

Learning from the best

What do Silicon Valley companies do to motivate their talent, achieve incredible results and create innovative products? Ben Casnocha, writer and entrepreneur, says that much of the success of this city in California is people.

The southern end of the San Francisco Bay is the location of the technology centre of California, the United States and the world. In its origins, Silicon Valley was related to innovators and manufacturers of silicon chips manufactured in the area (hence its name Silicon) but ended up referring to all high-tech businesses that were developed in the area. Today, Silicon Valley is for the high-tech sector, what Hollywood is to the cinema.

What does Silicon Valley have? Why were the most innovative companies born and reside there? This region is home to many of the largest technology corporations in the world and thousands of small start-up businesses. Apple, Uber, Tesla, Twitter, Amazon, Intel, Microsoft: all the giants have their offices in this area.

There are all kinds of theories and myths about why these companies have been so successful, referring to the well-known benefits they offer.

Some say it is the delicious food in the cafeterias of these companies. Others say it's due to the incredible universities that are in the area and the students that graduate in them. And there are those who know those "nap pods" in Google, where if you're tired after lunch you can go to rest and take a nap of an hour and recharge your batteries, assign it to those "glamorous" details. But assigning Silicon Valley all the success to its benefits, to the climate, the universities or the food is a mistake.

The answer is much simpler: they have the best employees.

Beta State

In an environment where change is quick and disruptive innovation is rampant, for an organization to survive and prosper it must develop the adaptability that is the hallmark of this ecosystem. And for Ben Casnocha, he explains that "what these incredible companies do is attract entrepreneurial employees. Employees who take risks, who can adapt and change. Employees

who live in a beta state."

"What does this concept refer to? To accept that our lives are under construction. It is an idea that is related to the concept of not-stop learning or progress. "The same happens in companies: the goal is to continually adapt to the next big opportunity. So, also for them living in permanent beta is positive, given that it allows them to constantly improve and, therefore, stay competitive." - illustrates Casnocha.

The challenge is how all managers, not just those in the idyllic Silicon Valley, can attract, manage and retain that type of employees within their companies. Once they have achieved that, any other challenge they face at work can be resolved.

Disney's Mistake and Amazon's Success

If employees are in beta, it is impossible not to focus on two talents that always had an entrepreneurial spirit, even working in large corporations, and how each case exemplifies motivating managers against others with a short-term view.

John Lasseter, creator of Toy Story, Cars, and Monsters Inc., began his career as an animator at Disney when the animation was still created

SILICON VALLEY





on paper and then passed to film. But once he got to know Computer Generated Animation, he realized the great innovation and proposed to his bosses to start working with that system.

To which they not only refused but ended up dismissing him for having ideas that were too far-fetched.

Undeterred, Lasseter pursued his career at LucasFilms and Pixar, where he perfected the art of CGA. In 1995, Pixar partnered with Disney to launch the world's first computer animation film: Toy Story. Almost a decade later, in 2006, Disney ended up buying Pixar and promoting Lasseter as the Creative Head of Disney Animation Studios.

Another case is that of Benjamin Black, from Amazon Web Services. Black was an employee who had been working for Amazon for just over a year. In 2003, he wrote a paper in which he proposed restructuring the company's infrastructure and suggested selling virtual servers. Together with their boss, and with the full support of Jeff Bezos, founder and CEO of Amazon, they created Amazon Web Services (AWS): a collection of public cloud computing services (also called web

services) offered through the Internet by Amazon.com. Since its launch in 2006, until today, the service is part of the company's culture and the way they had to stay ahead of the competition.

Two cases of restless entrepreneurs who dared to create and propose within giant companies where they could have gone unnoticed.

From stability to adaptability

In an uncertain context of changes and competition, it is not only important to highlight those employees with an entrepreneurial spirit - just like Lasseter or Black - but to note that the working link has also been redefined.

"Managers need to rethink the relationship they have with their employees. There is a new model of how companies should relate to their most creative employees. And that model is called: "alliance", describes Casnocha in his latest best-seller, The Alliance (co-authored with Reid Hoffman and Chris Yeh), and adds: "They should stop treating their employees as family members who have a guaranteed job for life, and instead, they should think of them as allies." Gone are the days when the employee was thought of as a number, grateful to have a job and loyal to the company forever.

In the past, with a stable economy, the most important virtue in an employee

was efficiency. Managers placed employees on fixed tracks so that they could develop increasingly higher degrees of specialization. In 2018, that idea no longer works. With the emergence of new and fluctuating markets, specialization went from being a virtue to almost a defect. In the fierce competition economy and rapid technological change, entrepreneurial thinking, being flexible, and "doing" are the most important capabilities that companies need from their employees.

"As leaders, we cannot rest on stability. We must innovate. We must destabilize.

What we need to count on from an employee more than anything else in the world is adaptability," explains Casnocha, and concludes with the idea that if each company invests in the career of its talents, then those employees will do the same with their employers. Adaptability will grow for both sides. "Adaptability is necessary for this era of permanent beta and is the most important value for companies and employees". •

WOBI

