

Playing Chess with the Market

I just talked to an entrepreneur friend of mine and he had a great phrase for what building a company is like.

Playing chess with the market.

I love this because building a business isn't so much about right and wrong, luck or skill. The outcome is determined by a series of moves made in response to another player whose mind you can never read. There are causal chains, but they're all theoretical. They assume certain actions by the other player that may or may not happen. In fact, it's like a never ending series of chess matches against a rotating cast of random opponents, where moves that worked the first five times stop working the next, and patterns you learned change.

This framing reveals how hard it is and makes the challenge exciting. It also depersonalizes it a bit. Of course you won't get every move right or win every game. But you try to learn each time. Treating it like a game is a huge cognitive relief.