

E145 | FALL 2015

# Session 14: Founders Dilemma II – CEO Succession

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# Breakouts: Lew (A) and Dick (B)

Pair 1: Angels and Unicorns (Group A) and Octane (Group B)

Pair 2: Cardinal Capital (Group A) and Silicon Mountain (Group B)

Pair 3: Raising the Bar (Group A) and D2P2M (Group B)

Pair 4: Aviato (Group A) and Arborvitae (Group B)

# Low Cirne on Choosing Investors



**Low Cirne**

Founder and CEO, New Relic

October 29, 2014

# What Can We Learn From the Wily Case?

1. A paradox: Lew has been successful as Wily's CEO up to this point. His success makes it more likely that he will have to step aside and makes it harder to convince him that a change is needed.
2. The search: It makes sense to involve the founder in the new CEO search process, but doing so introduces big risks. After the succession, the founder ideally will stay involved with the company in some capacity. However, the founder may be so disruptive that he/she has to leave. The behaviors during the search can influence whether the founder stays or goes.
3. Power versus wealth?: The case examines another founders dilemma by Professor Wasserman regarding power (more control) verses wealth (less control).

# Thank you!

Questions?

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