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JOYUS Founder and Chairman Sukhinder Singh Cassidy says entrepreneurs should leverage trademark strengths and lean in all the way when it's time to deliver. In this lecture, Singh Cassidy explores concepts such as defining operational range, using data to support gut beliefs, and developing the big ideas teams and customers can rally around.



## Transcript

So without further ado, Sukhinder, take it away.. Thank you, Heidi, and obviously I'm absolutely delighted to be here.. But, whether you know it or not, Heidi was the big muckety-muck and the first time I had a privilege of meeting her was when I was at Google leading our women's leadership community and trying to expose the women leaders at Google to - and how to think about venture, entrepreneurship, whatever perspective I can bring them outside of Google on leadership.. And really there was no better first speaker to have than Heidi, because she is in many ways the original female entrepreneur in the Valley and one that a lot of us looked up to.. I certainly did when I was 27 and starting my first company as a role model for me and certainly for a lot of women in the Valley, who were thinking about starting their own ventures.. So, really, not me but Heidi! First of all I'm absolutely delighted to be here.. I think it's always incredible to come to Stanford.. I did not have the privilege of going to Stanford: I grew up in Canada, I went to school in Canada, but just such a respected and amazing institution.. And obviously being in the Valley for the last 15 years, there's no way you cannot feel the presence and the influence of Stanford.. So, delighted to be here..

I know you guys have a lot of great speakers who come in, speakers who've been very successful, speakers who come to talk about fund raising, how to launch a first product, what's great product design.. But really when I took and approach in crafting this presentation, I guess I took somewhat of a more personal approach.. And I really wanted to share with you, if I could, what it's been like for me over the last 15 years in taking I think many startup journeys to the Valley.. I look at JOYUS and I think of it as startup number 8 or startup number 26, depending on how you count them - and I'll explain in a moment.. When I first arrived in the Valley, I was 27 years old.. My first company was OpenTV; I arrived as a business development manager.. When I arrived I quit in six months.. I thought 'I'm not meant to be in the Valley, I was wrong to think I could do business development here.. Maybe this is not the place for me' although I moved to the Valley to be part of the startup environment.. But I went to my next company, which was Jungle, and I ended up working for 4 amazing founders who ultimately sold the company to Amazon..

I went to Amazon, I was there for a year when it was 1200 people, I got to be the first person to let third party merchants onto Amazon.. And I got to work as a very young person, even with Jeff which was amazing.. And I really wanted to be an entrepreneur and from there became a business founder at 27 or 28, I can't remember what, but I remember I was a lot younger than I am now, with four engineering co-founders - the original founder was out of UCSD, professor there of computer science.. Four great engineers and myself, I was a business founder and started Yodlee.. For those of you unfamiliar, Yodlee is a financial services software company, today it's about 800 or 900 people.. I was there for five years in pretty much every role: biz-dev sales, raised venture financing, ran product at some point, ran marketing at one point.. I left thinking I would start another company.. The guys at Google had started Google at the same time, we shared common investors.. Google called me up and said 'hey why don't you come join us?' I was like 'you know, it's too big.' Right? 1,200 people, like really? 'I want to go start a company.. I've done one, I think I can do one again.' I was maybe 32 or 33 years old..

And I had a dialogue with them over 7 months, then they called me up one day and they said 'hey you know what, we know you want a greenfield opportunity, there's this thing called Local.. We really don't know what to do.. Yahoo! has a product, why don't you come and figure it out with us?' And it took me all of about, I don't know, a weekend or two to figure out that the opportunity to build Local at Google would be a pretty damn interesting one.. And I went.. And my first job at Google was to partner with a guy named Bret Taylor who was the original product manager, he's now the CTO at Facebook.. I was the

business person, he was the product manager and we built Google Local and Maps.. I went on to lead our Google Video team, which actually was a failure.. Talking about headwinds and tailwinds when you're starting companies.. I mean, ultimately we acquired YouTube instead.. I ran the Google Books and Video - Books and Library and Scholar teams and so that was in many ways regarded a success, but very controversial, to be scanning books..

And I was at Google about a year when they asked me to take over international, which was everything outside of Western Europe.. And we ended up launching 18 different countries including China, Brazil, India, expanded Australia, Korea, Argentina, the list goes on.. And so the reason I say I could be start up 8 or 18 right now is because I felt like in many ways I was running 18 different startups at that time, 18 different countries that we were taking from zero to maturity.. And I spent 6 years at Google doing that.. I left Google because I missed entrepreneurship and I wanted really to go be a CEO or to build something on my own.. I mean it's amazing to have Google as a tailwind when you're trying to start new businesses.. But of course, like everyone, I still felt the urge to go see if I could build something on my own.. I spent a year at Accel looking at all things commerce, because I love commerce.. I went to Polyvore as a CEO; it was the second time in my career I left something after 6 months, which was a very difficult decision.. And I started JOYUS a year ago..

So I count JOYUS as start up at number 8.. I've been lucky so far but they've all been amazing journeys.. But I do feel like I've had the opportunity to grow things within a large company, outside of a company.. I certainly been through very difficult times and times where the momentum is just amazing, including at Polyvore, and I hope at JOYUS.. So, the perspective I hope to bring you is what is the constant among those things that I've seen and what are the things that hold true in a world that's always about change? I've been involved with many different startups, I've certainly advised several.. But what are the things that are constant? And so the reason for the image is really simple.. I thought about calling this presentation "the making of mojo", because if there's one thing that an entrepreneur is meant to do, it's basically rub two sticks together and make fire.. And this is the fundamental thing that defines an entrepreneur verses an executive.. And it is all about in my mind getting started.. So, you all are really smart, you get it, right, an object at rest stays at rest, an object in motion continues in motion..

So, what is your first goal as an entrepreneur? To get started.. How many of you inside this room have started a company? How many of you hope to start a company? So when you think about starting a company, I think one of the most daunting things is the fear of the unknown.. And I don't know how else to describe it but to say when I was in my final year of school at Western, up in Canada at business school, an undergrad business school, I feared finance.. I was never very good at it.. Wasn't I wasn't great at numbers, I was good at numbers, maths, sciences, physics, but you know, corporate finance sort of alluded me a little bit.. So what did I do? I went and got a job as an investment banker.. And two years later numbers became something that - I mean I've always loved numbers - but numbers in finance specifically, balance sheet, income statement, all of these things, became a very known art to me, right.. And I think it's of the things today that I hope differentiates me as a leader, is just my ability to understand financing, debt structures, equity structures what have you.. But I think the same thing applies to being an entrepreneur.. I think simply getting started, the act of commitment is not about thinking about it in your head; it is about literally leaning forward and taking the very first step..

And for me that involved: who do you tell about it; what do you do about it; and how do you get the first person, the very first person, to take a step with you? I don't care if that person is the person who creates your first logo.. I don't care if it's the person sitting beside you, who you share the idea with, who agrees to help brainstorm it with you.. But the simple act of involving someone else in something that's inside you head is the point at which you start being an entrepreneur.. And I think if there's anything to sort of message to you, as you think about how to get started on your journey, it's simply this: start.. Tell one other person, lean in, and just by doing the mechanics, of starting something, whether it's writing a business line, whatever, you will in fact start.. And what is such a mysterious art will become very known to you very quickly, simply by the active of engaging in it.. And I think everybody talks about being an entrepreneur.. For me the second time being an entrepreneur on my own, starting another company after Yodlee, was a lot harder than I expected.. At 27 I did it without any thought to it.. I got this opportunity to partner with four great engineers and I was - I just jumped right in..

The second time around for me I was 42, no 41 - 40.. I'm now 42.. But really, I sat at the precipice, and you would think having done a number of startups within Google and having done it once already it would have been easy.. And it was remarkably difficult.. And the thing that was difficult the second time around for me was ego risk.. I'd been successful, I'd been an executive, people had a defined path that they thought I would take.. And instead I was like 'wow I'm going to go all the way back to the beginning.. I know I could be a growth company's CEO, I know I could go back to a really great executive position, and I choose to go back to...' basically proving I can make something of nothing and rub two sticks together and make fire.. And that was a very risky decision, not from a financial perspective; from an ego perspective.. I would submit to all of you that the most precious thing you have right now is the opportunity to go do it for the first time..

There is no ego risk; you have the opportunity to dive right in.. And I think that's actually one of the most remarkable things about being an entrepreneur at a relatively early age.. There is like - there's nothing holding you back other than the simple act of getting started.. So everybody thinks about finding the unlock.. This notion that when you're an entrepreneur you have to keep pivoting.. It's like jittering keys in a lock.. Or more importantly it's like having a hundred keys, and any one of them may unlock the door.. And you keep putting a new one in, and particularly with a rusty key, you keep adjusting, you keep hoping like is this the one? And you know, it takes a little bit of fiddling, but in fact one of those you hope are the key to success.. So I think for many people in the room they think being an entrepreneur is about finding this unlock, okay.. I agree

with you that it is..

There are companies that are lucky to find that unlock very early.. The vast majority do not.. So, the entire thesis of my presentation is actually not about finding your unlock.. It's about what do you do with the time in between? Because you don't know if your at inflection point, is it day 1, day 180, day 1,000? Year 5? Year 10? So what are the characteristics of what I think of as sustaining entrepreneurship? What do you do between now and up and to the right? What are the things you can do to affect finding that up and to the right? And really if you don't know how long that journey is, part of the journey I think of great entrepreneurs is how do you manage and lead in between? So a lot of people think that the journey of an entrepreneur is simply to get to this unlock.. I would submit that most great entrepreneurs don't get to that unlock on day 1 or day 2.. It's months, it's years.. And it's all about up into and to the right, a little bit of lateral progress, up and to the right, back a step .... And so for me it's the defining characteristics that I look for in other people that I invest in, and myself as a leader and an entrepreneur: how do you manage that journey? And what makes those people distinctive.. So I think there is actually something to this thesis.. The Valley is driven largely by the notion of the product visionary, particularly in the consumer Internet..

There is a reason for this.. I mean I'm a believer as much as anyone else; I've lived and worked among the most amazing engineers.. Both at Yodlee we had an incredible engineering team, certainly at Google, and been able to partner with some of the most amazing product managers.. The key, if you want to be a founder, is are you a product prophet? I don't mean do you get it right.. I mean do you lean forward and have a thesis on what might be around the corner for the consumer? It doesn't matter that you're right or wrong, but when venture capitalists want to invest, they want to invest in this.. A professional CEO is different.. At the founder level, whether you ever end up being a CEO or not, what they are looking for is the product prophet.. So what does the product prophet look like? And how do you become a product prophet? I don't think that it is simply instinctual.. I think that, yes, there are people who are great coders and there are people who are great business development people and there are people who are great sales people; but often the insight you have comes from something you know.. Or an area in which you feel like you have a unique ability to see where the customer might be going..

So when many people ask why are women starting a lot of companies these days and a lot of ecommerce companies? I simply say it's not all that odd.. It's actually the same model that has existed in venture and in the Valley for a long time.. Maybe women are starting lots of companies because they feel like they have unique insight on the customer.. Maybe they feel like they have a unique insight on curation or delight or urgency or whatever it might be in the ecommerce arena, where they are the core customer.. So I think this is a very known model, and I think the other key thing if you're planning to be a founder, to think about is: are you this person? If you're not this person, is your co-founder this person? But how and where do you construct a product vision from? And I submit again, it's not about - it needs to be some amazing person that you've never met and it can't possibly be you.. In fact it can be you, right.. But it's where are the areas will you believe that you have a lean forward mentality or an insight that maybe you could go right.. And while everybody else is going left there maybe something to trying that out, that's the core essence of a product prophet, right.. And I do think that if you're a founder without a product prophet or you don't feel like you're the product prophet, the number one thing you need to do, is step back and say okay, where is this gene in my company, right.. How do I find it, how do I nurture it? And as I said, if you're the founder, the reality is it's you or it's your co-founder and I think this is one of the most interesting things..

I came from judging a venture capitalist - venture competition yesterday, pitch competition and start-ups and they were all amazing.. They were all amazing companies.. But in one case I felt like we were talking about a business plan that had a target customer, that was a very attractive advertising demographic, but the key thing a co-judge asked as accompanying questions like I guess that this is a great advertising demographic to base a side round.. The question is do these people self-identify as being part of this or is this simply an attractive business proposition? And I think that is the essence of the question, right.. There are attractive business opportunities, but in the consumer internet space it is about where is the unique consumer insight, right, and how do you construct it, and from what you construct it? Whether it's your own experience or whether it is a competency that you might have.. Reid Hoffman always says, you can think big, but you can think small.. It takes the same amount of energy, so why think small.. And this comes back to my point on momentum.. I think one of the most daunting things about being an entrepreneur is your ego risk.. It's a notion that you would say well, if I have a big vision and I fail, do I look like an idiot, okay..

Well, look at the place in which we live, right.. I'd rather step out and step out boldly because it takes the same energy to start a company, right.. Whether you start a company with a thesis of a \$10 million profit line or a \$100 million profit line? It takes the same fundamental energy to build it, right.. So if you're going to lean in, my philosophy is lean in all the way, right.. Lean in all the way because I think that part of the key experience of an entrepreneur who is in between now and up into the right is not just sustaining your own energy and passion for something, but sustaining that of your team, right.. Hard to keep people rallied around a small vision, right.. So if your biggest risk is ego risk, forget about it.. The most important thing you can do is say, okay, my job is to sustain myself and a team on an idea and an - that I have passion around and sustain passion around and one is big enough and exciting enough to get me out of bed every day, right.. And I think that is what will draw other people to you as well.. I think that the most interesting thing for me about as I said about the why think big or think small theory is as I said if you start within - with a plan that is this large and scale it down not in terms of execution, in terms of your ultimate vision..

Is it exciting enough to hold you over the next five years, seven years, nine years, is it exciting enough to hold the team.. It's going to take the same amount of energy to build it.. So turn on the brightest light bulb you can because that's what it's going to take to sustain you as an entrepreneur.. Anybody know what operating range is? So operating range is kind of the core thesis I have that is almost the antithesis of what I just add, right.. So I just talk about taking really big, right.. And if you have a vision part of being an entrepreneur is really about communicating the size of that vision, right, and using it to sustain yourself and others.. The antithesis to that is, well gee, an entrepreneur spend all their time doing the heavy lifting and making sure the lights stay on for tomorrow, right.. They make sure that everything that needs to get done between now and delivering a package for tomorrow's customer or doing a release that is going to put new code on the site or launching another iteration of their app is all fundamentally very tactical.. Operating range I think is the single most important leadership characteristic you can find in an entrepreneur and in an executive.. And for me operating range is really about the ability to fly at, 500 feet and then at 5,000 feet and then at 50,000 feet and the judgment to know when to do each, right - the judgment to know when to do each..

So when I think about operating range, I think there are people who fly tremendously well at 500 feet.. There are people who fly tremendously well at 50,000 feet, right.. The unique challenge of a founder and in fact even I think of people in the Valley running large organizations, is who has the ability to just keep going up and down, up and down right.. I remember distinctly when one of my early days at Google sitting at an operating committee review with Larry and Sergey.. And they fundamentally wanted to understand the nuance on a CPC in some small country in this kind of vast - array of countries that I managed.. And I watch the person who was in charge of that region fumble for an answer.. And my fundamental thought was how do I trust you to know the big stuff, if you don't understand the key drivers of your business, okay.. So it's great that you want to be a large executive and work for a great brand like Google, but guess what? At the end of the day when the founders walk and ask you, what is the difference in CPC between this vertical in country X and country Y, you damn well better know the answer, right.. This is a Valley and a place driven by data, right.. The same thing holds for a founder, if you all were founders and hope to we will go out and raise money, right, what is a venture capitalist looking for? They're looking for your ability to exhort a vision, right, that sits at 50,000 feet..

And then they're judging your ability to fly really low, right and manage at 50 feet, right.. And to understand of all the metrics you could possibly look at the five that matter and have complete command of that data, right.. But you can't stay at 50 feet, right, because again the best and I think most successful leaders of any ilk, entrepreneurs or executives know exactly when to pull back up, right.. And it's the art of pulling, flying high and low, that in my mind is one of the key characteristics of great entrepreneurs.. So I think that the sort of a fundamental kind of essence here, right, which is a lot of entrepreneurs and a lot of famous founders are kind of a pain in the ass, right.. You don't read books about them where they talk about how wonderful they are, or and I'm sure lot of you've reading that, read the Steve Jobs book, about sort of the great and glorious management style being all warm and fuzzy.. But what you do see quite often is just a pain in the ass attention to detail, right.. It is like this precise care for the mastery of their product, right.. And then it's the ability to walk out and get a pitch on stage to 50,000 people or launch a new product.. But it's both, right..

And that doesn't actually go away.. The best founders hold that in their kind of tool kit and at the essence of who they are, all the way through the journey of building a company.. And so I think that as you guys think about what it means to be a founder, the best founders I don't think ever leave this mode and the best executives, at least in the Valley, recognize this mode.. Because again large and small, we're all driven by the ability to have a nuance judgment in a data driven environment.. And when do you need to understand the details that make the difference and how and - how your product works or how your business works, and when you need to be able to extol a vision that can get everyone aroused and motivated for the years to come.. So my key thesis on decision making is gut data gut, right.. When you think about how to make decisions, I think one of the big challenges we all have is data driven as we are, the data is imperfect.. And more important for a founder, it's actually non-existent, right.. If we talk about being the product prophet, you're thinking about the slight tweak and/or major shift in something you expect in consumer behavior and de facto it doesn't exist, right.. There are analogies, but there is no data for what it is you have to do..

So there is the paralysis by analysis, there are people who fly entirely by gut, and I think of the mode in between, right.. And the mode in between I call gut data gut, right.. So have a gut sense that this idea for a consumer product or feature app or mobile app or whatever could be it, right.. The most important thing is actually your rate of learning, right.. So how do you lean right in? Follow your gut to get some data set, whatever that data set is, right.. So when we were starting JOYUS, my very first thought of it as we chatted about was I don't want to be an entrepreneur again.. God I'm tired, like really? Am I really going to do this again when I could step into a company at a much larger stage and just lead it with everything figured out.. So, I wrote the business plan a month after I left Polyvore, October 2010.. And I didn't start the company for three months, right? But the idea kept bugging me.. But what I did do is somewhere around October or November, I sent out an e-mail to my former Yodlee co-founders, all the engineering folks I'd worked with and I said, I need an engineer to just start coding something for me, right? I'm like curious about this..

And of course, just through my network a bunch of engineers showed up and I picked one that I worked with before at Yodlee and he started coding for me and then sort of a little bit later I think it was maybe December, I went to a woman I knew she was a blogger and I asked her what do you think of this idea, is it idiotic? And she was like been blogger for 10 years, she's like, I don't think so.. I said, would you shoot video for me? She was like okay, step in front of the camera, you

know.. January, I come back from vacation, I'm still sort of irritated and struggling with the idea like will I start another company and do - am I really up for the task, the idea is bugging me.. And I am like, okay, let me put together focus group.. So when I get 12 women in a room, who are friends, I shoot three videos on kind of January 5 or something.. I put them up in front of 12 women, right? Taped them, listened to their answers to these crappy four videos, and I'm like I have no choice, but start this company.. I have no choice, I'm listening to what these women are saying and I'm like there is something here.. And if I don't pursue it, I will just be so frustrated.. And we launched our first video on February 4, 2011 on Weebly, right? No check-out, you know, no integrated sexy shopping experience through video, no premium content, literally a video a week, buying and clothes at retail, right, on a Weebly site just to measure with the PayPal check out, right? Launched two weeks later, just to understand what the correlation was between a video and conversion, like leave everything else aside, right? And we ran it for five months, we just kept adding women and we just in - but it was simply the act of saying like look I have a gut, now I need to just go get a data set, right? You know, and after - and the data set was very incomplete, right? But at month four I was like okay, I'm going to raise some venture capital, we raised \$8 million, closed a round, it was like I guess we launched a company, right? But it was sort of gut data gut, this is my point.. So, there is no perfect data, there is no perfect gut..

What happened is, you know, as you go through experience after experience, what you think of is gut is actually familiarity with a lot of diverse circumstances and it starts to speak back to you as a gut.. So, when I was 25, I didn't have a gut.. You know, if you ask me what was a good idea from a bad idea, I've no gut, I have no experience, I mean, you know, I had some intuitions, right? But I think of gut, you know, after this cycle as the informed intuition, you know.. Now, you have a data set, it's still imperfect, that doesn't mean you go in favor of the data set, maybe that you still decide not to start a company.. But the point is simply that the active collecting data and seeing a diverse number of scenarios over time are both things that help you develop a sense of intuition or familiarity for experiences.. And so I think that is part of this cycle and I think again the most impressive entrepreneurs I've seen, you know, have this combination of both instinct, right, kind of respect for the data and then all the way back to instinct.. Even if it flies in the face of their data, but it is informed by the data and informed by a set of experiences that speak to them back as intuition.. So, I think this is one of the most interesting things if you all were thinking about starting companies.. Your company most of all reflects you, right? Not reflects on you, reflects you, right? Like you will look in the mirror one day at the company you created and you will see yourself, right? For good and for bad.. You will see every - especially if you are the founder..

You are going to see reflected back to you everything that you are.. So, the question is who are you? I mean, really who are you, right? I often say to undergrad classes what is your trademark strength? Everybody here know what your trademark strength is? If you know your trademark strength is, put up your hand.. Six people in the room know what their trademark strength is, interesting, right? You're about to go build an entire company around yourself.. What is your role to play in that? It's - the most interesting thing to me about trademark strength is and I say to every single person is as we grow up, we have the sense of who we are and as we go to school and we think of what we're good at, but often without anybody to reflect it back to us, you know, it's not a precise picture, right? And it's so interesting to me that when I was, I don't know I think I was probably 16, 17, I was in my final two years of high school, and we had a television studio and I thought I might want to become a television director because we could film videos and documentaries and it's something that I loved.. And I had, I think I was applying to school and I had a scholarship application and my television art teacher wrote - referenced for me.. And I got to read the reference, I was sending it in and I was like what is Sukhinder's best quality? And he was like empathy.. Totally didn't expect that answer.. Like what, empathy? What? Like he didn't say intelligent, he didn't say smart, he didn't say quick-witted, he didn't say anything, he said empathy, right? It was like such an odd reflection to me of myself, right? You know, 20 years later or whatever it is maybe more, if I - like I said, I can't even calculate my age, I sit back and I'm like, I get it, you know because now having been a leader for 20 years, it is amazing to me even though I am a very difficult person to work for, right, and very tough, how emphatic people who work with me think I am.. I know a freaking clue.. It would not be the first word I use to describe myself, right, but I will tell you that now when I look back, it was like yes, he was absolutely right, it would define me as a leader, who know, who knew that people will work for me again and again and again because they think I'm invested in who they are..

No clue, right.. But it is part of what helps me build the company, it's part of what lets me be an entrepreneur again, right.. It's part of what, you know, help them bring - build the team rapidly because people want to work for me, right, great.. You know, but it wasn't that it was architected, it was just - it was a reflection back to me of who I am, right.. And so, I think one of the things in your journey to whatever you do, whether it's being an entrepreneur, whether it's being an executive, whether it's joining a startup, whatever it is, is understanding who you are because your trademark strength has a great deal to do with the company you're going to build.. Going hand-in-hand with that is owning your feelings than what's important to you, right? So, I'm not a big believer in like false modesty, right? And founders who say, oh, gee, I don't want to be the CEO, I'm okay not being the CEO.. And I said all my board, are you really okay not being the CEO, you say, you're okay not being the CEO, but what's going to happen when a CEO shows up? Are you going to passively aggressively resist him, the whole way through because you were willing to say, gee, you know, what, I think I really want to be the CEO, and have an honest discussion about it.. If you're creating a company, part of it, whatever part that is, have your personal ambitions invested in it, right, own that, right.. After Polyvore, which is really tough for me, it was very tough; it was only the second time in my career I really walked away from something saying, this isn't going to work.. I joined as the CEO and it isn't going to work, it was a very - it was a difficult decision and it was difficult in the period post leaving Polyvore..

When people ask me what I wanted to do next, I said, you know, if I ever really start to - if I ever go to a small company again, it will be my own, it's just will.. So, when people would call me about running their startup, post Polyvore, you know, what, just got to tell you, like, it may be a rational or whatever, it's really important to me to really if I'm going to build something, have my culture and my values on it.. So, good or for bad, it's just important to me, so I know this maybe the most important and incredible company opportunity in the world, this is small, but if I'm going to go small, it's going to be mine.. Otherwise, I'm happy to join as a professional CEO and think about all those things, I looked at all those opportunities, but being able to acknowledge that was important to me that I wanted to build a company that reflected my values, yeah, admit it, own up to it, right? I mean I think it is part of the essence of who you are and I will tell you they're most unconstructive dynamic, in a partnership with a founder or in a company is not being able to own the accountability for who you are and what you put into it, right? The third thing is obviously knowing who you are, helps you compliment yourself with your counterpart, right? So, one of the reasons I went to Polyvore, which I still hold as a kind of foundational thesis is, in that company I loved the engineering team, right? I loved the product lead, I'm like - I just felt like they were a great complement to who I am, whether worked out or not, I still believe in the thesis of look, I've grown up at general management, people leadership, business development, sales, right? What is it that I need to be successful, right? What type of company would I want to go, be the CEO of, right? And it's all about the complementary skill-set.. The second thing it's about - of course is building a team that is able to challenge who you are, right? So, one of the things I acknowledge is that upside of my own trademark strength it's energy, passion, hustle, drive, right, the downside of that is if you're in a room with me you may feel like you don't have a chance to say anything, right? Alright, if you look at my management team at JOYUS, it's five women who are as strong as I am, not a single one of them has the fear of telling me that they disagree with me, right? They can hold their own.. That is what it takes for me to have a diverse management team, right? And so I think it's all about understanding who you are and what's the compliment to that is, right? Because if you're going to build a successful company.. Again, it's about constructing a team around you.. And then the last thing, maybe this is the most important thing and if I couldn't - if I could borrow from the moment from Oprah Winfrey, I will, who recently came to the Valley as you know, to Facebook and then to two private events.. The last thing about knowing your trademark strength is playing to it, and maximizing it and this comes all the way back to my first point, a company that is built around you will inherently need to maximize you to make it successful, right? So, where is that ultimate contribution, and I think that for you to achieve your highest aim with any company you build is about being the best version of yourself, not somebody else, but of yourself, right? So, if you just are an amazing programmer and it's what you love to do, yeah, you really ask yourself, what is my highest contribution to this company, what does it need for me, and what happiness feels like is when there is a total alignment between what you're doing in your vocation and the best version of who you are, alright? So, when I started JOYUS, I started it as a premium content play, right? I didn't do UGC play, and you ask why, and part of the reasons, why, because I knew that the barriers to entry in this space was capital and business execution.. Those are things that I do well, uniquely well, right? So, I could go start a UGC play, right, and go build a peer-to-peer video commerce marketplace and I'll be competing with all of you, right..

Many of whom code a hell of a lot better than I do, I'm sure, but more importantly, I went to where my skill-sets lay, right? Because if I'm going to be the founder of the company, I need to play to my own strengths, yes, complement them but play to them.. And the same thing holds for all of you.. So, I think the best company you can start, it looks like one in which your unique contribution plays to your trademark strength, right? And understanding this is a fundamental part of achieving success I think in anything, but most of all in a company that you start.. So, what's the value of speed, right, lots of people talk about being really fast and you sort of say, well, if the journey is going to take a while and it's going to have all these inflection points and it's going to be this journey that sometimes horizontal and up into the right, then horizontal again like, should I be faster or should I be fast? And I think the most interesting thing people think about when they think about the value of speed, and iterations and product releases and what have you, is about the rate of progress.. I think it's about the rate of learning, right? So, as you all know there are many examples in the Valley of companies that weren't the first in their field, Google certainly wasn't the first on performance advertising, Pinterest was not the first mood board, Facebook was not the first social network, right, it wasn't always about being first, but it was about the rate of somebody's learning on top of yours, if you were the first player at a faster rate, right.. And so, speed is not to be confused with market timing because you can be a speedy as you want and there is still in some ways an element that is out of your control, right, which is when is the customer ready for what you have, right? At Yodlee, the best example is 10 years ago we thought we had a data platform, right, for financial data and that the customer who'd want to aggregate their financial data in the single place.. And for seven years Yodlee ticked along.. And you know when Yodlee became hot again, when Mint got sold for \$170 million, it's like, aha, that's where the data platform is.. It took seven or eight years for people to understand, or for the market to be ready, right, it took a beautiful consumer application and financial services for people to recognize the value of a data platform.. We were wrong on timing, right, but we were right on speed because all the way through that journey, right, I think the Yodlee was successful when learning at a faster rate than anyone else, right? The other key benefit is speed of course as market conditions change..

And your ability to respond to those changes as an entrepreneur may be the difference between whether or not you have enough money to make it to your next round, to make it to your next milestone or not.. And the key example I would give here is that when we started Yodlee in the early days of 1999, plenty of money, we raised \$15 million in my first round from Sequoia and Accel, things were going well, but we had this competitor called VerticalOne and they were doing B2B while we were doing B2C.. We really thought 'hey, the key to become a consumer destination, aggregate everybody's data, we can be the next Yahoo! but My Yahoo!' and VerticalOne meanwhile was working with banks and brokerage companies in licensing their data.. We could have continued on our way, there was no capital shortage at that point or even sort of lack of - it was the

first bubble.. But what there was, was a lot of competitive pressure, because VerticalOne was going out and pitching banks and they were calling us.. And we want to stay on a B2C platform and VerticalOne was pitching on these banks.. And we walked into one board meeting three months after we started the company, a month a half after we raised \$15 million on the B2C vision and we chatted about what VerticalOne was doing and how we had the risk of Citi Bank and Merrill Lynch and Bank of America and all these other players having their consumers after somebody else's product.. And we walked out of the board meeting and then pivoted to a B2B company.. Then we went out and we acquired our competitor, and in 18-months we locked up every bank and brokerage company in the country, every one.. Then we raised \$52 million from AOL..

And a month later, the bust came.. And every company went out of business and we had \$52 million in the bank and 30 plus banks that were counting on us for our technology.. And that's how we stayed alive, from 2002 to 2004, 2005.. So speed was of the essence, because the market shifted.. Not to be confused, as I said, market readiness for your product.. But I think the value is not being the first, the value is the rate of your learning.. And you want it - if anybody's going to cannibalize you on your own business, you'd rather it was you.. And if anybody is going to figure what the tweak is on top of your platform, that makes it go from here to here, you'd rather it be you.. So it's all about the rate of learning.. And ultimately the rate of progress, but really about the rate of learning..

How many of you read Outliers, Malcolm Gladwell's book? So a fair number of you, right? So, as you know, one of the core theses of his book, which I think is exactly right, is, is success born or bred? And he basically did, for those of who you didn't read the book, did a study of some of the most successful people including Bill Gates and concert pianists and others.. And of course one of the common threads was they all they had more than 10,000 hours at their trade under their belt before they became successful.. So, this comes back to knowing your trademark strength, and is it important to be a generalist or specialist if you want to be a founder? If you want to be an executive, again, I think this is something that apply - that holds true in any sphere of leadership.. One of the things I struggle with, if you ask me 'what you want to be?' 'I want to be an entrepreneur.' 'What you want to be?' 'I want to be a CEO'.. Okay.. Okay: now what? If you go back to the thesis of where may you get an instinct of what sits around the corner? It maybe where you have expertise.. It maybe - and that doesn't always have to be consumer expertise, it may be backend expertise, it maybe coding expertise, what have you.. Where are you an expert? Because that only not may help you shed light on where you're product prophet, it also maybe the thing that brings founding opportunities to you.. So, there are many paths to being a founder, there are many paths to being a CEO.. One of the surest paths is to be a master of your trade - I'll come back to it - a master of your trade..

And often in the Valley that's functional.. It may be vertical.. But it is about becoming a deep expert at one thing.. I got my first opportunity to start a company because I was great at biz-dev.. Really.. Sales and biz-dev.. So I went to - I think we chatted about the fact that I went to Jungle, which was this startup, it has four great Indian founders, I became a biz-dev manager, lo and behold I figured out I was good at it in the right environment, in an environment that lined up with my trademark values: hustle, candor, right.. When I ended up in that environment, I flourished, and I've been lucky to have that at Google as well.. But the reality was as I was there I got known for biz-dev.. When I went to Amazon, I got known for biz-dev..

I get a call - somebody knows I want to be entrepreneur - I get a call from angel investors in Yodlee who are like 'look, we've got four engineers who need a biz-dev and a business founder.. Somebody to go raise money, figure out the business plan, do all those things.. We know that's you.' Today, I think for most people who look at investing behind me, it's about my ability to do biz-dev, and it's about my ability to raise money.. There are core competencies I have, right, and I went vertically up a functional path.. At Google, I became a General Manager and President of Regions because I knew how to drive revenue; I knew how hire great people and drive revenue.. Same reason I became a CEO: I know how to scale.. So I think it is so important for you in that conversation in your head about your trademark strength, to think about what is the vector on which you're going to overachieve? What is your vector of impact? And pursue it.. Because that is the path opportunity, it is the path to figure out your founding opportunity, it is the path to figuring out - getting called on an opportunity, it is the path.. And I know there is a lot of temptation to stay broad; my own recommendation has always been 'hey, figure out the lane that you love, and go become the best person you can be in it'.. Because that's when people are going to pick up the phone and call you and ask you to become a co-founder or ask you to join an early stage startup, or where you may have the unique insight to become that product prophet..

I think its importance can't be underestimated.. So, the last things I want to talk about if you're going to become a founder: how do you hire, how do you fire, how do you partner? So, I think this is - I think the notion of how you hire is a super important one.. Because you're going to build a company entirely around you and you sort of think, okay, who are the people I want to be in the boat with? And I think this is probably the most critical thing in a startup.. So one of my first philosophies is, in a startup you always have this anxiety because you've got to ship a product, you've got to ship a product fast.. Progress really is held up by every single person you don't hire.. And we talked about, starting a company is like finding the first person who's going to get in the boat with you.. Then the second and the third, even if they're just your graphic designer and designing your logo, or what have you.. So in the world of hiring, I think the most important thing is okay, you've got progress to be made, and you've got the standards and people you want to work with.. So what do you do? What do you do if you can't find the person to get you started? Well, one of the first things I always say to people is if you can't hire the person you want, you hire the number two to the person you want, and you wait and see if they can do the job.. Don't compromise on the quality and the values of the people you want to hire..

Everybody talks about that, don't compromise, don't compromise, don't compromise.. But in a world where you need to make progress, what does that actually, tactically mean? When I went out to launch Google Brazil, we needed to get it launched in three or four months.. We had - we were on a plan to launch, six, seven, eight countries a year.. And we had to go.. I could sit there and say 'okay I didn't find the right person', just going to sit back, but it was a pressing opportunity.. So we found a guy that we loved, we just didn't think he was our number one, and I was not willing to compromise on that job.. So we hired him, I said 'you're a Director of Sales, that job is there if you want it.. Show me you can do it.' And I think the most important thing in the world of making progress is you will get a lot of pressure on a person who wants to be your cofounder or your CEO, or all of these things.. But the most important thing you can do is to assess their fit, their skill set, their value set.. And most importantly, give yourself the space to be wrong..

Because what we all know about startups, for good or for bad, is the game changes every six months.. You have no idea what the skill set is that you're going to need six months from now.. You have a thesis.. And a lot of time there's this person who looks amazing on paper.. But you won't know until you get there, and it's about constructing what I think of as optionality.. That doesn't mean you never make a high risk hire.. It doesn't mean if you find a person that matches with, you don't go there, but it's about how do you get enough of a data set particularly on your highest risk hires? What are the other things to watch for? I think the other things to watch for when you hire: the biggest ego in the room.. I mean I have hired a lot of people who quite frankly could have been my boss.. Every job I've ever had I've been completely unqualified for, including AsiaPac and LatAm for Google.. Luckily enough, I got the opportunity, and I got to continue to hire people who could have had that job..

I'm always a fan of - like really smart and talented people often have big egos.. That's okay.. However, what you want to watch for is, how much is their ego driving the conversation? particularly as they start to get down to the short strokes of negotiating with someone, you start to see how much of the command of the conversation is about what's important to them versus what's important to the company.. And so big egos require a lot of management.. So big ego: completely capable, fantastic awesome.. Big ego spends all your time thinking about what needs to be in it for them: red flag.. And usually those red flags show up in the final stages of your interview process, or your negotiation process.. So one of the things I would say to watch for is, the more senior the hire, the more expensive the hire, watch how they conduct themselves in those final conversations, because therein are the signals, you hope, of - yes you want somebody who's thoughtful and understands their worth and all of that, but you also see the signals about how they weigh their own agenda versus the agenda what's important to the company.. Think another big thing.. So I think the bit more difficult question of course is: how do you fire? And fire is like a terrible word, it looks good on a screen, fit on my slide..

It's not the word I'd like to use.. More importantly, I think the question is what do you do when it doesn't work out? And you know it's interesting, if you talk to people who are business leaders of one type or another and you sort of say, and you interview them, for what have you, and say 'what's your biggest regret?' They almost never say 'you know it's that deal I didn't do, it's the merger that didn't work out, it's the product iteration I tried that didn't work'.. They almost always say 'you know, there's this guy hired, and it didn't work out, and I probably let it go six months too long.' The problem, though, and thus image is that startups are a contact sport.. But they're a high contact sport in a small arena, okay.. So if somebody is not working out, there's nowhere to go.. It's not like a large company where you can move somebody from one group to another and hope that therein they find their culture fit or whatever.. And the challenge that you have of course, is in the time it takes you to make that decision, this person is like looping around the rink, bumping into every other person on the team.. And the downward effect on energy and passion and culture is massive.. And so when you think about, like as you get into your first founding situation and are watching a situation and its nickling at you, that something is not quite right, and that your expectations of someone are sort of - you sort of say like 'wow, well how long do you let it go?' I would submit to you, that in the Valley, within the first three months you can tell if somebody's hitting it or not.. With by six months, you've seen them - like in the world in which we live six months is a hell of a long time, right? You're starting to see how they operate beyond their initial period..

And almost every situation I've been in, particularly if I've gotten more experienced managing people, by month three I'm like 'this is really bothering me.' And now all I've learned is the decisions that would take me a year and half to make, when I was a Yodlee, I now make in - between month three and month six.. And it's not only good for you, of course it's good for that person if it's not going to fit, to call it.. Because it's very hard in a startup.. Now, look, in many ways I think this is probably one of the most difficult things to do, is to learn to have those conversations early.. But the risk for you, as a leader, of not doing it, is having a team that then looks and says 'look, do you understand the effect on the rest of us to not have an up revving at any point of time with the energy and culture of the company, but instead kind of a negative force?' The other thing for which I would, for lack of a better word, fire: the get on the boat or get off the boat kind of person.. And what I mean by this is simple.. Building a company is really hard.. There are no easy decisions when it comes to the ones that require debate.. There are five possible roads, you have to pick one, you don't know which one is right.. We talked about the gut data gut cycle which is: you have a gut, you go, you get data, you retrench or continue down that path, so it's constant interactive process..

But if the decisions were easy, they would be easily made, okay.. So there are lots of decisions you're going to have as a company that are fairly controversial.. But the single other most destructive force in your company besides somebody who, for whatever reason is not a culture fit, or not able to perform at the same level as others, is really the person who's plenty smart, okay.. Plenty smart, but after you leave the room in a contentious decision and debate has happened and decisions are



made, they spend all of their time in five other conversations talking about whether or not that was the right decision.. Which is very different from debate that's constructive and open and in the room and also very different from, as a founder or whatever, being able to come to you and say 'hey look, still concerned about this.' But the divisive factor is the one that takes an entire team and pulls them back, and has them re-circle again and again on a decision.. So I'm not a believer in consensus.. I'm believer in huge debate, the ability for everybody's voices to be heard.. You make a decision you go.. And you go in an ego-less way, which means if it was wrong decision, you're like 'okay, we got more data, we look at it, we retrench'.. And everybody can make good and bad decisions; it's all about the quality of the debate and the data that's available to you..

But the more important thing is really how do you create a culture whereas I said you can make a decision on which there's a lot of debate and have people leave the room unified.. Because it's already hard enough, you know it's a hard decision, you know at best you're 50% right, or 60% or what have you.. Now your goal is to go and data and be the first to admit it, if you're wrong, right, what have you.. Your goal is not to have one of the people walk out of the room and usurp everything you're trying to create from a cultural perspective.. And that is the other force I would watch for within a company, and really think about, again no matter how smart.. Is it constructive for a team to operate that way? Last thing, how do you partner? So of course, I think, starting a company and often most times it's with somebody else, is like a marriage.. Really.. I mean, how many of you are married? Few, right, okay.. You guys, the rest of you still have lots of freedom.. But if you were to think about it, it basically is like having a second spouse, and you know - or second girlfriend, boyfriend whatever the analogy is..

But I think the most interesting thing is, it's probably the biggest risky phase is who you partner with.. And it is in many ways like a marriage.. So you want to think about who is it you want to get in bed with? If you have previous experience with them, great.. If you don't, how do you diligence it? How do you diligence it? It is amazing to me the number of people who hire other people without ever trying to find people in their network who know them.. I mean it's amazing to me how many people hire the people on one interview.. It's like where is the real data set on how the person you're going to partner with performs? How do their values align with yours? How do you get that data, how do you get into an environment where you can work with them? I would just observe, this is probably the single biggest risk in a startup.. And that risk doesn't necessarily go away; you just do the best you can.. I looked at Polyvore for two years before I joined as CEO.. I had coffee date after coffee date with the founder.. We had complete intellectual parity and I loved his capabilities..

And I think he loved mine.. But at the end of the day, at the point at which we went from dating to a marriage, it was still completely different, and our values didn't align in the same way.. But, do I feel like I went into that situation not knowing the things that ultimately caused us not to stay together? No.. I knew them, because I had spent two years with him, I had spent time with people who knew him, and I'm sure him with me.. So that doesn't mean the marriage works, but you want to go into with as much data as possible.. And I guess that's all I'm advocating, is really how do you go into with as much data as possible? And of course even if it's not a founder but a very senior hire, same thing: how to use every available resource to figure out your alignment with this person.. Last couple of things.. So you're inevitably going to fail, okay.. Inevitably.. I mean if you think, if we all think about the founder stories, everybody talks about the point at which they thought they weren't going to make or what have you..

The most important thing is one foot in front of the other, like literally.. It's just about getting up and living through that cycle, whatever it is.. Whether it's a bust cycle on financing, whether it was us in China when there were many days, I was like 'wow, this is really hard.. It's really hard to be the only person advocating for China in a company where there was a lot of headwind to entering the market.' It was really hard post-Polyvore to be like 'wow that didn't work out.' And so in those periods, you just are like, what do you do? And the single biggest characteristic as an entrepreneur, again, just one foot in front of the other.. Like everything in this life is cyclical.. Your marriage, you're dating life, your finances, everything, and it will all come back.. But what everybody is looking for out of you, including for your investors, is how do you just simply continue to go? So we talked about when all else fails you got to hang on, and persist.. Persist.. It is really about persistence.. And we talked about it, and just to sort of conclude: look, there is this journey as I said, between now and up and to the right, there is this journey..

And how you conduct yourself during this period is what defines great entrepreneurs.. Yes, many of them are defined by having built a successful product, but most of them are defined by how they built it as well.. And so when you think about whether your startup is a success or failure, what have you, two pieces of advice.. The most important thing you're going to take with you besides that trademark strength is your reputation.. This a very small valley.. Every single opportunity I've been given has not come through an interview, it's come simply through referral.. And so, the thing you are going to take out in any journey, entrepreneurial, successful or not, is your reputation.. And how you conduct yourself is the single biggest thing you can have as an entrepreneur.. The last thing, of course I'm going to appeal to you all to start companies.. I know you're thinking about it, that's why some of you in this lecture series are in here..

For me, as I said, the hardest thing about becoming an entrepreneur again 20 years after the first time or 15 or whatever it was, was really letting irrationality win.. Like there is the left side of your brain and the right side, there is the probability of a success or not.. There's all the data on the number of startups that fail or succeed.. And at the end of it all, starting a company is in many ways the most irrational, but most rewarding decision.. And if you believe that, as we talk about, that it's all about the journey, and about what defines a great leader, you will come out of it, failure or success, a better leader than

you started.. And having delivered more impact in a nonlinear way than probably any other thing you've done in your career.. So I'm all for it, and I'm all for it at a young age when there's no legacy and the opportunity to be totally irrational.. Thanks very much...