

URL: <https://ecorner.stanford.edu/in-brief/whens-the-right-time-to-jump/>

Josh McFarland, partner at Greylock Partners, draws on his time as a tech entrepreneur to illustrate that there's no ideal time to start a company, nor do you need to hurry. He stresses the importance of having positive and enthusiastic people around when you decide to take the leap, and to be bold once things start falling into place and you're forced to decide whether or not to risk it all. "Everything you want is on the other side of fear," he says.



Transcript

- So, the first question, how did you know it was the right time to start a company? I'll tell you a couple things.. One is don't be in a rush.. So much about Silicon Valley, I think, insists that we, as entrepreneurs, must do things faster and must do things younger whether it's Peter Thiel and the Thiel fellows saying ah, don't even go to college.. Or it's Y Combinator saying screw normal jobs, just come in and do this incubator thing.. The sort of ethos is to go faster and faster and being younger and younger.. But, it doesn't have to be that way, right? If the stars align for you and that's true for you, great.. But, they didn't for me.. I mean, I was 31 years old when I started my company.. And, I had been through an incredible arc of a career that gave me a really great base of knowledge and a network.. It was frankly that network that allowed me to get the offer of being an entrepreneur-in-residence that gave us the sort of backbone that we needed to build an enterprise software business..

So, I'd say don't be in a rush.. The second thing I'll tell you is there's no right time.. So, at Google, this was at the, let's see it's just, September 2008, my co-founder and I had reunited.. So, he was one of my former tech leads.. We knew we liked each other, we liked working together, we had shipped some really impressive products together and we both wanted to start a company and we were both ready and the time was right.. And, so we had worked on some ideas.. We had a handful of ideas, one of which became TellApart.. And, we turned in our resignation at Google.. And, there was just one little problem which is as you can see from this chart, it was like the worst time to leave your cushy big company job.. This was two weeks before Lehman Brothers blew up, right? Like anybody who was kinda plugged in to what was going on was probably stockpiling, like, tuna and dog food for the end of days..

And, we're just like, yeah, sounds great, you know.. Forget the free food and the stock options and everything.. Let's just, like, go out on our own.. You know, it's funny, like now looking back I sometimes think what were we thinking? And yet, the act of entrepreneurship is so difficult no matter what, there is no right time.. Reid Hoffman, who is one of my partners at Greylock likens it to jumping off a cliff and building an airplane on the way down.. Elon Musk says it a little more morosely where he says, "Starting a company is like eating glass "and staring into the abyss of death." (audience laughing) (chuckles) So, to the extent that is true and it feels like that from time to time, there's basically no good time to start a company, but there's also no bad time to start a company.. And, if you start a company when the consumer confidence index is at its lowest point it's been in decades, the nice byproduct of that is that there's kind of only one way to go.. (audience chuckling) And yes, I did Photoshop Drake's head on an emoji.. (audience chuckling) But, really, like you get steeped in how bad things are and then things just keep getting better and you get this tailwind at your back, right? So, there's no right time and the worst times can also be the best times.. The other thing I'll say about how you know it's the right time, is when you can surround yourself with people who have yes energy..

Not yes people, not people who aren't challenging you, but by and large, whether it's your co-founder or, in this case, James Slavet who is now our managing partner at Greylock and was our sponsor as entrepreneurs-in-residence at Greylock, he is the kind of individual who just, like, they exude this yes energy.. You bring him an idea and he says yes, if, or yes, and, but it starts with a yes.. It's not this skeptical no, cross arms view of the world.. It's like, yeah, actually I think, I believe in you guys.. It's like, you're smart, you're from Google, you can probably figure it out.. Why don't you come in and use one of our offices here at Greylock for a few months until you get your feet under you.. Just that yes energy is really empowering as an

entrepreneur.. So, I implore you, encourage you to seek it out.. And, then I'll offer you this statement that has proven very valuable for me over the past year which is simply everything you want is on the other side of fear.. So, there will be a point at which the stars are aligning..

You've found your co-founder, you have the idea, maybe you've been offered some seed money or an entrepreneur-in-residence position, something.. You know, the universe is conspiring with you.. And, then you will be gripped by fear because you're about to jump off the cliff, in a proverbial sense.. And, I just, I really, really believe that at that moment you can just, like, say this mantra, everything you want is on the other side of fear.. How do we get where we aren't? Let's get on the other side of fear.. Let's just go for it...