

Thinkruptor

\$8.99
Issue No. 1

FOUNDER FAILS
Tech's Biggest F@ckups

EDIBLE INSECTS AND OTHER EXTREME START-UPS

BEBOE
The Hermès of Weed

ALEX BOGUSKY
—
THE PRISON CONSULTANT
—
TAO GROUP'S NOAH TEPPERBERG
—
EARN YOUR STREET MBA
—
THE CEO WHISPERER

MR. BEAST

**YOUTUBE'S PRINCE OF POSITIVITY
ON EXTREME PHILANTHROPY**



STRATEGY

Founders Keepers

C-Suite whisperer Jay Rosenzweig, talks top hiring attributes and the strategies you need to succeed.

1. WHAT ARE THE TOP FIVE ATTRIBUTES THAT YOU LOOK FOR WHEN DECIDING TO BACK A FOUNDER?

The first thing I look at is the individual’s track record —whether or not he or she has previously successfully launched a start-up, either alone or in partnership with others. Serial entrepreneurs tend to know what it takes to get a company off the ground. Having said that, I don’t automatically rule out first-time founders. In all cases, when looking at founders I look for the following: Can they do the job? Can they love the job? Can people tolerate working with them?

In the executive recruiting world these are often summarized as strengths, motivation, and fit. I

think these are the same questions you have to ask yourself if you are an entrepreneur thinking of starting a business.

Can you actually run a firm or company, and do you have an idea or a product anyone will want to buy?

Will you have the passion to not only launch something, but actually love what you are doing over the long haul?

Can you inspire others to believe in your vision and follow your lead? Translating all of this into attributes that I look for in backing a founder therefore includes:



<p>1. PASSION</p> <p>I believe successful founders should demonstrate a real passion for what they are trying to accomplish, and be able to instill that sense of passion in others.</p>	<p>2. ABILITY TO HANDLE PRESSURE</p> <p>A start-up can be a real pressure cooker; I look for people who can keep an even keel, no matter the circumstances.</p>	<p>3. ADAPTABILITY</p> <p>You can start with a great idea or business plan; but often, the real opportunity might take you in a different direction. Being open to changing circumstances is a must.</p>	<p>4. VALUES</p> <p>I look for founders who have some sense of purpose in what they are doing, beyond just making piles of money. I am particularly drawn to individuals who seek to create something that is socially useful, with a solid moral compass.</p>	<p>5. HUMILITY</p> <p>I know humility is not a term normally associated with founders and entrepreneurs; but what I mean by it, in this context, is the ability to assess one’s own strengths and weaknesses and admit you can’t do <i>everything</i>.</p>
---	--	---	---	---

2. WHAT'S YOUR INVESTMENT PHILOSOPHY? WHAT ARE THE DRIVERS THAT HELP YOU DECIDE TO BACK ONE COMPANY OVER ANOTHER?

There are a number of things I look for when deciding to back a company. In many cases my investment is not solely monetary, but involves taking on an advisory role; in those cases I want to be sure that I can add real value. I am also very drawn to companies that have a social purpose.

In my professional life, I have been very active in promoting diversity, especially the advancement of women in the tech sector and in business in general. Another important factor for me is the opportunity to explore, and better understand, sectors that I have not previously been a part of—to become a piece of a whole new ecosystem. Those are some of the major drivers. But again, confidence in the founder and his or her team, is paramount.

“I’ve learned over the years that a superstar founder can be an individual who takes a mediocre product and makes it succeed.”

3. HOW IMPORTANT IS THE BUILDING OF A COMPANY CULTURE IN THE GROWTH OF A START-UP? AND HOW DO YOU BUILD CULTURE ORGANICALLY?

I think the creation of a culture at a start-up begins with the values exhibited by the founder. A good leader sets the tone by the values that she or he exhibits day to day; it is from that basis that culture can grow organically.

Every interaction, whether with employees, suppliers, or customers, is a step toward creating cultural norms—one that future hires can follow. You can buy culture off the shelf or import it from somewhere else; it has to be genuine and home grown, day by day. I always emphasize values over culture in a company. You can have a diversity of cultures and that can be fine (in fact, diversity is often a plus), but you definitely want everyone in an organization to adhere to the same basic values.

4. A COMPANY COMES TO YOU WITH A GREAT PRODUCT AND NO CLEAR STRATEGY. IS THAT A RECIPE FOR DISASTER?

I have found that a superstar founder can sometimes be an individual who can take a mediocre product or service, and make it succeed; we can all think of examples of that. But you’re asking about a founder who has a great product, but doesn’t know how to develop a strategy to bring it to market. Sure, that can be an absolute recipe for disaster. There are many examples of that too. IBM developed LaserDisc storage technology, but never understood that a much bigger market existed in entertainment,

and sold the rights to the Japanese electronics company Pioneer, for a song (pun intended). They turned the technology into DVDs and CDs. My advice for a company that has a great idea but no clear strategy, is for the founder to seek strategic help, especially in the areas of marketing and competitive analysis. Founders, particularly those who come from a technical, scientific, or engineering background, can often use individuals with different but complementary skills, to take their good ideas into a successful launch.

JAY ROSENZWEIG with Jane Goodall

