

***The Start-Up of You***  
**Teacher's Guide**

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## Introduction

# **An Entrepreneurial Model for Careers**

“This is not your parents’ job market.” That’s what New York Times columnist Thomas Friedman said to today’s college grads when writing about the timeliness of *The Start-Up of You*. For the last sixty or so years, the job market for educated workers worked like an escalator. If you were basically competent, put forth a good effort, and weren’t unlucky, the strong winds at your back would eventually shoot you to the top. Each generation would be better off than their parents. For the most part this was a justified expectation.

But now that escalator is jammed at every level. Technology and globalization are destroying traditional career paths and undoing assumptions about how to master the world of work. Old premises that guided our parents have given way to new realities, and with new realities come new rules. The new rules are ones entrepreneurs have mastered for years, and they are what every student today needs to know in order to launch a successful career.

We created this Teacher’s Guide to help you bring these concepts into your classroom. Inside you will find additional resources and approaches to teaching the entrepreneurial mindset and skillset necessary to thrive in today’s fiercely competitive economy.

## Chapter 1

# All Humans Are Entrepreneurs

### Chapter Summary

To adapt to the challenges of professional life today, we need to rediscover our entrepreneurial instincts and use them to forge new sorts of careers. Whether you're a lawyer or doctor or teacher or engineer or even a business owner, today you need to also think of yourself as an entrepreneur at the helm of at least one living, growing start-up venture: your career.

Why? The old career escalator is jammed. Age-old assumptions about work have come undone. There are new rules, and you need to know them—or else you may be on track to irrelevance.

The solution has two parts. First, a mindset of Permanent Beta: you must think of yourself as a work-in-progress and, therefore, you must invest in yourself every single day. Second, an entrepreneurial, adaptive skill set taken from the very best of Silicon Valley. It's these skills that we explain in the chapters ahead.

### Key Concepts

- Understand that the rules of today's world of work have changed.
- Discover the mistakes that declining companies and industries have made.
- Learn the Start-Up of You mindset: "Permanent Beta."

### Discussion Questions

1. Some argue that you're either born an entrepreneur or you're not. Who agrees? Why?
2. What were the old career rules? Why do they no longer work?
3. What are potential warning indicators that signal that an individual or company is heading down the path of Detroit?
4. Is there an alternative to Permanent Beta?
5. How can individuals develop the habit of thinking of their lives and careers as being in Permanent Beta?

### In-Class Activities

1. **Baseline Career Plan.** Ask your students to write an essay explaining their current thoughts and plans for their career. This exercise will illustrate how far they have come at the end of the course, providing them with a clear sense of their progress.
2. **Permanent Beta Consultants.** Students will work in small groups. In each group, one student will be selected, and the group will have a discussion to determine whether he or she is in Permanent Beta. If they aren't, how would Permanent Beta improve their life? Afterward, students will agree on a list of "Rules for Permanent Beta Thinking."

3. **Dr. Know-It-All.** An improv game in which three students sit in front of the class and answer questions by taking turns answering a word at a time. The students must mirror each other's actions completely. This game will demonstrate the surprising and creative outcomes of always starting.

### Take-Home Assignments

1. **Student Blog.** Invite students to create a public blog in which they will regularly write at least 750 words, reflecting on the ideas introduced in class. This exercise will improve their recall of concepts and help them get in the habit of learning by doing.
2. **Business Analysis.** An individual or group project, students will research a stagnant or failed company to uncover the strategic mistakes made. You can prepare a list of companies to choose from, perhaps having the students bid for their first choice. The students then prepare a paper or presentation of their takeaways and how they can apply those lessons to their career.

## Chapter 2

# Develop a Competitive Advantage

### Chapter Summary

Differentiate or die. To beat the competition, companies develop clear reasons why a customer should pick them over other alternatives. Zappos massively differentiated itself from other e-commerce companies by offering free shipping both ways and 24/7 customer service via a locally staffed 1-800 number.

Similarly, in a world where “a million people can do your job,” chart a career path that sets you apart from other professionals. You don’t need to be better than all professionals. You just need to be better in a local, professional niche.

Three dynamic, changing puzzle pieces comprise your position in the market and, when paired with a plan, determine the course you should head in:

1. **Assets:** What you have going for you now. Your soft assets (like knowledge, skills, connections) and hard assets (like cash in the bank).
2. **Aspirations & Values:** Where you might like to go in the future.
3. **Market Realities:** What people will actually pay you for.

One without the other doesn’t work. Skills that can’t earn money won’t get you very far; following your bliss but not being very good at your bliss won’t be too blissful after long; and being a slave to the market regardless of your likes and passions isn’t sustainable over the long-run.

One way to upgrade your competitive position is by upgrading your assets—i.e., investing in yourself. You can also become more competitive by changing the environment you play in. Some American basketball players not good enough to play in the NBA play successfully in Europe—their skills don’t change, but the market does. Picking a market niche where you’re better than the competition is key to entrepreneurial strategy.

### Key Concepts

- Define the three elements of a competitive advantage.
- Understand how to fit the three pieces together.
- Identify a market niche for your competitive advantage.
- Understand the importance of investing in yourself to upgrade your assets.

## Discussion Questions

1. Is competition good or bad? Does it have to be a zero-sum game?
2. What are some of your favorite companies? What are their competitive advantages? What are the equivalents of those advantages for individual professionals?
3. Are there famous individuals you admire? What were their aspirations?
4. What are some of today's "big waves" — industries, places, people, and companies with momentum?

## In-Class Activities

1. **Dream Job.** Students will determine the competitive advantage of a person with a "dream job": their assets, their aspirations, and their market realities.
2. **Competitive Advantage Consultants.** Students will be divided into small groups. One student will be chosen, and the group will discuss that person's competitive advantage.
3. **This I Believe.** Students will work individually to create their own values statement through an activity based on the NPR series *This I Believe*, a story-telling series where ordinary and famous people discuss their beliefs in eloquent and brief stories.
4. **First Impressions.** In an early class, have students write down how they would like to be perceived by others. In a later class, once they've forgotten the initial exercise, pair up students and have them talk to each other. Switch the partners every few minutes. At the end of the exercise, each student is given a sheet with positive personality adjectives to choose from to describe their peers. This exercise will demonstrate that students may not realize how they appear to others and how, similarly, their assets may be more valuable to others than they think.

## Take-Home Assignments

1. **Career Interviews.** An individual or group project, students will interview someone in a relevant industry about their career. The students then prepare a paper or presentation sharing their takeaways and how they can apply those lessons to their career.
2. **Career Surrogates.** Students will identify three people doing the sort of work they want to do. How did they get to where they are today? What is their competitive advantage? Look at their LinkedIn profiles. Subscribe to their blogs and tweets. Make a point to track their professional evolution and to take inspiration and insight from their journeys.
3. **Time Audit.** Students will review their calendars, journals, and old emails to get a sense for how they spent their last six Saturdays. What do they do when they have nothing urgent to do? Have them reflect on what their free time may say about their true interests and aspirations.
4. **Perceived Strengths.** Students will meet with three trusted connections and ask them what they see as their greatest strengths? Ask them, if they had to come to you for help or advice on one topic, what would it be?

## Chapter 3

# Plan to Adapt

### Chapter Summary

Popular career planning advice says you should decide where you want to be in 10 years and then develop a plan for getting there. Popular career advice says you should find your passion and then pursue it. These philosophies have serious strengths, but also huge drawbacks.

It presumes a static world. In fact, you change, the competition changes, and the world changes. It presumes that fixed, accurate self-knowledge can be easily attained through introspection. In fact, your identity is not found through introspection but rather emerges through experimentation.

Entrepreneurial career planning and adapting is about being flexibly persistent: always ready to adapt, but also persistent in driving towards set goals. Flickr and PayPal are two companies that adapted significantly, and Sheryl Sandberg's adaptive career are examples of flexible persistence.

**Make explicit the assumptions and hypotheses in your plan.** You'll never have complete certainty; identify areas of incomplete knowledge about yourself or your industry and make plans that will help you fill those gaps.

**Prioritize learning.** Just as start-ups in the early days prioritize learning over profitability, so should you prioritize learning (soft assets) over cash salary (hard assets) for the majority of your career. In the long run, you'll likely lead a more meaningful life, as well as make more money.

**Learn by doing.** Actions, not plans, will generate the lessons that help you adapt to the next phase of your journey.

**Think two steps ahead.** What next move will maximize the quantity and quality of follow-on opportunities?

Then craft an experimental Plan A, an alternative Plan B, and an unchanging, certain Plan Z.

**Plan A:** What you're doing now. Your current implementation of your competitive advantage.

**Plan B:** You pivot to B when your plan isn't working or when you discover a better way toward your goal.

**Plan Z:** You shift to Z if something goes seriously wrong. It's the lifeboat you can jump in if your plan fails and you need to re-load before getting back in the game.

### Key Concepts

- Understand and be able to articulate a Plan A, Plan B, and Plan Z in your career.
- Understand that modern careers are adaptive and require “flexible persistence.”
- Learn the importance of experimentation over introspection.

### Discussion Questions

1. What conventional career advice have you been told?
2. How do you determine how much learning potential a career path offers?
3. What are the uncertainties, doubts, and questions you have about your career at the present moment?
4. How do you know when to pivot from Plan A to Plan B? When is it time to change divisions, change jobs, or even change the industry you work in?
5. What are other examples of first steps with high option value?
6. How do you know when to pivot into a new industry niche? Where should you pivot to and how?

### In-Class Activities

1. **ABZ Consultants.** Students will be divided into small groups. One student will be chosen, and the group will create an ABZ Plan for that person's career.
2. **Freeze Tag Theater.** An improv game involving two in an introductory scene, who to an extent may wish to exaggerate gestures and physical actions. At any point an outside participant can shout "freeze," at which point all action and dialogue ceases (bodies frozen in place) and the person can then go and tag whichever player he wishes to replace. What ensues is up to the literal scene stealer, as he must resume where it all left off, though redirecting the scene however he chooses. The idea is that the newcomer will inevitably make use of the last line spoken or pose assumed for a humorous effect. This game demonstrates the surprising possibilities of constant adaptation.

### Take-Home Assignments

1. **Personal Brand.** Students will establish an identity independent of your employer, city, industry; reserve a personal domain name (yourname.com); print up a second set of business cards with just their name on it and no company name.
2. **Side Project.** Students will set aside time to work on something that could lead to a Plan B. Students should orient it around a skill or experience that is different but related to what they're doing now. Perhaps they have a business idea they want to pursue, or a skill they want to learn, or a relationship they want to form, or some other curiosity or aspiration.

3. **Coffee Meeting.** Students will schedule a coffee meeting with someone who used to work in their professional niche who has pivoted to a new career plan. How did he or she make the shift? Why? What were the signs that the time was right? Or, students will reach out to five people who work in adjacent niches and ask them to coffee. Keep up this relationship over time so you can access diverse information and so you're in a better position to potentially pivot to those niches when necessary.
4. **Skills Investment Plan.** Students will make a plan to develop more transferrable skills, those skills and experiences that are more broadly useful beyond what it takes to thrive in their Plan A. Writing skills, general management experience, technical and computer skills, people smarts, and international experience or language skills are examples of skills with high option value; i.e. they are transferable to a wide range of possible Plan B's. Once they've figured out which transferrable skills to invest in, they should make a concrete action plan they can stick to, whether by signing up for a course or conference, or simply pledging to spend one hour each week self-learning.

## Chapter 4

# It Takes A Network

### Chapter Summary

Relationships matter to your career no matter the organization or your level of seniority because, ultimately, every job boils down to interacting with people. People control resources, opportunities, information, and the like. And the people you spend time with shape the person you are today and the person you aspire to be tomorrow. Think of it as  $I^{We}$ . An individual's power is raised exponentially with the help of a team (a network).

There are people you know in a personal context. There are people you know in a professional context. Generally, you keep the two lives separate for reasons of both etiquette and potential conflicts of loyalties. However, sometimes you're personal friends with a professional colleague; in these instances, the context in which you engage the person shapes the right approach.

We wrote about two types of professional relationships:

**Allies.** Allies are people you consult regularly for advice. You trust their judgment. Second, you proactively collaborate on opportunities together. You keep your antenna especially attuned to an ally's interests, and when it makes sense to pursue something jointly, you do so. Third, you talk up an ally to other friends. You promote his or her brand. When an ally comes into conflict, you defend him, and stand up for his reputation. And he does the same for you when times get tough.

**Weaker ties and acquaintances.** While not as vital as allies, acquaintances usually introduce diversity to your network. They tend to hail from different social circles or industries and so they can be useful to find opportunities or intelligence outside your inner circle.

While there's a limit to the number of people you can ever know at one time, you are part of a broader network of friends of friends and friends of friends and friends—second and third degree connections—for which there is virtually no limit. Your network is bigger than you think. If you're connected to a couple hundred people on LinkedIn, you're actually at the center of an extended network more than two million people strong. If you're not asking for or giving introductions to these second or third degree connections, you are not fully leveraging your network.

Finally, remember that these relationships are like any living thing: if they're not getting stronger, they're getting weaker. Strengthen relationships by sending articles, making introductions, collaborating on projects, and staying in touch.

## Key Concepts

- Understand the value of authentic, mutually beneficial relationships to one's career.
- Recognize the difference between relationships in a personal context and professional context.
- Learn the two types of professional relationships: allies and weaker ties.
- Recognize the importance of second- and third-degree connections.
- Understand how to strengthen relationships with give-and-take.

## Discussion Questions

1. Think about some of your happiest memories. Were you alone? Or were you surrounded by friends or family? Think about some of your most adventurous, stimulating experiences. Were you alone, or with others?
2. Do you have a good friend that is also a professional ally? How does that relationship differ from your weaker ties and acquaintances?
3. What are the differences between relationships in a personal context versus professional context? How do you interact with people on LinkedIn versus Facebook?
4. Do you know anyone who's a classic networker?
5. Why would a person bother to introduce a total stranger (even if that stranger is a friend of a friend of a friend) to another total stranger?
6. How do you actually reach second- or third-degree connections?
7. Who are some of the people in the world who are making the biggest change in the world right now? Who do they have around them?
8. Have you ever been helped by someone who didn't know what you needed help with?
9. What are the two best ways to strengthen a relationship?

## In-Class Activities

1. **The Marshmallow Challenge.** Divide the class into teams. In eighteen minutes, teams must build the tallest free-standing structure out of 20 sticks of spaghetti, one yard of tape, one yard of string, and one marshmallow. The marshmallow must be on top.
2. **Unhelpful Help.** Pair up students and have them attempt to give each other advice on a specified topic without asking any questions.
3. **Personal Network Map.** Students will map out their personal networks from memory.

## Take-Home Assignments

1. **LinkedIn Profile.** Students will create a professional profile on LinkedIn. Add a full bio that articulates their competitive advantage; add skills; join relevant groups.
2. **Influencer Audit.** Students will review their calendars for the past six months and identify the five people they spend the most time with. Have them reflect on whether they are happy with the influence those five people have on them.

3. **Be a Connector.** Divide the class into pairs and have them introduce each other to a new person — preferably a person who would be hard for their partner to access otherwise. The students should think about a challenge they are dealing with and ask for an introduction to someone who could help, jumpstarting the process by offering a small gift (such as a relevant article) to the person whom they want to meet.
4. **Proactive Relationships.** Ask your students to imagine getting laid off today. Who are the 20 people they would email with an update and solicit their advice on what to do next? Have them reach out to those individuals now to stay-in-touch while they don't need anything specifically.
5. **Strengthen a Weak Tie.** Students will pick one person in their network who is a weaker tie but with whom they might like to have a stronger alliance. They should commit to trying to help him or her proactively by giving small gifts. These can be anything from sending them an interesting article to helping them prepare for a presentation to forwarding a job posting.
6. **Interesting People Fund.** Have students create an “interesting people fund” to which they automatically funnel a certain percentage of their income. They will use it to pay for coffees, lunches, and the occasional plane ticket to meet new people and shore up existing relationships.
7. **LinkedIn InMap.** Have your students visit <http://inmaps.linkedinlabs.com/>, which automatically creates a visualization of the relationships among LinkedIn connections.

## Chapter 5

# Pursue Breakout Opportunities

### Chapter Summary

The trajectories of remarkable careers are not slow and steady and up to the right. Rather, they are marked by breakout opportunities—career experiences that lead to unusual rapid gains. For George Clooney, being cast in ER was his breakout opportunity.

You can develop habits of behavior that increase the likelihood you find great career opportunities:

**Be in motion and court selective randomness.** When you do something, you stir the pot and introduce the possibility that seemingly random ideas, people, and places will collide and form new combinations and opportunities.

**Tap the networks and associations of people.** If you're looking for an opportunity, you're really looking for people. Historical figures like Joseph Priestly and Benjamin Franklin, or modern figures like Steve Wozniak, all tapped networks of people when they discovered oxygen, invented the modern university, and founded Apple Computer. Join conferences and clubs. Better yet, start your own.

There will be times when your back's against the wall, when you're low on resources or time, and when you'll have to get scrappy and hustle for opportunities. Constraints can be a blessing in disguise: it's amazing how resourceful one can get when one has no choice but to be resourceful. Recall the entrepreneurial stories of Airbnb and Pandora—entrepreneurs are the kings of hustle.

### Key Concepts

- Understand that today's remarkable careers are punctuated by breakout opportunities.
- Learn how to develop habits of behavior to increase the likelihood of finding breakout opportunities.

### Discussion Questions

1. Whose careers do you admire? What do their career paths actually look like?
2. When has being low on resources and time caused you to get something done when you didn't think it was possible?
3. What are the best job opportunities and how do you exploit them?
4. What are ways that students can court selective randomness?

### In-Class Activities

1. **Student Organization Consultants.** Divide students into groups and have them pick an organization on campus — student activities, student union, health center, residence life, recreation center or other campus centers. Suggest reading student newspapers to get ideas of which organizations have issues in need of change they can explore. Brainstorm in their teams about how the operation works, gathering information on services offered, thinking about what their problems are, and what opportunities for change exist. Teams will prepare a paper and presentation to share their findings.

### Take-Home Assignments

1. **Day Experiments.**
  - a. **Budget Time for Randomness.** Students will deliberately underschedule themselves for a day to do something they don't normally do — read a book they wouldn't otherwise read, take a coworker out for lunch who works in a different department, or attend a speech or seminar in a different but related field.
  - b. **Yes Day.** Students will set aside one full day to be a “yes day.” They will say yes all day and mark down what they said yes to and what serendipity comes of it.
2. **Curiosity Lunch.** Students will ask the most curious person they know out to lunch and write about it.
3. **Attend Industry Event.** Students will find an industry event or conference to attend and write about it.
4. **Network Dinner.** Students will invite three friends to a dinner and ask each of them to invite one additional person whom they don't already know.
5. **Start A Group.** Students will bring a group of people together for an in-person meeting or online (using LinkedIn Groups, for example). They should try to convene friends to share ideas and resources. Suggest setting up a simple wiki to organize and share the details.

## Chapter 6

# Take Intelligent Risks

### Chapter Summary

Risk tends to get a bad rap. We associate it with things like losing money in the stock market, or riding a motorcycle without a helmet. But risk isn't the enemy—it's a permanent part of life. In fact, being proactively intelligent about risk is a prerequisite for seizing those breakout opportunities. There's competition for good opportunities. And because of that, if you can intelligently take on risk, you will find opportunities others miss. Where others see a red light, you'll see green.

Every possible career move contains risk. If you don't have to seriously think about the risk involved in a career opportunity, it's probably not the breakout opportunity you're looking for.

A basic definition of risk is it's the downside consequences from any action and the likelihood those consequences come to be. Learning how to accurately assess the level of risk in a situation isn't easy. Risk is both personal and situational. What may be risky to you may not be risky to someone else.

So here are a few rules of thumb for thinking about the risk associated with opportunities:

- Overall, it's probably not as risky as you think. We're wired for evolutionary reasons to overestimate risk.
- If you can tolerate the worst-case outcome, be open to it. If the worst-case outcome means death, homelessness, or being permanently unemployed, avoid it.
- Can you change or reverse the decision mid-way through? If so, it's lower risk.
- Don't conflate uncertainty with risk. There will always be unknowns. This doesn't mean it's risky.

You can never fully predict how or when ill-fortune will strike. Instead of placing faith in your ability to anticipate all that could go wrong, build up resilience to unimaginable blowup. Achieve stability by introducing low levels of volatility—by introducing small risks on a regular basis. Ideally, your day job has volatility built-in. A freelance editor has to hustle more day-to-day than the staff editor. An independent real estate agent goes hungry more days than the big-company agent. But those who regularly deal with small risks will never starve. They will never be engulfed by the big risks.

### Key Concepts

- Understand that risk is a part of every opportunity and be able to recognize
- Know how to manage risk in your career decisions.

- See opportunities where others misperceive risk.
- Recognize that short-term risk increases long-term resilience.
- Understand the connection between “volatility” and “resilience”.

### Discussion Questions

1. What do your students think of when they think of risk or risky actions?
2. Does the upside of defaulting to “yes” outweigh the downside?
3. How do you determine whether a worst-case scenario is tolerable or not?
4. What is the difference between uncertainty and risk?
5. Do you consider yourself a “risk taker”?
6. What are the riskiest projects you’re involved in as well as the lowest risk projects you’re involved in? What are their real downside and upside possibilities? Might you be mistakenly ascribing risk?

### In-Class Activities

1. **Risk Diversity.** Students will work in small groups to study the risk tolerances of its members. What risks are shared? Which aren’t?
2. **Risk Survey.** Pose different scenarios to your students and see what risks they’re willing to take. Would they be willing to quit a job without having another job lined up? Who thinks starting a company is risky? Emphasize to your students that there’s no right answer; everyone’s risk tolerance is different.

### Take-Home Assignments

1. **Acceptable Risks.** Students will identify risks they can take that differentiate them from others. In other words, are there risks that are acceptable to them (e.g. low status but high learning) that others are avoiding? If so, they should start going after opportunities with that type of risk.
2. **Increased Volatility Plans.** Students will make a plan to increase the short-run volatility in their lives. How can they take on projects — or a new job — that involve more ups and downs, more uncertainty?
3. **Plan Z Review.** Students will consider whether their Plan Z is it still viable and would keep them in the game if their Plan A were to unravel. Encourage them to consult mentors in their networks to help think through contingencies.

## Chapter 7

# Who You Know Is What You Know

### Chapter Summary

A decade ago, Bill Gates wrote: “The most meaningful way to differentiate your company from your competition, the best way to put distance between you and the crowd, is to do an outstanding job with information. How you gather, manage, and use information will determine whether you win or lose.” This could not be truer today. But the way we’ve been socialized to think about information and knowledge is radically insufficient. Our educational system trains us to memorize facts stored in textbooks and then regurgitate them on an exam.

But as the modern professional, you can’t acquire knowledge this way, because the knowledge you need isn’t static—it’s always changing. You can’t cram your brain with all the relevant information that might possibly be relevant to your careers, then deploy it on exam day. In the world of work, every day is exam day—every day brings new, unpredictable challenges and decisions. Stockpiling facts won’t get you anywhere. What will get you somewhere is being able to access the information you need, when you need it.

You get the intelligence you need to make good career decisions by talking to people in your network. It’s people who help you understand your assets, aspirations, and the market realities; it’s people who help you vet and get introduced to possible allies and trust connections; it’s people who help you track the risk attached to a given opportunity. What you get when you tap into other people’s brains is called “network intelligence.”

To pull intelligence from your network, you need to map your network so you know who knows what, and then you need to ask questions or send out the queries that elicit the useful answers.

### Key Concepts

- Understand how to pull network intelligence to navigate professional challenges.
- Learn how to map your network to recognize who knows what.
- Know how to synthesize information into actionable intelligence.

### Discussion Questions

1. What does it mean to be network literate?
2. Who is the most network literate person you know? What makes them so?
3. How do you figure out who has the intelligence you need at any given moment, and how do you go about extracting it most effectively?
4. What are the three categories you should use to sort the people you know?

### In-Class Activities

1. **Matchmakers.** Divide the class into pairs. Each set of partners must figure out who they know in common, by asking each other questions. Then, they start asking each other questions to figure out someone they know whom their partner doesn't know but should.
4. **Who am I?** A game in which the students must figure out who they are by asking questions. Beforehand, cut up some paper into small strips. On each strip, write down the name of a person, place, thing, idea, etc. Tape a single strip on each student's back. The goal of the game is for each student to guess what's on his or her back by asking only yes or no questions to fellow classmates. Additionally, each student may only ask any other individual at most one question.

### Take-Home Assignments

1. **Online Network Curation.**
  - a. Have your students adjust their LinkedIn newsfeed to make sure it's showing the information that's most helpful. They should go into Signal ([linkedin.com/signal](https://www.linkedin.com/signal)) and save search queries on relevant topics.
  - b. If they use Twitter, are they following the people they should be following? They should review their lists and add or remove, as necessary.
2. **Network Intelligence Map.** Students will map out who they trust on different topics. Have them sort their connections into domain experts, people whom they know well, and people who may not have specific expertise but are just smart in general.
3. **Top of Mind.** Students will make a list of the 2-3 top issues they're thinking about. Then they should make a list of questions about those issues so they can raise them in conversation.
4. **Information Partners.** Students should figure out who else in their network is thinking about similar issues. They should ask them to send information they find on the relevant topics and promise to do the same. Remind them that they'll get more information faster when they seek it with others.

## Appendix

# Additional Case Studies to Those in the Book

### **Volvo**

The conventional wisdom among car companies used to be that you couldn't talk about safety, because doing so might remind customers that you could die while driving. So the industry as a whole talked about anything else: styling details, new colors, faster engines, and so on. Except for one Swedish carmaker. Instead of shying away from safety, Volvo's founders saw an opportunity to differentiate their start-up from the rest of the pack. "Cars are driven by people. The guiding principle behind everything we make at Volvo, therefore, is and must remain, safety," said Assar Gabrielsson and Gustav Larson, at the founding of Volvo in 1927. Volvo didn't just make cars in a slightly different color or produce somewhat nicer interior leather. They focused on making ultra-safe cars (pioneering three-point seatbelts, for example) and proudly advertised that fact. They massively differentiated themselves by focusing on something no other company did. This made them top choice with consumers who put safety first. Even today—with most manufacturers touting safety—if you ask most any potential car buyer which car stands for safety, you'll get this answer: "Volvo."

### **Tim Green, NFL**

Inflection points don't just threaten industries like print media that are going through huge amounts of change. They threaten people in all kinds of industries and careers. Professional athletes in their prime, for example, often lead a life of fame, fortune, and glory. But their bodies won't let them play forever. An inflection point in the careers of athletes (and actors, musicians, models, and others) is not a question of *if*, but *when*. Sadly, many ex-professional athletes don't prepare and the inflection point proves devastating to their careers. A *Sports Illustrated* investigation concluded that almost 80% of NFL players are bankrupt or under financial stress within two years of retiring from the sport.[i]

Tim Green is not part of that 80%. The Atlanta Falcons picked Tim Green in the first round of the 1986 NFL draft. When they found Green reading *War and Peace* in the locker room before a game, the Falcons knew they hadn't drafted an ordinary All-American defensive end. Even though Green was fulfilling his childhood dream of playing in the NFL, he was no dummy about how long the dream would last. He knew someday he would be too old to play in the pros. So he started to prepare. To build assets that would serve him in life after football, he went to law school during the football offseason and earned a JD over eight years. To nurture a burgeoning interest in writing, he wrote commentaries on life as a pro athlete for outlets like NPR, often cooking up first drafts on the plane when flying to road games. When he retired from the game after eight seasons in Atlanta, he shifted to Plan B. He started a law practice in upstate New York *and* began writing books. So far, he's written 10 novels, several of which are about sports.[ii] He's also written non-fiction, including a book about the dark side of the NFL. His Plan B leverages his sports background.[iii]

[i] <http://sportsillustrated.cnn.com/vault/article/magazine/MAG1153364/index.htm>

[ii] <http://www.timgreenbooks.com/index-adult.php>

[iii] Marci Alboher, *One Person, Multiple Careers: A New Model For Work-Life Success* (New York: Warner Business Books, 2007) p. 177

### **Peter Thiel — The Value of a Relationship**

Peter Thiel and Reid were good friends in college. They conjoined their campaigns for Student Senate to share resources. They drove to Kinko's in Peter's car and printed posters that they hung around the Stanford campus. They each won seats in the Senate. Campus politicking was fun, but they really bonded when thinking about questions related to issues beyond the campus. Their curiosity about the ways of the world brought them closer, even as they discovered differences in their beliefs. Peter was forming staunch libertarian views; Reid was hashing out his version of a "free-market socialist." But their back-and-forth banter was formative. After college, their paths diverged. Peter attended law school and then worked for the law firm Sullivan & Cromwell in New York. I went to graduate school and then moved back to Silicon Valley to work at Apple and Fujitsu. It seemed at the time they were destined to lead different adult lives in different places. Neither of them knew that their relationship would be hugely consequential in both of their careers. That's the thrill of relationships<sup>3/4</sup>you never know, your roommate or casual friend of today may turn out to be one of your tightest friends or allies down the road.

Eight years had passed since college graduation when Peter called I with a few questions. It was 1998. I was co-founder of Socialnet, an online dating venture. Peter had moved back to California, during the dot-com mania, and co-founded PayPal. Peter wanted the advice of a trusted friend who was familiar with internet start-ups.

### **Brian Grazer and Ron Howard**

Brian Grazer and Ron Howard's alliance has borne fruit as an extraordinary business partnership in the entertainment industry. They originally met in their early 20's, as up-and-comers in Hollywood. Grazer was an ambitious young producer; Howard a former child-actor who aspired to be a director. They got along well and decided to hustle as a duo to convince a studio to finance what would be Grazer's first film and Howard's directorial debut. The movie did fine, but more important than the box office receipts was the fact that the experience expanded Grazer's and Howard's contacts within the industry and strengthened their own relationship. They did another movie together, *Splash*, featuring Tom Hanks, and it was a hit. Then, they went their separate ways. There was no disagreement or falling out, Grazer just wanted more space and control to do his own thing. Yet, they remained allies and good friends, and still found themselves talking every day about their ideas and plans. After awhile they figured they ought to

try collaborating formally again, so they raised some seed funding from other Hollywood outfits to launch their own production company, Imagine Entertainment. Like Milken and Feniger, their relationships grew from a weak tie sharing a rung at the bottom of the professional ladder, to an alliance and friendship, to a full-fledged business partnership.

At the time, Howard was making more money and their initial plan was to split the profits 60/40 in favor of Howard. Yet at the urging of Howard's wife, Grazer and Howard decided to do something simpler: they would split every profit exactly down the middle, no matter who did what<sup>3</sup>/<sub>4</sub>it didn't matter which of them directed, which produced, or even if one of them had nothing to do with a particular project<sup>3</sup>/<sub>4</sub>everything would be 50/50. For 25 years, it's been 50/50 all the way. And there's been more than enough dough to go around. Grazer and Howard have overseen blockbusters like *American Gangster*, *Frost/Nixon*, *Apollo 13*, and *A Beautiful Mind*, and on the TV side hits like *24*, *Friday Night Lights*, *Arrested Development*, and others.

The nature of their financial arrangement, unheard of in the entertainment industry, meant that interests, financially at least, are absolutely aligned. But that's not the main reason their alliance has stood the test of time; instead, they attribute it to a one-two punch of intellectual and professional chemistry, combined with personal friendship. "We view the world differently, but we arrive at the same conclusions," says Howard. They bring to bear complementary skills and interests. Grazer is a strong deal man who takes care of the business side. Grazer also does more television work. Howard focuses on directing or supporting other movies in their portfolio. All the while, their underlying friendship borders on love. Grazer calls Howard "the kindest, most outstanding human being I've ever met in my entire life." The essence of their alliance can be summed up by Howard: "In a business that is so crazy, to actually know that there is somebody who is really smart, who you care about, who has your interests, and who is rowing in the same direction, is something of immense value." [1]

[1] The Feniger/Milliken and Grazer/Howard stories were adapted from Michael Eisner's thoughtful book *Working Together* (HarperBusiness, 2010).

### **Matt Cohler (Expanded) — Bridge Ties and Allies Working Together**

When my good friend Ian McCarthy got married, I got to know Ian's now-wife Terra, as well. Terra was a weaker connection, but we saw each other occasionally when I would visit Ian, and we ultimately developed our own casual friendship. In late 2002, Terra emailed me and mentioned there was a smart, young consultant named Matt Cohler at the McKinsey office in Palo Alto where she worked. Terra and Matt hadn't worked together directly, but they were friends and knew each other's reputations. At the time Matt was 25 years-old, geeky and creative. He had taken two years off from college, first to work at an internet start-up in Beijing and then to try to make a go of it as a musician. After graduating from college<sup>3</sup>/<sub>4</sub>or, as he puts it, after failing to drop out of college<sup>3</sup>/<sub>4</sub>he moved to Silicon Valley and got a job at McKinsey with the goal of eventually becoming an associate at a venture capital firm. Meanwhile, I was in the

process of figuring out what to do after PayPal. At Terra's recommendation, Matt and I met at a party in Silicon Valley, hit it off, and soon started meeting regularly one-on-one. I told Matt that if he wanted to be a VC someday, he should get operational experience first<sup>3/4</sup>and so why not come work with me? Which is why, in early 2003, Matt quit McKinsey to help me with my angel investments and a few other projects. Eventually, Matt joined LinkedIn full time as a general manager.

After a couple years as my (awesome) lieutenant at LinkedIn, I invited Matt to the initial Facebook pitch meeting at Peter Thiel's office. Matt met Mark Zuckerberg, and they too took a liking to each other. Given his experience helping grow a social network on the professional side, Matt felt there was a lot he could do to help launch a network on the personal side. Matt came to me and talked about the Facebook opportunity<sup>3/4</sup>it was exciting but Matt would stay at LinkedIn if I wanted him to. I was an investor Facebook, knew it had potential, and encouraged Matt to pursue the opportunity as the next phase of his career. After almost four years helping Mark Zuckerberg and the team grow Facebook to be an internet giant, Matt left and is now a partner at Benchmark Capital, a leading venture capital firm.

My relationship with Matt illustrates how weak ties help spur true alliances. It started with a tip from the spouse of a good friend (a classic weak tie) who worked in a different social scene (management consulting) who thus had access to information (Matt's burgeoning talent) that I did not. Matt and I met, and through reciprocal exchanges and shared interests, became allies over time. We worked directly with each other at LinkedIn and stayed allies even as Matt moved to Facebook and then venture capital.

### **Bad into Good**

Shakespeare got it right: "It is neither good nor bad but thinking makes it so." An event is not objectively good or bad. What matters is how you interpret it and respond. For Sorensen, spilled coffee and scalded skin inspired his idea for coffee sleeves, so it turned out to be a very good event indeed.

One day in 1991, Jay Sorensen of Portland picked up a cup of coffee. But the paper cup was too hot to hold so he quickly let go, and burning hot coffee spilled all over his pants. Most people would curse and move on (and perhaps even sue the café that sold him the coffee!). Sorensen, by contrast, saw silver lining in this (albeit mild) setback, and generated an incredible opportunity for himself: He invented and patented a coffee cup sleeve which now fits over paper coffee cups used by chains like Starbucks to insulate the drinker's hands from the heat. He's sold one *billion* sleeves so far.

### **Serendipity**

In the early 1990s a team of British and American scientists at the pharmaceutical giant Pfizer were developing a drug to treat severe chest pain. In clinical trials the chemicals increased blood flow to the heart, as designed. But the scientists noticed a side effect: the chemical compounds also induced muscle relaxation that allowed more blood to flow to the penises of male subjects –

the biological basis of the male erection. Alert to the possibility of unexpected opportunity, they shifted focus to see if they could synthesize the compounds into a pill that could treat impotence. They could and did. In 1998 the FDA approved Viagra, which went on to become one of the most profitable drugs in history<sup>[i]</sup>

A few years ago a British writer named Danny Wallace experienced a transformational life change by riding a red London bus. When he climbed aboard, at first he minded his own business. Then a bearded man sitting next to him wanted to engage in friendly chitchat. Wallace obliged, only to realize the complete stranger was keen on offering unsolicited life advice, too. Wallace was in a tough place in life at the time<sup>3</sup>4recently dumped by his girlfriend, increasingly absent from the lives of his friends. So he felt like he had little to lose by engaging the man, and hearing out his wisdom.

The key to happiness, the man on the bus said, is three simple words: *Say yes more*. It struck a chord in Wallace and (perhaps sensing a possible memoir-in-the-making) he took it on as a guiding life principle. What would happen if he said yes to *everything*? Quite a lot, as it turned out.

A friend called to ask if he wanted to get a drink. Yes! A spam email came in promising a bigger penis if he only spent a few bucks for a penis patch. Yes! Attend a local meet-up? Yes! Go on jaunt to Australia? Yes! Play the lotto? Yes! (Amazingly, Wallace won 25,000 pounds on the lotto during this experiment.) “Life should be all about taking opportunities,” he says, explaining his philosophy, “The best things that ever happened to us happened because we said yes.”<sup>[i]</sup> And the opportunities just kept coming: Wallace did indeed sell a memoir on a topic that was made into the funny movie *Yes Man* starring Jim Carrey.

Of course, saying yes to literally everything is not a wise strategy overall (the penis pump turned out to be a dud). But it’s an interesting thought experiment. What would happen if you defaulted to “Yes” for a full day? A full week? If you say yes to the party invite you were tempted to skip, might you overhear a comment that ignites your imagination for a new business or new research or a new relationship? Perhaps. Selected randomness brings about beautiful serendipitous happenings. It would also bring about some bumps in the road, some dead ends, some mishaps.

If you fear that aggressively saying “Yes” will introduce a dizzy of distractions, consider concentrating the randomness on certain days. When venture capitalist Brad Feld receives requests for meetings and he’s intrigued but unsure of the meeting’s potential or urgency, he has his assistant schedule the meeting for Random Day (now called Office Hours), which he holds twice a month. The days consist of a bunch of 15-minute random meetings spaced apart by 30 minutes so that if any one meeting turns out to be unusually interesting it can spill over. Brad’s is a “Say yes but not right this second” policy and some incredible things have come from it.

[i] Danny Wallace, *Yes Man* (New York: Simon Spotlight Entertainment, 2005), p. 20

## **Hustle**

Work your tail off. This is a prerequisite to entrepreneurial hustle. It doesn't guarantee you'll create solid opportunities, but it preserves the possibility. When rapper Eminem was a kid, he spent hours each day studying the dictionary, searching for rhyming words. In the offseason, football legend Jerry Rice worked out six days a week, widely regarded as the most intense training in the league. And so on. Hard work is a "necessary but not sufficient" part of opportunity generation.

### **From Brain Rules by John Medina**

You might suspect that the odds against our survival were great. You would be right. The founding population of our direct ancestors is not thought to have been much larger than 2,000 individuals; some think the group was as small as a few hundred. **How, then, did we go from such a wobbly, fragile minority population to a staggering tide of humanity 7 billion strong and growing?** There is only one way, according to Richard Potts, director of the Human Origins Program at the Smithsonian's National Museum of Natural History. **You give up on stability. You don't try to beat back the changes. You begin not to care about consistency within a given habitat, because such consistency isn't an option. You adapt to variation itself.**

It was a brilliant strategy. Instead of learning how to survive in just one or two ecological niches, we took on the entire globe. **Those unable to rapidly solve new problems or learn from mistakes didn't survive long enough to pass on their genes.** The net effect of this evolution was that we didn't become stronger; we became smarter. We learned to grow our fangs not in the mouth but in the head. This turned out to be a pretty savvy strategy. We went on to conquer the small rift valleys in Eastern Africa. Then we took over the world.