Stanford eCorner

Tips for the Entrepreneur

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Google co-founder Larry Page provides several tips for entrepreneurs. Tip 1: Just don't settle. Especially with employees, it is very important to find great people you are compatible with. Tip 2: There is a benefit from being real experts. Experience pays off. Tip 3: Have a healthy disregard for the impossible. Stretch your goals. Tip 4: It is OK to solve a hard problem. Solving hard problems is where you will get the biggest leverage. Tip 5: Don't pay attention to the VC bandwagon. Don't start a company just because you can. Instead, have a really good idea that is good regardless of the funding situation.

Transcript

So, I'm going to switch gears and talk really briefly about entrepreneurship. So, I'll try to give you some of the things I think are really important that other people won't tell you, or won't stress as much. One of those is really just don't settle. It's very, very, very important if you're starting a company to have the right people involve and I can't stress that enough. I've been enormously happy with people we've had involved at Google as my co-founder with Eric. We took a long time to find these people, actually. I've been working with Sergei for really a long time but Eric took us over year. Just generally, having great people involved that you really like and are compatible with you and all those things, is tremendously important and you're never going to question the acuity you gave up or any of the other things. So, I can't stress that enough. The other thing I think we'll really benefit it from is being real experts.

We worked on Google for many years at Stanford before we started the company. And that was a pretty nice position to be and we understood sort of all aspects in search. We talked about the search companies for many years. We really knew a lot about what's going on. They can do that pretty cheaply, right? It's just your labor, right? You can invest a year or two or three years and really learn something very, very well before you start having hundreds of people working on the problem. I went to a leadership seminar once in Michigan where I came from and they have this great slogan which is, "Have a Healthy Disregard for the Impossible." What this means is that, you really stretch goals that you're not sure you can achieve but are sort of reasonable. You don't want completely outlandish goals either. In fact one thing that I didn't quite realize when I was starting Google is that it's often easier to have aggressive goals. Now what that means is, a lot of time people take very specific things they want to do because they think they'll be easier to attain. What happens if you're being more specific, smaller markets and that kind of thing, you also get less resources.

So, the question isn't really how much resources and the question is, "Can you make a really good case for what you're doing? Does it make sense? Do you have a really big advantage?" Like, if you're building robots that are 10 times less complicated than your competitor's, that's probably a good business, right? And maybe it takes a lot of money to get started up and maybe it's easier to be doing something simpler. I sort of understand, it's okay to solve a hard problem and that's why you get paid if you're a company, right? So, you're doing something that other people can't do easily. So, a lot of times it's important to do the whole problem. I was talking actually with Jeff Bezos at Amazon recently and I said, "You know you really need to solve delivery, right? Some people might say, "Well, that's not really an issue for Amazon because someone else will take care

of its delivery." The people can order stuff cheaply and get it easily, then it really, really hurts their business, right? That's clearly would be great if they can solve that and that's something they think about, right? So, don't be afraid of the hard problems. That's really where you get the big leverage. Finally, tell them to pay any attention to the VC bandwagon. I think a lot of companies - not so much these days but still get started because some space is hot. Honestly, I don't think that's very good reason to start a company. In facts, we see hundreds or thousands of people who come to us who want to commercialize something, who want us to collaborate with their business. We actually look at these and I look at quite a few of them, and my guess is like one year, we are interested in.

The trick is to have the one that somebody's going to be interested because it's a good idea and not to be one of the thousands that come through all the time. I think if you're the one good deal or the other good idea, you really understand the area you're in, the funding environment doesn't matter. It doesn't matter whether it's a hot area, I guarantee you'll be all to get people interested in helping you out. I think people really underestimate it is really important that it make sense not so much with the external environment.