



Stanford eCorner

Misconceptions About Culture

Dharmesh Shah, *HubSpot*

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Dharmesh Shah, co-founder and CTO at HubSpot, lists some of the most common excuses early-stage companies give when asked why conscious effort isn't put into developing culture. Entrepreneurs often point to office parties and perks, or the supposed importance of their mission as their startup's culture. They also claim culture grows organically, or that they just don't have time, Shah says.



Transcript

- Alright so the thing I'm gonna talk about here is culture and when I talk to startups, most of them don't spend a lot of time thinking about culture and thinking about people. It's like okay I'm gonna walk you through some of the common reasons why entrepreneurs like, culture? One is oh culture, we've got that figured out. We've got Margarita Mondays, we've got a ping pong table, we're gonna do Star Trek movies on Friday afternoons or something like that. So that's rationalization number one. Number two is culture, well that's just something that happens organically. You don't create culture, that just sounds kind of creepy and kind fishy, right? So that's why we don't do that. And then there's one of my favorites. It's like we're fricking changing the world, putting a dent in the universe. That's our culture. And so okay.

And so those are the kind of common buckets of reasons why early stage companies don't talk about culture. And the most common one, and this actually a legitimate one, is we've got a thousand things to do. We're trying to raise funding, we're trying to build product, we're trying to find co-founders, we're trying to figure out how to replace the VP of Engineering that was supposed to quit his thing and didn't quit his thing and like all those things that are happening in early stage land. You don't have time to think about people and culture which is probably the best reason. And I'm going to posit to you that despite all those reasons that not only should you think about culture, you should obsess over it as early in the process as possible because of all of the things you will do, that will have, the time that you can spend yes, build a product but people is the thing that will cause the startup to succeed or fail and the culture's gonna define, we'll talk about this, who you bring in as a co-founder, the early team, and that's going to actually influence your overall probability of success more than most other things that you will do.