Founders’ Role with IPO Firms

Alan S. Gutterman

§1 Introduction

There are probably numerous factors that motivate founders to form a new enterprise and invest the substantial amount of time and resources necessary to try and make the enterprise successful. Money, an opportunity for personal wealth maximization, is obviously important; however, founders often take the plunge because of their personal drive and ambition to carry out their “vision” and create and lead an organization dedicated to fulfilling that vision. The founder’s vision is certainly important during the early stages of the venture. As Wasserman explains: “At the start, the enterprise is only an idea in the mind of its founder, who possesses all the insights about the opportunity; about the innovative product, service, or business model that will capitalize on that opportunity; and about who the potential customers are. The founder hires people to build the business according to that vision and develops close relationships with those first employees. The founder creates the organizational culture, which is an extension of his or her style, personality and preferences.”

All of these things are essential for survival but the problem is that founders often become so attached to the whole thing and overconfident about how essential they are to the firm that they may have difficulties understanding how their roles may need to change as the business matures. The issue of the evolving role of the founder is especially important for companies that are on a path toward an initial public offering (“IPO”).

Founders may bring a variety of management styles and skills to their service as a CEO of their firm. At the start-up stage, for example, operational skills are particularly important and emphasis is placed on the ability to manage the start-up process, understand industry trends and requirements and knowledge of the “cutting edge” technology that the firm must develop or otherwise acquire in order to find a competitive niche. As the firm evolves and matures, however, the relative importance of operational versus strategic skills begins to change and investors, such as venture capitalists, and other market observers focus on the strategic leadership skills of the CEO that are perceived to be essential for a successful transition of the firm from private to public company status.

Certainly there are many founders who are committed to achieving the market recognition and financial achievement associated with an IPO for their firm. Jain and Tabak aptly described an IPO as “a major accomplishment for the founder(s) and a testament to their founding vision, creativity, strategic direction and management skills.” However, among the critical decisions that must be made in anticipation of an IPO is who

---

3 Id. at 21.
should lead the firm as it makes the transition from private to public company status. Proponents of the “life cycle” theory of the firm argue that the evolution and growth of an entrepreneurial firm calls for changes in the managerial styles and capabilities of the CEO and other members of the senior management team since the primary focus of the leadership is shifting from viability and survival to management of complex organizational systems. For example, it has been claimed that a CEO of a public company must have specific skills, knowledge, experience and social networks that are significantly different from those that a CEO must have when the firm is first launched and commentators have emphasized that the CEO of an IPO firm must be prepared to deal with a wide array of new and unique challenges, including changes in the corporate governance model, a significant increase in outside investor participation and scrutiny, increased market monitoring and the potential for unexpected and unwanted attempts to seize corporate control and continuous pressure to meet expectations of market observers (e.g., analysts).

While the IPO is certainly a milestone that triggers debate about whether or not a founder CEO should remain in the position, Wasserman argues that the crisis actually occurs much earlier when the company has completed its first major activity, such as the completion of development of its initial product or service and the subsequent launch of the product or service into the marketplace. While founders often believe, not unreasonably, that venture capitalists and other investors will see the release of the initial product or service and receipt of the revenues from that product or service as validation of their leadership skills, the reality is that outsiders now look at the firm differently and see new challenges that require different management skills that the founder may not have in his or her toolbox. Some of the challenges that Wasserman cataloged for firms after they ship their initial product included building the capacity for marketing, manufacturing and selling large volumes of product and providing the necessary post-sale support to a growing number of customers; implementing systems and procedures to address more complex finance and accounting issues, including selecting and overseeing finance executives and accountants; and creating and managing a more hierarchical organizational structure, including increased reliance of formal rules and processes and functional specialists.

There are certainly examples of well-known and successful companies that have gone public with one of their founders at CEO and, in fact, researchers have presented evidence that one-third to one-half of IPO firms have gone public with founders as CEO.

---

and have actually had higher IPO valuations than companies that have gone public with non-founder CEOs; however, a large percentage of IPO companies have replaced their founder CEO with an outside professional deemed to be more qualified for the task of “going public”. In some cases the founder may not be prepared or able to develop the skills necessary to lead a public company and this is certainly not a criticism of the founder since it is certainly difficult for anyone to have all of the tools required to bring a firm through all of the challenges that must be addressed from the very beginning to the point where it has matured into an IPO candidate. 

An alternative explanation, however, is that other factors trigger a change in the leadership of the firm as the IPO approaches including the desire of venture capitalists and other outside investors to send a signal to the market (i.e., investment bankers, institutional/retail investors and analysts) regarding the proposed strategic direction and growth strategies of the company once the IPO has been completed. This follows from the assumption, as suggested by various researchers, that there are significant differences between the decision-making behavior, strategic choices and performance of founder and non-founder CEOs and that a firm’s choice between a founder and non-founder leader thus provides the market with valuable information regarding strategic direction, growth strategy and investment and financial policies that the market can use to predict post-IPO performance and place a value on the firm at the time of the IPO.

Wasserman suggests that founders themselves can reduce the stress and drama associated with succession issues by asking themselves hard questions about their own motivations, particularly whether are motivated more by wealth than control or vice-versa. According to Wasserman, founders who are primarily motivated by control can be expected to proceed more slowly and cautiously in allowing outsiders to become involved with the company as co-founders, investors or employees and will seek to guard their ability to maintain control at each stage of the process of developing new products and services, expanding human resources and tapping into outside capital. On the other hand, wealth-motivated founders are more open to any reasonable strategy for increasing the value of their ownership stake in the company and thus are more likely to aggressively pursue venture capital even at the risk of losing control of the board of directors and support bringing on an experienced non-founder CEO who can accelerate the growth of the company even if that means that the founder’s equity stake is diluted. Founders should be mindful of the fact that venture capitalists often will not invest in founder-led companies unless and until they have a good idea of the founders’ motivations. In some

---

cases, venture capitalists will not look at a firm unless the founder is driven to make money from the business. In other situations, venture capitalists not only want founders who seek financial success but also want to be comfortable that the founders have the leadership and management skills to provide long-term leadership for the firm that extends beyond start-up and release of the first product or service.\textsuperscript{11}

One of the most important studies of how an IPO influences CEO succession among emerging companies was undertaken Jain and Tabak, who used a database that included 231 firms that completed IPOs in 1997 and which had raised, on average, $45 million in the IPO and enjoyed first day increases from their offering price averaging a little over 17\%.\textsuperscript{12} Jain and Tabak examined a host of factors discussed below that they hypothesized might influence the choice of founder versus non-founder CEOs for IPO firms and concluded that “output-based founder functional background, size of founding team, and insider presence on the board raise the probability of founder CEO at IPO while founder age, VC influence on board, TMT independence, and outside blockholder ownership lower the probability of founder CEO at IPO”.\textsuperscript{13} Jain and Tabak also observed industry variations in the proportion of firms with founder CEOs at IPO.\textsuperscript{14} For example, the probability of a founder CEO at the time of the IPO was higher in high technology industries.\textsuperscript{15} Industry variations in the proportion of CEOs with output functional backgrounds were also observed.\textsuperscript{16}

A similar study by Wasserman of 212 start-up companies in the US formed during the late 1990s and early 2000s also provided support for the relatively early departure of founders from control over the management of the firms: 50\% of the founders in the study group were no longer CEO after three years, 60\% of the founders were no longer CEO after four years and more than 75\% of the founders had left the CEO position by the time their firms completed an IPO.\textsuperscript{17} Interestingly, four out of five of the founders in Wasserman’s study who had left the CEO position did so against their will and Wasserman correctly observed that “[t]he change in leadership can be particularly damaging when employees loyal to the founder oppose it” and “the manner in which founders tackle their first leadership transition often makes or breaks young enterprises”.\textsuperscript{18} Wasserman acknowledged that the IPO was certainly an important and well-recognized milestone for high growth companies; however, he pointed out that research conducted on early stage Internet firms found evidence that founder CEO

\textsuperscript{13} B. Jain and F. Tabak, “Factors influencing the choice between founder versus non-founder CEOs for IPO firms”, Journal of Business Venturing, 23 (2008), 21-45, 41.
\textsuperscript{14} Id. at 35.
\textsuperscript{15} Id. at 40.
\textsuperscript{16} Id. at 36.
\textsuperscript{18} Id.
succession was often triggered by other significant corporate milestone events such as completion of product development and/or raising capital from outside investors.\textsuperscript{19}

§2 Factors influencing founder leadership at IPO

As noted above, Jain and Tabak examined a host of factors that they hypothesized might be significantly related to the probability of ongoing founder leadership as the CEO at the time of IPO, including founder characteristics such as functional background and age, the size of the founding team, board composition, top management team independence, outside blockholder ownership, the company’s demand for equity financing, and the extent of involvement and influence of venture capitalists.\textsuperscript{20} In selecting the factors for analysis Jain and Tabak noted that in the context of “signaling theory” the choice between a founder and a non-founder to lead the firm through the IPO and into public company status would likely be viewed by market participants as an informative signal regarding the firm’s strategic direction and growth strategies.\textsuperscript{21} Jain and Tabak also referenced the “sociological perspective” as support for the proposition that IPO firms would likely select the CEO at the time of their IPO based on the characteristics that they believed would be most appealing to investor groups which the firms hoped would be the most important in stimulating demand for their stock and increasing the overall valuation of the firm.\textsuperscript{22}

These theories provided the basis for a number of hypotheses which were empirically tested by Jain and Tabak. For example, they suggested that it was reasonable to assume that the functional background of the CEO at the time of the IPO would be a potentially informative signal to the marketplace of the firm’s intentions with regard to growth strategy, investment decisions and financial policies and that investors would have higher expectations of the firm’s intent and ability aggressively investment in research and development, new product development and acquisitions if the CEO of the newly public company had demonstrable experience in output-based functions. Accordingly, they constructed and tested a hypothesis, as described below, that the probability of a founder CEO at IPO was higher for founders with career experiences in output-based functions. Other hypotheses incorporated additional elements into a complex picture such as the influence of venture capital participation and, in fact, Jain and Tabak hypothesized that involvement of venture capitalists in the governance of an IPO candidate moderated the relationship between the founder’s functional background and the probability that the founder would still be the CEO at the time of the IPO.

§3 Founders’ career experience and functional background

\textsuperscript{19} N. Wasserman, “Founder-CEO succession and the paradox of entrepreneurial success”, Organization Science, 14 (2003), 149-172.


\textsuperscript{21} Id. at 24-25.

\textsuperscript{22} For more on the “sociological perspective”, see G. Davis, “New directions in corporate governance”, Annual Review of Sociology, 31 (2005), 143-162.
It is no surprise that persons that rise to the top levels of management come from a variety of functional backgrounds and the experience and training they receive in their functional areas influence the perspective they bring to discharging their duties as a senior executive and, in particular, the strategic decisions that they make regarding the overall direction of their firms. This is so even though a CEO is presumed to have a more “generalist” perspective and is expected to act in a manner that is not overly influenced by the requirements or requests of any single functional department.

Several models have been suggested for classifying various functional paths and assigning projected characteristics to executives that follow those paths. For example, researchers have distinguished between “output” functions, such as marketing/sales and product development, and “throughput” functions, such as production, accounting, finance and process engineering. They have gone on to suggest that executives with a foundation in output functions are more likely to focus on “organizational innovation and growth” since those functions are more involved with growth-oriented activities such as generation of new ideas, opportunities, products and services. On the other hand, executives coming from one of the throughput functions are expected to be stronger candidates for providing internal and external stability. Another model suggests that the learning experiences and decision-making focus of managers differ depending on whether their development occurred in “upstream” or “downstream” companies. Managers from upstream companies, where decision-making is more focused on raw materials and production, have a stronger grounding in standardization and efficiency techniques and thus tend to focus their actions and decisions on process development and capital expenditures. However, managers from downstream companies, where decision-making is more focused on sales, are steeped in the advantages of customization and innovation and, not surprisingly, are more likely to focus their strategic decisions on research and development, product development and marketing.

The career experience and functional background of founders have often been cited as significant considerations for venture capitalists deciding whether to invest in a particular company and the consensus is that venture capitalists consider these factors to be important in measuring the prospects for success of their portfolio companies. Jain and Tabak suggested that the probability of a founder CEO at IPO would be higher when market participants believed that the founder’s experience and functional background had adequately provided him or her with the knowledge, skills and visions thought to be necessary for effectively overseeing the transition of the firm to public company status.

---

They tested the hypothesis that “[t]he probability of founder CEO at IPO is higher for founders with career experiences in output-based functions” and found that founders with output-based functional backgrounds were indeed significantly more likely to assume the CEO position at IPO compared to founders with throughput-based functional backgrounds.\textsuperscript{27} Jain and Tabak also found that prior experience in “downstream” businesses increased the likelihood of founder CEOs for IPO firms.\textsuperscript{28}

Specific findings of Jain and Tabak indicated that founders with career experience in product research and development were more likely to retain the CEO position at IPO relative to founders with experience in other functional tracks.\textsuperscript{29} Jain and Tabak observed that their findings were consistent with evidence from other studies that highlighted the value and potential benefits of a background in R&D for top managers of high technology businesses. For example, other researchers have argued that executives with R&D backgrounds are perceived as representing progress and invention, better able to react to changes in product design and technologies and more likely to pursue investments in R&D.\textsuperscript{30} In addition, researchers and investors have frequently suggested that senior managers with an R&D background are critically important in technology-based industries where technical expertise and development of innovative products is necessary in order to carve out a sustainable competitive advantage.\textsuperscript{31} Jain and Tabak noted that while functional experience was important, the ideal type of CEO at IPO was someone who also had the strategic vision, experience and credibility to manage and complete the difficult IPO process.\textsuperscript{32}

\textbf{§4 --Founders’ age}

According to Jain and Tabak various researchers had argued that, in comparison to their younger colleagues, older managers were more risk averse, less likely to invest in growth strategies and had greater difficulties in learning new behaviors and understanding new ideas.\textsuperscript{33} If this characterization of older managers was accurate it could be expected that

\textsuperscript{28} Id. at 40-42.
\textsuperscript{29} Id. at 22.
the probability of a founder CEO at IPO would be negatively related to the age of the founder since the suggested “conservative and risk-averse strategic orientation” of an older CEO would adversely impact the performance of the firm in an environment where competitiveness turned on being willing and eager to pursue growth through high risk investments that required large expenditures on research and development and capital equipment. 34 Jain and Tabak did find that there was a negative relationship between founder age and probability of a founder CEO at IPO and explained that “[s]ince age is a proxy for risk and effort aversion, our results suggest that IPO investors seek low risk and effort aversion from CEO candidates”. 35

§5 --Size of founding team

Jain and Tabak found a positive relationship between the size of the founding team and the probability of a founder CEO at IPO. The researchers commented that “[o]ur results are . . . consistent with the notion that larger founding teams increase the bargaining power of founder CEOs as well as provide firms with a deeper bench of individuals who can assume the CEO position at IPO”. 36 They had noted that other researchers had suggested that a founder leader of a large founding team would be more likely to be able to retain his or her position for a longer period of time, particular when the other founders provided complimentary skills and experiences. 37 Jain and Tabak also suggested that the other founders on a large founding team could effectively monitor the actions of a CEO chosen from among them, thereby alleviating concerns that outside investors might have that the founder CEO would make non-value maximizing decisions.

§6 --Board composition

Researchers have argued that board composition, particularly the degree of “independence” among the directors, will have a significant influence on whether or not a founder CEO is retained at the time of an IPO. While there are benefits to insider representation on the board, including their direct knowledge of firm operational activities and continuous daily exposure to the firm’s competitive and technological environment, it is suspected that insiders, often handpicked by founder CEOs, may be more reluctant that outsiders to cast aside a founder CEO in favor of a non-founder replacement at the time of an IPO. 38 Theaversion to change may be even greater in situations where the insiders do not have a large amount of “skin in the game” in the form of ownership interests in the firm. Accordingly Jain and Tabak hypothesized, and their

35  Id. at 22.
36  Id.
37  Id. at 27 (citing N. Wasserman, “Founder-CEO succession and the paradox of entrepreneurial success”, Organization Science, 14 (2003), 149-172).

Copyright © 2020 by Alan S. Gutterman. Information about the author, the Sustainable Entrepreneurship Project (seproject.org) and permitted uses of this Work appears at the end of this Work.
results confirmed, that the probability of a founder CEO at IPO is positively related to the proportion of insiders on the board of directors.\textsuperscript{39} In turn, the probability of a founder CEO at IPO decreases with board independence, either as a result of larger outside director presence or higher top management team ownership, or a combination of the two.\textsuperscript{40} Jain and Tabak also found that firms with a founder CEO at IPO tended to have smaller boards than firms with a non-founder CEO at IPO.\textsuperscript{41}

§7 \textit{--Top management team independence}

The CEO, founder or otherwise, and other members of the top management team (“TMT”) all derive power from their individual equity ownership of the firm and researchers have suggested that the chances of a founder CEO being deposed at IPO are positively related to the extent of the “independence” of other members of the TMT as measured by their percentage equity ownership of the firm.\textsuperscript{42} In other words, when other top managers have accumulated their own significant equity stake in the firm they are less beholden to a particular founder CEO and are more likely to have interests that are aligned with outsiders holding large blocks of stock, such as venture capitalists. This means that these top managers would be more likely to facilitate removal of a founder CEO if they believed that recruiting a more qualified outsider would maximize the value of their shareholdings at and after an IPO. Jain and Tabak tested the hypothesis that “the probability of founder CEO at IPO is negatively related to the extent of TMT independence” and found support for the hypothesis.\textsuperscript{43}

§8 \textit{--Outside blockholder ownership}

Jain and Tabak tested the hypothesis that “the probability of founder CEO at IPO is negatively related to the extent of outside blockholder ownership”.\textsuperscript{44} They observed that concentration of large blocks of shares in the hands of outside investors provided those investors with the power to influence decisions regarding the appointment of the CEO and other members of the top management team and regulate the power and influence of the top managers of the firm.\textsuperscript{45} In the context of a pending IPO, outside blockholders can

\textsuperscript{39} B. Jain and F. Tabak, “Factors influencing the choice between founder versus non-founder CEOs for IPO firms”, Journal of Business Venturing, 23 (2008), 21-45, 30, 42.
\textsuperscript{40} Id.
\textsuperscript{41} Id. at 37.
\textsuperscript{42} Several researchers have suggested that one important determinant of the “power” of a CEO is the amount of equity held by other top managers of the firm. See, e.g., J. Fredrickson, D. Hambrick and S. Baumrin, “A model of CEO dismissal”, Academy of Management Review, 13(2) (1988), 255-270; and G. Rubenson and A. Gupta, “Replacing the founder: exploring the myth of the entrepreneur’s disease”, Business Horizons, 35(6) (1992), 53-57.
\textsuperscript{44} Id.
influence the strategic, operational and personnel decisions that must be made by the firm, including the choice of the person who will lead the firm as CEO through the IPO process, and Jain and Tabak found that higher outside blockholder ownership lowered the probability of a founder CEO at IPO.

§9 --Demand for equity financing

Jain and Tabak noted that one of the main reasons that firms undertake an IPO and assume the duties and obligations associated with public company status is to gain access to the broader range of financing methods that are available in public equity and debt markets. Jain and Tabak pointed out that investors interested in participating in an IPO do so with the expectation that the company will aggressively pursue opportunities in the public capital markets after the IPO and use the proceeds to finance growth strategies that will ultimately create extraordinary value for the public shareholders. They suggested that while IPO issuing companies could access debt financing it was more likely that they would rely on equity financing since they were “usually smaller, less profitable, with stronger growth opportunities, and lower collateral value of assets relative to a typical seasoned firm”.

Jain and Tabak argued that founder CEOs, who typically have relatively large ownership stakes in their firms at the time of the IPO, might be wary of raising additional capital through equity financing after the IPO due to concerns about dilution of ownership and control. While this is certainly understandable from the individual perspective of the founder CEO, it has significant consequences for the success of the IPO since prospective investors might be put off if they see the choice to maintain a founder as CEO as a signal that the company would take a more conservative approach toward seeking equity financing after the IPO and that prospects for appreciation of shareholder value would be reduced accordingly. Jain and Tabak speculated that growth-oriented companies with a projected strong demand for equity capital would be more likely to go public with a non-founder CEO less burdened by concerns relating to dilution and control; however, they found no support for the hypothesis that “the probability of founder CEO at IPO is negatively related to the demand for equity capital”.

§10 --Venture capital participation

Research indicates that the quality of the CEO is a significant factor for venture capitalists when they are deciding whether to invest in a particular firm and that when making that decision venture capitalists carefully analyze the capabilities, career experiences and track record of the founder CEO in order to assess whether he or she is likely to be able to provide the leadership, strategic direction and vision necessary for the firm to mature and successfully complete a transition to public company status. At the

---

46 Id. (citing B. Eckbo and O. Norli, Liquidity risk, leverage, and long-run IPO returns, 1 Journal of Corporate Finance 1-35 (2005)).

time that the investment decision is being made venture capitalists are particularly interested in whether or not the founder CEO is familiar with managing the start-up process and in the founder’s experience in the particular industry and the founder’s knowledge of the relevant technology. The potential problem is that a founder CEO who is well suited to managing the start-up may not be able to develop the management skills perceived to be needed as the firm evolves to public company status. For example, researchers have argued that while managers do acquire new skills as time goes by it is often difficult for them to make fundamental changes in their management styles and venture capitalists may fear that a founder CEO may be unable to provide the “strategic leadership skills” that become increasingly important, in relation to “operational skills”, as firms grow and approached the threshold of public company status.

Jain and Tabak hypothesized that venture capital participation would be an important factor in whether or not a founder CEO retained his or her position at the time of the IPO and that venture capital participation likely reduced the probability of a founder CEO at IPO. They noted that “[d]ue to their industry and product market expertise, and the nature of their repeated and on-going involvement in the IPO market, VCs are in a unique position to identify skills sets and career experiences required of CEOs to successfully navigate a firm through its IPO.” As such, if venture capitalists were indeed concerned that a founder CEO did not have the desired strategic skills, it is reasonable to expect that venture capitalists would ultimately seek to replace the founder CEO with an outsider that brings experience, strategic vision and credibility to the IPO process.

Interestingly, the presence or absence of venture capital involvement did not, in and of itself, have a significant impact on whether or not there was a founder CEO at IPO. However, venture capital participation did lead to heightened focus on whether the founder CEO has the strategic vision, experience and credibility to manage the IPO process. In addition, venture capitalists were more likely to accede to a founder CEO continuing at the helm of the firm when the founder has an output-based functional background, since the assumption was that his or her experience was well suited to creating and disseminating the required “growth story” required for IPO to be successful in the market. Finally, the impact of venture capital participation was influenced by the size of their ownership stake, their proportionate representation on the board of directors,

---

51 Id. at 23 and 42.
52 Id. at 28.
and covenants that might be included in the investment documentation. For example, if the venture capitalists have a strong position on the board of directors they are better positioned to influence the decisions that must be made regarding “going public” and exert pressure to make changes in the top management group, including the CEO position. In fact, when venture capital investment was accompanied by a significant presence of their representatives of the venture capitalists on the board the probability of a founder CEO at IPO decreased.

§11 Methods for keeping founders on board

Regardless of the reasons, the evidence is clear that a large percentage of founders will eventually leave the CEO position and this raises the issue of just how those founders can remained involved with the activities of their firm. The ideal solution was described by Wasserman: “. . . a board should keep the founder involved in some way, often as a board member, and use his or her relationships and knowledge to help the new CEO succeed”. Unfortunately, many founders turn into negative influences with respect to their firm by resisting changes implemented by the new CEO and encouraging their followers to leave the company. In Wasserman’s own study of succession among start-up firms 37% of the founders left their companies after a professional CEO was hired, 23% took a position below the new CEO and 40% were assigned the role of “chairman”. Wasserman suggested that boards find ways to provide personal growth and fulfillment to founders in order to keep them happy and noted that some founders are provided with the resources to focus on their favorite functional area, such as engineering, or are provided with opportunities to learn new skills that will broaden their skill sets in anticipation of their next new venture. Wasserman also commented that “the less similar the new CEO is to the founder—it the new CEO is 10 years older, for instance—the easier it is for the founder to accept the change”.

53 Id. at 29 (citing W. Boeker and R. Wiltbank, “New venture evolution and managerial capabilities”, Organization Science, 16(2) (2005), 123-133).
54 Id. at 23.
56 Id.
57 Id. Wasserman noted the experience of one founder who rotated through roles in a number of areas (e.g., finance, product marketing and sales) after stepping down as CEO and who actually was given the opportunity to return as CEO down the road in light of the broader range of experience he had accumulated during the interim period.
58 Id.
About the Author

This chapter was written by Alan S. Gutterman, whose prolific output of practical guidance and tools for legal and financial professionals, managers, entrepreneurs and investors has made him one of the best-selling individual authors in the global legal publishing marketplace. His cornerstone work, *Business Transactions Solution*, is an online-only product available and featured on Thomson Reuters’ Westlaw, the world’s largest legal content platform, which includes almost 200 book-length modules covering the entire lifecycle of a business. Alan has also authored or edited over 90 books on sustainable entrepreneurship, leadership and management, business law and transactions, international law and business and technology management for a number of publishers including Thomson Reuters, Practical Law, Kluwer, Aspatore, Oxford, Quorum, ABA Press, Aspen, Sweet & Maxwell, Euromoney, Business Expert Press, Harvard Business Publishing, CCH and BNA. Alan is currently a partner of GCA Law Partners LLP in Mountain View CA (www.gcalaw.com) and has extensive experience as a partner and senior counsel with internationally recognized law firms counseling small and large business enterprises in the areas of general corporate and securities matters, venture capital, mergers and acquisitions, international law and transactions, strategic business alliances, technology transfers and intellectual property, and has also held senior management positions with several technology-based businesses including service as the chief legal officer of a leading international distributor of IT products headquartered in Silicon Valley and as the chief operating officer of an emerging broadband media company. He has been an adjunct faculty member at several colleges and universities, including Berkeley Law, Golden Gate University, Hastings College of Law, Santa Clara University and the University of San Francisco, teaching classes on corporate finance, venture capital, corporate governance, Japanese business law and law and economic development. He has also launched and oversees projects relating to sustainable entrepreneurship and ageism. He received his A.B., M.B.A., and J.D. from the University of California at Berkeley, a D.B.A. from Golden Gate University, and a Ph. D. from the University of Cambridge. For more information about Alan and his activities, and the services he provides through GCA Law Partners LLP, please contact him directly at alangutterman@gmail.com, follow him on LinkedIn (https://www.linkedin.com/in/alangutterman/) and visit his website at alangutterman.com.

About the Project

The Sustainable Entrepreneurship Project (www.seproject.org) was launched by Alan Gutterman to teach and support individuals and companies, both startups and mature firms, seeking to create and build sustainable businesses based on purpose, innovation, shared value and respect for people and planet. The Project is a California nonprofit public benefit corporation with tax exempt status under section 501(c)(3) of the Internal Revenue Code dedicated to furthering and promoting sustainable entrepreneurship through education and awareness and supporting entrepreneurs in their efforts to launch and scale innovative sustainable enterprises that will have a material positive environmental or social impact on society as a whole.

Copyright Matters and Permitted Uses of Work

Copyright © 2020 by Alan S. Gutterman. All the rights of a copyright owner in this Work are reserved and retained by Alan S. Gutterman; however, the copyright owner grants the public the non-exclusive right to copy, distribute, or display the Work under a Creative Commons Attribution-NonCommercial-ShareAlike (CC BY-NC-SA) 4.0 License, as more fully described at http://creativecommons.org/licenses/by-nc-sa/4.0/legalcode.