



## Stanford eCorner

### Why do Ventures Require Dynamic Leaders?

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Byers strongly believes that entrepreneurs have to evolve with their organization. He uses a metaphor to compare entrepreneurs to three kinds of dogs: retriever, bloodhound, and husky, as they evolve into the role of CEOs.



#### Transcript

Vision drives strategy, which drives execution. And here's another thing that's really cool in observing entrepreneurs and management teams, especially the CEOs and founders. They have to evolve as people. Just like you're going through major transformations being students or whatever stage of life you're in in terms of professional development, they have to as well. And it's really interesting to watch and track that. I'm a lucky person. I get to teach a class, the one I'm teaching right now with a fellow named Randy Komisar, who has been in this seminar series many, many times over the years, thank goodness. And Randy's a venture capitalist now. He's done many, many things over his life as well. But he wrote this book called "The Monk and the Riddle".

I highly recommend it. It's a lot more fun to read than this red book that I wrote. And I got a laugh there. And so Randy has this wonderful metaphor. How many of you own pets? Had a pet or have and are just in love with a pet? Good. Thank you. Because I do, too. And I love my cat. And Randy loves his dogs. And so he has this way of talking about CEOs as dogs--I know this sounds funny--but lovingly as dogs.

And he says there's three kinds of CEOs like three kinds of dogs: retriever, bloodhound, and husky. And they have to evolve. In other words, the retriever has to evolve to be a bloodhound, which has to evolve to be a husky, if they're going to continue to be CEO. So let's talk about that a minute. So a retriever is like the initial founder of the company, the initial CEO. They have to go out and trade stock, which is all they've got--equity--for ideas, for a little bit of money, a little bit of talent, to get the thing going, and then craft a vision, like we talked about. Then, the bloodhound is the next kind of CEO the company needs to go sniff out a trail. And that's sort of like setting the strategy. And then lastly, as the company grows, the husky needs to take over. And so what you're going to see in here, because you're just going to get people at a point in time, and what we've seen in here for the last eight years that we've been doing this and storing them up on the website and chopping them up in these video clips is people who were really good at being a retriever, a bloodhound, but maybe not so good at being a husky.

Or, they realized that and they turned it over. So let's talk about Larry Page, for example. What was he? Well, he was a retriever, to begin with, as he and Sergey got Google started down in University Avenue. A pretty good bloodhound in setting out the strategy, determined about the whole notion of AdWords and so forth. But when the company became 200 people--it was about five years ago--he turned it over to Eric Schmidt, a very compatible CEO who was the husky, who has brought that company along to where it is today in all its glory. And I could go in that example after example of some people who can make that full transition. I mean, Bill Gates, you could argue, as sort of the previous generations of Google, sort of made that

transition all through the '80s and '90s. And so it's fascinating.