Are you sure you want to do this?

February 1, 2024

Rewarding, but not for everyone
Tonight’s agenda

1. Stories

2. The hard stuff about entrepreneurship that is rarely talked about

3. Lessons: that we might learn from these anecdotes

4. Your turn: Q&A; Conclusions
My background

Founder & CEO – four healthcare startups – Harvard Med School faculty & staff

Mentor: Venture Mentoring Service, Pipeline

Author: The Start Up Starter Kit (Amazon)

CEO of Vitasoy USA (publicly traded, Hong Kong exchange – turnaround)

Executive positions at Baxter, Abbott, other companies

Princeton, MIT Sloan (MSM)

Performing musician

Volunteer – homeless shelters
A story: diving boards

Taking risks, failing and the crossroads
Entrepreneurship is a bit like high diving

You’re trying something new – and scary

When you flop:
• It hurts – a lot
• It’s not something you’re accustomed to

Now what?
• Option A: Never again…
• Option B: That wasn’t fatal ➔ I’ll try again
What comes with innovation?

You’re doing something new
    You may not have done it before
    Maybe nobody’s done it before
    There’s no established roadmap

You may not know what you’re doing
    Uncertainty can be stressful
    You have to make decisions
    Some will be wrong
    Can you accept that?
Being your own boss

The Good News
No one will tell you what to do

The Bad News
No one will tell you what to do
Stories from entrepreneurs

Stuff people don’t always talk about
Trevor – in his own words

• I became an entrepreneur when I was 26. I was on the front page of the newspaper, I had a brand-new BMW, a beautiful girlfriend and I had the world by the horns.

• A year later, I lost everything. My car was repossessed, my girlfriend dumped me and I was living in my parents’ basement, working as an assistant manager at Radio Shack.
• It took me a couple of years to get the taste of failure out of my mouth. I still remember it vividly – every day.
• I decided that “failure is not a fatal experience – it’s a learning experience.”
• You have to take care of yourself first. And you have to become a perpetual learner.
• The most important trait for an entrepreneur to be successful is not intelligence, and it’s not creativity. It’s adaptability.
Laura – in her own words

• I was working at [BigCo], had a great job and a big paycheck. I quit, went all in, joined Pipeline. I knew I was the smartest person in the room. You showed me I didn’t have a business → tears, heartache, start over

• New idea – spent $500K of my own money – was a bust. More tears, more heartache

• Next idea – huge real estate firm → success

• Side business blossomed – inked a big deal
Laura – continued

• When my second business was tanking, I remembered your story about the kidney failure product ➔ my prospects are never going to do this
• Validate, validate, validate ➔ talk to customers
• Real estate guy:
  • Value of reaching out
  • Who wins if I win?
Let’s pause

Any take-aways so far?
Some of my thoughts

Based on their stories
And some of my own
It’s lonely – hard to find anyone to talk with

The parable of Jack and Jill
You will be rejected constantly
  • Potential clients, potential partners
  • Financing sources
  • Potential employees, more
If you’ve lived a life of accomplishment, rewarded for being smart & hard-working…
This will be difficult for you
Not everyone has your best interests at heart

Glen’s story:
He built a good business
  • Six years, lots of hard work, lost family time
  • Raised capital, secured customers
  • Growing nicely

Then his investors stole it from him

Two lessons
  1. Don’t raise money from the wrong people
  2. Protect your Intellectual Property

This was difficult
Anxiety, self-doubt and Imposter Syndrome
Your constant companions

Lots of people are counting on you
Family, employees, customers… **When you flop**
You doubt you’re the right person for the job
You’ve presented yourself as the capable captain of the ship, but…
• You secretly worry – you’re not
• Fraud? Poser?
What can you do about this?

Is there hope for us?
Normal people can’t help you

You’re not normal
If you were, you’d work for Amazon
Your normal friends don’t understand your life choices
They can’t counsel you

Find a community of fellow wackos
Stories: Pipeline, other groups
“These are my peeps!”
Seek their counsel, offer yours
That support network is a lifeline
Think like a scientist

*Most of us don’t get it right the first time*

A failed business does not mean a failed person

You are testing hypotheses ➔ rejecting the ones that don’t work, searching for the winners

You are the jockey, looking for the winning horse to ride
Get a Business Advisory Board

Find experts who want you to succeed

Different from a Board of Directors – no fiduciary responsibilities
Deep expertise that you lack {Noel}
Give them a little bit of equity

Your BAB: Attitudes that will help
They listen more than they talk
Mostly cheerleaders – encourage you
One or two – “It won’t work”
Balance their counsel

VMS, Harvard Innovation Lab, others
Take better care of yourself
Your company needs the best you

Frizzed-out entrepreneurs make lousy decisions

Obvious steps that are often ignored

- Eat right, exercise, get some sleep
- Go home and take care of your loved ones – they will be important long after this company
- Invest time in activities that you love so you can recharge your batteries
  - Running, rock climbing
  - Art, playing music, whatever
The book launch party

Why would you say that?
A question that you may be asking:

Why would anyone do this?
Some of the answers

You have to
You feel a real drive to create something that is better
You want to be your own boss and will take a pay cut to do it
You’re too weird to do anything else

Improve the quality of life for others
Mr. X: the orphanage in Venezuela
Mike: internet in rural Nebraska
You want to correct something that needs to be fixed
A few more answers

Create wealth
- For your family & for yourself
- Build it, sell it, build wealth, repeat

You love the buzz
- You get worked up over cool technologies that can solve problems that you’re interested in
- You like the mix of creativity and discipline required to make this work
Questions

• Lessons and questions
Why do most start-ups fail?

Dismal success record: 10% are still around after two years
I studied this:
Answers fall into two buckets

You’re missing skills you didn’t know you needed

You need to re-engineer your mindset

Previous sessions

This session
Closing remarks

• Lessons and questions
But first: Comments?
Wrapping it up

Entrepreneurship is not an easy life
It has its rewards, but it’s not for everyone
Tonight’s talk ➔ for the hard times
  • I hope you never need this stuff
  • If you do, maybe you’ll think, “Oh yeah, Bob said this would happen…” ➔ resilience

Three things that help many of us be happy:
  • Purpose
  • Hope
  • Community

Determine your purpose, build hope and find your community ➔ I wish you success.
THANK YOU

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