Book Review:

The Hard Thing About Hard Things: Building a Business When There Are No Easy Answers

by Ben Horowitz

If you're interested in technology entrepreneurship, Ben Horowitz's venture capital firm is likely a household name— Silicon Valley-based Andreessen Horowitz, LLC has invested in some of the world's biggest and fastest growing technology companies since its formation in 2009: Skype, Twitter, Facebook, Airbnb, and numerous others. In The Hard Thing About Hard Things, though, Horowitz isn't out to tell people how to spot hot technology companies, but rather how to grow them while not losing your mind or your business in the process.

Overview

The book follows Horowitz from the early parts of his career as a software engineer who quickly worked his way up to product management in California technology firms. Nine years after finishing his formal education, he launched his first company, Loudcloud, which over the years would morph into Opsware. The bulk of the book addresses the decisions Horowitz was continually confronted with, navigating the technology bubble's burst in 2001, splitting his company in two, and selling his businesses to larger firms at varying points of leverage. Hard Things is a mixture of story-telling on the specific tricky points that Horowitz encountered, and more general advice to people who are managing a company ("Should you poach employees from a friend's company?"). Through it all, Horowitz speaks with a sometimes brash but straight-ahead voice, acknowledging his areas of past ignorance while also attempting to share the best of what he's learned.

Hard Things

One thing that strikes through the book is the intensity of lifestyle that went with building these technology firms, and it reminded me of what I'd read in Tracy Kidder's The Soul of a New Machine; working in the world's cutting-edge technology companies is a *ton* of work. In this book, I was continuously impressed by the sheer mass of fortune being risked, the drama of the decisions, and how quickly these industries. In one crucial point in the book, Horowitz describes how he had to forge a path to long-term profitability by spinning off a small part of his existing company, creating a new firm out of what was at the time both unprofitable and built for a market that didn't yet exist. Responding to such important decision points is the core of Hard Things; the book is about making imperfect decisions, with imperfect information, and how to prepare your organization and yourself for those moments.
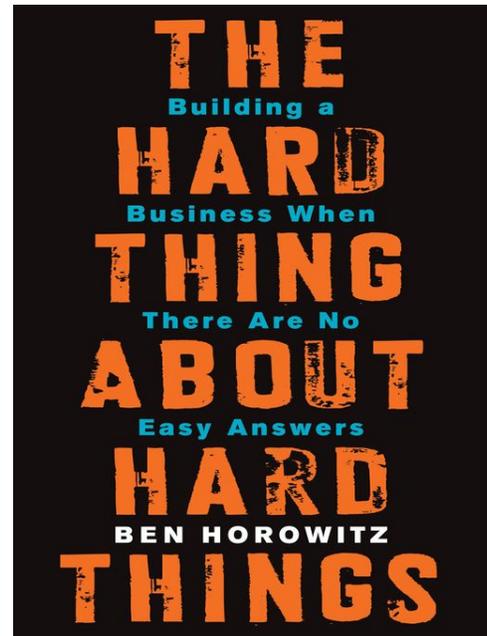
People and Culture

One of the key areas of preparation is to make sure that there is real communication happening in your organization, and Horowitz talks at length about how he thinks about, and handles, the interpersonal communications that make up the actual running of a company. One bit of advice stuck with me, on how to handle letting people go. Due to the tumultuous nature of his work, Horowitz has had to drastically shrink his workforce several times. In those cases, he recommends communicating where people stand as quickly as possible, and letting the others know who will be affected. Also, if you're laying people off, chances are that you are the one that made the mistake, so take personal responsibility when appropriate. Echoing what I've read in other management books, he recommends putting the people and the talent first; the profits might follow if those are in place.

Should you read it?

Horowitz quotes from rap lyrics, hires people because they care enough to threaten bodily harm to others, and allows cursing at his company as long as it's in the proper context. He comes off as a competitive, hard-driving workaholic, and the prose he writes embodies that, making it too coarse for some readers. That said, he also cares about his people—his family, his coworkers, his employees—and that comes through in the book as well. The main reason to read this book, though, is that you are interested in studying the decision-making process of a technology CEO. If that's what you're looking for, this book is a good place to start.

Terence O'Neill is the Entrepreneurship Librarian at Michigan State University, where he works to connect entrepreneurs to resources that will better inform their business decisions. Through a background in libraries and community education, Terence has worked to support business and innovation internationally and throughout Michigan.

Have a book you want reviewed, or another comment? You can reach Terence at oneillt@msu.edu.