



Stanford eCorner

Difference Between an Idea and an Opportunity

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Tom Byers, professor at Stanford University and founder and a faculty director of the Stanford Technology Ventures Program (STVP), stresses that "Entrepreneurs are not born, they are made". He discusses a framework that elaborates the difference between an idea and an opportunity.



Transcript

Entrepreneurs aren't born. They are made. Entrepreneurs - can they be taught? Hell yeah. Because they can learn. It's that simple, and so that's our job as educators and we know that most of them around the world and it's such a noble profession to be part of, but it's difficult to come up with, "OK, how are you going to explain this stuff." So this is a friend at Babson which is a school in the suburbs of Boston and he says, "Look, let's look at Entrepreneurship this way". So we are still on this first question, this mega-question of the difference between idea and opportunity. He says "OK, we've got this notion of opportunity, but let's break it down a little bit more." Entrepreneurs evaluate and recognize opportunities with this collision up top here between ideas and products colliding with problems with what Venow called market opportunities. Alright? Then they don't really think too much at the time as they're evaluating and recognizing what they are going to do in terms of money and talent, so that's the pursuit of opportunity. We haven't thought much about this yet, but now we are going to have to gather some resources which is as old as any capitalism discussion or anything that is decades, if not centuries old. In other words, capital and talent.

So if we break it down this way, the rest of my chat with you is going to be three of them having to do with sort of the top part, three of them having to do with finance, and three of them having to do with team.