

URL: <https://stvp.stanford.edu/clips/when-leaders-should-let-go>

Silicon Valley luminary Ben Horowitz explains when it makes sense for a founding CEO to relinquish multiple roles and recruit others in order to focus on leading the business. Says the co-founder and general partner at venture capital firm Andreessen Horowitz: "You only get leverage if the person that you hire can do it better than you can."



## Transcript

Yeah, so it's okay, what if you are the technical founder, you're the head engineer, the chief evangelist, the number one designer and like you can't do them all indefinitely so which one do you delegate first.. So I don't actually think that's probably - it's probably less of a functional question and more of a like when you find somebody that you trust that can replace you in those things because you only get leverage and this is something that is really tricky for founding CEOs to get to but you only get leverage if the person that you hire can do it better than you can because as long as you feel like you're better than them at it, then there's - you're just going to keep second guessing them and you're not going to get any leverage and a lot of times like I will be talking to CEOs and they will have an executive and they will be like this person is really good and they are working really hard and I am like, well, you're always like frustrated about like you always feel like you have to do that yourself.. And it's like yeah, because they don't understand how to do this and that and I am like well, then like they are not an executive because the whole point of an executive is to get you leverage.. And so on the question like that is like where can you find the right person and make the hire to get you leverage.. And wherever that is, that's what you should give up first.. And you want leverage in all spots because as CEO, you can be the keeper of the vision, the quality control over the top, but you can't be the lead engineer forever like that.. There is no - and it doesn't matter how good an engineer like Larry Page, as great an engineer as he was, is not an engineer at Google.. He just isn't and he cannot work on production products.. It's a full-time job even for like somebody who can do as many things as Larry, he cannot do that and nobody can.. Like if Larry can't do it, you can't do it either, I guarantee you..

And so you're going to have to give them all up.. And so it's just a matter of like where do you get the leverage...