

Jessica Livingston

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A few months ago an article about Y Combinator said that early on it had been a "one-man show." It's sadly common to read that sort of thing. But the problem with that description is not just that it's unfair. It's also misleading. Much of what's most novel about YC is due to Jessica Livingston. If you don't understand her, you don't understand YC. So let me tell you a little about Jessica.

YC had 4 founders. Jessica and I decided one night to start it, and the next day we recruited my friends Robert Morris and Trevor Blackwell. Jessica and I ran YC day to day, and Robert and Trevor read applications and did interviews with us.

Jessica and I were already dating when we started YC. At first we tried to act "professional" about this, meaning we tried to conceal it. In retrospect that seems ridiculous, and we soon dropped the pretense. And the fact that Jessica and I were a couple is a big part of what made YC what it was. YC felt like a family. The founders early on were mostly young. We all had dinner together once a week, cooked for the first couple years by me. Our first building had been a private home. The overall atmosphere was shockingly different from a VC's office on Sand Hill Road, in a way that was entirely for the better. There was an authenticity that everyone who walked in could sense. And that didn't just mean that people trusted us. It was the perfect quality to instill in startups. Authenticity is one of the most important things YC looks for in founders, not just because fakers and opportunists are annoying, but because authenticity is one of the main things that separates the most successful startups from the rest.

Early YC was a family, and Jessica was its mom. And the culture she defined was one of YC's most important innovations. Culture is important in any organization, but at YC culture wasn't just how we behaved when we built the product. At YC, the culture was the product.

Jessica was also the mom in another sense: she had the last word. Everything we did as an organization went through her first — who to fund, what to say to the public, how to deal with other companies, who to hire, everything.

Before we had kids, YC was more or less our life. There was no real distinction between working hours and not. We talked about YC all the time. And while there might be some businesses that it would be tedious to let infect your private life, we liked it. We'd started YC because it was something we were interested in. And some of the problems we were trying to solve were endlessly difficult. How do you recognize good founders? You could talk about that for years, and we did; we still do.

I'm better at some things than Jessica, and she's better at some things than me. One of the things she's best at is judging people. She's one of those rare individuals with x-ray vision for character. She can see through any kind of faker almost immediately. Her nickname within YC was the Social Radar, and this special power of hers was critical in making YC what it is. The earlier you pick startups, the more you're picking the founders. Later stage investors get to try products and look at growth numbers. At the stage where YC invests, there is often neither a product nor any numbers.

Others thought YC had some special insight about the future of technology. Mostly we had the same sort of insight Socrates claimed: we at least knew we knew nothing. What made YC successful was being able to pick good founders. We thought Airbnb was a bad idea. We funded it because we liked the founders.

During interviews, Robert and Trevor and I would pepper the applicants with technical questions. Jessica would mostly watch. A lot of the applicants probably read her as some kind of secretary, especially early on, because she was the one who'd go out and get each new

group and she didn't ask many questions. She was ok with that. It was easier for her to watch people if they didn't notice her. But after the interview, the three of us would turn to Jessica and ask "What does the Social Radar say?"

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Having the Social Radar at interviews wasn't just how we picked founders who'd be successful. It was also how we picked founders who were good people. At first we did this because we couldn't help it. Imagine what it would feel like to have x-ray vision for character. Being around bad people would be intolerable. So we'd refuse to fund founders whose characters we had doubts about even if we thought they'd be successful.

Though we initially did this out of self-indulgence, it turned out to be very valuable to YC. We didn't realize it in the beginning, but the people we were picking would become the YC alumni network. And once we picked them, unless they did something really egregious, they were going to be part of it for life. Some now think YC's alumni network is its most valuable feature. I personally think YC's advice is pretty good too, but the alumni network is certainly among the most valuable features. The level of trust and helpfulness is remarkable for a group of such size. And Jessica is the main reason why.

(As we later learned, it probably cost us little to reject people whose characters we had doubts about, because how good founders are and how well they do are not orthogonal. If bad founders succeed at all, they tend to sell early. The most successful founders are almost all good.)

If Jessica was so important to YC, why don't more people realize it? Partly because I'm a writer, and writers always get disproportionate attention. YC's brand was initially my brand, and our applicants were people who'd read my essays. But there is another reason: Jessica hates attention. Talking to reporters makes her nervous. The thought of giving a talk paralyzes her. She was even uncomfortable at our wedding, because the bride is always the center of attention.

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It's not just because she's shy that she hates attention, but because it throws off the Social Radar. She can't be herself. You can't watch people when everyone is watching you.

Another reason attention worries her is that she hates bragging. In anything she does that's publicly visible, her biggest fear (after the obvious fear that it will be bad) is that it will seem ostentatious. She says being too modest is a common problem for women. But in her case it goes beyond that. She has a horror of ostentation so visceral it's almost a phobia.

She also hates fighting. She can't do it; she just shuts down. And unfortunately there is a good deal of fighting in being the public face of an organization.

So although Jessica more than anyone made YC unique, the very qualities that enabled her to do it mean she tends to get written out of YC's history. Everyone buys this story that PG started YC and his wife just kind of helped. Even YC's haters buy it. A couple years ago when people were attacking us for not funding more female founders (than exist), they all treated YC as identical with PG. It would have spoiled the narrative to acknowledge Jessica's central role at YC.

Jessica was boiling mad that people were accusing her company of sexism. I've never seen her angrier about anything. But she did not contradict them. Not publicly. In private there was a great deal of profanity. And she wrote three separate essays about the question of female founders. But she could never bring herself to publish any of them. She'd seen the level of vitriol in this debate, and she shrank from engaging.

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It wasn't just because she disliked fighting. She's so sensitive to character that it repels her even to fight with dishonest people. The idea of mixing it up with linkbait journalists or Twitter trolls would seem to her not merely frightening, but disgusting.

But Jessica knew her example as a successful female founder would encourage more women to start companies, so last year she did

something YC had never done before and hired a PR firm to get her some interviews. At one of the first she did, the reporter brushed aside her insights about startups and turned it into a sensationalistic story about how some guy had tried to chat her up as she was waiting outside the bar where they had arranged to meet. Jessica was mortified, partly because the guy had done nothing wrong, but more because the story treated her as a victim significant only for being a woman, rather than one of the most knowledgeable investors in the Valley.

After that she told the PR firm to stop.

You're not going to be hearing in the press about what Jessica has achieved. So let me tell you what Jessica has achieved. Y Combinator is fundamentally a nexus of people, like a university. It doesn't make a product. What defines it is the people. Jessica more than anyone curated and nurtured that collection of people. In that sense she literally made YC.

Jessica knows more about the qualities of startup founders than anyone else ever has. Her immense data set and x-ray vision are the perfect storm in that respect. The qualities of the founders are the best predictor of how a startup will do. And startups are in turn the most important source of growth in mature economies.

The person who knows the most about the most important factor in the growth of mature economies — that is who Jessica Livingston is. Doesn't that sound like someone who should be better known?

Notes

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Harj Taggar reminded me that while Jessica didn't ask many questions, they tended to be important ones:

"She was always good at sniffing out any red flags about the team or their determination and disarmingly asking the right question, which usually revealed more than the founders realized."

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Or more precisely, while she likes getting attention in the sense of getting credit for what she has done, she doesn't like getting attention in the sense of being watched in real time. Unfortunately, not just for her but for a lot of people, how much you get of the former depends a lot on how much you get of the latter.

Incidentally, if you saw Jessica at a public event, you would never guess she hates attention, because (a) she is very polite and (b) when she's nervous, she expresses it by smiling more.

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The existence of people like Jessica is not just something the mainstream media needs to learn to acknowledge, but something feminists need to learn to acknowledge as well. There are successful women who don't like to fight. Which means if the public conversation about women consists of fighting, their voices will be silenced.

There's a sort of Gresham's Law of conversations. If a conversation reaches a certain level of incivility, the more thoughtful people start to leave. No one understands female founders better than Jessica. But it's unlikely anyone will ever hear her speak candidly about the topic. She ventured a toe in that water a while ago, and the reaction was so violent that she decided "never again."

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