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Lessons for Venture Starters

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Experienced executive Jeff Church offers some lessons to keep in mind when launching commercial and social entrepreneurial ventures: 1) Don’t quit early; 2) Find partners that balance you; and 3) Remember the rule of 2’s.

Transcript

Oftentimes people quit when success is right around the corner.. And I tell people, look you know, unless it's systemically flawed, and it's very difficult to tell, but unless it's systemically flawed, keep pushing, keep persevering through it.. Maybe you should ask your - a mentor or ask a parent, ask a business person, ask a CEO of another company to kind of check and balance sheet to make sure that it is - you're in the right track, but kind of push through that threshold to persevere.. Find a partner or mentor who balances you.. We are all going to be good at one or two things, but we're not going to be good at five or six things that cut across all functional areas and most people tend to be more left brained or right brained and I find it's really important to partner with somebody that complements you.. And this doesn't mean they have to be an equal owner, it doesn't mean they need to be an owner at all.. They could be a parent, they could be a professor, they could be a friend, they can be a CEO of another company, but partner with somebody else because the minute you go to talk to investors, they're going to start drilling you and if you're a sales and marketing person and they start drilling you on cash flow and you go uh-huh, I mean you're done.. It's over with that particular investor.. So, make sure you complement yourself with somebody that really can pull that stuff out.. And the final thing is what I call the rule of two's and that's that everything takes twice as long and costs twice as much money..

It's just human nature and that damn Excel.. Excel makes everything really easy because we can make an Excel model like just really dynamite.. In reality it's a lot harder to hit those models.. And I find it just takes a lot longer than we think as human nature.. So, if you can, run your models out for an extra two years, run your cash flows out for double your costs so that you really know - last thing you want to do is run out of money.. And the last thing you want to do is run out of money when success is right around the corner because you're going to go out and raise money when you're out of money and talk about dilution, you're going to get wiped out.. And then you're going to be really unhappy.. So, make sure you get enough capital upfront so that you can kind of weather that storm...