

Why Great Entrepreneurs Get Bad Grades



Aaron Dinin, PhD

Follow

Jan 16, 2020 · 4 min read ★



FAIL HARDER

After five years of teaching entrepreneurship classes at Duke University, I've begun to notice a pattern worth discussing. Every semester, some of my most obviously entrepreneurial students — the ones actively building companies — are also the students who get the worst grades. What's going on here? Why are the entrepreneurs doing poorly in entrepreneurship classes?

Before I explore the reason for that, let me offer some necessary caveats. I'm not suggesting all students who get bad grades are great entrepreneurs. Nor am I arguing that students who get great grades will be bad entrepreneurs. I've got multiple former students running successful startups who got excellent grades.

I also want to be careful not to correlate “good grades” with being a “good student.” As lots of people will tell you, grades can be a problematic indicator of student quality.

Instead, the pattern I'm noticing is related to what I've come to believe is a core entrepreneurial skill: learning to make tradeoffs.

Every decision we make in life has a cost. For example, at a minimum, my decision to write this post is costing me opportunities to do other things, as is your decision to

read it. Our decisions usually also have significantly greater consequences impacting everything from who we spend time with, to what career path we take, the person we marry, and, at the extremes, who lives and who dies.

In the vast majority of cases, we make these tradeoffs unconsciously. If we didn't we'd probably never get anything done because we'd all be too busy thinking about everything we're missing out on. However, as the potential consequences get higher, the more aware we become of a specific decision's tradeoffs and its potential to haunt us. For you literary-types reading this, one of the most beautiful and haunting manifestations of this phenomenon is described in William Styron's novel Sophie's Choice in which the titular character, upon getting sent to Auschwitz, was forced to decide which of her children would be immediately gassed, and which would be sent to a work camp.

— — —

Side Note: Anytime you hear someone jokingly describe a relatively superficial choice, like whether to order the chicken or the fish, as a "Sophie's choice," smack them upside the head for not appreciating the true gravity of what they're referencing.

— — —

What I've noticed about great entrepreneurs is that they seem to obsess about the tradeoffs of decisions that most people would overlook as being inconsequential.

In terms of product, they'll obsess about miniscule details of design and functionality. In terms of marketing, they'll spend hours — or even days — considering the absolute best wording of a 6 word headline. In terms of fundraising, they'll labor over fractions of a percent of dilution because they're concerned about how it could impact ownership outcomes years down the road.

In some cases, obsessing about seemingly small tradeoffs can bring immense value. (Steve Jobs was famous for this). In other cases, it's a terrible waste of time. (If I were famous, this is what I'd be famous for). I'm not here to argue whether it's good or bad. For now, I'm just pointing it out.

And “pointing it out” is exactly what I have to do for my entrepreneurial students who get bad grades in my entrepreneurship classes. These students are grappling with a tradeoff. They’re not getting bad grades because they’re “stupid” or “dumb” or “bad entrepreneurs.” They’re getting bad grades because they’re making a tradeoff: they’re choosing to spend time pursuing their startups, and that’s preventing them from doing their homework.

Because they’re young, they’ve spent the majority of their lives in school, and they’ve been indoctrinated with the belief that getting good grades is the most important things they should be doing, they struggle to accept that getting poor grades is an acceptable tradeoff to make.

When I spot these students in my classes, I make a point of meeting with them as soon as I notice their grades suffering because of missed assignments. During our meetings, I explain the importance of being thoughtful about the consequences of tradeoffs in entrepreneurship, and I point out the tradeoff they’re making in relation to schoolwork and their companies.

Once I’ve done that, I tell them something not enough other people are telling them: it’s OK.

I assure them that, if they’re genuinely interested in the work they’re doing on their startups, prioritizing that work over their school work is a reasonable decision. It’s also a decision they’ve never had to make before because school is a world in which “kids” are constantly being told by “adults” what is and isn’t important. In contrast, by choosing to work on their startups at the expense of their school work, they’re actually being adults. They’re making decisions for themselves about what’s most important to them rather than letting other people decide.

I assure them I’m comfortable with the tradeoff they’re making in my class so long as they are. I also remind them that my job, as their teacher, is to continue holding them to the same standards as I hold all my other students. While those standards are the standards of a classroom, they’re not necessarily the standards of being a good entrepreneur. Sometimes being a great entrepreneur means getting bad grades, and that’s not something to be ashamed of.
