

URL: https://ecorner.stanford.edu/?post_type=snippet&p=63496

Serial entrepreneur and Stanford Management Science and Engineering lecturer Toby Corey points to a singular focus on growth and the resulting burnout as one of the downsides of the current venture capital system, and suggests that a new paradigm is needed.



Transcript

- God, that's a really great question.. So, I'm sitting here in Silicon Valley, and without completely pissing off the entire Venture capital community, but I think that, you know, we'll have roughly 180 billion dollars going into venture capital and new innovation.. That, and literally occupied by several hundred venture capitalists, that model's completely wrong and broken.. So because they are literally for one reason.. I don't blame them for that, but they have limited partners, they raise that money, and then they have to deliver really great returns on that.. And I have lots of ideas on what I think a new model would look like.. And again, it all has to start with sort of flipping the paradigm.. So if we continue to work through the same structure, you're gonna get the same behavior, which is like grow, grow, grow, grow, grow, burn your people out, burn your people out.. You're disposable, I need growth, I need my balance sheets to look this way, these KPIs.. So I think b corporations is a really good start in that direction, about having a set of, looking at your supply chain..

Is it ethically sourced? Where are the materials coming from? Is the no slave labor coming with that? I have a bunch that I'll tell you, but that to me is in the right direction, and I think it is all about sort of a conscious awakening, and then how do we reinvent the traditional venture capital part? I think it's hard to try and super impose what we need to do on that.. I think it's all about creating a new paradigm...