The Effective Founders Project

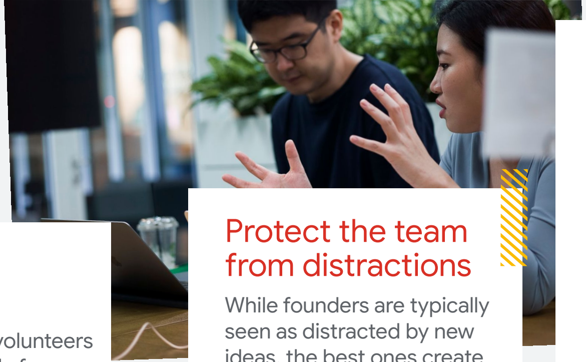
Seven leadership strategies to overcome the biggest risk to startup success

Google for Startups

TL;DR: Seven ways to become a more effective founder

People issues are the biggest risk to funded startups.

55% of startups fail because of people problems, according to a study by Harvard, Stanford, and University of Chicago researchers[1]. We put the most effective founders under a microscope to understand their strengths—and biggest potential blind spots.



Treat people like volunteers

The best people are like volunteers—they'll work passionately for a hard, meaningful mission. They also have options. As the adage goes, people leave bosses, not companies. Create a talent monopoly by understanding the psychology of your employees.

Protect the team from distractions

While founders are typically seen as distracted by new ideas, the best ones create focus and clarity. Set clear goals and priorities to build momentum for your team, which in turn fuels better performance and morale.

Preserve interpersonal equity

Violated expectations are the main source of conflict. The most effective cofounders openly discuss and document what they expect from each other and constantly check for interpersonal equity—do both of you feel that expectations are fair?

Minimize unnecessary micromanagement

While data shows micromanaging can be helpful in certain situations, the most effective leaders aim to delegate work in order to scale both themselves and their businesses. Our data suggests that micromanaging can be a fatal flaw for CEOs.

Invite disagreement

You want a conflict of ideas, not personalities. Our data suggests that founders consistently undervalue giving teams an opportunity to voice their opinions, while employees value it highly. Encourage open team dialogues early and often.

Keep pace with expertise

Leaders need to know enough about each role to hire the right people and help develop their team. 93% of the most effective founders have the technical expertise to effectively manage the work.

Overcome discouragement

While most would expect self-confidence to grow with time, our data suggests that the most effective founders are not nearly as confident as the least effective. Build a support system and know how to ask for help in order to overcome doubt.

1. Gompers, Paul A., William Gornall, Steven N. Kaplan, and Ilya A. Strebulaev. "How Do Venture Capitalists Make Decisions?" NBER Working Paper Series, No. 22587, September 2016.

Startups have real—but solvable—people problems

Startup founders take many risks. Tech risk, market risk, product risk, financial risk.

But there is one risk which research indicates may pose the biggest threat of all to funded startups. Often initially invisible to founders, the worry is painfully felt once it is too late: people problems.

Founders consistently underestimate the human-related issues that can destabilize startups. As Sequoia Capital partner and former Google SVP Bill Coughran once said: "Engineering is easy. People are hard."

The goal of this research is to provide actionable advice for founders of all stages based on learnings from high-potential startups across the world. Through in-depth analysis, exhaustive research, and thousands of hours spent with entrepreneurs around the world, we hope to provide practical, universal tips on how to recognize and correct the people problems that pose the biggest risk to your startup's success.

This is not meant to be the final word on what it takes to be an effective leader. Each founder's journey is unique. Please take from this only what helps you and your team.

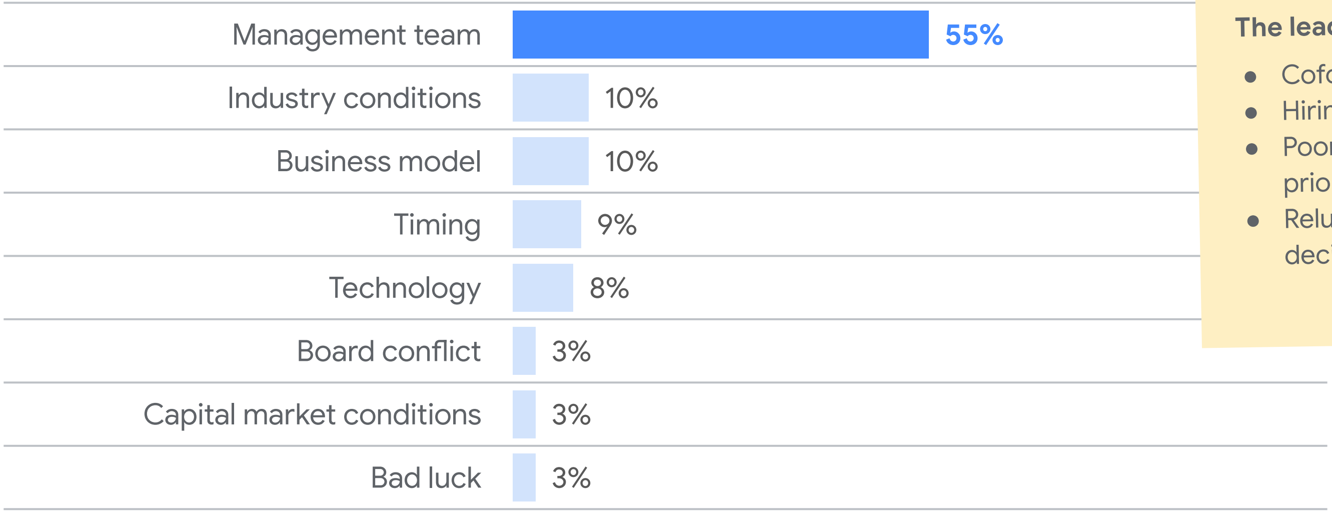
“Engineering is easy. People are hard.”

Bill Coughran
Former Google SVP of Engineering
Partner, Sequoia Capital

People-related problems are the biggest risk to funded startups

Most important factor that contributed to a startup failing

(Based on a large-scale survey of 885 venture capitalists around the world by Harvard, Stanford, University of Chicago researchers Gompers et al, 2016)



The leading people problems:

- Cofounder conflict
- Hiring and retaining talent
- Poor decision-making and prioritization
- Reluctance to make tough decisions on team members

Source: Gompers, Paul A., William Gornall, Steven N. Kaplan, and Ilya A. Strebulaev. "How Do Venture Capitalists Make Decisions?" NBER Working Paper Series, No. 22587, September 2016.
Notes: This study has been supported by several other studies, including one done several decades ago by Harvard and McKinsey & Co. researchers showing that an ineffective senior management was the top reason for failure (65%). *Why do startups fail?* is a difficult question to answer rigorously. Many startup founders, advisors, VCs have talked about their theories about startup failure, which are all anecdotal at best. At the time of the writing of this report, there are no controlled experiments that have been published that definitively answer this question.

We built one of the deepest and broadest datasets on growth-stage[1] founder capabilities

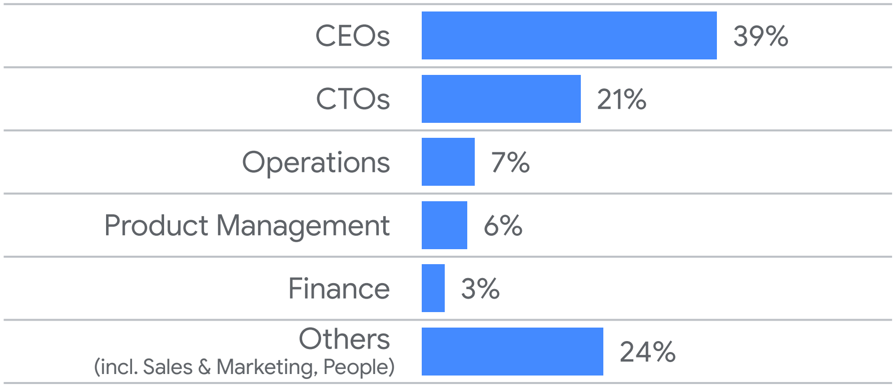
900+ founders/startup leaders in our dataset and thousands more reached through our startup communities

...in more than 40 countries...

Africa	Americas	Asia and the Middle East		Europe
Egypt	Argentina	Bangladesh	Malaysia	Belarus
Ghana	Brazil	China	Oman	Belgium
Kenya	Canada	India	Pakistan	Czech Republic
Nigeria	Chile	Indonesia	Philippines	Estonia
South Africa	Colombia	Israel	Singapore	France
Tanzania	Ecuador	Japan	Thailand	Germany
Uganda	Haiti	Turkey	Vietnam	Lithuania
	Mexico			Poland
	Puerto Rico			Russia
	USA			Sweden
				United Kingdom

...with a focus on CEOs and CTOs

Breakdown of primary roles of founders/leaders in dataset



1. Most startups included in this study participated in one of Google Launchpad's accelerators, most of whom are out of beta stage, with some market traction, and at a Series A + funding round.
Note: A more detailed discussion of our methodology can be found in the appendix.

Through a multi-rater feedback tool, we asked cofounders, employees, investors, and advisors to weigh in

7.1

average number of evaluators per subject

33

leadership capabilities assessed

230,000+

founder impressions included in this analysis

Note: A more detailed discussion of our methodology can be found in the appendix.

We studied the most and least effective founders in our dataset

What do the most effective founders do well that the least effective don't?

This comparative analysis is meant to overcome survivor bias—the tendency to look at successful entrepreneurs and assume that what they do makes them successful—without checking if those that failed did exactly the same yet failed anyway.

Leadership effectiveness in our dataset relies on reported perceptions of effectiveness by evaluators. Evaluators included cofounders/peers and direct reports. Subjects without this well-rounded evaluation and with less than four evaluations are removed from this analysis. Three questions were asked to establish a founder's overall effectiveness - "Is a leader I would recommend others to work with", "Is the kind of leader that others should aspire to become", "Overall, is a very effective leader".

Learn more about our methodology and how we overcome survivor bias and halo effect.

The most effective founders use these seven leadership strategies

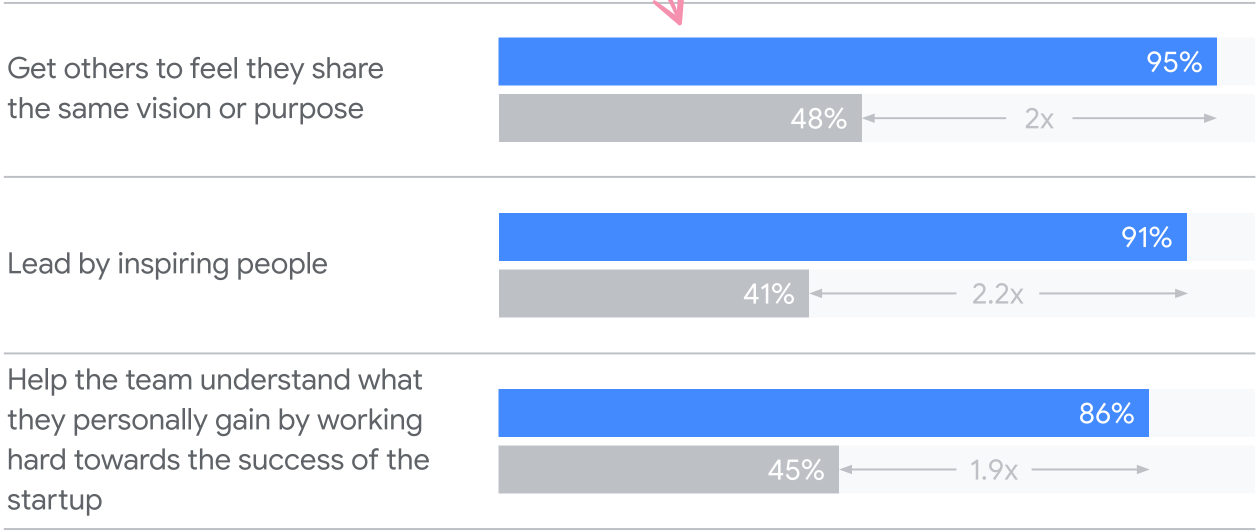
The most effective founders...

The most effective founders...

1. Treat people like volunteers

The most effective founders...

% of evaluators that agree or strongly agree



Most effective founders

Least effective founders

Note: The idea behind treating people like volunteers is credited to Peter Drucker, one of the most influential thinkers and writers on the subject of management theory and practice.

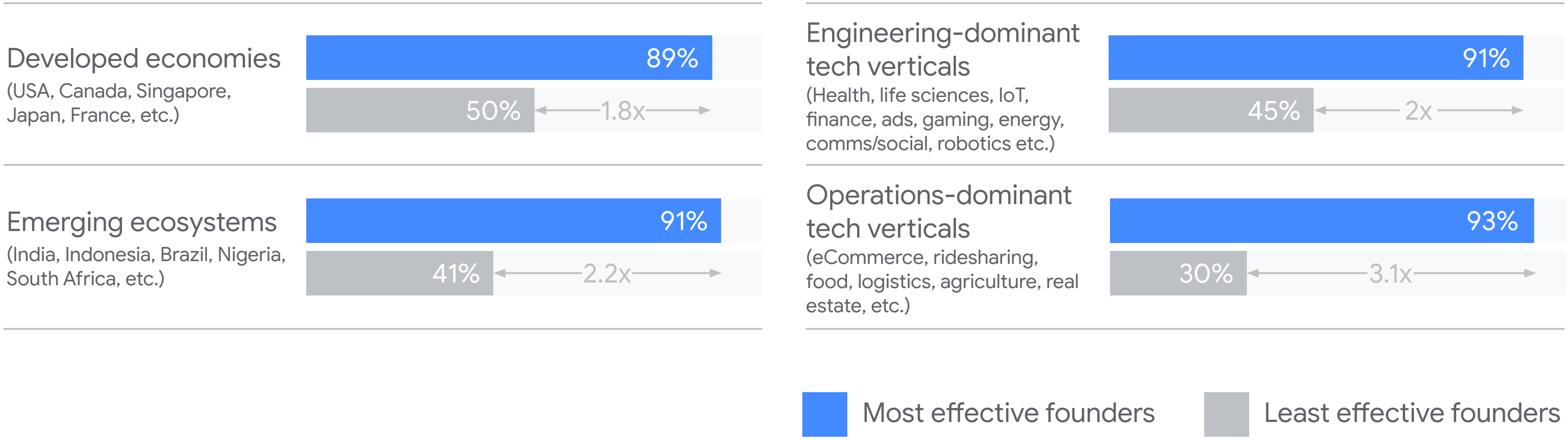
Researchers have investigated the impact of charismatic/ transformational leadership versus more task-oriented, transactional-style of leadership.

These studies suggest that transformational leadership leads to positive performance outcomes such as productivity, task persistence, work satisfaction, among others.

This leadership style is universally important across countries and industries

Breakdown by economy and vertical types

(% of evaluators that agree or strongly agree)



Build a talent monopoly by understanding what attracts the best people and motivates them to excel (true of fresh grads as well as experienced, world-class talent)

- **Good talent are drawn to a hard, meaningful mission.**
  The best people want to work on hard problems that matter.
- **Great work is a result of discretionary effort.**
  Productivity is unlocked when people work passionately and are given space to pursue their goals.
- **Paying a person's salary doesn't excuse poor behavior.**
  There is absolutely no excuse for being disrespectful or disingenuous.
- **Good people have options.**
  They don't need to work for you. People leave bosses, not companies.

Do something that most people think is hard. When you tell someone what you're starting, their reaction should be, "Are you sure you want to do that? That's too hard."

If you try something easy, there will be five other companies doing the same thing two months later. But if you try something that's difficult at first, everything gets much easier as soon as you make it through those initial challenges. Competition will be lower, because everyone else thought it was too hard. **Recruiting good people will be easier, because good people like doing hard things.**

David Velez
Founder of Nubank, the largest financial technology bank in Latin America

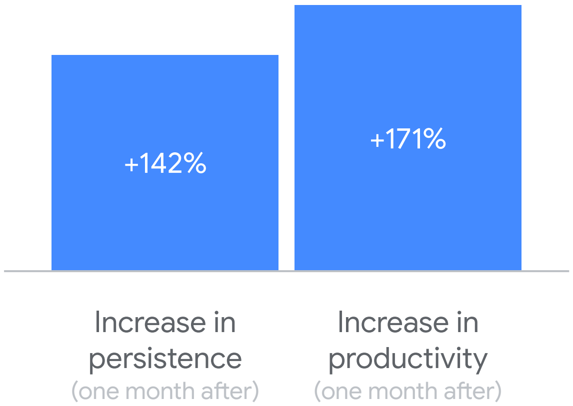
Outsource inspiration

Before you give that inspirational speech, consider that you might not be the best one to do it.

This study by Adam Grant and colleagues tested the impact of various motivational approaches on team productivity.

When the leader described the impact of the work to the team...

When the leader invited a user to describe the impact in a five-minute session...



Source: Grant, A.M., Campbell, E.M., Chen, G.Y., Cottone, K., Lapedis, D., & Lee, K. (2007). Impact and the art of motivation maintenance: The effects of contact with beneficiaries on persistence behavior. *Organizational Behavior and Human Decision Processes*, 103, 53-67.

Three sources of motivation

Craft the work in a way that lets them achieve these personal goals

Head

Some are motivated by the intellectual challenge to solve a user need with technology—but can become discouraged when the problem proves to be unsolvable or unchallenging.

Heart

Others are motivated by a passion for a the specific industry or a commitment to target users. They can lose steam when when the problem becomes irrelevant or the solution incremental.

Wallet

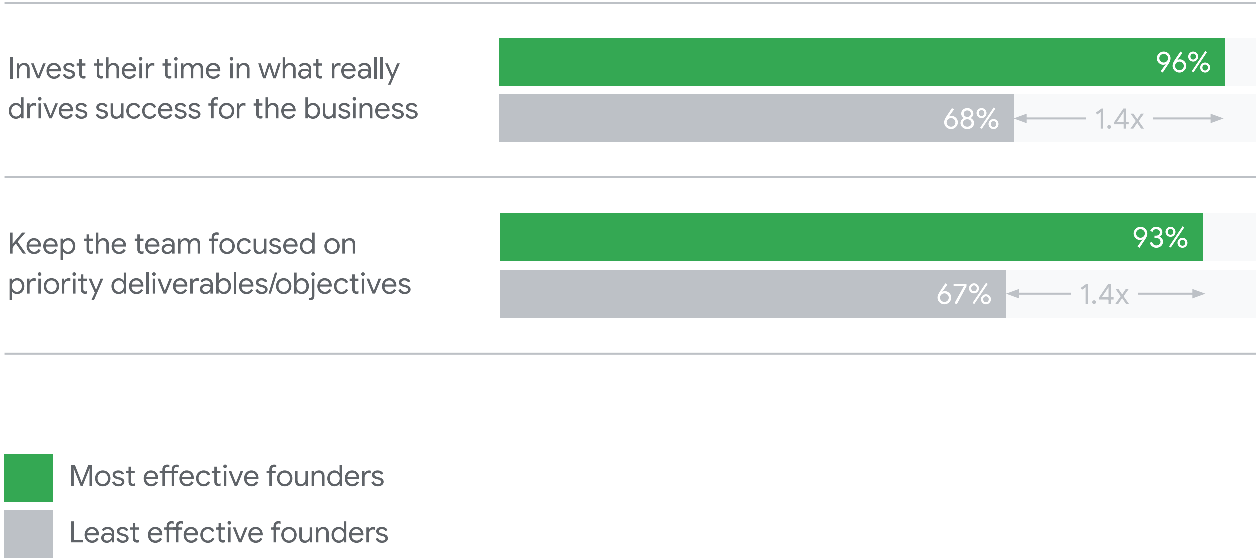
Others are motivated by the financial wallet or even a social wallet—social status, title, access to important people, association with one's tribe. They may feel less invested when exit plans seem unlikely or status/access shrink.

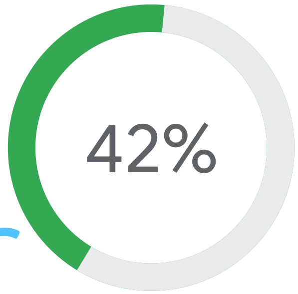
The most effective founders…

2. Protect the team from distractions

Most effective founders are seen to...

(% of evaluators that agree or strongly agree)

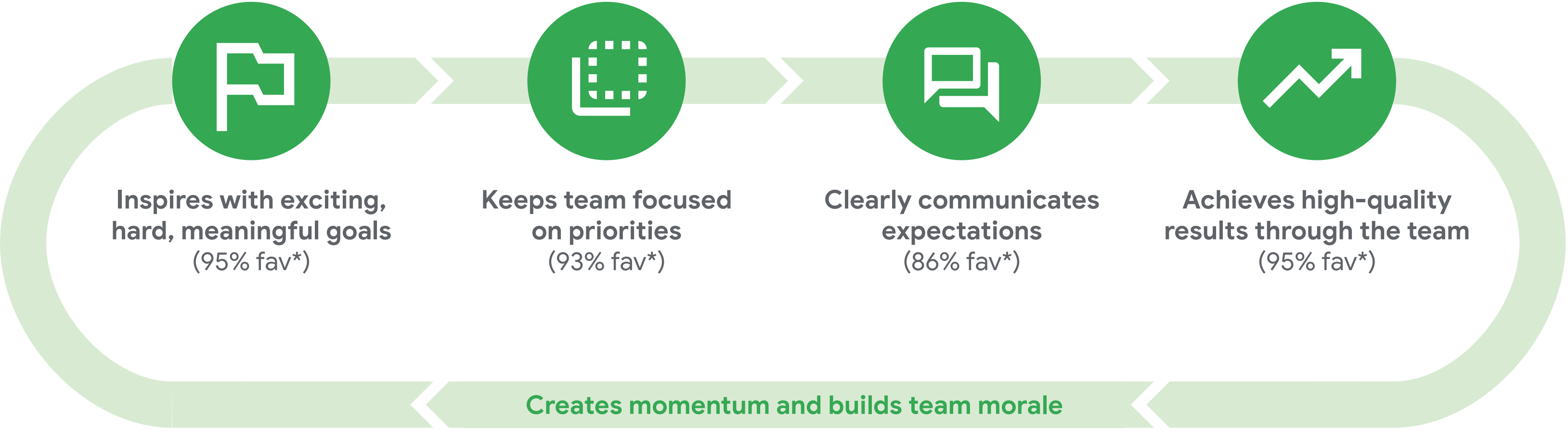




CEOs are easily distracted

42% are seen by their teams as distracted by new ideas or projects.

To build a team that does amazing work, engineer for positive momentum



*fav = favorable, % of evaluators agreeing the most effective founders do this well.

We launched our app in January 2015 with 40-50 employees; now we have more than 3,000. The knowledge of how to scale was missing and we made a lot of mistakes as a result. One particularly problematic area was communicating our mission and the top priorities of the company. We should have done this when we had 100 employees. **Keeping 100 people focused is already a challenge, and now we have thousands of people across multiple countries.**

Kevin Aluwi
Co-founder and CEO of Gojek, one of Southeast Asia's largest on-demand, multi-service platforms

(Go Figure by GOJEK podcast, published April 29, 2019)

Protect their time

Tactics to keep your team focused

Be mindful of executive magnification[1]

Employees can misinterpret a passing suggestion, minor critique, or random pie-in-the-sky idea as a serious dictate from the boss. Communicate carefully, and check if employees understand correctly.

Create project "burial rites" to redirect focus

Clearly demarcate the close of an effort, project, or initiative with a post-mortem discussion or a note of gratitude to collaborators. Or consider an annual ritual of X, Alphabet's moonshot factory: as part of Dia De Los Muertos celebrations, Xers burn their "dead" projects on a symbolic funeral pyre.

Plan for recovery

Take time to recover at the end of a sprint of activity. A team meal, mental health day, or a small token of appreciation allows people to breathe and recuperate.

1. An idea popularized by Robert Sutton, Professor at Stanford University. Learn more here.

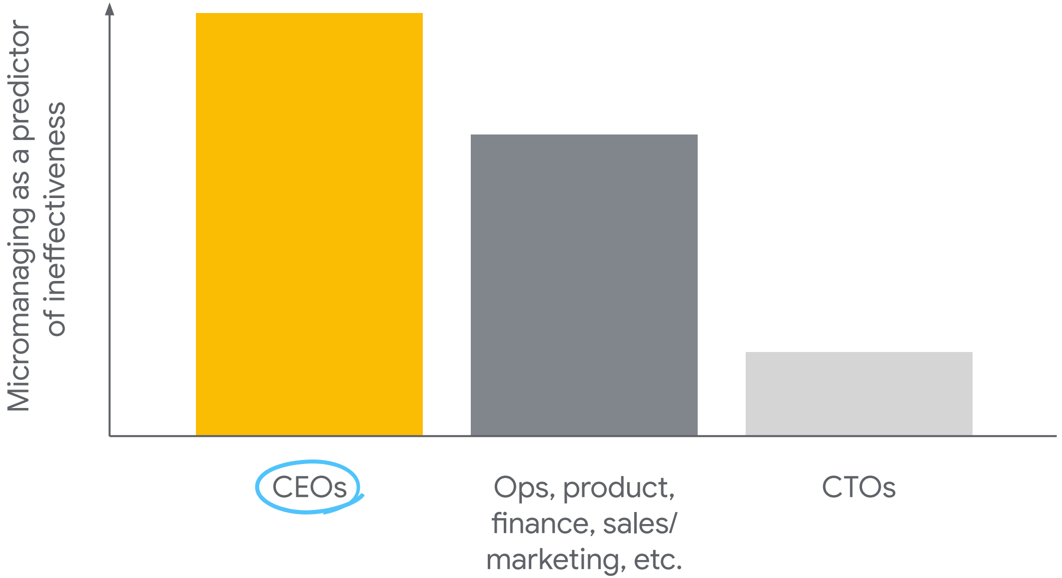
The most effective founders...

3. Minimize unnecessary micromanagement

Some situations call for micromanagement—but not all

	Micromanagers	Macromanagers
Focus on...	The details of the work	Big-picture goals
Get work done via...	Close observation and direction, engaged problem-solving	Autonomy and trusting the team to pull you in as necessary
Best when...	New teams that need more initial guidance, ambiguous goals, high-coordination or high-stakes work	Highly-capable teams, clear goals and metrics, cyclical or low variabile work
When misused...	Teams feel constricted and depend on the manager to resolve challenges, often leading to declining morale	Teams feel directionless and conflicts among peers remain unsurfaced and unresolved—morale also declines

Our data suggests micromanaging is a bigger derailer for CEOs than other functional leaders



But make it a goal to minimize unnecessary micromanagement so you can scale yourself

How you spend your time:

You'll spend most of your time instructing and monitoring your team

You'll manage outcomes with pre-agreed review milestones

When you find yourself micromanaging too often, try spending that time sharing the big picture. When they really understand how their work fits in, they make better decisions and micromanagement becomes less necessary.

Kasia Dorsey
Founder, Yosh.AI, a conversational commerce voice platform based in Warsaw, Poland

Should you micromanage a project? Check this list first

	Allow team to self-manage if you assess them to lean more to this side	Manage more closely if you assess your team to lean more to this side
Are you clear about which **goals** to pursue?	Confident that we have the right metrics	Unclear about the metrics of success, learning required
How **interdependent** is the work of the team?	Work is highly modular, repetitive, independent	Collaboration required is high
How **capable** is the team to make good decisions and operate independently?	Highly skilled with good judgment	Novice, with no track record in good judgment
How much trust is there to **resolve conflicts** among peers?	Almost no escalations are brought up	Frequent escalations and deadlocks
How **geographically dispersed** is the team?	Team is local	Team is in multiple sites/ time zones
How much **deadline pressure** exists, requiring quick decision making?	High, with frequent release cycles (e.g., consumer software)	Extreme, with once a year release cycles (e.g., hardware or enterprise)
How **critical** is the product/feature/project?	Not a criteria	

Actions to consider

Minimize unnecessary micromanagement

If the team is over-reliant on you...

...refrain from sharing your point of view right away. Instead, ask: “What have you thought of doing?” Acknowledge where their instincts are well-calibrated, and over time they’ll build their confidence to call the decisions themselves.

Set the destination, but have them lay out the path

Come to your weekly standup saying something along the lines of: “We need to achieve these 5 things this week/month/quarter. Figure out what sequence makes sense.”

Have set check-ins

If goals are clear, agree on when to check-in at the beginning of the work. Without this, the team will be unsure of what you expect, and you’ll feel uneasy about waiting for the output. If you check-in without a pre-agreed time, the team may feel like you don’t trust them.

The most effective founders...

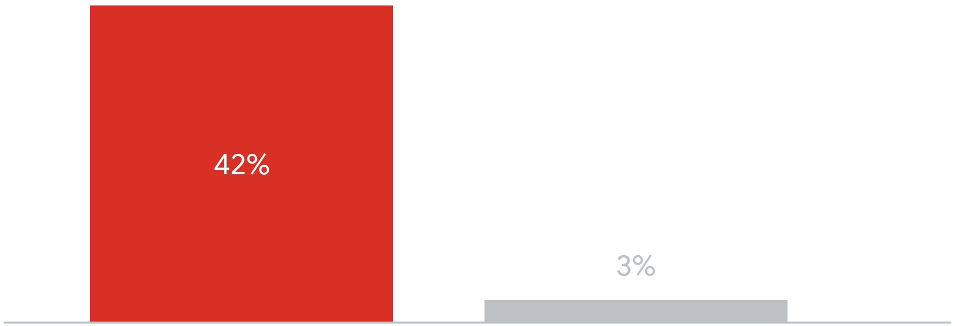
4. Invite disagreement

How important is it for founders to invite disagreement?

We got mixed reactions

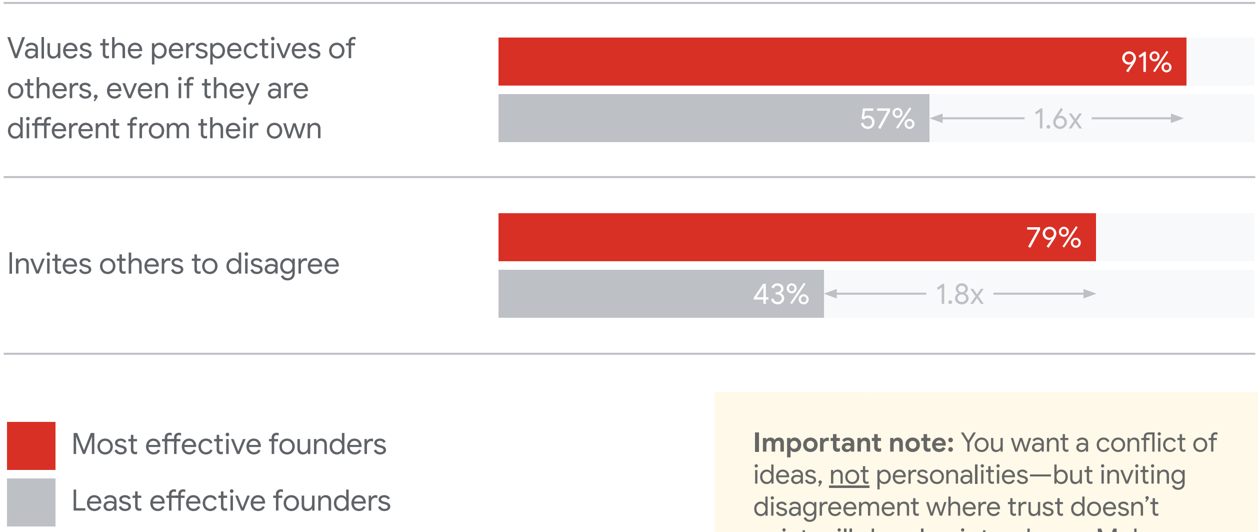
When we asked their cofounders and employees…

When we asked founders themselves…



…would consider “inviting disagreement” as important to being an effective leader.

Yet we know from our data that effective founders consistently invite disagreement



Important note: You want a conflict of ideas, not personalities—but inviting disagreement where trust doesn’t exist will devolve into chaos. Make sure your team feels comfortable voicing opinions without worrying about bruised egos or retaliation.

Debate. Argue. Get into it. The best results come from passionate, constructive, positive contention. Encourage it. Even force it. But know it requires a foundation of trust, honesty and respect. If you don't have that, you just get pure contention, and that ain't good.

Anil Sabharwal
VP of Product Management and founder of Google Photos, Google's 9th (and most recent) billion-user product

Though it might not always feel that way, disagreement amongst diverse teams actually leads to more effective outcomes

In an experiment conducted by researchers from Kellogg and Stanford business schools, respondents were put in socially diverse and non-diverse teams. At the end of the performance task, they were asked to predict how well they did as a team.

Socially diverse groups took more time and effort to debate their opinions and disagree, but ultimately realized more significant performance gains.

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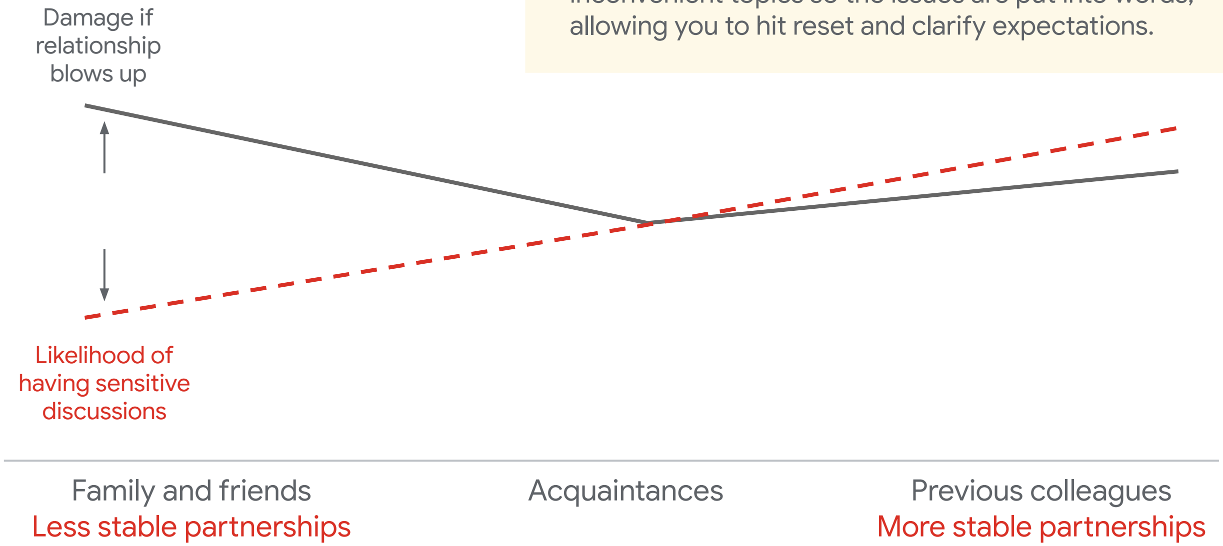
Note: The study defines social similarity based on race, gender, country of origin, social circle.
Source: Phillips, K. W., et al (2009). Is the pain worth the gain? The advantages and liabilities of agreeing with socially distinct newcomers. Personality and Social Psychology Bulletin, 35, 336-350.

Cofounders that were first family or friends often shy away from disagreement because of the cost to the relationship—which makes them the least stable business partnerships...

...compared to partnerships with acquaintances or previous coworkers. Family/friends are more likely to shy away from sensitive conversations because of the high cost to the relationship if it blows up—which ironically makes it much more likely for exactly that to happen.

Important note: Passive aggression is a more insidious threat to a business partnership than visible displays of anger. Gossip and unspoken frustration erode at the team's commitment to each other and the work. Instead, find a way to talk about uncomfortable and inconvenient topics so the issues are put into words, allowing you to hit reset and clarify expectations.



Each additional friend/family member in the founding team increases the likelihood of a cofounder leaving by almost **30%**.

Source: Wasserman, N. (2012). The founder's dilemmas: Anticipating and avoiding the pitfalls that can sink a startup. Princeton University Press.

Actions to consider

Invite disagreement —without being disagreeable

Anticipate sources of disagreement

In FoundersLab, we ask cofounders to discuss these 25 Tough Questions early and often. Set aside an afternoon to discuss answers to these with your cofounders.

Talk about the "elephant in the room"

Tackle issues head-on by asking each employee to anonymously write down what they consider to be the issues that everyone is aware of but no one wants to talk about. Collect the sheets, and listen to what the team has to say. Consider the pre-mortem at the start of an initiative to anticipate challenges.

Beat groupthink* with the 2-minute hack

At the start of a meeting, ask team members to write their position down before discussing a decision that needs to be made. Then give each person uninterrupted time to share their opinion. Without this step, the risk of the first view anchoring the group is high.

*Groupthink = when the opinion of the group is unconsciously anchored by the first one shared, or the one shared by the person with the most power in the group. Both individuals are mostly likely not the one with the best information or greatest expertise."

The most effective founders...

5. Preserve interpersonal equity

Unmet expectations cause the majority of cofounder conflict. Our data suggests that many founders keep track of their cofounder’s duties, but have a major blindspot when it comes to their own

When founders are evaluating themselves, they equate effective leadership with only 1 of 33 capabilities

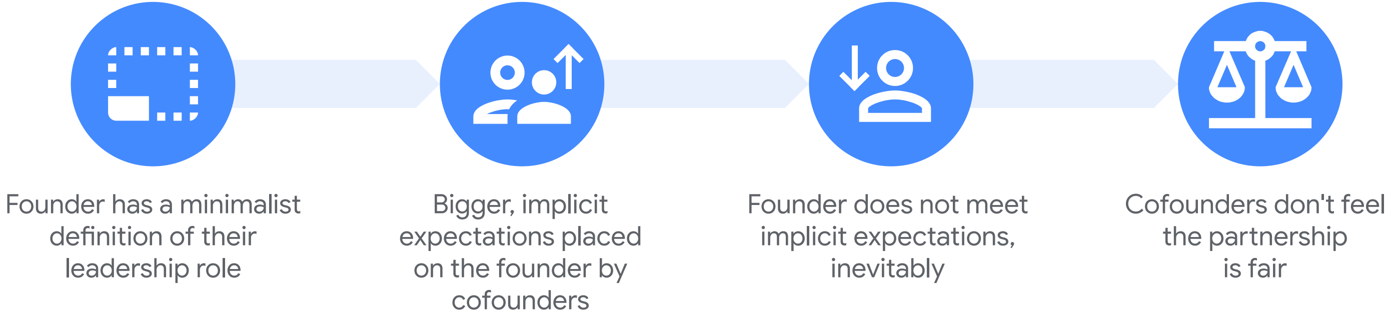
Effective leadership is only about inspiring the team

But when they evaluate other cofounders, they equate effective leadership with 17 of 33 capabilities

Effective leadership is about inspiring the team, collaborating effectively, mentoring others, staying focused, etc.

Note: In this analysis, we look at the strength of correlation between each of the 33 leadership capabilities and overall effectiveness ratings. When the factor of correlation (r squared) is greater than .50, we would consider this as strongly correlated. In this analysis, only 1 of 33 capabilities were strongly correlated to overall effectiveness on the self-evaluation data of founders. But 17 of 33 capabilities when looking at evaluation data of cofounders on the subject. We see a similar asymmetry if we looked at both moderately and strongly correlated capabilities to overall effectiveness (12 capabilities correlate moderately with effectiveness on self-evaluation, as opposed to 33 on evaluation data of cofounders).

The expectation asymmetry leads to a breakdown in the cofounding team



It’s easy to make assumptions about your cofounder’s knowledge, skills, and commitment. A non-technical cofounder will often assume that the technical cofounder knows everything about how to build the product. It's easy to assume that the business cofounder knows how to get access to all
the resources the business will need.

It’s been incredibly useful for us to uncover and discuss our expectations, then one by one confirm or discard them.

Folake Owodunni
Cofounder of Emergency Response Africa, a healthcare technology company that is changing how medical emergencies are managed in Africa

Regularly check on your cofounding team's "interpersonal equity"

Check for interpersonal equity by asking yourself and your cofounders:

- How satisfied am I with what I contribute as compared to what my cofounders contribute?
- How satisfied am I with what I receive as compared to what my cofounders receive?
- How fair do I feel this partnership is overall?

Actions to consider

Discuss and document expectations

Use the Founder's User Guide to clarify expectations

The Founder's User Guide was created to minimize conflict and has been used by hundreds of founders to clarify expectations. Block off a Friday afternoon to write and discuss your User Guides*.

Monitor interpersonal equity

Periodically ask your cofounders how they feel about the division of responsibilities. If it's not a 10 out of 10, then talk about what needs to change (in what is given or received). Some questions to help can be found in section 3.2 of the Founder's User Guide.

Discuss hypothetical break-up scenarios

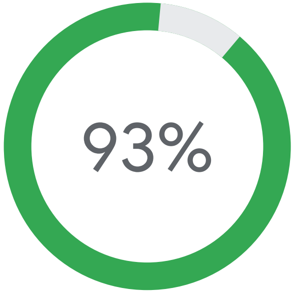
More popularly known as a pre-mortem, ask each member of the cofounding team, "If our startup failed hypothetically due to cofounder conflict, what might those conflicts be? How do we mitigate them from happening?" Some questions to help can be found in section 3.3 of the Founder's User Guide.

*Pro tip: You can use a similar User Guide for your c-levels and middle managers.

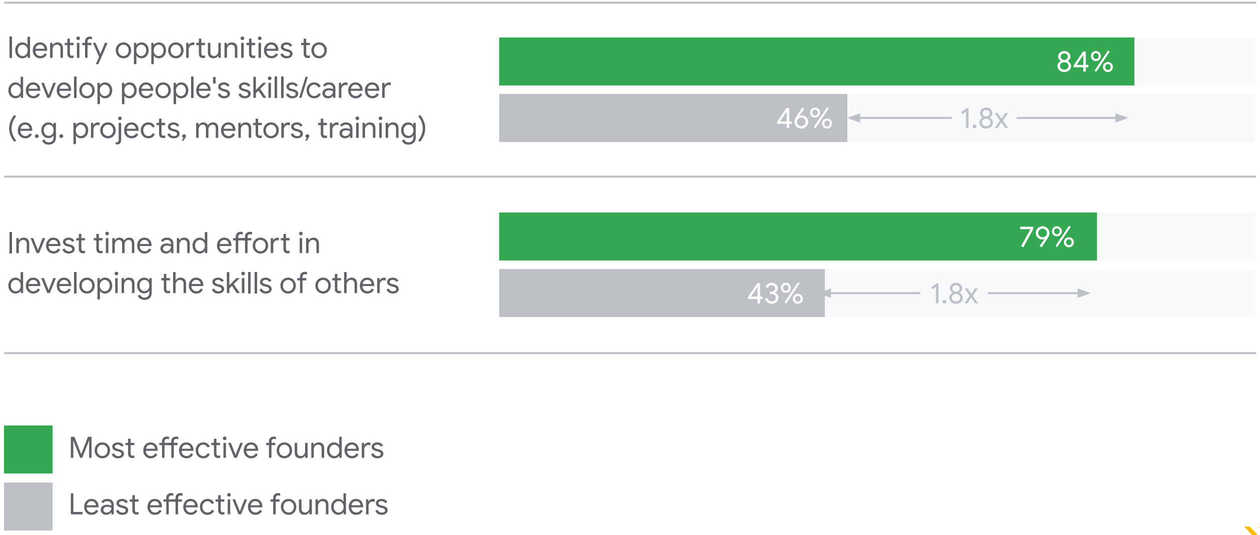
The most effective founders...

6. Keep pace with expertise

Having enough expertise allows leaders to...



93% of the most effective founders have the technical expertise (e.g. coding, closing sales deals, finance) to effectively manage the work



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You have to figure out how you're going to leverage the new technology that's in front of you. You can hire for some of that expertise, but you also need some technical depth to know who to hire and how to shape the product. Seek out mentors and meet people working on deeply technical problems.

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Jewel Burks,
Head of Google for Startups U.S. and founder of Partpic (acquired by Amazon in 2016)

Keep up with expertise

Do your homework to stay ahead of your industry

Know enough to know what skills to hire for

Do every role once. It will give you some data as to what kind of skills you need to find. It also gives you a sense of how long things will take, and ask the right questions to know if your team is on |the right track.

Source mentors for your team from your network

Ask trusted experts in your network to offer guidance and expertise to your team, especially when you're out of your depth. When there is great chemistry with a mentor, even a monthly 30-minute call can be invaluable.

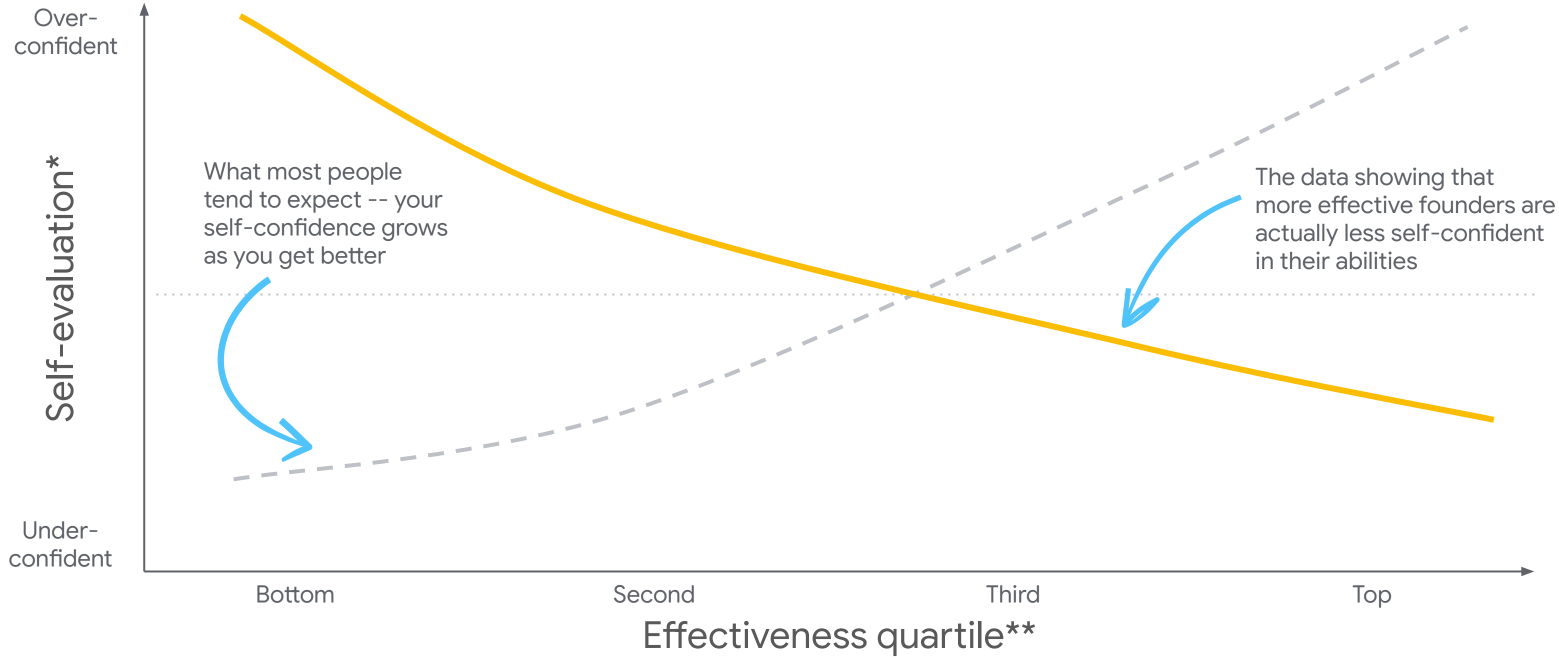
Be selective of startup events

While networking is important, not all startup events are helpful or relevant to all founders. Carefully choose which meetups and conferences you attend based on your startup stage, industry, and needs to maximize your time and to connect with the right people.

The most effective founders...

7. Overcome discouragement

While most founders expect to gain self-confidence along with experience, data suggests that more effective founders are actually less confident—and more prone to discouragement—than the least effective



*Self-evaluation looks at the delta between a founder's self-rating and the rating they get from others. Only founders with at least 4 ratings from cofounders and employees are included in this analysis. Over-confident implies self-ratings are higher than ratings by others.
**Overall effectiveness is based on the evaluation from cofounders and employees.

This type of personal humility or underconfidence has been studied extensively as the “Dunning-Kruger effect”

Source: Kruger, J., & Dunning, D. (1999). Unskilled and unaware of it: how difficulties in recognizing one's own incompetence lead to inflated self-assessments. Journal of Personality and Social Psychology, 77(6), 1121. Image is a stylized representation of the Dunning-Kruger Effect found in Poundstone, W. (2017). Head in the cloud: Why knowing things still matters when facts are so easy to look up. New York: Little, Brown and Company.

"Perfect confidence is granted to the less talented as a consolation prize."

Robert Hughes
Author

Discouragement and underconfidence can warp reality and mental responses in a number of ways

Catastrophizing

When you disproportionately react to a disappointment, turning it into a bigger issue than it need to be.

Overgeneralizing

When you assume this period of discouragement is just the latest in a future of ongoing discouragement.

Over-personalizing

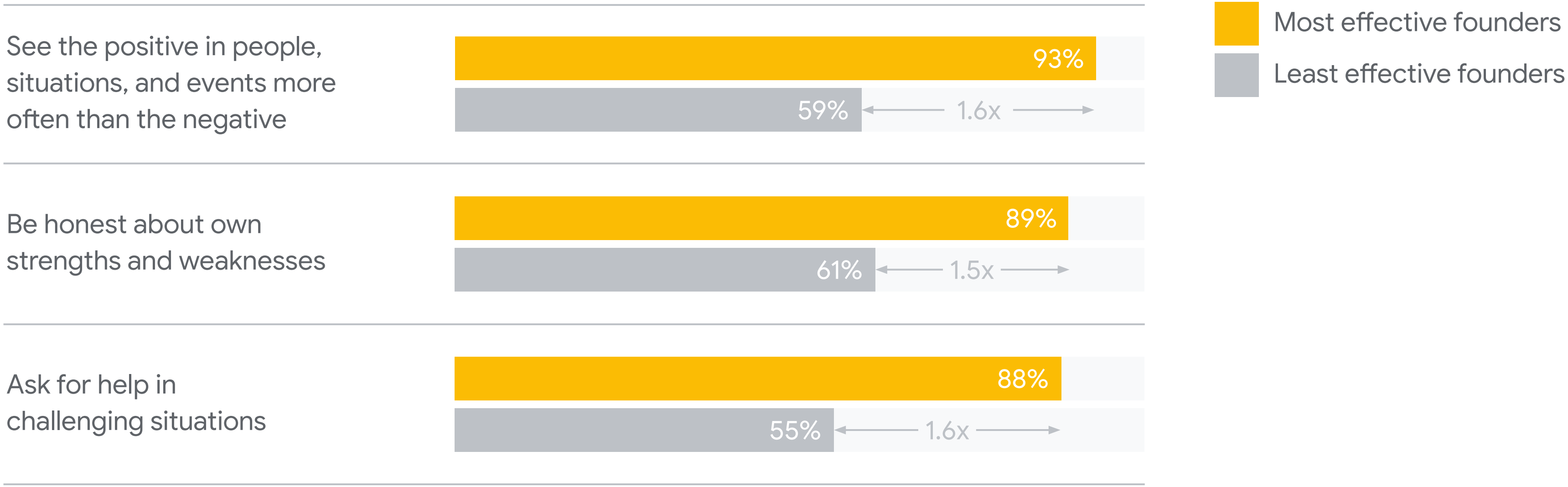
When you blame yourself for everything—even situations outside of your control.

Over-externalizing

When you blame external factors for everything, even when you *did* contribute to the eventual outcome.

Effective founders use three important strategies to overcome discouragement: focus on the positive, disclose weaknesses, and seek help

Most effective founders are seen to…
(% of evaluators that agree or strongly agree)



Overcoming discouragement

Actions to consider

Build “no-bullshit” relationships

Create a circle of trust with fellow founders outside of your industry to have honest, no-ego conversations. Listen when they say you’re being too hard on yourself, or when you’re simply wrong.

Confidence ≠ competence

Confidence is the unspoken currency in decision-making. Foster a team culture that prioritizes strong opinions weakly held, rather than weak opinions strongly held.

Help someone else

Mentor someone earlier in their founding journey. This not only helps you get out of your own mental ruts, but it also provides a chance to reflect on how far you’ve come and how much you’ve gained.

Thank you for reading!
Any questions? Reach out to:
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Our deepest gratitude...

...to all those who took time to review our early drafts and gave such thoughtful feedback to take this work to the next level:

Ruchita Agrawal
Greg Albrecht
Alap Bharadwaj
Malika Cantor
Ana Figueroa
Marcelo Furtado
Kate Gray
Mario Guajardo
Claudy Jules, PhD
Allan Kajimoto
Dana Landis, PhD
Ben Mathes
Tony McGaharan
Kerry O'Shea
Annamaria Pino
Annika Stephan
Lucero Tagle
Andy Young

Appendix

About our methodology.
About the authors.

Our methodology – How we gathered data on founders

Founders are assessed on 36 leadership behaviors

- We assessed founders and executives using a tool that's commonly known as a multi-rater feedback tool or a 360 degree feedback tool
- The tool was created through a review of academic literature in the field of entrepreneurship, consultation with professors in some of the world's top business schools, and insights from research on great leadership at Google
- Each of the 36 leadership behaviors are rated on a 5-point Likert scale from 'strongly agree' to 'strongly disagree'. All questions were optional
- Each subject was asked to identify cofounders, employees, board members, advisors to provide an evaluation. Subjects were also asked to evaluate themselves
- The feedback tool was available in 8 languages. Translations were done by professional translators and underwent a light touch linguistic validation process
- On average, each founder/executive received 7 evaluations
- To counter the halo effect, where likeability influences someone's perceived effectiveness, and to ensure a well-rounded view on the subjects being evaluated, we've discarded from the analysis subjects without both peer/cofounders and direct reports among the evaluators and subjects with less than 4 evaluations

How we measured leadership effectiveness

- Leadership effectiveness in our dataset relies on reported perceptions of effectiveness by evaluators. Three questions were asked to establish a leader's overall effectiveness -- "Is a leader I would recommend others to work with", "Is the kind of leader that others should aspire to become", "Overall, is a very effective leader"
- Evaluations like these rely on subjective, perceptual data and will therefore have some amount of noise. The best in class approach in defining effectiveness involves collecting observations on the leader and business metrics as proxy for effectiveness (e.g. employee departures, startup valuation, profit and loss statements, user growth). That approach has its own set of issues: disclosure at the pre-IPO stage is limited and even if shared, metrics of business growth would be subject to a wide range of internal and external factors, making attributions difficult to draw
- Some studies have suggested that certain leadership attributes predict up to 39% of a company's profitability. But the researchers are quick to say more needs to be done to establish attribution

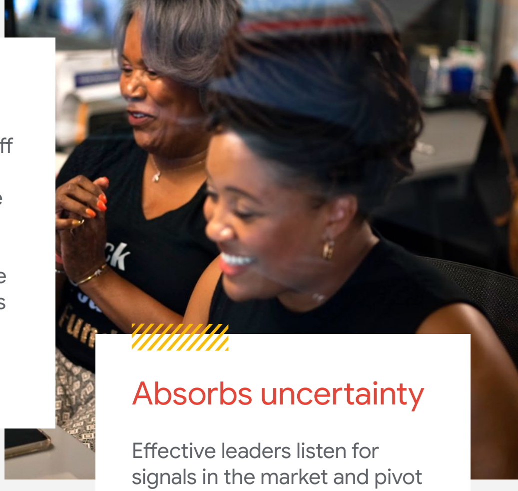
Overcoming survivor bias

- Studies that claim to have an insight into what the best leaders or founders do often suffer from survivor bias -- when one looks at success cases and assume what they did is what led to their success, without checking if the failure cases had similar features and failed anyway
- Our dataset includes both effective and ineffective founders. To overcome survivor bias, we compare what the best do well that the worst don't do so well. If the best and worst are doing the same, even if the best are doing it really well, our analysis would rule it out as an explanation of success

Correlational methods

- Despite all the care we put into the analysis, this data is correlational at best
- We augment the report with experimental studies to help establish causation

Our methodology: leadership behaviors we assessed



Get things done

Running an engine that gets stuff done entails clear communication of performance expectations and an ability to hold people accountable to them. It's critical to demonstrate understanding of the challenges and work closely with the team when necessary, but also know when to step back.

Inspires commitment

This isn't just about having a compelling, visionary pitch deck. Are founders able to unlock people's motivation? Are they able to get others to feel they share in the vision and glory that comes with working on the startup?

Absorbs uncertainty

Effective leaders listen for signals in the market and pivot quickly when unexpected events arise. They work effectively with imperfect and incomplete data.

Develop others

Developing others benefits both the business and the team. It starts with knowing the personal aspirations of people, investing the time in coaching and mentoring, and most importantly, giving regular, timely and actionable feedback.

Collaborates effectively

Great collaboration involves listening, asking questions, and inviting others to disagree with the founder's point of view. Collaborative leaders encourage teamwork and model it by showing respect, remaining calm in stressful situations, and actively resolving conflict.

Perseveres and focuses

How well do founders handle setbacks? Are they transparent with their cofounders/team about strengths and weaknesses? Do they ask for help? Are they focused on the right priorities and careful about distractions?

About the Authors

Martin Gonzalez

Martin Gonzalez is the Global Organization Development Lead for Google's Compute Business (think Chrome, Android, Pixel, Nest, Fitbit, AI/Machine Learning/Quantum Computing research groups). He works with Google's senior leaders to shape their team's culture, grow their people and build cool things that matter. He's part of the faculty of the Google School for Leaders and has been a frequent guest lecturer at MBA programs at INSEAD, Stanford, Wharton and London Business School.

He is also the creator of Google for Startup's PeopleLab, an effort to take what Google has learned about developing people and culture to startups around the world. He has run leadership courses and mentored thousands of tech startup founders, from seed stage to unicorn, across more than 40 countries in the Americas, Asia, Africa, and Europe.

Martin holds two master's degrees in leadership studies and behavioral science from Columbia University and the London School of Economics. He's lived and worked in New York, Jakarta, Singapore, Taipei and Manila where he is originally from. Today, he lives in the San Francisco Bay Area with his wife and three kids.

About the Authors

Josh Yellin

Josh is a cofounder of Google's global startup acceleration program. During his time with Launchpad, Josh led the growth of Launchpad Accelerator into a global program focused in 8 locations. The program partnered closely with 300 of the foremost growth-stage startups across the world.

Additionally, upon seeing the broad-sweeping global need for stronger management and leadership among the world's top startups, Josh cofounded PeopleLab with Martin Gonzalez in 2015. Since its inception, Josh has facilitated leadership workshops with hundreds of founders in several cities around the world and has mentored many startups on various people and operations topics.

Today, Josh is a Chief of Staff in Google Research.

Prior to joining Google, Josh grew up in Chicago, spent a few years as an outdoor guide in Montana and Alaska, led operations for the largest startup community in Silicon Valley, and co-founded Urban Rivers, an environmentally-focused nonprofit.

Josh studied biology at the University of Illinois and business at the Wharton School. At the moment, Josh lives in San Francisco but finds as much time as he can for camping outside the city.