David DeWolf

CEO, 3Pillar Global

A self-proclaimed workaholic (and father of 6!), DeWolf has grown 3Pillar from nothing to over 600 employees in just 7 years. The passionate, self-aware leader sits down with the NJTC to discuss his early startup days, how he manages a board, and lessons he has learned along the way.

Can you tell me briefly about how 3Pillar came about?

I've always had a passion for building software products and working with high-performing teams to do so. Early in my career I worked as a consultant for regional, mid-sized consulting companies. After several successful years, I decided it was time to strike out on my own as an independent consultant so that I could choose the types of products I built and the teams I got to work with.

The idea of starting my own company really came about by accident. Because of my consulting connections, I used to get asked frequently if I could recommend developers. Once after doing what I considered nothing more than matchmaking, the hiring company asked me essentially, "When can he start?" After trying to back out of being the "middle man," the client convinced me it was in their best interest.

This trend continued until there were 6 employees working with me. I remember this fact hitting me in the face one day and wondering if it was time to form a company. As I stepped back to determine whether to move forward, I discovered what we believe is a huge void in the market. It was at that point in time that we began deliberately building 3Pillar into a full lifecycle product development company.

Did you bootstrap it yourself, or were there investors early on?

We did bootstrap for the first 3 years. I took out a personal loan for $40,000 when I struck out on my own and didn't pay myself for the first six months. We were cash-flow positive from day one because of this decision.

In 2009, we acquired our first international delivery center, which is in Romania. When we did this, we took on a small amount of angel funding in order to complete the acquisition. In 2013 we raised our first institutional round of growth capital with the intent of funding a national growth campaign.

On your blog (daviddewolf.com), you say, "My intent in starting the firm was simply to have the opportunity to pick the products I worked on and the people I worked with." When you go from 6 to more than 600 people, what's your hiring strategy? How do you maintain hiring people you truly want to be part of your company and share in your vision?

I won't fool you, it's not easy. One of the biggest challenges for an entrepreneur is how to scale and delegate. You can't delegate culture. You can't delegate vision. But, what you can do is hire people that you trust to perpetuate the vision and culture. Don't give in to the temptation to water either down.

Many people interview for competency. Too few people interview for vision and culture fit. I've been intentional about hiring executives and a leadership team who are as dedicated and almost as passionate as I am about both. You then have to trust them and hold them accountable to living it.

3Pillar has grown rapidly over the past five or so years; such rapid growth can be daunting. What leadership skill do you think has proven most helpful in navigating such growth?

Humble Confidence. It's a trait that I have actually made my "personal battle cry," if you will. It sounds contradictory but I think it makes sense if you really analyze it.

Early on I was successful because I was unconsciously competent. I didn't know what I didn't know, but I also realized that I had no idea what I was doing when it came to running and growing a business. We're talking about a guy who went from writing software 80 hours a week to running an international company.

Because of this, I sought out advice. I was confident enough in my abilities to plow forward and believe in my vision. But I was also humble enough to find mentors, hire leaders that were smarter and more experienced than me, and truly listen to their advice. So many people talk about the stubbornness of the successful entrepreneur. I would agree there's a definite advantage to being able to ignore the naysayers, but, I don't believe you can be successful by being exclusively bullheaded. I believe that the best leaders know how to listen and navigate their vision based upon what the market tells them. They know how to compliment their own strengths and weaknesses and build high performing teams.

Any lessons learned along the way you want to share with other CEOs?

Hire people who are smarter and more experienced than yourself. Great talent attracts great talent, and high performers don't take pride in being the smartest person in the room. Rather, they enjoy collaborating with those that they can learn from.

Stay close to your customers. As your business grows and hits a tipping point, many people will urge you to delegate, rely on others, and to spend more time on strategy and "out in the market." There are all sorts of reasons for this, and it is generally good advice if you interpret it the right way.

I didn't, at first. I didn't want to be "that entrepreneur" that couldn't give up control, so I delegated and trusted to manage our customer relationships. I spent more time on strategy and being "in the market" before I realized that there is no better market than the one you already have. You can delegate and trust others without losing the pulse of the customer. Spending time with your current customers is one of the best ways you can "be in the market."

You have impressive board members. What best practices do you use to manage your board?

Be deliberate. Be proactive. When I started building the board at 3Pillar, a lot of people laughed at me. I still owned 100% of the company, had less than 10 employees, and had no more than $2M in revenue. I didn't need a board. The most common question I got at the time was, "Why would you subject yourself to a board when you don't have to?" Simply put, I convinced myself that if I couldn't convince 2 people that were smarter and had more experience than me that my idea was a good idea, then I should probably listen to their advice for my own sake.

This proved to be the right move. I have what I consider to be a high-performing board. I've been able to attract individuals who are seasoned and well respected and simultaneously believe in our vision and add value – not just cache. I've been intentional about recruiting the best of the best – not "brand names" necessarily, but individuals who I respect, can learn from, and will work well together.

What's your company culture like, and what's the key to keeping up that company culture?

We hear from employees in our offices around the world that we have a very unique environment at 3Pillar. It's a culture that values each and every employee as a person, not just an employee. This leads to a familial feel, I think. Our employees live integrated lives where the office feels like a home away from home. It's not uncommon for my wife to drop my son off at the office before we head out to one of his baseball games. Other employees feel the same freedom to live a holistic, or what I call an integrated, life.

That's not to say we don't work hard. We are a very driven and passionate company. We enjoy working together. We work hard and play hard. We are a fairly collaborative company. We value high performing teams, not individual heroics. Integrity and doing the right thing are woven into our DNA. So many companies talk about integrity; unfortunately, few allow ethics to hold a veto right in business decisions. We do.

I believe that culture has to be authentic. It can be encouraged and developed and influenced, but once it is established, it is not something that can be changed overnight.

Innovation is one of the keys to 3 Pillar's success. How do you keep innovation fresh and people working towards innovation?

First, it's important to really understand what innovation is. Innovation is not just about technology. Innovation is about applying technology that already exists to real world problems and opportunities. Too many people mistake innovation with invention. True innovation requires a deep understanding of technology. This allows us to know what is possible. Unfortunately, too many technologists think from the technology up. The secret of innovation is to think from the market down.

We teach our employees to operate with a Product Mindset. If you're looking at an existing or potential software product with the Product Mindset, you aren't thinking about the technology first. You are thinking about it in a business context. You are focused on the market, the consumer, and the specific opportunity in question. The Product Mindset starts with the question why, not how. If you first understand what is needed, it becomes much easier to fill in the blanks of whether it's possible.

Innovation requires strategic thinking – that you connect the dots. Connecting the dots starts with collecting the dots. We teach our team members to ask questions. Be curious. Dive deep. Understand why. Don't assume, ask. Dots are so much easier to "connect" when you have a lot of them. The more data, the more information, the more understanding, the clearer the picture becomes.

That said, innovation also requires action. It requires experimentation. You can't collect dots forever. You need to embrace risk, make a hypothesis, and then go validate it. Listen to your customers. Listen to the market. They will tell you if what you have "brainstormed" is of value.

You are a self-proclaimed workaholic, CEO of a rapidly growing top company, and the father of 6 kids! Any advice on achieving work-life balance?

Don't try. Seriously. I fundamentally don't believe in the concept of a work-life balance because to me it means one must come at the expense of the other. When I hear "work-life balance," I picture an old-fashioned scale. Two very distinct items, placed at two opposite ends of a machine, one working to offset the other. The objects are almost a contradiction.

My faith, my family, and my friends are all important to me. But, I don't consider any one of them to be a detriment to my profession. In fact, they enhance my profession, and my work enhances those relationships. I consider myself a father, even when I'm in a staff meeting at 2:00 in the afternoon. I consider myself a husband even when I'm traveling for business and away from home. I consider myself a CEO even when I'm putting my kids down to bed or coaching my son's baseball team. I try to live an integrated life where I don't have to compartmentalize work life and family life.

Two years ago I took a conference call while I was coaching 3rd base. I was in the midst of closing an acquisition and the only time the lawyers in India, London, and DC could all be on the phone together was something like Saturday at 10AM. I had two responsibilities – both of them critical. Being a good dad and being there for my son is important to me, but I simply couldn't postpone this call. If I were trying to balance, I would have had to choose one or the other. By living an integrated life, I found a way to do both. Does that mean I'm too connected? Maybe. But a little creativity allowed me to duck out of active participation in the game for a short period of time and never miss an at-bat. ∎