Deep Thoughts

extracted from

Accidental Empires

by Robert X. Cringely

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Leadership & Purpose
A Higher Purpose

“We were children of the 60’s who wanted to make the world better, make our mark on it, and improve it.”
A Higher Purpose

“We’re talking ‘holy war’ with rivers of blood and fields of dead martyrs to the cause of changing the world.”
“He wanted you to be great. He wanted you to create something great. And he was going to make you do it!”
Steve Jobs to John Sculley:

“Do you want to sell sugar water for the rest of your life or do you want to come with me and change the world?”
“He has extremely high standards and no patience with people who don’t share them or perform to them.”
Bill Gates

“He has to balance his adolescence need to dominate with his adult need to inspire.”
Organizations
Start-ups

“Thinking up great ideas is easier than building an organization
“He just plans to surround himself with the smartest people ... it’s the next best thing to being immortal”
The “edges of the distribution” make the difference. So, the trick is to hire a few very smart people.
“The atmosphere at PARC was electric. There was total intellectual freedom. There was no conventional wisdom. Every idea could be challenged and was.”
“Part of what made the Mac great was that the people working on it were poets & musicians & zoologists & historians who also happened to be world class computer scientists.”
Hippies & Nerds

“Let the hippies dream and the nerds code”

“Hippies do the right thing … poorly”

“Nerds do the wrong things … well”
Sustaining Creativity

“Inventive organizations eventually transform themselves into maintenance organizations dedicated to doing revisions of formerly inventive products.”
3 Wave Organization

**Commandos** ... establish the beachheads

**Infantry** ... do the killing ... establish infrastructure ... make the success happen

**Police** ... maintain the infrastructure
Most companies are 3rd wave ... why intrapreneurism doesn’t work ... can’t attract or keep commandos ... 3rd wave workers attracted to stable, successful companies
Losing the Technical Edge

Some managers boast about lack of technical knowledge like it’s an advantage not to understand the inner workings of a company’s major product.
Best leaders are experienced 2nd wave types ... can bridge between the 1st and 3rd wave types ... need charisma and ability to work with odd people
Close to the Customer ???
Adobe

Being technologically correct was more important than pleasing customers.
“Customers can’t even imagine what good technologists know”
Not a single research report predicted that OS/2 would be a failure ... many predicted that it would surpass MS DOS.”
Research & Development
Technology diffusion

It takes society 30 years to absorb a new information technology into daily life

...Telephone, television, personal computer (?)
R&D

Most basic research is done by companies with at least 50% share

...Most resources, most to lose

...1% of sales ... an insurance contract

...Not really geared to knowledge development
“If something does result from *basic research*, it usually takes 15 years.”
Astute observers can see technology in labs at least a decade before it becomes commercially viable.
Technology waves

Knowing when to move to the next big wave is the most important skill required to be successful in high technology.
“Xerox’s head office ignored the revolutionary technology that it had 2000 miles away. They simply didn’t get it.”
Technology waves

Within 3 years, you can determine if a technology wave is a big one ... get out if the market hasn’t developed within 3 years.
Technology waves

It’s better to get off a wave too early then to ride it too long ...
“Many technologies find their greatest success being used in ways other than were originally expected.”
Core technologies

“Core technologies - that can be used in lots of products - are more valuable than isolated genius.”
“Sometimes in new products, it’s cleverness, not brilliance that carries the day.”
New product development

The best products are designed by people who actually use them
It’s possible to do development without research: it just requires licensing, borrowing, or stealing somebody else’s research.
Innovate or Imitate?

“Success in the marketplace doesn’t have to come from innovation, or from being the best, if you have a ruthless ability to exploit your opportunities.”
Implementation
Microsoft

A superior marketing company, but not a technological innovator
Mediocre products, good implementation

Orchestrated roll outs

Strong dealer support

Organizational continuity
Didn’t invent the computer and doesn’t make the most powerful ones ... sometimes products aren’t even competitive
IBM built a business on reliable service, not on computing performance or low prices
“No detail was too small for perfection … and no time was too late for getting it right.”
“Incredibly sophisticated and nearly impossible to manufacture”

Ended up costing multiples of the target $600 cost ... so it became a business computer, not a home computer
“Has commitment to doing good products; it’s the follow-through that suffers.”
Technical people should stay with a project long enough after a launch to fix version 1 bugs
Launch a product, then immediately start doing a revision to stay current with technology and fix bugs
Standards
Standards

Consumers sometimes pay more attention to what everybody else is buying than to whether what they’re buying is any good.
Standards

De facto standards are set by market share and nothing else
IBM set the standard for PC’s and gave corporate America permission to take PC’s seriously.
Standards

Products are often measured not by their performance, but rather by compliance to the existing standard.
In any market, there are always 2 standards ... primary and secondary ... that take 85% and 15% of the market respectively.
Ken’s Takeaways
“Smart plus driven …”
Vision and peripheral vision ...
“Catch the waves …”
Exploit research ...

... regardless of the source
Protect your investments.
Set the standard …

… or conform to it.
When in doubt ...

... reverse engineer it.
Plug & play compatibility …
Smaller, cheaper, faster ...
User interface: friendly & intuitive
“Killer Apps” : Crossing the chasm ...
One size rarely fits all well.
It makes a difference ...
“It” in the Mac
“People who use the Mac love it. You don’t hear about people loving products very often. You could feel “it” in there.”
“It” in the Mac

“It is the same thing that makes some people want to be poets instead of accountants. That same spirit can be put into products & people can sense it.”
The End