Book How to Think like the World's Greatest High-Tech Titans

Business Lessons from Bill Gates, Andy Grove, Carly Fiorina, Steve Jobs, Scott McNealy and other Titans of the High Tech World

Erika Brown
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Recommendation

Erika Brown profiles 16 computer and Internet industry leaders in this informative and entertaining book. A senior reporter for Forbes, Brown brings a journalist's insight to each profile and seeks to extract the ideas and strategies that made each of these over-achievers successful. She packs plenty of information into chunks that seem a bit short for a book, but are at least longer than today's standard magazine profiles. Perhaps the most interesting aspect of her profiles is the way many of them reveal the dynamics between two powerful leaders at companies like Microsoft and Intel. *BooksInShort* com recommends this book as a brief introduction to the men and women whom history will record as the titans of turn-of-the-century technology.

Take-Aways

- Sixteen leaders of the computer and Internet industries share their stories, ideas and expertise.
- Bill Gates is merely demanding while Steve Ballmer rules with an iron fist.
- Paul Allen is a visionary; Bill Savoy executes their plans.
- Craig Barrett is a manufacturing whiz; Andy Grove is creative and impulsive.
- Carly Fiorina grew up with no sense of limits.
- Witnessing Steve Jobs deliver a speech is something every leader should do.
- The name 'Yahoo!' is a pure marketing creation that stands for "Yet Another Hierarchical Officious Oracle."
- Meg Whitman took eBay public just six months after becoming CEO.
- Russell Horowitz warns, "In the Internet space, if you can't make deals happen you're dead."
- Or as Scott McNealy puts it, "Have lunch, or be lunch."

Summary

Bill Gates and Steve Ballmer, Microsoft

Best friends since college, Bill Gates and Steve Ballmer have worked together at Microsoft since 1980. While Gates' first partner, Paul Allen, helped launch Microsoft, Ballmer helped Gates make the company into a multi-billion dollar powerhouse. In 1998, Ballmer was named president of Microsoft, and then in January 2000, Gates made his partner CEO and director. Gates remains chairman and chief software architect of the company.

"Steve Ballmer is my best friend." [Bill Gates]

Ballmer and Gates have very different leadership styles. Both are mathematicians, critical thinkers and perfectionists, but Bill is merely demanding while Steve "rules with an iron fist." They have learned a lot from each other over the years. Ballmer helps Gates see things from a marketing and logistical perspective. Gates empowers Ballmer to be "somewhat of a visionary." The New York Times wrote, "The relationship between Mr. Gates and Mr. Ballmer... will make the organizational changes work." Gates told Business Week, "We love working together on hard problems. We trust each other and we each understand how the other one thinks."

Paul Allen and Bill Savoy, Vulcan Northwest

In 1983, Paul Allen left Microsoft, the company he helped Bill Gates launch. He remains a board member and is the company's second-largest individual shareholder. According to Fortune, he was "the only one always pushing a bit in terms of new technology and new products, and Bill was more interested in doing negotiations and contracts and business deals." Allen still operates in the same way: He's a visionary and has a partner that executes the plans. His current partner, William "Bill" Savoy, manages Paul's great wealth, at last count an estimated $40 billion, including his Microsoft holdings. Before working with Allen, Savoy was an investment banker on Wall Street, and president of Polar Beverages.

"Only the paranoid survive." [Andy Grove]

Allen gives millions to charities each year, focusing on medicine, education, music and needs in the Pacific Northwest. He also owns the Portland Trailblazers and the Seattle Seahawks. Most of the non-Microsoft part of Paul Allen's portfolio is in Vulcan Northwest, a $20-billion investment vehicle he owns but Savoy runs. As Savoy quips, "It's Paul's vision. I'm like the mule at the front of the wagon." These days, getting Vulcan Northwest to invest in your company is a seal of approval in the business world, opening doors that were previously shut.

Andy Grove and Craig Barrett, Intel Corp.

Andy Grove was CEO of Intel, the world's largest microchip manufacturer, for 11 years. He was responsible for Intel's near-monopoly in microprocessors. Also a scientist and a hard-driving perfectionist, Grove holds several patents for semiconductor devices. He's a tough, demanding leader, but is respected for his "seemingly boundless energy, clear vision, and diligence." This king of the hill was voted Time magazine's "Man of the Year" in l997. Grove still chairs Intel, but Craig Barrett became the company's CEO in May 1998. Barrett, who is known as process-oriented and systematic, went to work for Intel's manufacturing division in 1974, after more than 10 years as a scientist in academia. Bloomberg refers to Barrett as "a manufacturing whiz who's as methodical as Grove is impulsive."

Carly Fiorina, Hewlett-Packard

As CEO of Hewlett-Packard, Carly Fiorina is the first woman ever to head a company listed on the Dow Jones Industrial Average. Hewlett-Packard is the largest public corporation ever to be run by a woman and - adding to the firsts - she's the company's first senior executive to be hired from the outside. She was appointed president and CEO in July, 1999, after leaving her post as president of Lucent Technology's largest and fastest-growing division, the Global Service Provider business. Now, her task is to bring 60-year-old HP into a new age.

"Have lunch or be lunch." [Scott McNealy]

She told the San Diego Union-Tribune, "I truly grew up with no sense of limits." This is evidenced by her can-do leadership approach at Hewlett-Packard, "the Granddaddy of Silicon Valley." She told The Wall Street Journal that she would hit the ground running as an "agent of change," stating, "I came into HP believing that whatever changes we needed to make, we needed them quickly. You can let people speculate and wonder... or you can get on with it."

Steve Jobs, Apple, Inc.

When Steve Jobs and Steve Wozniak co-founded Apple computers in 1976, they began a revolution. In 1985, Jobs was replaced as CEO, but he returned as a special advisor in 1996. Then Apple's board of directors begged him to come back as CEO, which he did in the fall of 1997. His return put Apple "back on the map" with the launch of the iMac computer.

> "It became a brand when real business people told us it was a brand." [Jerry Yang]

Jobs is focused on serving individual consumers, not the enterprise market of corporate customers. He is an electrifying communicator. "Witnessing Steve Jobs deliver a speech is something every leader - business, political, or otherwise - should do." And bring something to write on, because you can learn how to transfix an audience from this master. He told Fortune magazine, "A lot of people can't get over the fact that we're not going after the enterprise market. But that's like saying, "How can the Gap be successful not making suits? Well, we don't make wingtips here either."

Scott McNealy, Sun Microsystems

Scott McNealy co-founded Sun Microsystems with his friends Vinod Khosla and Bill Joy in 1982. His partners provided technical expertise and he had a management and manufacturing background. The company went public in 1986 and established a market niche as a network server provider. It debuted the platform-independent Java programming language in 1995.

> "On a personal level the kind of relationship that Bill and I have must be totally unique in the business world." [Steve Ballmer]

McNealy is ambitious and competitive, publicly positioning himself as the alternative to "the unstoppable software powerhouse that is Microsoft." Nicknamed the "Anti-Gates," McNealy has publicly called the Microsoft chairman, "the most dangerous and powerful industrialist of our age." The scenario casts McNealy as David and Gates as the seemingly unconquerable giant. As Sun's CEO, McNealy is respected outside the high-tech community as well, as evidenced by his appointment to the board of directors of General Electric (GE) in 1999.

David Filo and Jerry Lang, Yahoo!

Co-founders Jerry Yang and David Filo created Yahoo! in April 1994. The two were procrastinating studying as Ph.D. candidates at Stanford when they devised a categorical filing system for the hopelessly unorganized Internet. A year later, they sold a third of the company to Sequoia for $1 million in venture capital.

> "We are changing the face of traditional commerce by giving power to individual consumers, as well as by allowing them to extend their buying and selling reach around the world." [Meg Whitman]

Yahoo! grew to be the most famous brand in cyberspace. The name is an acronym for "Yet Another Hierarchical Officious Oracle." Filo and Yang gave their project this irreverent name and then added the exclamation point as "pure marketing hype," Wang explained to Fortune magazine. Even joking around, the two "had the common sense not to change the name," says Karen Edwards, Yahoo!'s vice president of brand marketing. "They really understood the importance of a brand."

John Chambers, Cisco Systems

After working in sales at IBM, and as a top executive at Wang computers, John Chambers joined Cisco as senior vice president of worldwide sales and operations in 1991. He became CEO in January 1995, and under his leadership the company increased revenues from $1.2 billion to $17 billion in four years. Chambers says that customers' current and future needs determine what Cisco produces

and markets. Cisco is a global leader in networking for the Internet. Its networking solutions connect people, computing devices and computer networks, so people can share information across time, distance and operating systems.

"There were eras when having one unique idea in a lifetime was a lot. Now, you can have a new idea every day." [David Wetherell]

Chambers, who leaves technological wizardry to the wizards, succeeded because of his strengths in communication, and in hiring and keeping only the best employees. He promotes teamwork and shares information so the company can "run ahead of its game." This multiplies his intellectual resources and ensures Cisco's competitive edge.

Meg Whitman, eBay

Meg Whitman, eBay's CEO since May 1998, took the fledging Web auctioneer to the public market within six months. Formerly an executive with Proctor & Gamble, Disney and Hasbro, among others, Whitman transformed eBay. It grew from an informal forum where people could trade and sell collectibles into a new business opportunity for millions of people who buy and sell all manner of products directly to each other every day.

"In the information revolution somebody has to build the information operating system for the people fighting the battle." [Naveen Jain]

Founded in l995 by Pierre Omidyar as a site where his girlfriend could talk with people who shared her interest in collecting Pez dispensers, eBay now has users who buy and sell items in more than 2,900 categories. Under Whitman's leadership, the site has become a virtual community where users form friendships as well. She "shares the power with the people."

David Wetherall, CMGI

David Wetherall has been called the Warren Buffet of the Web. His investment company, @Ventures, a division of CMGI, builds Internet companies for future sale. He launched a wide range of companies that became the infrastructure for emerging e-commerce. Wetherall owns 20% of his publicly traded company. The 1999 Forbes 400 issue listed him as having a net worth of $1.9 billion. His company is comprised of other companies, which receive strategic investment capital from the CMGI's @Ventures affiliate. As Boston Magazine quipped, "Securing an appointment to explain your Internet business plan to David Wetherall is like winning the chance to pitch your screenplay idea to the head of a major Hollywood studio."

Naveen Jain, Infospace.com

Naveen Jain held management positions with a number of computer companies before moving to Microsoft, where he worked on Windows 95 (for which he holds two patents), MS-DOS, Windows NT and OS/2. After seven years at Microsoft's MSN online service, he explains, "I got tired of making billions for Bill. I wanted to make some for myself."

"It's one thing to open the door, but another to do something once you're in there." [Russell Horowitz]

He started Infospace.com, funding the start-up with money from his Microsoft shares. Today Infospace provides private-label, content-driven infrastructures on the Internet. It leases services that draw viewers but are costly to build and maintain, such as horoscopes, yellow pages, weather, stock quotes, classifieds, buyer's product information and user-modified search engines to such high-profile clients as AOL, Lycos, Netscape and The Wall Street Journal. Infospace customers pay a minimum startup fee and a monthly maintenance fee for co-branded services. The sites always include the Infospace logo.

Russell Horowitz, Go2Net

Russell Horowitz worked at a Wall Street investment bank and started two other companies before co-founding Go2Net with John Keister in 1996. Go2Net manages and builds Internet communities that focus on discussion, interaction and commerce. Horowitz is known as a great negotiator. "Ultimately it's a battle of wits," he says. "You have to challenge your own mind, find great minds to interact with and see what's possible to create with all of this. In the Internet space, if you can't make deals happen you're dead."

About the Author

Erika Brown is a senior reporter for *Forbes,* covering local business trends and Internet-related stories in Silicon Valley. She has also worked on the *Forbes 400.*