

PROFESSOR: So there are three ways that we think about in starting a company. There are three types of people that will walk into this center, the Martin Trust Center for MIT Entrepreneurship. The first person that walks in says I have a technology. This could be someone from the labs or someone who have just seen a technology, and they say I have a technology. I want to start a company based off this technology.

So they're starting with the technology, and they've got a hammer, and now they're looking for a nail. So it's a solution looking for a problem. It's a solution actually looking for a market. So this is what we call technology push. It can be a hard thing, but it can be very rewarding, because we already have a competitive advantage in here.

The second type of person that comes in here says I have an idea. I used to work in an industry, and they had this big problem, and this problem needs to be solved. And I believe that there is a solution out there. I don't know what exactly that solution is. But they have an idea, because they understand the market, and they understand that market has a problem that, if solved, would be very rewarding. This is what we call market pull.

So this, you already have a known market, so the risk is lower. But the issue here is you don't necessarily have that inherent competitive advantage that you have over here.

Now, you'll say, what else is there? Well, the third type of person that comes in here all the time is someone who has a passion to be an entrepreneur. I want to control my own destiny. I've seen what can happen. I want to have an impact on the world and really make a difference. I want to test my talents to the maximum. And these are people that have a passion to be an entrepreneur. And that is a wonderful thing to have that passion.

However, it's not enough to start a company. You can't just want to start a company and that starts a company. You have to then migrate from a passion to either a technology or an idea. And usually, that happens because someone says I want to be an entrepreneur, then they have to join up with somebody else. And joining a team and creating a team, as we've talked about before, is very important to success and entrepreneurship of someone who already has a technology or someone who already has an idea. So really, while there's three types, the people and passion really have to join up and end up in either technology or an idea.