

NoCode, Inc.
Role of Jackson Stanfield (Stanford GSB Student)

By Brent C. Westbrook and Jon Atwell

As Jackson Stanfield drove south on Highway 101 back to his dorm at the Stanford Graduate School of Business, he repeatedly replayed the conversation he just had over a three-hour dinner with Megan Sproles. Sproles is the founder and CEO of NoCode, Inc., one of the fastest-growing startups in Silicon Valley and gave Stanfield a full-time offer to join NoCode as the General Manager (GM) of CodeEliminator, the company's largest and fastest-growing business line.

Stanfield and Sproles met and worked together the summer before Stanfield started his first year at Stanford GSB. Stanfield was doing a pre-MBA internship at Plum Analytics, a well-known startup, and was tasked with building several internal tools that could help the company more efficiently complete business operations tasks. When he was researching software to help construct these internal tools, he found NoCode, which offers products that enables non-technical business operations professionals to build internal tools without writing code. At the time, NoCode was going through *Y Combinator*, had four full-time employees (including Sproles), and two customers. Despite the nascency of the business, Stanfield found the company's offering compelling and reached out to learn more.

After connecting with Sproles, the two quickly agreed that NoCode's *CodeEliminator* software could greatly assist Stanfield in building the tools that Plum Analytics needed; they also agreed that Stanfield could offer feedback and expertise in helping Sproles and the NoCode team further develop their product lines and land a prominent third logo that they could reference when selling to other customers and raising their seed round after completing Y Combinator. The agreement played out well and by the end of the summer, Stanfield had successfully leveraged NoCode to implement several meaningful solutions for Plum Analytics. With Stanfield's feedback, the *CodeEliminator* product also evolved and became more sophisticated. NoCode completed Y Combinator, raised a large seed round at a high valuation, and began to grow extremely quickly. Excited about what NoCode was building and wanting to stay involved in growth of the business, Stanfield invested \$25k in NoCode's seed round and continued advising Sproles and NoCode's growing team during his first year of business school.

During his first year at Stanford GSB, Stanfield started a company with his classmate James Reynold and also began to further explore his interest in the venture capital space. With two months left in the school year, his company was beginning to gain traction as he and Reynold were almost finished with the product and were in deep conversations with pilot customers. Additionally, Stanfield had received outreach from Maple Capital, a prestigious venture capital firm, and was engaging in conversations with the firm to intern for the summer. As he constantly weighed working on his company during the summer or interning with Maple, late

one night, his phone buzzed. Sproles had texted him, “Free for dinner in the city tomorrow night? Does Alexander’s Steakhouse work?” Stanfield responded, “Of course. Let’s do it.”

Unsure of what to expect, Stanfield drove up to the city the following night to meet Sproles at Alexander’s, a top-rated restaurant in San Francisco. The two sat down and after catching up about Stanfield’s company and his conversations with Maple Capital, Sproles paused, took a sip of water, and then said, “Jackson, let’s talk about NoCode. As you know, we’re growing like crazy. We left Y Combinator with 4 employees, \$1M of seed funding at a \$10M valuation. My headcount today is 30 and we’ve grown our seven-figure revenue 155% this year already, and we think we’ll hit 300% year-over-year growth by the end of the year. We’re ready for the next round of funding and I’m raising another \$5M at a \$30M post money valuation. It’s getting hard to keep up with everything and I can only do so much myself. A lot of the growth is coming from *CodeEliminator*, but I’m overseeing all three business lines, the fundraising process for our round which is about to close, all of our engineers, and so much more. I just don’t have bandwidth to lead that business line by myself.”

“I know we need to hire someone. I’ve looked, but I haven’t found anyone with the right skillset yet.” Sproles took a breath. “Jackson, given our work together last summer, your knowledge of the no-code landscape, and how much value I think you can bring to the business, I’d love for you to join NoCode full-time and lead *CodeEliminator* as General Manager. I understand how much you have going for you at the GSB and I know dropping out and walking away from your other endeavors would be hard. But this is a once-in-a-lifetime opportunity. We’re in rocketship mode, growing ridiculously quickly, and you can join and help us get to the next level.” Sproles paused again before continuing, “Just think about it. Give me some salary and equity numbers that you think make sense, and we can sort through the other details. Our next funding round is about to close, so I need an answer by the end of this week so we can get you an equity package priced at the prior valuation price and not the new round’s price. I’m around to chat any time.”

As Stanfield left the restaurant, he thought about his time at Stanford GSB so far. He was not even halfway through his experience and felt like if he dropped out now, he would “leave a lot of meat on the bone” and fail to earn the MBA credential and spend time continuing to build lifelong friendships. In thinking through a potential start date, his strong preference was to start after graduating from the GSB (or, at the very least, finish after the first year in order to take advantage of the school’s leave of absence policy). Stanfield recognized the hard work he put in to be admitted and thought about what other opportunities he might leave on the table by leaving now; the opportunity cost could be high. Furthermore, he was about to sign lease with some GSB friends to live in a “passdown” house during their second year and did not want to move to the city or commute to San Francisco every day of the week; based on prior conversations, Sproles did not seem open to remote work, as she liked having the entire team in the office and on the same page.

Stanfield’s mind then shifted to compensation. Stanfield knew that he would earn a high salary and bonus after graduating the following year; as he thought about salary, he wanted to make

at least as much as GSB students make on average after graduating (~\$170K) but, given salary was the only “guaranteed” portion of his compensation offer, he also wanted to maximize this. As the smallest portion of the compensation package, a signing bonus was not as much of a sticking point for Stanfield, but it would be ideal for him to pay off his student loans sooner rather than later, especially if he would be leaving without completing the degree. However, what Stanfield kept coming back to was the impact he could have at NoCode and the magnitude of the opportunity. He thought deeply about how incredibly meaningful a sizable equity package would be, especially if it got marked up quickly following the new round. This was the most important component of the compensation package to Stanfield; if NoCode becomes what Stanfield thinks it can be, with the right equity package, perhaps Stanfield will never have to worry about money again.

Directions:

You are going to negotiate as Jackson Stanfield with a partner in the role of Megan Sproles. After careful consideration of your options and desires, you’ve established a points-based system to help you think through the 5 issues that matter to you: start-date, salary, bonus, equity, and the possibility of some remote work. You have this system built in a spreadsheet, downloadable below, to make the tradeoffs clearer to yourself and to make sure you don’t lose your commitment to your goals in the heat of the negotiation. Using that system, you’ve established that your best alternative is to stay at the GSB to complete the degree and let other projects payout. This choice gives you a reservation price of 10,000 points and frankly you’re not sure that Sproles is going to be able to exceed that.

While you’ll be able to have the spreadsheet in front of you for the negotiation, you are about to meet with Stanfield and need to make sure you’re comfortable with the issues and your position on them. You need to be able to listen to Stanfield and direct the conversation toward your preferred outcome, so review closely to ensure you have a clear picture about what you’re going to ask for and how.