



Stanford eCorner

Build a Great Product First

Ben Horowitz, *Andreessen Horowitz*

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Video URL: <http://ecorner.stanford.edu/videos/3437/Build-a-Great-Product-First>

In conversation with Stanford Engineering Professor Tom Byers, Ben Horowitz points out that entrepreneurs must be able to build a great product before they can build a great company. Horowitz, co-founder and general partner at the Silicon Valley-based venture capital firm Andreessen Horowitz, also talks about management being a learned skill.



Transcript

So there is a lot of emphasis on starting the company, but the real hard stuff comes after some success. And so the skills and the behaviors it takes to start a company, is that the same as it takes to scale it and grow it or which ones are similar, which aren't? Well, so like startup gets really hard when the product gets into market and those of you who have done it know this, right? When you're building the product, it's all good. How is your startup? It's doing fantastic. We're building a product that's going to be great, it's so genius like everybody I tell about it kisses me on the lips and says wonderful. But then you get into market and nobody wants it like then it gets real hard real fast. So that's like kind of the first psychological trauma. But the initial skill is can you build a great product, can you build a product that a lot of people really want for whatever reason? And that is different than kind of building a great company and - but if you can't build a great product then it doesn't matter if you can build a great company because you don't belong in startup because if you can't build a great product, you never get to the great company and that was actually a big error in the 1990s and a lot of that lean startup methodology and so forth came out of the mistakes that were made in the 1990s where they'd bring in a professional CEO really early on who didn't know how to build a great product and would build the company to a giant size and burn up all the cash. But the skills are different. But like management skill is - management is a learned skills, it's not like -- nobody was born a great manager and I think that's one of the things people run into is you feel like, oh, well you know like that person over there just seems like such a natural manager, but it's not -- nobody is really that natural at it, it's an unnatural... You learn what you know now in that job? Oh, yeah, it's a very unnatural job like so I'm having this conversation with you and if I stopped you and was like, Tom, the way you asked me that question like it was okay but like you didn't really have the right emphasis at the end and go back and practice and come back tomorrow and do it again.

Like if I said that to you, you would be like that guy's an asshole. And so like anthropologically like you don't want to do that because if everybody doesn't like you, then they are going to feed you to the lion or whatever. So like it's not natural but like as CEO, as a manager, that's what you have to do, you have to evaluate people's performance, you have to correct them, you have to make sure they are on task and those kinds of motions are - you have to learn how to do them and you have to learn how to do them in a way that everybody doesn't hate you all the time. They are going to hate you some of the time.