

URL: <https://stvp.stanford.edu/clips/the-virtue-of-hard-situations>

On finding team members to work with, investor John Lilly paraphrases Warren Buffet: "You look for three qualities: integrity, intelligence, and energy. And if they don't have the first, the other two will kill you." Lilly also expresses the importance of placing yourself in hard situations that allow you to learn.



Transcript

Warren Buffet's got this quote I think that's like, what you try to find in people you work with is people who have integrity, energy and intelligence, because if they don't have the first one the other two will kill you.. And so without integrity like the intelligence and energy will totally screw you up, right.. And so there's some, there's some baseline things.. Like you have to, you just have to figure out where your integrity line is and all that stuff and what fundamental values are important to you.. Beyond that, I think you've got to try hard to put yourself in the situations that are hard.. And one of the - I haven't even given this talk, but I've got a title for a talk that I want to give some time which is called On the Virtues of Getting Your Ass Kicked.. And what I'll you is that I've got my ass kicked so many times.. And when I got to Stanford I was going to be a physics major until I got like a C+ in Physics 63 right.. And it was so clear that I was not able to cope with those guys.. When I was - CS198 the thing I'd say was the most important decision I ever made, well they turned me down the first quarter I applied..

They turned me down the first quarter.. And I applied via the coordinator.. They turned me down the first two quarters.. And then the third time I applied I got to be a coordinator.. The first time I looked to be a VC I didn't really find the right thing.. The first time I started a company, I didn't really find the right thing.. I've got partners, Reid, who go from thing to thing and success to success.. That's never been my experience.. And I don't know, I think that if you are really aggressive and try to put yourself into hard situations where the people around you kick your ass all the time - so being at the table in our partnership it's a murderer's row.. So people invested and created the biggest SaaS companies companies in the world, the biggest networking companies in the world, Facebook, so billions of dollars in return..

And I'm the new guy with five investments and we'll see how it goes.. It's an intimidating table to sit at and then it's intimidating to say things.. You did the best you can and then people say 'well that's kind of the dumbest thing I've heard all day.' Nobody and to be clear, nobody at Greylock's ever said that to me, although I'm pretty sure they thought it.. But the - if it's only the dumbest thing today that's fine.. Because then you'll learn and you'll get better.. So that's what I would say.. Just like be clear in your integrity and then put yourself in the situations that are hard, hard, hard...