

September 23, 2014

SO YOU THINK YOU WANT TO BE AN ENTREPRENEUR?

Outline

- Common Reasons to Become a Tech Entrepreneur
 - It's Glamorous
 - You'll be the Boss
 - Flexibility
 - You'll Make More \$\$\$ & Have More Impact
- The Best Reason
- Recommended Reading
- Questions/Comments

It's Glamorous



CS 183B: Dustin Moskovitz

What the Media Thinks It's Like



What It's Actually Like



What the Media Thinks It's Like



What It's Actually Like



The Ugly Side of Being a Founder

Stress

- Responsibility: your team bet the best years of their life on you
- You're always on call
- Fundraising

Unwanted media attention

You're more committed (-> less option value)



You'll be the Boss

“People have this vision of being the CEO of a company they started and being on top of the pyramid...

What it’s really like: everyone else is your boss – all of your employees, customers, partners, users, media are your boss. I’ve never had more bosses and needed to account for more people today.

The life of most CEOs is reporting to everyone else... if you want to exercise power and authority over people, join the military or go into politics. Don’t be an entrepreneur.”

-Phil Libin, CEO of Evernote

Flexibility

Flexibility

“If you’re going to be entrepreneur, you will actually get some flex time to be honest. You’ll be able to work any 24 hours a day you want!” - Phil Libin

- You’re always on call
- You’re a role model
- You’re always working anyway

You'll Make More
and Have More Impact



Financial Reward & Impact

| A Real Company | Valuation | Employee #100's Upside (10bp) |
|----------------|-----------|-------------------------------|
| Dropbox | \$10B | \$10M |
| Facebook | \$200B | \$200M |

| Your First Company | Theoretical Valuation | Founder's Upside (10%) |
|-------------------------|-----------------------|------------------------|
| "Uber for Pet Sitting" | \$100M | \$10M |
| "Uber for Space Travel" | \$2B | \$200M |

Maximizing Impact

Adding a late-stage feature to an established company means you get a force multiplier from:

- Massive user base
- Existing infrastructure
- Working with an established team

Brett Taylor as Employee #~1500 @ Google

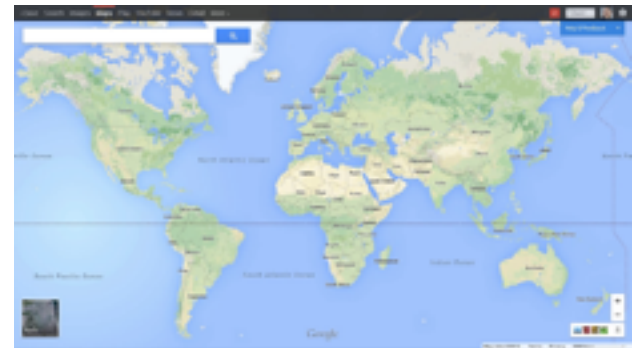
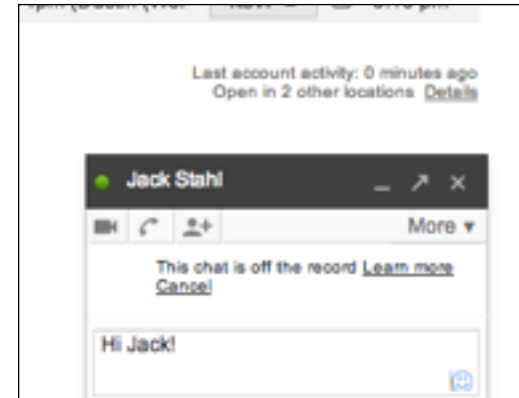
- Created Google Maps

JR as Employee #~1900 @ Google

- Prototyped chat inside Gmail

JR as Employee #~250 @ FB

- Led hackathon project for the like button



So What's the Best Reason?

You Can't Not Do It

The Best Reason: You Can't Not Do It

Passion: You **need** to do it.

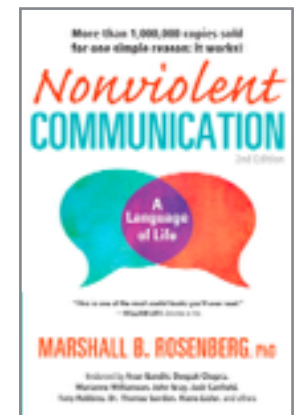
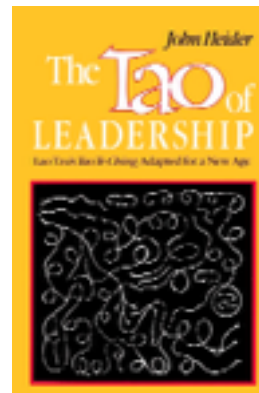
- You'll need passion to endure The Struggle
- You'll need passion to effectively recruit

Aptitude: The world needs you to do it.

- The world needs **it**
 - Otherwise do something that the world needs
- The world needs **you**
 - It's bad for the world if you just outcompete a team with more aptitude
 - The world needs you somewhere - find where.

Recommended Reading

- The Hard Thing About Hard Things
- Zero to One (CS 138A)
- The Facebook Effect
- The 15 Commitments of Conscious Leadership
- The Tao of Leadership
- Nonviolent Communication



Questions & Comments