome up to this point had been many, still this upward trajectory guaranteed that they would inevitably continue to face more of the same personnel issues. One thing that Melvin did not realize or expect when he embarked on the Upswing venture was how much of an essential, crucial and truly vital role addressing human resources issues would play in the development of a new enterprise.

Without the ability to find, motivate and retain the right team members – at the right time – he now understood that being able to grow a company would be categorically impossible. In retrospect Melvin believes that building Upswing's superior platform and developing their strong client base would have never been possible otherwise.

These experiences gave him a newfound appreciation of the often difficult, nuanced and unseen work that goes into staffing the talent of a successful startup, and the many adjustments that must be continuously made to policies and practices in tandem with the needs and demands of a rapidly changing enterprise. Melvin observes that "motivating your team is one of the hardest parts of running a startup, and it will be different at different stages. In the early days when things are fresh and exciting, the team will not need much motivation. You send a few emails, pay for a few happy hours, and people are willing to run through brick walls for you."

"As you grow, you will also need experienced people from other companies coming in and bringing new blood into the company, so suddenly your team isn't just full of die-hards for the cause, but a mix of everything in terms of their personal motivations. Motivating becomes much more challenging. People aren't just there for the mission but also for their individual growth and development pathways, so you must constantly stay on top of that. They begin to wonder about things like when they will get market-rate salaries, and equity structures, so you must work to build those into compensation packages as well. At this point, you must continually establish and re-establish things like your company's core values, and make sure that the hiring process is informed by those values and incorporates them fully. And – most importantly – in order to motivate your team, never forget: you must always, without fail, find new and old ways to bring your people back to your mission."

Appendix

Melvin Hines is the co-founder and CEO of Upswing.

Melvin grew up in south Georgia, where he was one of only 68 students to graduate out of a class of 250. This ignited his passion for finding a way to empower students to take their futures into their own hands through higher education.

After graduating from the University of Georgia, Melvin received a JD/MBA from Duke University where he started a law forum for educational equality. Afterwards, he became a professor at North Carolina Central University, where he supported first-year student success.

Melvin Hines
CEO & Co-Founder

Alex Pritchett is the co-founder and COO of Upswing.

Alex has a business degree in entrepreneurship from UNC where he founded Los Caballeros, an after-school tutoring and mentoring organization for Latino youth.

Alex worked as a Business Architect for Railinc, a software development company, where he designed, developed, and managed new products and technology.

Alex Pritchett
COO & Co-Founder

Non-traditional students need access to a variety of academic and student support services — provided in real-time and within the context of their off-campus lives. Upswing provides a wraparound services platform designed for their particular needs.

Upswing provides students access to three main features:

1. Ana', a conversational AI-driven SMS text agent that's there for students 24/7 and connected to all student support services: More than one-third of students communicate back and forth with Ana throughout the school year.
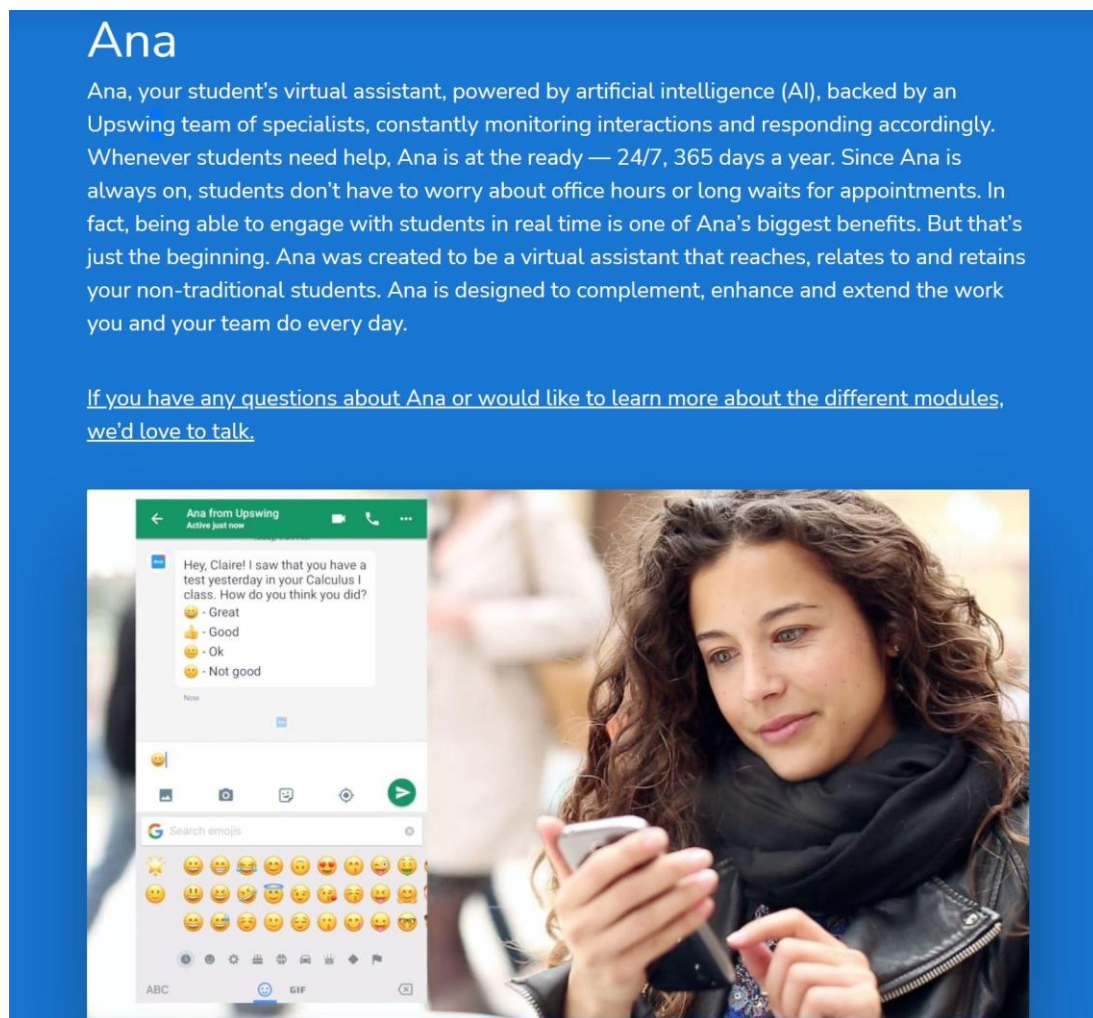
Source: Screenshot for 'Ana' from the Upswing website retrieved on 7/25/22.

2. A virtual learning room with live support from tutors, advisors, and professors: Immersive collaboration tools allow students to do anything they could do in-person- like share & annotate documents or work out formulas on a whiteboard.

Duke Innovation & Entrepreneurship

Tutoring

Upswing offers a 'round-the-clock network of subject-matter tutors. Through Upswing Tutoring, students can schedule a tutoring session at a time that works for them, including after hours and on weekends — the times when most students are studying. More than 400 subjects are covered, with the ability to include your own campus tutors to the platform, as well. With Upswing Tutoring, it doesn't matter when a student needs support as they will have a timely and seamless way to access the subject-specific help they need to succeed and persist.

Tutoring

Keep track of your upcoming sessions, and leave feedback on previous sessions. Need to schedule a session? Search for a coach or subject by using the search bar.

Search for a subject or tutor!

Search by Subject (Algebra) or Tutor (Mary Jones)   🔍

📖 My Classes

BIO320: Microbiology
Louis Pasteur   🔍 View Tutors

ENG210: Creative Writing
Margaret Atwood   🔍 View Tutors

SPA101: Intro to Spanish
Juana Webber   🔍 View Tutors

MAT101: College Algebra
Mohammad Khwarizmi   🔍 View Tutors

🔔 Tutoring Notifications

You do not have any new tutoring notifications.

📅 Upcoming Sessions   See All

You do not have any requested or approved sessions.

🗏 Session Limits

✅ 0 / 120 minutes used of the Weekly limit for upswing tutors.

💬 Leave your Feedback

You do not have any completed sessions without feedback!

Source: Screenshot for 'Tutoring' from the Upswing website retrieved on 7/25/22.

Advising

Upswing Advising is the perfect extension to your advising program. With Upswing Advising students have an easy and effective way to connect your advising team. Upswing Advising can help with advising basics, such as course selection, program requirements and graduation registration while providing a seamless way for students to schedule and meet with their advisor — virtually, with no need to hike across campus or wait in a long line. Best of all, by taking care of routing time-consuming tasks, Upswing Advising gives your advisors a way to help the students who need it most, including first generation, adult, underrepresented and underserved students who may not be familiar with the advising process.
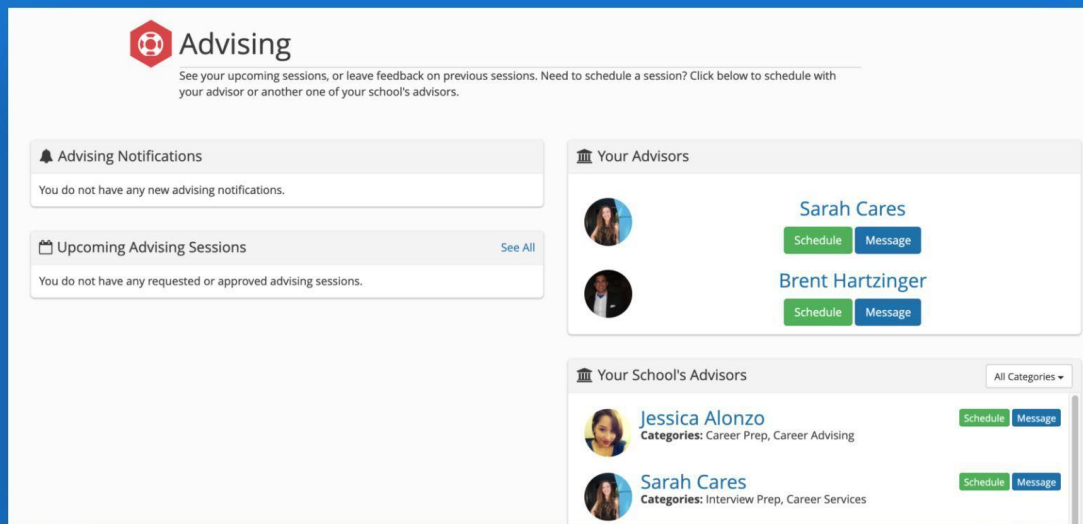
Source: Screenshot for 'Advising' from the Upswing website retrieved on 7/25/22.

Assignment Review

Upswing Assignment Review brings asynchronous tutoring online through the advanced virtual learning center platform. Students can easily upload assignments and receive feedback from writing and subject-matter tutors — meaningful, actionable feedback that helps students improve their conceptual understanding of how to write.

Source: 1 Screenshot for 'Assignment Review' from the Upswing website retrieved on 7/25/22.

Writing Guide

The Upswing Writing Guide can help improve the quality of your students' writing, uncovering subject-specific and foundational elements of the writing process that can be worked on. It's easy to scale using your own campus writing tutors. Or you can tap into Upswing's professional writing tutors to provide or bolster your campus writing program. The Upswing Writing Guide can also provide additional content for students, such as writing videos and a tool for looking up citations. It's a great way to upgrade and extend the capabilities of your writing center.

Welcome to the Upswing Writing Lab!

Upswing's Writing Lab is designed to help you through every stage of the writing process. Follow the links below to learn more about:

The Writing Process	Pre-writing	Drafting
Learn about the four stages of the writing process.	Learn how to plan before you start writing.	Learn how to write a first draft.

Revising	Editing	Citations
Learn how to revise and improve your first draft.	Learn how to edit your second draft.	Learn how to format citations in your second draft.

Source: Screenshot for 'Writing Guide' from the Upswing website retrieved on 7/25/22.

3. A one-stop shop that includes access to the right resources at the right time, such as wellness support, and coordinates the student profile seamlessly across them: With Upswing, students are 40% more likely to use a school's student services due to its online nature, its easy-to-use UI and

alignment with student lifestyle.

Source: Screenshot for 'Wellness' from the Upswing website retrieved on 7/25/22.

Duke Innovation & Entrepreneurship

Colleges are already spending on student support tools for non-traditional and online students— but a fragmented offering that's not accessible off-campus leads to low engagement.

Bringing the campus support staff online, Upswing engages students where they are, making it possible for previously unengaged cohorts like online-only and working students to connect with student support staff.

Upswing provides schools with two main features:
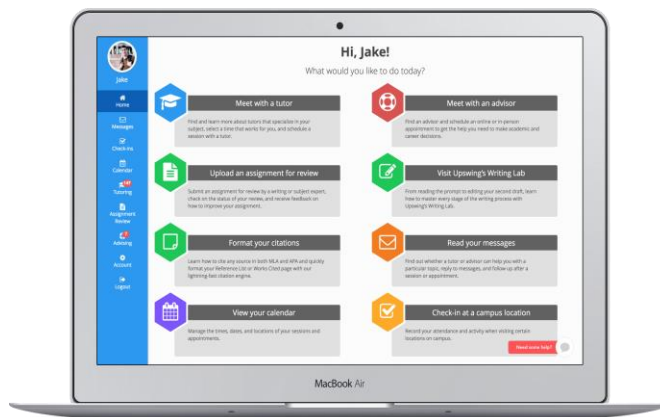
Source: ??????

A customized portal with real-time access to key student analytics and early alerts that are mined from the usage data on the student platform: Colleges using Upswing get access to student engagement intelligence not found anywhere else, and have improved student retention by an average of 10% every year.

Automated scheduling, queuing, and authentication across campuses, so that educators can spend time on what matters: Upswing is able to save colleges dozens of hours of manual data compiling each year by automating data collecting and reporting across otherwise disparate student services.