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Just Give Him 5 Sentences, Not ‘War and Peace’

*This interview of **Guy Kawasaki**, a co-founder of Alltop, a news aggregation site, and managing director of Garage Technology Ventures, was conducted, edited and condensed by **Adam Bryant**.*

Q. *At what point in your career did you first become somebody's boss?*

A. I was probably 28 or 29 years old and in the jewelry business. I started my career counting diamonds and schlepping gold jewelry around the world. The jewelry business is a very, very tough business — tougher than the computer business. You truly have to understand how to take care of your customers.

I learned a very valuable lesson: how to sell. Sales is everything. As long as you're making sales, you're still in the game. That lesson has stuck with me throughout my career.

Q. *So how did the transition into management go?*

A. When I was getting my education, I fell in love with the writings of Peter Drucker. He was my hero. I had a naïve belief that when I became a manager, it was going to be like Peter Drucker's books. That is, I was going to be the effective executive. I was going to talk to people about their goals. I was going to help them actualize.

My thinking was: I'm a natural leader, so I'm going to study what's hard and mathematical like finance and operations research, not the touchy-feely stuff that would be easy.

When I finally got a management position, I found out how hard it is to lead and manage people. The warm, fuzzy stuff is hard. The quantitative stuff is easy — you either don't do much of this as a manager or you have people working for you to do it.

Maybe it was just my education, but much of education is backwards. You study all the hard stuff, and then you find out in the real world that you don't use it. As long as you can use an HP 12 calculator or a spreadsheet, you have the finance knowledge that you need for most management

positions. I should have taken organizational behavior and social psychology — and maybe abnormal psychology, come to think of it.

Q. *So how did you learn to do it?*

A. First, over time, you develop some knowledge and expertise in managing and leading — in many cases because you're forced to.

Second, you learn to put in a cushion between you and the front line. You should hire people who are better at doing things than you are. So, in my case, I was not the warm-and-fuzzy manager, so I tried to hire people who reported to me who were warm-and-fuzzy types to provide a buffer. If you can't do it, you should find somebody who can.

Q. *Tell me about the best bosses you worked for.*

A. My boss in the jewelry business was great because he taught me how to sell and how a business reputation was built on trust.

My boss at [Apple](#) was a guy named Mike Murray, who was the director of marketing of the Macintosh division. He gave me so much rope that I could hang myself and sometimes I did. After a while, your neck gets stronger and you also learn not to hang yourself.

A few levels above me, I learned from [Steve Jobs](#) that people can change the world. Maybe we didn't get 95 percent market share, but we did make the world a better place. I learned from Steve that some things need to be believed to be seen. These are powerful lessons — very different from saying we just want to eke out an existence and keep our heads down.

Q. *So how do you create a sense of mission in a company?*

A. The foundation is the desire to make meaning in the world — to make the world a better place. We believed in the Mac division that we were making the world a better place by making people more creative and productive. [Google](#), at its core, probably believes it's making the world a better place by democratizing information. So it starts from this core of how you make meaning, which translates into some kind of physical product or service that actually delivers.

Q. *How do you hire?*

A. The most important thing is that you hire people who complement you and are better than you in specific areas. Good people hire people better than themselves. So A players hire A+ players. But others hire below their skills to make themselves look good. So B players hire C players. C players hire D players, etc.

Time and again in Silicon Valley, two engineers who are the founders of a company have a very unique perspective. They believe that engineering is hard, and everything else is easy. Sales, marketing, finance, operations, manufacturing — all that is easy.

With this perspective, they think that if they set their mind to it, they could be the best V.P. of manufacturing, best V.P. of finance, best V.P. of marketing, best V.P. of sales, best V.P. of everything.

However, in a perfect world, someone who is a truly great engineer and founder would appreciate the difficulty of marketing, and hire a marketing person who is far better than he or she is.

In a perfect world, you would take pride in the fact that you hired someone who is better than you. Hardly anybody has that attitude, though.

The second ideal goal would be to make yourself dispensable — what greater accomplishment is there than the organization running well without you? It means you picked great people, prepared them and inspired them. And if executives did this, the world would be a better place.

Q. *Talk more about this notion of dispensability.*

A. Insecure people would rather see the company fail without them than succeed. It's because their ego is so large that the thought of a company succeeding without them is incomprehensible. They would rather see it fail.

Q. *Other thoughts on hiring?*

A. A major issue is with how interviews are conducted. There's a body of research that says you should conduct first- and second-round interviews by phone, not in person.

This is because when you interview in person, many variables come into play that have nothing to do with competence. So is the person good-looking or not? Is the person dressed appropriately or not? Lots of factors can sidetrack you. There should also be a checklist of questions that you ask every candidate on the phone instead.

Another issue is that most people believe they are good interviewers, and that they are good judges of character. They're wrong. That's why you see clones of the boss in some companies: everybody is white, tall and from an East Coast private school.

Q. *What should business schools teach more of, or less of?*

A. They should teach students how to communicate in five-sentence e-mails and with 10-slide PowerPoint presentations. If they just taught every student that, American business would be

much better off.

Q. *Why?*

A. Because no one wants to read “War and Peace” e-mails. Who has the time? Ditto with 60 PowerPoint slides for a one-hour meeting.

What you learn in school is the opposite of what happens in the real world. In school, you’re always worried about minimums. You have to reach 20 pages or you have to have so many slides or whatever. Then you get out in the real world and you think, “I have to have a minimum of 20 pages and 50 slides.”

Q. *And what would you say to business school graduates?*

A. It’s a more general lesson, but in the end, success in business comes from the willingness to grind it out. It’s not because of the brilliant idea. It’s because you are willing to work hard. That’s the key to my success.

Q. *What’s your best career advice for somebody who’s just graduating from college?*

A. Most people who graduate from college think they have to make a perfect choice. Is it [Goldman Sachs](#)? Is it Google? Is it Apple? They think that their first job is going to determine their career, if not their life.

Looking back, that’s absolutely incorrect. By definition you cannot make a mistake in your first job other than becoming a consultant or an investment banker.

Let’s say you land in a start-up, and it becomes the next Google. Now you’re 25 years old, and you’re worth \$50 million. Anybody would call that a success.

But let’s say you join a start-up, and it implodes. You would learn more about leadership inside a company that crashes than you would inside the next Google.

Specifically, you will learn what not to do. You can’t make a mistake as a college graduate.

Q. *Why did you carve out investment banking and consulting?*

A. With investment banking, you make a lot of money, and you get a distorted feeling of how wonderful you are. You’ll be flying around in corporate jets and you’ll be attending board meetings, but you don’t really add value.

The issue with consulting is that if you go straight to work for a consultant, you develop this perspective that the hard part is the analysis and the decision. In reality, that’s not the hard part.

The hard part is implementing the decision, not making it.

So the problem with consulting is you get paid \$400 an hour, you do your beautiful charts, you make your PowerPoint presentation, you tell the client what they should do, and you go on to the next project. Meanwhile, you're building up this belief that you're a genius: you know how to analyze; you know how to make a decision; and, worst of all, you know how to implement — but all without implementing.

You can develop an absolutely incorrect perception of yourself as a great manager when, in fact, you haven't implemented anything. You haven't fired anybody. You haven't introduced a product. You haven't supported a customer. All you've done is make spreadsheets and PowerPoint presentations.

You can also throw [venture capital](#) into this pile. Going into venture capital straight out of school is a big mistake because entrepreneurs start sucking up to you and ask you stuff you know nothing about — like how to run a company.

Jobs for college graduates should make them gain knowledge in at least one of these three areas: how to make something, how to sell something or how to support something.