



# Surviving Recruiters

It is important to always double check and vet the information provided by recruiters who may very well be overselling the company as well as the compensation offered.

A recruiter's job is to hunt talent for a company. They can be full-time or contractual employees of the company. At times, you will encounter recruiters working for a firm specializing in hiring engineers for tech companies that are not big enough to have their own in-house recruitment department.

Like all things in life, you will come across good, average, and bad recruiters. The better ones will look out for your interests, while the bad ones will see you as commission dollars or quota numbers. Recruiters are primarily interested in two things: what it is that you do and how much you are looking to make in your next move. The first allows them to determine whether you will match the position they want to fill and the second how much you will cost. Remember, recruiters do not have a fiduciary duty to the candidates! They are not necessarily on your side. They are paid by the company they are hiring for.



Their mission typically is to source candidates that are the right fit for the job and close them for the lowest salary that is mutually acceptable. Hence, it is your own duty to look out for your financial and other interests.

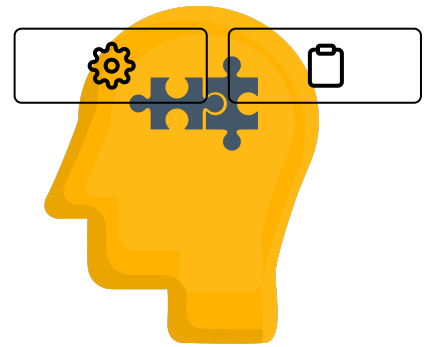
It is also not uncommon for recruiters to oversell to the candidates. So you should always exercise caution to not take what recruiters say at face value. In some ways, recruiters are also marketers of their companies and often indulge in hyperbole. They have to sell working for the hiring company to potential candidates. In fact, the less known the company that they are hiring for, the harder they will sell it to the candidate. The usual baits include shiny financial metrics, overly optimistic projections for future stock performance, start-up jargon, name-dropping, or outright flattery, for example, “backed by Sequoia Capital”, “founded by X-Googlers & X-Facebook”, “Cash Flow Positive”, “New venture by Travis Kalanick” etc. As of this writing, one of the authors received an email from a recruiter throwing revenue numbers to attract attention:

Hi \*\*\*,

How was your weekend? We are growing our engineering team here at \*\*\*\* and our Director of Engineering, \*\*\*\*, thinks your background is very impressive. We are a stealth startup that provides a RESTful API that will transform the entire logistics industry. We’re already a profitable company not having to rely on venture capital to continue our growth. In fact, we’ve been growing 179% month over month, tripling our revenue each year, and we’ve been looking for a Senior Data Engineer Tech Lead like yourself to help lead our teams. I would love to connect, would you be open for a chat this week to discuss opportunities here at \*\*\*\*?

Startup recruiting is especially tricky. As a startup employee, you are taking a high risk of failure in return for a high reward in case of success. We would urge the readers to be wary of startup

itches made by recruiters and thoroughly examine what the equity stakes offered can be worth under various scenarios of success. You may be promised the moon initially and end up with worthless options a few years down the road.



A Cloudera employee, who joined the company before the IPO, learned a painful lesson. Her recruiter dazzled her with brightly colored spreadsheets talking up the company's growth that would make her equity grant worth a million dollars at the very minimum "guaranteed". The greener grass on the other side ended in barely a hundred thousand dollars and changed at the IPO. She was granted RSUs at \$32 apiece and a few options with a strike price of \$13.56 at a company valuation of \$4.2 billion USD. Four years later, the company IPO-ed at \$1.5 billion USD, dashing our friend's dreams to be a Bay Area homeowner anytime soon.

Similarly, another friend, Zara, was lured to MachinZone with the promises of stock options turning into millions on an IPO that never materialized. There are countless other similar stories where candidates dedicated golden years of their career to privately held companies for the promise of a successful IPO, but the IPO never happened, and the private equity they were awarded never materialized. The crux is to be cognizant that part of a recruiter's job is to convince you to accept an offer and market the company. Statements made in this regard may not be completely factual and more often than not are based on a lethal overdose of hopium. Readers contemplating working for startups should educate themselves on startup valuation and equity (which are beyond the scope of this course) before taking the plunge.

The above discussion should not be construed as a demonization of recruiters. There are plenty of recruiters out there who are awesome and a pleasure to work with. These recruiters will work to get you a fair deal and be even willing to go out of the way to share interview feedback.

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