

COO / Operations Director

Hiring Guide for Ambitious UK Digital Companies & Investors

EQUITY | EXECUTIVE



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What an effective COO / Operations Director offers a business

Focus on Operational Excellence Required

If operational practices are not allowing a business to capitalise on opportunities then it is time to seriously consider hiring a COO. The incoming COO will support the CEO with business strategy, develop an effective operational strategy to increase efficiency of operations, increase performance of operations and manage risks to effective operations. The COO will develop, lead and manage transformational projects in regards to people, process and IT as well as manage growth initiatives to include new market entry, new product development, geographical expansion and M&A. The COO will provide a level of financial management, developing budgets and allocating capital. They will manage teams across the business and use measurable performance criteria to assess company and departmental success against budget.

Operations Team Leadership

If a company's operations department lacks leadership and need guidance, a strong COO can help ensure the team has the right people armed with the right knowledge to succeed.

Transformation

A lack of growth or an inability to grow consistently and sustainably jeopardises a company's position in the marketplace. In these times it is a strategic imperative to transform a business or certain aspects of it and very often it is operational change that is required. This can be the right time to hire a COO with a track record of success who knows what good looks like and can quickly innovate to improve output through process improvement, team development and systems change.

Accelerate Expansion

If a company is looking to expand or is experiencing significant growth, the nature of the company's operations are going to change drastically and this can be the right time to consider hiring of a growth focused COO who has successfully led expansion efforts. This person will ensure the right people, processes and systems are in place to allow for growth and then offer first class operational insight to the CEO to help them develop optimal expansion strategies.

Improved Company Performance

A high calibre COO will keenly consider the performance required to successfully execute the company's strategy to include competencies and skills required now and at different points in the company's journey. He or she will create measurable performance criteria for teams as a whole and as individual contributors. The COO will meet with managers on a regular basis to assess company performance against KPI's. He or she will assess successfulness of the company by reviewing performance in respect to growth, financial performance and performance in relation to competitors. He or she will assess successfulness of individual contributors by reviewing performance in respect to execution of their duties, cultural fit and representing the company's vision. The COO will then address any weaknesses identified through performance management and recruitment.

Company Not Growing Collaboratively

When departments attempt to grow in isolation, these disjointed growth efforts can stunt further expansion. When the different departments within a company are experiencing misalignment, the guidance of a COO can be crucial. The COO will re-align functions with the company's strategy and set processes to ensure functions work collaboratively and more effectively in the future.

Execution for CEO with Onerous Responsibilities

CEOs are under considerable pressure as they manage increasingly complex products in more highly regulated environments with a demand from investors for rapid growth. In these instances it is common for a company to hire an experienced COO that can help the CEO run the day to day business, manage teams and execute the company's vision. For example the COO will often manage departments that may include Technology, HR, Legal, Property and Administration.

CEO / Founder Lacks Experience

In technology often Founders and CEOs will have technical backgrounds. The Founder or CEO is liked and the business want to retain them, but it is evident they lack the commercial acumen to take the business to the next level. In these instances a company may bring in a commercial COO with complimentary expertise and experience to the CEO.

CEO Needs a Growth Partner

We all work well in different ways. Some CEOs work best under the co-leadership model, working with a COO who they can bounce ideas off and who can challenge them, ultimately supporting the CEO to develop the optimal strategy for the business.

Retention of Top Talent & Succession

The COO role is sometimes used by clients as a method of promoting and thereby retaining a top performer. Tied into this, the COO position is sometimes the position the “CEO in waiting” takes up as in this seat the person gets a holistic view of the company and is therefore better placed to lead the business at CEO when that time comes.

Can Undertake Various Roles

- Execution – CEOs in private capital backed technology companies are under considerable pressure as they manage increasingly complex products in more highly regulated environments, with a demand from investors for rapid growth through internationalisation and M&A. These CEOs often require the support of an exceptional and experienced COO to help manage teams and execute of the company’s vision
- Change Agent – Strategic imperative eg) professionalisation, turnaround, accelerated growth and expansion, exit preparation
- Mentor – Mentor to an inexperienced CEO eg) industry veteran
- Complementor – Complementary skills to the CEO eg) technical CEO will need support of commercial COO
- Succession planning – groom and test the COO with intention of appointing them as CEO over time

Traits to look for when hiring a COO / Operations Director

Practical

In general CEOs are excited by big ideas. A COO should balance out this visionary tendency with practical follow-through. An effective COO takes the big ideas and plans of the CEO, breaks them down into actionable steps, over time turning vision into reality.

Enjoys Complexity

A successful COO balances a breadth of experience and knowledge with an ability to manage strategically. They keep their company's high-level strategy front-and-centre while understanding the details of day-to-day execution to ensure what needs to happen does happen.

No Ego

The best COOs put the organisation first. There is a total lack of ego on their part. They find ways time and again to highlight others and let them shine.

Detail Orientated

Following on from the last point, a good COO loves detail and is meticulous. They notice all the small issues and fix daily problems, freeing the CEO up to focus on the big picture and where the company is going long-term. A detail focused COO also has all the facts and can tell the CEO exactly like it is.

Data Driven

Rather than allow the business to be guided by instincts, internal politics, hunches or gut feelings, the best COOs will insist business decisions be driven by data. When the CEO or another member of the leadership team proposes an initiative a good COO will stop them or slow them

down and ask for data to guide decisions. As well as new initiatives, a good COO will also use data and actionable metrics to make sure the day to day business and operations are running optimally.

Strategic & Financially Literate

The COO is instrumental in turning strategy into operational and financial success. It helps to have a COO with considerable strategic insight, commercial acumen and financial literacy because they provide the framework for the CEO's overall vision and oversee its execution by developing budgets, allocating capital and measuring performance against budget.

Talent Focused

A good COO understands a business depends on talented individuals working as a team. They keep an eye out for ways to improve their company by deepening the pipeline of talent, constantly raising the level of talent through strong hires and providing development opportunities for existing team members.

Strives for Alignment

Alignment of department goals with organisational goals ensures the company is moving in the right direction and helps to hold people accountable and reward achievements. It is no small feat to align behaviours, organisational design, compensation and goals across a firm. The COO will choose an organisational design to support internal communication and collaboration. Clear compensation plans are fundamental. An effective COO ensures that there are no morale hazards and that the plans incentivise desired behaviours from each business unit and function.

The Ability to Forecast

There are many facets to sales management including numbers, headcount, attrition and development needs. The ability of the Sales Director to forecast accurately gives the leadership team and investors a level of predictability and an ability to plan for the future.

Strives for Continuous Improvement

Feedback loops for each process help a business continuously improve. An effective COO will identify waste and unnecessary work and free up resources, reward employees for removing bottlenecks, over-production, and poor prioritisation and monitor key metrics to understand if goals have been met and if improvements have been effective.

Consultative, Modest & Humble

Contrary to conventional stereotypes that successful salespeople are pushy and egotistical, the best sales people are consultative, modest and humble. Rather than alienate customers they win them over by showing a genuine interest in the customers and aiming to provide a solution to each customer's personal needs.

Emotional Intelligence & Empathy

Having the ability to empathise is essential for a Sales Director. Whether it is empathising with customers or staff, this shows the Sales Director cares about their individual needs and does not just see them as a revenue stream. Empathy builds trust which in turn should drive productivity. In respect of their teams specifically, knowing how and when to motivate, support, console and even reign in the sales team is essential to maximising their performance.

Ability to Challenge and Inspire Growth

An effective sales leader should be a mentor who challenges and inspires growth in all of their team members. They should be someone who is respected and has an outstanding and accomplished history in their vertical on top of very strong interpersonal skills. They must also have brutal honesty, as sales executives tend to respect those who explain their thought process versus directing without explanation.

COO / Operations Director job description

General

- provide leadership to the company's officers and executives
- review governance performance and manage risk
- ensure the board has effective decision-making processes
- apply appropriate level of challenge
- ensure impartiality, accountability and separation of powers with the CEO
- engage the board, cultivate relationships, manage conflict, build consensus and alignment and facilitate change
- develop the board and leadership team, plan for recruitment and renewal of the leadership team for the future

Board Meetings

- provide leadership to the company's officers and executives
- plan board meetings
- set a board agenda focused on strategy, performance, value creation and accountability
- lead board meetings
- ensure matters are dealt with in an orderly and efficient manner
- encourage all board members to contribute and robustly debate all key issues
- bring impartiality and objectivity to board decision making process
- work at achieving a consensus in board decisions and resolve conflict
- ensure the effective implementation of board decisions

Investor Management

- manage fundraising activities
- manage investor relationships

- act as the link between investors and the leadership team

Support & Supervise the Senior Team

- act as advisor and mentor to the CEO
- assist the CEO in recruiting a strong leadership team
- evaluate performance of the CEO and wider leadership team
- be prepared to step in if the CEO is failing

Business Management

- ensure responsibilities for particular aspects of management are met and specialist expertise is employed as required
- facilitate change and address conflict within the organisation along with the CEO
- approve annual budget, audit reports and material business decisions
- ensure compliance with all legal and fiduciary responsibilities
- plan for the future to maximise opportunities and effectively manage risk

Company Performance Review

- consider performance required to successfully execute the company's strategy to include competencies and skills required now and at different points in the company's journey
- create measurable performance criteria for the management team as a whole and as individual contributors
- assess successfulness of the management team by reviewing performance in respect to growth, financial performance and performance in relation to competitors
- assess successfulness of individual contributors by reviewing performance in respect to execution of their duties, cultural fit and representing the company's vision
- address any weaknesses identified through performance management and recruitment

Act as Custodian to the Business

- communicate the vision and purpose of the organisation
- advocate for and represent the organisation at external meetings and events
- be aware of, and highlight issues that might affect the company

Candidate Requirements

- Extensive professional experience with significant executive leadership accomplishments in business
- Demonstrated success as an executive board member or board chair
- Strong understanding of and ability to implement effective governance and risk management
- Credibility and experience of working closely with the investor community
- Experienced at diplomacy to include cultivating relationships, persuading, building consensus and managing conflict
- Experienced at mentoring and monitoring the CEO and wider board
- Strong relationships with prospective clients, suppliers and industry partners and an ability to facilitate business with these parties
- Situational experience (in circumstances where only candidates with specific situational experience will possess the necessary knowledge – eg) investment, professionalisation, turnaround, accelerated growth and expansion, exit preparation)
- Sector experience (in circumstances where only candidates from the sector will possess the necessary knowledge)

COO / Operations Director salary guide

Stage of Growth	Base Salary £GBP 000's
Early Stage (typically VC backed)	100 - 160
Later Stage (typically VC backed)	160 - 260
Mid-Market PE backed	160 – 320

The figures relate to average **London** salaries. We typically find the **South East** pays approx 80% of these figures, the **East of England** pays approx 75% of these figures, the **Midlands** pays approx between 70 – 75% of these figures and the rest of the UK which includes the **South West, North East, North West, Yorkshire, Scotland, Wales and Ireland** pays approx 70% of these figures. Salaries in and around major cities and tech hotspots will be higher than these figures.

The information provided above is based on our internal data and external data obtained for the purposes of developing this Salary Guide. There will be exceptions to our findings and caution should be exercised before drawing absolute conclusions.

The image features a dark blue background with a glowing, abstract digital graphic on the right side. This graphic consists of numerous thin, curved lines in shades of purple and blue, with small, bright dots of various colors (blue, pink, white) scattered along the lines, creating a sense of motion and data flow. The overall aesthetic is futuristic and high-tech.

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