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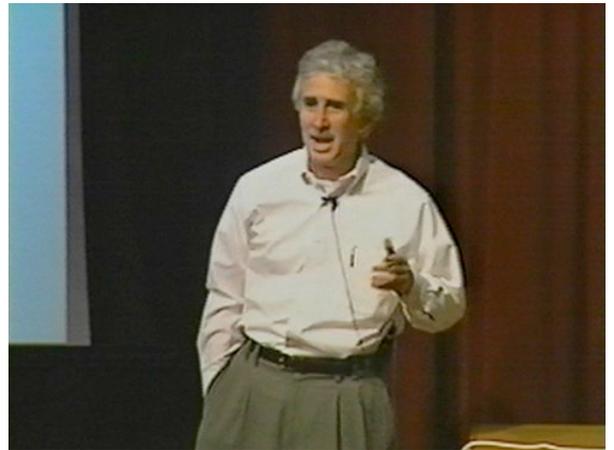
Operational Experience Before Starting a New Venture

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October 31, 2001

Video URL: <http://ecorner.stanford.edu/videos/670/Operational-Experience-Before-Starting-a-New-Venture>

A familiar question among potential founders, says Levinson, is how much business and operational experience do I need to have before starting this business? He talks about the best experience a founder can have - the kind learned only by jumping in with both feet and learning as you go.



Transcript

I noticed when you came out of school, you had experience with different companies. I wonder if you could talk a little bit about the value of going out and getting operations experience for the company and doing your own venture versus starting right out of school. Well, I kind of got two MBAs; one was the company that failed and the other was hanging out with Jerry for six or eight years while we weren't so busy. So perhaps that was more my multi-culture. I think it's really valuable though. I grew up in a family business that was men's retail. I grew up selling clothes to people. If you can sell hats to guys on Saturday in the rain, I mean you can make sales. So I learned selling that way. I'm comfortable with the details of operations and things like that.

So getting a viewpoint of different things I think is really helpful. Again, the most important viewpoint to get is to get customer experience. The best companies frankly let you have access to their customers with the greatest reluctance because that's the relationship that matters, right? So they'll take you out with a handler, call the salesman and so on and work you into that role but it's incredibly valuable if you're going to start a company to understand the sales cycle for the business that you're in. For instance, our company's sales cycle, we'll have great products but the real sales cycle is more than a year and that's a long time to just keep hammering away and tell the sales to really start ramping for a profit.