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A Word to the Resourceful

5-6 minutes

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A year ago I noticed a pattern in the least successful startups we'd funded: they all seemed hard to talk to. It felt as if there was some kind of wall between us. I could never quite tell if they understood what I was saying.

This caught my attention because earlier we'd noticed a pattern among the most successful startups, and it seemed to hinge on a different quality. We found the startups that did best were the ones with the sort of founders about whom we'd say "they can take care of themselves." The startups that do best are fire-and-forget in the sense that all you have to do is give them a lead, and they'll close it, whatever type of lead it is. When they're raising money, for example, you can do the initial intros knowing that if you wanted to you could stop thinking about it at that point. You won't have to babysit the round to make sure it happens. That type of founder is going to come back with the money; the only question is how much on what terms.

It seemed odd that the outliers at the two ends of the spectrum could be detected by what appeared to be unrelated tests. You'd expect that if the founders at one end were distinguished by the presence of quality x, at the other end they'd be distinguished by lack of x. Was there some kind of inverse relation between **resourcefulness** and being hard to talk to?

It turns out there is, and the key to the mystery is the old adage "a word to the wise is sufficient." Because this phrase is not only overused, but overused in an indirect way (by prepending the subject to some advice), most people who've heard it don't know what it means. What it means is that if someone is wise, all you have to do is say one word to them, and they'll understand immediately. You don't have to explain in detail; they'll chase down all the implications.

In much the same way that all you have to do is give the right sort of founder a one line intro to a VC, and he'll chase down the money. That's the connection. Understanding all the implications — even the inconvenient implications — of what someone tells you is a subset of resourcefulness. It's conversational resourcefulness.

Like real world resourcefulness, conversational resourcefulness often means doing things you don't want to. Chasing down all the implications of what's said to you can sometimes lead to uncomfortable conclusions. The best word to describe the failure to do so is probably "denial," though that seems a bit too narrow. **A better way to describe the situation would be to say that the unsuccessful founders had the sort of conservatism that comes from weakness. They traversed idea space as gingerly as a very old person traverses the physical world.**

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The unsuccessful founders weren't stupid. Intellectually they were as capable as the successful founders of following all the implications of what one said to them. They just weren't eager to.

So being hard to talk to was not what was killing the unsuccessful startups. It was a sign of an underlying lack of resourcefulness. That's what was killing them. As well as failing to chase down the implications of what was said to them, the unsuccessful founders would also fail to chase down funding, and users, and sources of new ideas. But the most immediate evidence I had that something was amiss was that I couldn't talk to them.

Notes

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1] A YC partner wrote:

My feeling with the bad groups is that coming into office hours, they've already decided what they're going to do and everything I say is being put through an internal process in their heads, which either desperately tries to munge what I've said into something that conforms with their decision or just outright dismisses it and creates a rationalization for doing so. They may not even be conscious of this process but that's what I think is happening when you say something to bad groups and they have that glazed over look. I don't think it's confusion or lack of understanding per se, it's this internal process at work.

With the good groups, you can tell that everything you say is being looked at with fresh eyes and even if it's dismissed, it's because of some logical reason e.g. "we already tried that" or "from speaking to our users that isn't what they'd like," etc. Those groups never have that glazed over look.

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