

URL: <https://stvp.stanford.edu/clips/characteristics-of-promising-founders>

Ernestine Fu, managing general partner of Brave Capital, shares the two key aspects that she looks for when deciding whether to invest in a startup: team and mindset. Mindset can be difficult to evaluate, she says, but she looks for people who have encountered hardship in the past and assesses how they reacted to it.



## Transcript

Interviewer What aspects do you look at 00:00:04,261 in a company or a startup that just really make you excited to work with it, whether it be the team, whether it be the product or the mindset or all of them? Is it different with every startup or is there some sort of like common ground? - I think it's definitely team 00:00:24,259 is what I'm very focused on, specifically when looking at early stage companies.. And just to dissect that a little bit, I think we all sort of recognize that really talented individuals who maybe have been successful in their careers or projects or endeavors early on in their lives kind of pattern matches to likely success in starting a company.. But you actually mentioned this very briefly just with the word mindset as well, and I think that's incredibly important because there's so many companies, startups, founders I've seen where you just have the smartest, Nobel Prize winning researcher or some like very senior Google executive and they jump into a startup and they don't realize how challenging it is.. And oftentimes at the end of the day, the most successful founders are the ones with that right mindset and able to push through for that.. That's actually the most difficult kind of element to evaluate in an individual.. But I think one thing you could see is, has this individual encountered hardships in the past and how did they react to that? How are they able to get through that? So even for like DoorDash, for instance, just to give that as an example, there was a point when they were looking at whether they should take an acquisition offer or just keep pushing on.. And the company was doing well.. Like the acquisition offer would've been incredibly lucrative, but their internal joke for it was, do we want to be a supersized Caviar? Caviar had just got acquired right before that, that sort of acquisition offer came about and they decided that this is our one shot at building a much bigger business.. Let's just keep going for it.. So I think just having that sort of mindset is incredibly valuable...