

URL: <https://ecorner.stanford.edu/in-brief/what-does-a-vc-do/>

Whether they're quite junior or very senior, says Redpoint Ventures managing director Annie Kadavy, all VCs are doing basically the same things: sourcing investments, doing diligence, closing deals, and working with founding teams.



Transcript

- So in the course of a week, every investor is doing the same set of things in a different proportion.. So when you first start off in venture, versus you are a more seasoned investor, you're still doing the same set of things.. But the proportion of your time you're spent doing each of those is different.. So at the very beginning of the funnel, what you're doing is looking for new investments to make.. So sourcing, broadly speaking.. That can take on a lot of forms.. But it can be research-based, it can be having conversations with people, it can be going to a demo day.. Things like that where you're looking for top-of-funnel new investment opportunities.. And second, you're doing diligence.. So, you've gotten excited about a space or a company..

So you're digging in to, "What is this opportunity," and "How excited am I?" Then, you are closing deals.. Which is actually, by a fraction of time spent, very small but is usually your peak excitement moment, where you're taking to opportunity to work with somebody for hopefully, many years going forward.. And then, really what ends up being the bulk of my time, is portfolio work.. So after you've made an investment, you're working very closely with the founding teams of those companies to help them go build against the vision that you invested in...