

Introduction

Some kind of magic happens in startups, especially at the very beginning, but the only people there to see it are the founders. The best way to understand what happens is to ask them, so that's what I did.

In this book, you'll hear the founders' stories in their own words. Here, I want to share some of the patterns I noticed. When you're interviewing a series of famous startup founders, you can't help trying to see if there is some special quality they all have in common that made them succeed.

What surprised me most was how unsure the founders seemed to be that they were actually onto something big. Some of these companies got started almost by accident. The world thinks of startup founders as having some kind of superhuman confidence, but a lot of them were uncertain at first about starting a company. What they weren't uncertain about was making something good—or trying to fix something broken.

They all were determined to build things that worked. In fact, I'd say determination is the single most important quality in a startup founder. If the founders I spoke with were superhuman in any way, it was in their perseverance. That came up over and over in the interviews.

Perseverance is important because, in a startup, nothing goes according to plan. Founders live day to day with a sense of uncertainty, isolation, and sometimes lack of progress. Plus, startups, by their nature, are doing new things—and when you do new things, people often reject you.

That was the second most surprising thing I learned from these interviews: how often the founders were rejected early on. By investors, journalists, established companies—they got the Heisman from everyone. People like the idea of innovation in the abstract, but when you present them with any specific innovation, they tend to reject it because it doesn't fit with what they already know.

Innovations seem inevitable in retrospect, but at the time it's an uphill battle. It's curious to think that the technology we take for granted now, like web-based email, was once dismissed as unpromising. As Howard Aiken said, "Don't worry about people stealing your ideas. If your ideas are any good, you'll have to ram them down people's throats."

In addition to perseverance, founders need to be adaptable. Not only because it takes a certain level of mental flexibility to understand what users want, but because the plan will probably change. People think startups grow out of some brilliant initial idea like a plant from a seed. But almost all the founders I interviewed changed their ideas as they developed them. PayPal started out writing encryption software, Excite started as a database search company, and Flickr grew out of an online game.

Starting a startup is a process of trial and error. What guided the founders through this process was their empathy for the users. They never lost sight of making things that people would want.

Successful startup founders typically get rich from the process, but the ones I interviewed weren't in it just for the money. They had a lot of pride in craftsmanship. And they wanted to change the world. That's why most have gone on to new projects that are just as ambitious. Sure, they're pleased to have more financial freedom, but the way they choose to use it is to keep building more things.

Startups are different from established companies—almost astonishingly so when they are first getting started. It would be good if people paid more attention to this important but often misunderstood niche of the business world, because it's here that you see the essence of productivity. In its plain form, productivity looks so weird that it seems to a lot of people to be “unbusinesslike.” But if early-stage startups are unbusinesslike, then the corporate world might be more productive if it were less businesslike.

My goal with these interviews was to establish a fund of experience that everyone can learn from. You'll notice certain classes of problems that constantly bit people. All the founders had things they wished they'd known when they were getting started. Now these are captured for future founders.

I'm especially hoping this book inspires people who want to start startups. The fame that comes with success makes startup founders seem like they're a breed apart. Perhaps if people can see how these companies actually started, it will be less daunting for them to envision starting something of their own. I hope a lot of the people who read these stories will think, “Hey, these guys were once just like me. Maybe I could do it too.”