

URL: <https://stvp.stanford.edu/clips/is-a-career-in-venture-capital-right-for-you>

The VC industry isn't a monolith, observes Lightspeed Venture Partners founding partner Ravi Mhatre. If you want to pursue a career in venture capital, he advises, it's important to talk to people from across the spectrum, from angel investors to sector-specific firms to global firms that invest across many industries. He adds that working with founders to build companies isn't about immediate payoff, and that the VC businesses is best suited to people who are comfortable taking risks but can also be patient and take a long view.



Transcript

- What advice do you have for students 00:00:04,903 who want to become venture capitalists? - You know, my strong advice would be as a first step, 00:00:13,100 talk to and get to know people who are in the investment business, and venture capital also is not a monolith.. There are a number, a variety of different ways in which people practice technology investing.. There's an angel ecosystem.. There are now this full cohort of solo capitalists.. There are people like me who are investors at large global investment firms and everything in between.. There are some firms that specialize by sector.. So I think its, I would encourage people to really talk to as many people as they can to get a flavor for the job because I do think, you know, investing, again, what would be the common threads? If you're gonna be in the investment business, it is a business where you have to have a really long-term view and be comfortable with relatively little feedback along the way.. You measure a venture capital investing career in years or in decades, and sometimes when you enter the business, it can be a couple of years before you really have even made some investments that are meaningful and then it can be, in my case, some of the companies Ravi Belani talked about, it was a decade before we knew ultimately where the companies would end up, and so when you're thinking in timeframes like that, you have to be comfortable that you really end up in a mode where you believe in what you're doing so much that you're not as concerned about milestones along the way where you're getting specific feedback and wondering, hey, do other people around me or does the world think I'm doing well or not well? So, and there's determination that goes with that.. I think there's a large part of the investing business in today's environment where there's so much capital coming into technology, you have to be comfortable, again, building relationships is maybe a nice way of saying you have to be a salesperson for yourself and why you think that you have the right to earn a relationship with the very best founders who are the ones who will produce the most value.. So there's an element of talk to a lot of people and also know yourself because the investment business is, in many ways, quite different than being in an operational role in a company, and you have to just decide, are the things, there are some amazing, marvelous things about being in the investment business..

It's incredibly stimulating, the diversity of topics that you have the opportunity to learn about, the amazing people that really, you're sort of in a job where your mandate is to go build relationships with really remarkable people, with founders.. So there's a lot of incredible things about the role, but I do think it's a very specific and unique type of role that you have to play, and you want to learn if it's a good fit for your personality...