## The Washington Post

Democracy Dies in Darkness

## How a business book from the '80s became a cult classic in Silicon Valley

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Airbnb CEO Brian Chesky <u>has said</u> it's his primary reference book on management techniques. Twitter cofounder Evan Williams is said to have <u>recommended</u> it to employees. Facebook founder Mark Zuckerberg is reportedly a huge fan.

"It" is *High Output Management*, a business book first published in 1983, when many of today's startup CEOs weren't out of diapers or even born, when the Web <u>didn't exist</u> and when social media meant a group of people sitting around watching the evening news together.

Though it has a famous author, former Intel CEO Andy Grove, it's far less known outside Silicon Valley than one of his other management books, *Only the Paranoid Survive*. A cult classic within tech circles, it never reached the best-seller lists and has never had the name-recognition other business book hits of the 1980s and 1990s enjoyed, such as *In Search of Excellence*, *Built to Last* and *The Innovator's Dilemma*.

"It's like the 'Big Lebowski' of business leadership books," says Joe Goldberg, a senior software developer in Seattle, Wash. who only learned about the book a year or two ago. "It has this huge, core underground following."

Its popularity has taken off in recent years among members of a new generation of the technorati, helped by a well-known venture capitalist who calls himself the book's "chief promoter" (Ben Horowitz of Andreessen Horowitz) and by a wave of startup founders who have stayed on as CEOs rather than be replaced by professional managers.

"Pretty much everybody who's anybody in the startup community is pushing this as one of their top books," said Ryan Lackey, a San Francisco-based entrepreneur who currently works as a product engineer for <u>CloudFlare</u> and first read the book in 2000. Some startup CEOs have even been passing around bootlegged digital copies, scanning onto their computers the book's 200-plus pages.

In response, publisher Vintage Books is reissuing a new edition of *High Output Management* on Wednesday, the first one since 1995, as well as the first e-Book version. In this new edition, Horowitz writes the forward, where he calls it a "true masterpiece." In his own book published last year, *The Hard Thing About Hard Things*, he called it "the best management book I've ever read," helping to fuel interest in Grove's book—of its 44 reviews on Amazon, more than half have been written since early last year when Horowitz's book came out.

"It really gets into the mechanics of how you do various things at a really practical level," Horowitz says in an interview with The Washington Post. "At the time it was written, the management stuff that was popular kind of made management seem easier—it didn't get into the really nitty gritty."

That seems to be why it's so well liked. Void of the pop theory and formulaic fads that make up so much of the genre, it's written by an iconic CEO who has a PhD in electrical engineering and a lifetime of experience rather than merely a consultant's shingle. It takes on the day-to-day stuff of management—meetings, performance appraisals, interviews, compensation—and deconstructs the process and goals of being a manager.

It's technical and dense, and can seem obvious at times, with ideas such as holding one-on-one meetings with subordinates. "Most of the wisdom in this thing is pretty obvious," Lackey says. "About the most counterintuitive thing is to delegate the things you're good at," because it's easier to monitor things you're not actively managing if you're familiar with them.

When the book was first published back in 1983, the New York Times called it "an organizational Baedeker for managers at all levels"; a review in the Washington Post the next year described it as an "interesting, down-to-earth book that is useful to anyone who influences the work of others, directly or indirectly."

They're apt descriptions. Grove uses simple metaphors and describes the nuts and bolts of management—comparing production management to delivering breakfast as a waiter, for instance, or talking about how to get the most information out of an interview with a potential employee's reference. Yet it has also been hugely influential. The "management by objective" approach he describes, also known as "objective and key results," is widely used at many companies today.

"When you read it, it feels like he wrote it when he was [president] of Intel so Intel would be well managed," Horowitz says. "It wasn't designed to make him more famous or popular than the rest of us." Horowitz says that part of what makes the book so beloved is how much Grove's personality comes through. As Horowitz said in a recent speech honoring Grove, "reading it, you could just feel what he wanted you to learn, and he did it by exposing—even as the most important guy in the whole industry—his own vulnerabilities. You could see that he knew what was hard about it."

And that has a new generation of entrepreneurs paying attention. Vernon Howard, a Washington D.C.-based co-founder of a <u>recruiting app</u>, <u>tweeted</u> that Grove's book is "the <u>illmatic</u> of the startup world," referring to the rapper Nas' 1994 debut album, which didn't initially sell well but has become a classic.

"It's not an overly complicated book," Howard says. "It's all about [Grove] and what he's learned. A lot of people reference somebody else, but he learned his own way to manage people."

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