Why to Not Not Start a Startup

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*These are my personal notes. It's **not** a full transcript of the essay/article. It's **not** an official summary.*
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I'm going to list all the components of people's reluctance to start startups, and explain which are real. Then would-be founders can use this as a checklist to examine their own feelings.

1. Too young

A lot of people think they're too young to start a startup. Many are right. The median age worldwide is about 27, so probably a third of the population can truthfully say they're too young.

There are a lot of adults who still react childishly to challenges, of course. What you don't often find are kids who react to challenges like adults. When you do, you've found an adult, whatever their age.

2. Too inexperienced

I once wrote that startup founders should be at least 23, and that people should work for another company for a few years before starting their own. I no longer believe that, and what changed my mind is the example of the startups we've funded.

Now I'd advise people to go ahead and start startups right out of college. There's no better time to take risks than when you're young. Sure, you'll probably fail. But even failure will get you to the ultimate goal faster than getting a job.

3. Not determined enough

You need a lot of determination to succeed as a startup founder. It's probably the single best predictor of success.

Most hackers probably underestimate their determination. I've seen a lot become visibly more determined as they get used to running a startup. I can think of several we've funded who would have been delighted at first to be bought for $2 million, but are now set on world domination.

4. Not smart enough

You may need to be moderately smart to succeed as a startup founder. But if you're worried about this, you're probably mistaken. If you're smart enough to worry that you might not be smart enough to start a startup, you probably are.

And in any case, starting a startup just doesn't require that much intelligence. Some startups do. But most companies do more mundane stuff where the decisive factor is effort, not brains.

5. Know nothing about business

This is another variable whose coefficient should be zero. You don't need to know anything about business to start a startup. The initial focus should be the product. All you need to know in this phase is how to build things people want. If you succeed, you'll have to think about how to make money from it. But this is so easy you can pick it up on the fly.

6. No co-founder

Not having a cofounder is a real problem. A startup is too much for one person to bear. And though we differ from other investors on a lot of questions, we all agree on this. All investors, without exception, are more likely to fund you with a cofounder than without.

If you don't have a cofounder, what should you do? Get one. It's more important than anything else. If there's no one where you live who wants to start a startup with you, move where there are people who do. If no one wants to work with you on your current idea, switch to an idea people want to work on.

7. No idea

In a sense, it's not a problem if you don't have a good idea, because most startups change their idea anyway. In the average Y Combinator startup, I'd guess 70% of the idea is new at the end of the first three months. Sometimes it's 100%.

In fact, we're so sure the founders are more important than the initial idea that we're going to try something new this funding cycle. We're going to let people apply with no idea at all. If you want, you can answer the question on the application form that asks what you're going to do with "We have no idea." If you seem really good we'll accept you anyway. We're confident we can sit down with you and cook up some promising projects.

> This essay was written in 2007. This idea of funding teams with no idea was a big failure. As Sam Altman wrote years later, *"We once tried an experiment where we funded a bunch of promising founding teams with no ideas in the hopes they would land on a promising idea after we funded them. All of them failed."*

So here's the brief recipe for getting startup ideas. Find something that's missing in your own life, and supply that need - no matter how specific to you it seems. Steve Wozniak built himself a computer; who knew so many other people would want them?

A need that's narrow but genuine is a better starting point than one that's broad but hypothetical. So even if the problem is simply that you don't have a date on Saturday night, if you can think of a way to fix that by writing software, you're onto something, because a lot of other people have the same problem.

8. No room for more startups

A lot of people look at the ever-increasing number of startups and think "this can't continue." Implicit in their thinking is a fallacy: that there is some limit on the number of startups there could be. But this is false.

We take for granted things that medieval kings would have considered effeminate luxuries, like whole buildings heated to spring temperatures year round. And if things go well, our descendants will take for granted things we would consider shockingly luxurious.

There is no absolute standard for material wealth. Health care is a component of it, and that alone is a black hole. For the foreseeable future, people will want ever more material wealth, so there is no limit to the amount of work available for companies, and for startups in particular.

9. Family to support

This one is real. I wouldn't advise anyone with a family to start a startup. I'm not saying it's a bad idea, just that I don't want to take responsibility for advising it. I'm willing to take responsibility for telling 22 year olds to start startups. So what if they fail? They'll learn a lot, and that job at Microsoft will still be waiting for them if they need it.

10. Independently wealthy

This is my excuse for not starting a startup. Startups are stressful. Why do it if you don't need the money? For every "serial entrepreneur," there are probably twenty sane ones who think "Start another company? Are you crazy?"

I've come close to starting new startups a couple times, but I always pull back because I don't want four years of my life to be consumed by random schleps. I know this business well enough to know you can't do it half-heartedly. What makes a good startup founder so dangerous is his willingness to endure infinite schleps.

There is a bit of a problem with retirement, though. Like a lot of people, I like to work. And one of the many weird little problems you discover when you get rich is that a lot of the interesting people you'd like to work with are not rich. They need to work at something that pays the bills. Which means if you want to have them as colleagues, you have to work at something that pays the bills too, even though you don't need to.

I think this is what drives a lot of serial entrepreneurs, actually. That's why I love working on Y Combinator so much. It's an excuse to work on something interesting with people I like.

11. Not ready for commitment

This was my reason for not starting a startup for most of my twenties. Like a lot of people that age, I valued freedom most of all. I was reluctant to do anything that required a commitment of more than a few months. Nor would I have wanted to do anything that completely took over my life the way a startup does. And that's fine. If you want to spend your time travelling around, or playing in a band, or whatever, that's a perfectly legitimate reason not to start a company.

12. Need for structure

I'm told there are people who need structure in their lives. This seems to be a nice way of saying they need someone to tell them what to do. I believe such people exist. There's plenty of empirical evidence: armies, religious cults, and so on. They may even be the majority.

If you're one of these people, you probably shouldn't start a startup. In fact, you probably shouldn't even go to work for one. In a good startup, you don't get told what to do very much. There may be one person whose job title is CEO, but till the company has about twelve people no one should be telling anyone what to do. That's too inefficient. Each person should just do what they need to without anyone telling them.

If that sounds like a recipe for chaos, think about a soccer team. Eleven people manage to work together in quite complicated ways, and yet only in occasional emergencies does anyone tell anyone else what to do. A reporter once asked David Beckham if there were any language problems at Real Madrid, since the players were from about eight different countries. He said it was never an issue, because everyone was so good they never had to talk. They all just did the right thing.

13. Fear of uncertainty

Perhaps some people are deterred from starting startups because they don't like the uncertainty. If you go to work for Microsoft, you can predict fairly accurately what the next few years will be like - all too accurately, in fact. If you start a startup, anything might happen.

Well, if you're troubled by uncertainty, I can solve that problem for you: if you start a startup, it will probably fail. Seriously, though, this is not a bad way to think about the whole experience. Hope for the best, but expect the worst. In the worst case, it will at least be interesting. In the best case you might get rich.

14. Don't realize what you're avoiding

One reason people who've been out in the world for a year or two make better founders than people straight from college is that they know what they're avoiding. If their startup fails, they'll have to get a job, and they know how much jobs suck.

15. Parents want you to be a doctor

A significant number of would-be startup founders are probably dissuaded from doing it by their parents. I'm not going to say you shouldn't listen to them. Families are entitled to their own traditions, and who am I to argue with them? But I will give you a couple reasons why a safe career might not be what your parents really want for you.

In almost everything, reward is proportionate to risk. So by protecting their kids from risk, parents are, without realizing it, also protecting them from rewards. If they saw that, they'd want you to take more risks.

I think the way to deal with your parents' opinions about what you should do is to treat them like feature requests. Even if your only goal is to please them, the way to do that is not simply to give them what they ask for. Instead think about why they're asking for something, and see if there's a better way to give them what they need.

16. A job is the default

This leads us to the last and probably most powerful reason people get regular jobs: it's the default thing to do. Defaults are enormously powerful, precisely because they operate without any conscious choice.

To almost everyone except criminals, it seems an axiom that if you need money, you should get a job. Actually this tradition is not much more than a hundred years old. Before that, the default way to make a living was by farming. It's a bad plan to treat something only a hundred years old as an axiom. By historical standards, that's something that's changing pretty rapidly.

We may be seeing another such change right now. I've read a lot of economic history, and I understand the startup world pretty well, and it now seems to me fairly likely that we're seeing the beginning of a change like the one from farming to manufacturing.

And you know what? If you'd been around when that change began (around 1000 in Europe) it would have seemed to nearly everyone that running off to the city to make your fortune was a crazy thing to do. Though serfs were in principle forbidden to leave their manors, it can't have been that hard to run away to a city.

There were no guards patrolling the perimeter of the village. What prevented most serfs from leaving was that it seemed insanely risky. Leave one's plot of land? Leave the people you'd spent your whole life with, to live in a giant city of three or four thousand complete strangers? How would you live? How would you get food, if you didn't grow it?

Frightening as it seemed to them, it's now the default with us to live by our wits. So if it seems risky to you to start a startup, think how risky it once seemed to your ancestors to live as we do now. Oddly enough, the people who know this best are the very ones trying to get you to stick to the old model. How can Larry and Sergey say you should come work as their employee, when they didn't get jobs themselves?

It's exciting to think we may be on the cusp of another shift like the one from farming to manufacturing. That's why I care about startups. Startups aren't interesting just because they're a way to make a lot of money. I couldn't care less about other ways to do that, like speculating in securities. At most those are interesting the way puzzles are. There's more going on with startups. They may represent one of those rare, historic shifts in the way wealth is created.

That's ultimately what drives us to work on Y Combinator. We want to make money, if only so we don't have to stop doing it, but that's not the main goal. There have only been a handful of these great economic shifts in human history. It would be an amazing hack to make one happen faster.