



Stanford eCorner

Transformation of a Start-up

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Video URL: <http://ecorner.stanford.edu/videos/1540/Transformation-of-a-Start-up>

Penchina discusses how a start-up like eBay has transformed over time to a big company.



Transcript

Might take away for those of you thinking about startups is startups really changed almost completely every year because you're doing fairly massive shifts. So you go from, we went from 80 people to almost 800 in the first 18 months I was there. As we went from a small group of people who know each other and know how to get stuff done to committees and lots of new people who have no idea how to do anything. And then instead of stabilize for a little while and you start to digest and people start to feel like they know that they're doing, and then you hire 2,000 more people and so it starts all over again. And so, it feels like waves, just like the waves of innovation to go on and the valley companies have the same waves as they go through hyper growth. And so we changed organizationally. Internally, we changed in terms of what we do. We used to just be an auction site. Now we sell all sorts of stuff and all sorts of formats through fixed price and classifieds. When I joined, we say we would never be in the payment business because it sounded messy.

And now, we run Paypal which is one of the largest payment processors on the net and we always said we were going to be in market place and then went on and bought Skype last year. So we're changing and constantly evolving in what we do as a business as well and sometimes, one drives the other, all right? You get in to a new business as your organization changes and a lot of times, your organization changes and all these new people come in with new ideas and they change what the business is. It's just been interesting to watch how one doesn't automatically follow the other. They seem to take turns.