



Stanford eCorner

Balancing Team, Idea, and Market

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Video URL: <http://ecorner.stanford.edu/videos/1927/Balancing-Team-Idea-and-Market>

A good idea is critical - but it's only a small fraction of a company's success as compared to its founders, says investor Ron Conway. Investor Mike Maples attributes enterprise success to the market, and its power to pull a start-up toward greatness.



Transcript

So the question is balancing the founding team versus the idea. How important is each? In my mind 80 % is the founder team, 20 % is the idea. A good idea is really a pre-requisite today. So when I look at entrepreneur, when I see a company it's the founders that I'm judging. Their personalities, their chemistry, the amount of passion and then the chemistry I'm going to have with them. Will they listen? Will they be mentored? And how is the team? For me it's an end-gate. My most important thing actually is market. I think that a great market will basically pull a start-up to greatness. And give the start-up a great range of options to even execute poorly and still come on top. I'm not saying the team does not matter.

To me it's an end-gate. You don't want to say awesome market crummy team. But if the market doesn't seem awesome, to me that's a show stopper. I can't invest.