

# Meet Alva Labs, the startup reimagining the outdated hiring landscape

*As part of our quick founder questions - or QFQs - series we spoke to Malcolm Burenstam Linder, founder and CEO at Alva Labs, about using data-backed hiring solutions to benefit recruiters and job applicants, the cost of bad hiring, and the power of self-reflection.*

Temps de lecture : minute

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## What was the catalyst for launching Alva Labs?

*Alva Labs* was an idea that came to me after experiencing first-hand the damage that poor hiring can do to a business. Before founding the company, I worked for a private equity firm and an e-commerce company. It was during my time there that I directly witnessed how poor hiring decisions negatively impact company growth and success. Both businesses faced the challenge of high turnover, not due to their own shortcomings, but to flaws in their recruitment.

Upon closer examination, it became clear that the hiring processes of both companies were ineffective, which unfortunately is not uncommon, *with a staggering 50% of new hires failing*. Like most employers, they relied on CVs and unstructured interviews, allowing 'gut instinct' to dictate and perpetuating a dysfunctional hiring process - proven by the revolving door of employees. Candidates were frequently hired based on interviewers' hunches or subjective preferences, swayed by the likes of

shared interests or life experiences, rather than an analytical evaluation of the candidate's match to the role's requirements.

That's when it hit me. What if we could use the power of data and research-backed techniques to offer a solution to the widespread issue of ineffective hiring? This led to the birth of Alva Labs - a solution aimed at overhauling the outdated hiring landscape.

## Tell me about the business - what it is, what it aims to achieve, who you work with, how you reach customers and so on?

At Alva Labs, we provide data-backed hiring solutions that benefit recruiters and applicants, streamlining and improving the process for both. Our assessments identify candidates' skills and capabilities using science-backed methodologies rather than guesswork. Rather than judging candidates against a checklist of rigid requirements, we encourage hiring teams to evaluate applicants as *people* first - spotting those diamonds whose potential might shine brighter than their existing polish. For us, we know it's all about potential rather than experience. Our process flips the lens, highlighting candidates who demonstrate the characteristics for future success. For both hirers and applicants, this human-centred approach levels the playing field. Our data-driven assessments objectively screen and rank applicants based on their job potential and suitability, rather than their personal characteristics.

In short, we're replacing gut instinct with predictive data analytics to make hiring more effective, efficient and equitable. While improving outcomes, we also treat candidates as humans, not merely CVs.

*Our goal is to transform the traditional hiring*

*process so that it works better in the modern, AI-powered age.*

Our customers understand the power of tightening their hiring processes, not just so they can attract and recruit top talent, but so they can reduce the costs of hiring the wrong people. In the UK, SMEs spend an average of £12,000 when replacing an employee. To put it simply, it's not financially viable to get hiring wrong, let alone time and time again. Poor recruitment is even more expensive when you factor in lost productivity and churn, and that's as well as denting company morale with a constant stream of fleeing team members. More companies now see the value of data-driven solutions like ours to help them hire right the first time.

## How has the business evolved since its launch? When was this?

Our business has evolved significantly since we launched in 2017. Over the past few years we've both expanded and honed our offerings.

Building on our market-leading candidate assessments, our talented in-house team of HR specialists, psychologists and psychometricians has allowed us to deliver industry leading advice across the entire hiring process for clients. This encompasses job applications, interview methods, onboarding, and beyond - not just candidate screening.

A key Alva Labs evolution has been integrating coding specific tests onto our platform to enhance our capabilities in technical hiring, led by our acquisition of DevSkills in 2022. Recruiting developers presents distinct challenges compared to hiring for other positions. By incorporating these tests for programming proficiency, we can now help hiring managers identify and evaluate the best engineering talent for technical roles. This

expansion took us another step closer to becoming the one-stop-shop digital recruitment tool.

Overall, while skills testing remains core to our model, we've grown into a more holistic hiring solutions provider. Our expanded team and services allow us to partner with clients to optimise hiring end-to-end - ensuring they find and integrate the right talent efficiently.

## Tell us about the working culture at Alva Labs?

As a founder, I am proud to say that at Alva we have cultivated a culture of empowerment that benefits individual employees as well as the company as a whole. First and foremost, we promote psychological safety so that people feel comfortable expressing themselves openly. Through active listening, we encourage creativity and innovation from every level of the business - we find that often our best ideas stem from vulnerable conversations.

As a Swedish company, we know that holidays are sacred, as well as crucial for mental health, work/life balance and productivity levels. We now offer a flexible bank holiday policy whereby employees can use their state-issued bank holidays just like annual leave, giving them an extra level of flexibility to make their calendar suit their individual lives. This also underlines our commitment to valuing everyone equally.

Something that's very popular with our team is our investment into specialist coaching to develop our employees both individually and collectively. I believe our culture supports people in reaching their full potential, celebrates wins of any size, creates autonomy balanced with accountability, and fosters knowledge sharing at every rung of the ladder. The result is an engaged team invested in a shared mission.

# How are you funded?

We're lucky enough to be backed by world-class investors who believe wholeheartedly in our mission to make hiring more efficient, effective and inclusive. This funding allows us to execute on our vision to transform recruitment globally.

In 2022, we raised a €11.7M (£9M) Series A funding round led by VNV Global, with participation from other leading investors like Tomas Lindén, the Global Head of HR at H&M and ex-CHRO at EQT Partners.

# What has been your biggest challenge so far and how have you overcome this?

One of my ongoing challenges is convincing people that unconscious bias is an unavoidable part of being human, not something that can be fully trained away.

We all have inherent biases, whether it's about what football team you support or what brand of toothpaste you buy, which are shaped by our backgrounds. Even with the best intentions, these biases can subconsciously influence our perceptions and decisions. I've faced resistance from people who believe that biases can simply be willed or trained out of our ways of thinking and working. But in reality, our brains make automatic associations all day every day, often without any awareness of it at all.

Helping people realise that unconscious bias is inherent has been an uphill battle at times. However, I believe it's a necessary first step before we can implement hiring practices that effectively counteract bias. I remain committed to thoughtful discussion on this issue to drive real change.

# How does Alva Labs answer an unmet need?

Many hiring processes today leave candidates feeling frustrated, forcing them to spend hours filling out endless applications and completing vague assessments, only to wait weeks or even months for a response, if they ever get one. Companies can find themselves similarly frustrated, struggling to attract the best applicants, efficiently identify top talent or make their way through a flood of repetitive CVs.

Alva Labs meets the unmet needs of both sides. For candidates, our assessments replace an opaque, drawn-out process with transparent, user-friendly 30 minute tests (we offer two candidate assessments: logic and personality). Our platform delivers instant results, empowering candidates by providing them with the same insights seen by hiring managers. Job seekers can also leverage their assessment data across multiple job applications, transforming an often gruelling hiring process into one that's efficient and candidate-focused.

Our assessments also move beyond imprecise methods like CV screening that fail to uncover a candidate's full potential. In my opinion, over-relying on CVs breeds bias, exclusion and oversight. Companies need to look beyond the CV to make data-driven hiring decisions. Our platform replaces these outdated filters with analytics to accurately match candidates to roles they will thrive in. We enable employers to find their next hire based on skills and cognitive abilities, not just previous experience listed on a resume.

With predictive power over twice as strong as CV review alone, our assessments make better decisions with less effort. By creating an experience catered to candidates first, we reshape hiring into a process candidates want to be part of. Our precision and efficiency allow companies to identify the right talent faster. In an industry focused on recruiters, we uniquely meet the unmet needs of both job seekers and

employers.

## What's in store for the future?

When talking about the future, we have to acknowledge the much-discussed elephant in the room: the increasing use of AI in HR and recruitment. At Alva Labs, we are committed to harnessing the advantages of AI ethically and transparently. As AI legislation in HR becomes more commonplace, we want to lead by example in responsible adoption.

*We believe AI should empower, not replace, human decision-making.*

Looking ahead, we'll continue innovating ethically, adhering to values of fairness, accountability and transparency that are central to everything that we do.

## What one piece of advice would you give other founders or future founders?

I'd tell founders not to underestimate the power of self-reflection. As a founder, it's far too easy to get trapped in reacting to daily demands, constantly putting out mini fires and subsequently losing perspective of the bigger picture. Being an effective leader requires regularly stepping back to assess yourself, your priorities and your values.

For me, working with a personal coach has provided me with much needed time for reflection. It has helped me recognise areas of my life that need more attention and to make positive changes as a result. I think it's made me calmer and more focused as a leader, as well as improved

my life beyond Alva Labs as I delineate more and more between my work and my family.

I know taking time for self-reflection can feel overly self-indulgent at times when you're building a company. With so many pressing demands, it's easy to think that time and energy spent examining yourself could be better devoted elsewhere. But in my opinion, reflective leadership is far from selfish - it only serves to improve your team and your business as a whole. I've found being willing to honestly assess myself challenging, but incredibly rewarding. I believe it's the way to gain invaluable clarity and continually improve as an entrepreneur and leader.

Malcolm Burenstam Linder is the founder and CEO of *Alva Labs*.

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