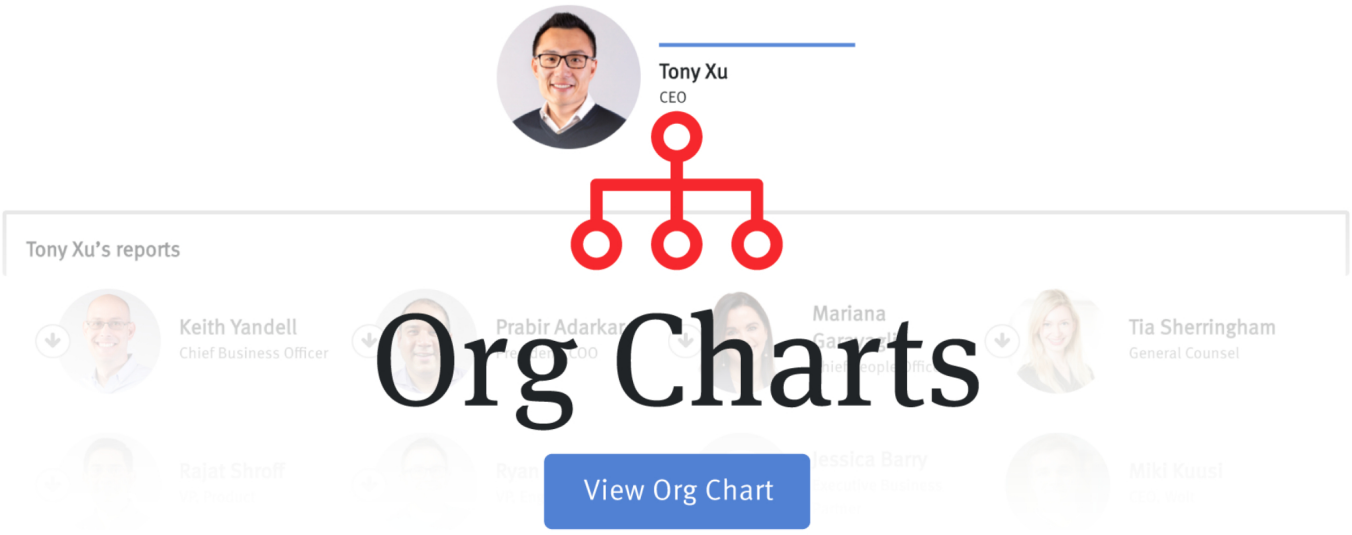
DoorDash's Secret to Success: Stable, Experienced Management Team

Pro



By Mark Matousek

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Comment by Joseph Bohrer

Tech firms may be known for their big personalities and frequent turnover. But that's not DoorDash. The restaurant-meal delivery service's CEO and co-founder, Tony Xu, keeps a low profile and his management team has been remarkably stable. Seven of his nine direct reports have been with him for an average tenure of five years, half as long as DoorDash has existed.

So far, the stability has paid off: the company continues to outpace rivals, such as Uber Eats. As of February, DoorDash had a 65% share of the U.S. restaurant-delivery

market, followed by Uber Eats with 23%, according to Bloomberg Second Measure. But a hairline crack in DoorDash's management stability emerged last month, when Christopher Payne, a longtime Xu lieutenant who was most recently president and chief operating officer, left the company after seven years.

The Takeaway

Our DoorDash org chart identifies 65 people who run the food-delivery company.

Today we are publishing an org chart for DoorDash's top management tiers, identifying 65 people who help run the food-delivery company. Xu's longest-serving lieutenant is now Keith Yandell, who joined the same year as Payne and who over time has held many roles, including chief legal officer, although he is now chief business officer. He is one of four direct reports to Xu who came from Uber, including both Payne's replacement as president and chief operating officer, Prabir Adarkar, formerly chief financial officer, and Adarkar's replacement as CFO, Ravi Inukonda. (Adarkar and Inukonda also worked together in Goldman Sachs' technology, media and telecom team earlier in their careers.)

The prevalence of former Uber executives highlights how Xu, who had little working experience himself before founding DoorDash in 2013 after graduating from Stanford Graduate School of Business, built a management team with lots of tech experience. Nearly all of his direct reports previously worked for tech firms that offer deliveries or run online marketplaces that connect local buyers and sellers. Aside from Uber, executives came from Instacart, Groupon and Airbnb. DoorDash's newest senior hire, Chief People Officer Mariana Garavaglia, came from Peloton but spent 11 years at Amazon earlier in her career.

DoorDash's ability to attract and retain talent is a testament to Xu, say people who know him.

In a February interview on "Lenny's Podcast," Yandell described Xu as unassuming and open to critical feedback, and said he sets a high bar for his employees.

"Founder-led companies tend to take on the personality of their founders, and if you spend any time with our founder, Tony Xu, you realize that he's a humble leader," Yandell said. "He's competitive. He really wants to win, and he'll do whatever it takes to win."

Payne, in particular, proved an invaluable ally for Xu in building DoorDash. A veteran of Amazon, Microsoft and eBay before joining DoorDash, Payne helped formulate DoorDash's strategy for expanding in the suburbs, rather than just urban areas, and in figuring out how to win over restaurants, says a person who knows the company.

In 2022, DoorDash's revenue rose 35%, to $6.6 billion, compared to 69% in 2021 and 226% in 2020. And yet DoorDash's stock price trades 40% below its IPO price from late 2021, reflecting how the market has shifted from those halcyon days.

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The two new members of Xu's management team are Miki Kuusi, who runs Finland-based delivery firm Wolt, which DoorDash acquired last year, and Garavaglia. She replaced Katy Shields, who had served in an interim capacity as the top human resources executive since the 2021 departure of Sara Wagener in that role. After Garavaglia joined DoorDash, Shields returned to her prior role as vice president of people.

Garavaglia's role has been in the spotlight lately as DoorDash, like most other tech companies, has had to trim its employee numbers. In a November memo to employees announcing a layoff of 7% of DoorDash's workforce, Xu said the company had become undisciplined as it hired aggressively to catch up with surging demand. As a result, Xu said, operating expenses were outgrowing revenue.

Keeping expenses in check will be important for DoorDash as it navigates a challenge familiar to other gig economy companies that have gone public in recent years: trying to maintain growth while moving toward profitability. Last year, DoorDash's net loss nearly tripled to $1.4 billion, and while the company generated free cash flow of $21 million, that figure was lower than the $455 million in free cash flow it recorded in 2021. In DoorDash's 2022 investor letter, the company said its restaurant-delivery business in the U.S. generated more cash in 2022 than in 2021, but it spent much of the extra cash on "long-term growth initiatives."

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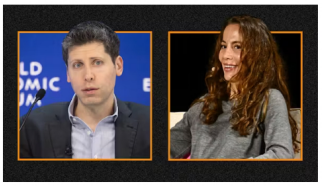
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