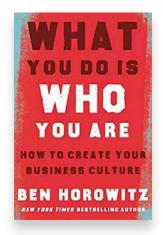


EXECUTIVE BOOK SUMMARIES

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ABOUT THE AUTHOR

Ben Horowitz

Ben Horowitz, a New York Times Bestselling author, is general partner at Andreessen Horowitz, a technology venture capital firm.

What You Do Is Who You Are

THE SUMMARY

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Introduction

When I first founded a company, one called LoudCloud (now Ospware), I sought advice from CEOs and industry leaders. They all told me, "Pay attention to your culture. Culture is the most important thing."

When I asked these leaders, "What exactly is culture, and how can I affect mine?" they became extremely vague. I spent the next eighteen years trying to figure this question out. Does culture mean dogs at work and yoga in the break room? No, those are perks. Is it your corporate values? No, those are aspirations. Is it the personality and priorities of the CEO? That helps shape the culture, but it is far from the thing itself.

When I was the CEO of LoudCloud, I figured that our company culture would be just a reflection of my values, behaviors, and personality. So I focused all my energy on "leading by example." To my bewilderment and horror, that method did not scale as the company grew and diversified. Our culture became a hodgepodge of different cultures fostered under different managers, and most of these cultures were unintentional. Some managers were screamers who intimidated their people, others neglected to give any feedback and some didn't bother returning emails. It was a big mess.



Culture clearly has a powerful effect. So how do you shape it, how do you set it deep in people's minds, and how do you fix it when it goes wrong?

The right answer for your company depends on what your company is, what it does, and what it wants to be. Your culture is how your company makes decisions when you're not there. It's the set of assumptions your employees use to resolve the problems they face every day. It's how they behave when no one is looking. If you don't methodically set your culture, then two-thirds of it will end up being accidental, and the rest will be a mistake.

Culture is not like a mission statement; you can't just set it up and have it last forever. There's a saying in the military that if you see something below standard and do nothing, then you've set a new standard. This is also true of culture. If you see something off-culture and ignore it, you've created a new culture. Meanwhile, as business conditions shift and your strategy evolves, you have to keep changing your culture accordingly. The target is always moving.

Culture isn't a magical set of rules that makes everyone behave the way you'd like. It's a system of behaviors that you hope most people will follow, most of the time. No large organization ever gets anywhere near 100 percent compliance on every value, but some do much better than others. It's actually a minor miracle if a culture isn't dysfunctional. Our aim here is to be better, not perfect.

Creating a culture is more complex than just trying to get your people to behave the way you want them to when no one is looking. Remember that your employees are far from uniform. They come from different countries, races, genders, backgrounds, even eras. Each one brings to your organization a different cultural point of departure. To get all of them to conform to and be reasonably happy with a common set of norms is a challenging puzzle.

So how do you design and shape these nearly invisible behaviors? To get your employees to be who you want them to be, you will first need to see who they are. I wish I could give you a simple set of steps to do that, but there is no formula. Instead we'll consider all these questions from a variety of perspectives.

I selected four models in particular. I wasn't looking for ideal cultural end states—some of the models produced extremely violent or otherwise problematic cultures—but for people who were outstandingly effective in getting the cultures they wanted.

This book is not a comprehensive set of techniques for creating a perfect culture. There is no one ideal. A culture's strengths may also be its weaknesses. Sometimes you have to break a core principle of your culture to survive. Culture is crucial, but if the company fails because you insist on cultural purity, you're doing it wrong.



Instead, the book will take you on a journey through culture, from ancient to modern. Along the way, you will learn how to answer a question fundamental to any organization which is, *Who are we?* It's a seemingly simple question that's not simple at all. Who you are is how people talk about you when you're not around.

Who you are is not the values you list on the wall. It's not what you say at an all-hands meeting. It's not your marketing campaign. It's not even what you believe.

It's what you do. What you do is who you are. How do you treat your customers? Are you there for people in a pinch? Can you be trusted? This book aims to help you do the things you need to do so you can be who you want to be.

1. Culture and Revolution: The Story of Toussaint Louverture

The stamping out of slavery is one of humanity's great stories. The best story within that story is the Haitian Revolution. In our long history, there has been only one successful slave revolution that led to an independent state.

Slavery chokes the development of culture by dehumanizing its subjects, and broken culture doesn't win wars. As a slave, none of your work accrues to you. You have no reason to care about doing things thoughtfully and systematically when you and your family members can be sold or killed at any moment. To keep you from learning about other ways of life, communicating with other slaves, or knowing what your masters are up to, you are forbidden to learn to read and have no ready tools for accumulating and storing knowledge. You can be raped, whipped, or dismembered at your captor's pleasure. This constellation of atrocities leads to a culture with low levels of education and trust and a short-term focus on survival—none of which help in building a cohesive fighting force.

So how did one man, born a slave, reprogram slave culture? How did Toussaint Louverture build an army of slaves in Saint-Domingue (the pre-revolutionary name of Haiti) into a fighting force so fearsome it defeated Spain, Britain, and France, the greatest military forces in Europe? How did this slave army inflict more casualties on Napoleon than he would suffer at Waterloo?

In 1797, in the midst of the long revolt, Louverture demonstrated that he could not only lead troops, but also persuade and inspire civilians with his vision for a new kind of life. Louverture used seven key tactics to transform slave culture into one respected around the world. You can use them to change any organization's culture.

KEEP WHAT WORKS

Louverture used two pre-existing cultural strengths to great effect. They were the songs the slaves sang in voodoo celebrations and the guerrilla tactics of some of his veteran warriors from the Angola-Congo conquests.



CREATE SHOCKING RULES

Louverture established a rule forbidding married officers from having concubines "Because in this army, nothing is more important than your word."

DRESS FOR SUCCESS

Something as simple as a dress code can change behavior. Most of Louverture's solders worked naked in the fields, but to give them a sense they were an elite fighting force, they dressed in the most elaborate military uniforms attainable.

INCORPORATE OUTSIDE LEADERSHIP

A leader can transform a culture by bringing in leadership from a culture whose ways he wants to adapt.

MAKE DECISIONS THAT DEMONSTRATE CULTURAL PRIORITIES

The more counterintuitive the leader's decision is, the stronger the impact of the culture.

WALK THE TALK

No matter how well designed, carefully programmed, and insistently enforced your cultural elements are, inconsistent or hypocritical behavior by the person in charge will blow the whole thing up. For a culture to "stick" it must reflect the leader's actual values, not just those he thinks sound inspiring. A leader creates culture chiefly by his actions. He has to be the best example.

MAKE ETHICS EXPLICIT

The trouble with implementing integrity is that it is an abstract, long-term concept. Integrity, honesty and decency are long-term cultural investments. Their purpose is to create a better place to work and to make the company a better one to do business with in the long run. Integrity is often added to other goals. If a company expects its people to behave ethically without giving them detailed instructions on what that behavior looks like and how to pursue it, the company will fall far short no matter whom it hires.

2. Toussaint Louverture Applied

The techniques Louverture used with rare ingenuity and skill work brilliantly at modern companies.

KEEP WHAT WORKS

When Steve Jobs came back to run Apple in 1997, it was ninety days from broke. As of this writing, it is the most valuable company in the world. When Apple was an industry joke, it must have been tempting to purge the old culture entirely. Job's predecessor, Gil Amelio, tried to do just that. But like Louverture, the former slave who preserved the best parts of slave culture within his army, Jobs, the former founder, knew that Apple's original strengths should be the foundation of its new mission.



CREATE SHOCKING RULES

Here are the rules for writing a rule so powerful it sets the culture for many years:

It must be memorable. If people forget the rule, they forget the culture.

It must raise the question "Why?" Your rule should be so bizarre and shocking that everybody who hears it is compelled to ask, "Are you serious?"

Its cultural impact must be straightforward. The answer to the "Why?" must clearly explain the cultural concept.

People must encounter the rule almost daily. If your incredibly memorable rule applies only to situations people face once a year, it's irrelevant.

MAKE DECISIONS THAT DEMONSTRATE PRIORITIES

Louverture knew that telling people that agriculture was a priority wouldn't make it so. He had to do something dramatic to demonstrate that it was the *highest* priority; something everyone would remember. He forgave slave owners and let them keep their land. With these decisions, Louverture established what a thousand speeches could not have.

WALK THE TALK

Prior to the 2016 U.S. Presidential election, not once did Hilary Clinton tell John Podesta, her campaign chairman, "Don't take e-mail security seriously." Not once would she *ever* have told him that, but Clinton's actions overrode her intentions. She used a personal email service instead of the government system. When John Podesta's personal e-mail account was hacked by the Russians, it did not matter than the campaign had taken all the steps the FBI suggested for their *work* e-mail accounts, because John Podesta imitated what Hilary Clinton did, not what she said. The talk said, "Secure your e-mail"; the walk said, "Personal convenience is more important." The walk almost always wins. That's how culture works.

MAKE ETHICS EXPLICIT

What you measure is what you value. Once you remove the requirement to follow certain rules or obey certain laws, you basically remove ethics from the culture. It's impossible to design a bug-free culture. It's still vital to understand that the most dangerous bugs are the ones that cause ethical breaches. Louverture spoke to his slave army as though they were philosophers. He needed them to understand that they would have to think deeply about their choices. If you remember one thing, remember that ethics are about hard choices.



3. The Way of the Warrior

The Samurai, the warrior class of ancient Japan, had a powerful code we call "bushido," or "the way of warrior." This code enabled the Samurai to rule Japan from 1186 until 1868—nearly seven hundred years—and their beliefs endured long after their reign. The Samurai are the taproot of Japanese culture to this day. The culture persevered for so astonishingly long because it provided a framework for handling every situation or ethical dilemma you might come across.

Bushido looks like a set of principles, but it's really a set of practices. The Samurai defined culture as a code of action, a system not of values but of virtues. A value is merely a belief, but a virtue is a belief that you actively pursue or embody. The reason so many efforts to establish "corporate values" are basically worthless is that they emphasize beliefs instead of actions. Culturally, what you believe means nearly nothing. What you do is who you are.

Hagakure, the most famous example collection of Samurai wisdom, says, "The extent of one's courage or cowardice cannot be measured in ordinary times. All is revealed when something happens."

The Samurai code rested on these eight virtues: rectitude (or justice), courage, honor, loyalty, benevolence, politeness, self-control, and veracity (or sincerity). Each virtue was carefully defined and then reinforced through a set of principles, practices, and stories. They all worked together as a system, balancing one another in a way that made it very difficult for any individual virtue to be misunderstood or misused.

How did the entire country of Japan embrace politeness for more than ten centuries? It helped that the Samurai required everyone to study the code, commit it to memory and live it every day. Other cultures have required that kind of study, and they didn't last nearly as long. The Samurai endured because of two additional techniques. First, they detailed every permutation of potential cultural or ethical dilemmas to prevent the code from being misinterpreted or deliberately misused. Second, they stamped their code deep with vivid stories.

Why did the *bushido* have such a profound impact on Japanese society? One simple answer is that they kept death in mind at all times.

Bushido Shoshinshu: "If you realize that the life that is here today is not certain on the morrow, then when you take your orders from your employer... you will have the sense that this may be the last time—so you cannot fail to become truly attentive..."

4. The Warrior of a Different Way: The Story of Shaka Senghor

Shaka Senghor did not grow up in ancient Japan, but perhaps he should have. Philosophical, highly disciplined, and ferocious when he has to be, he would have been well suited to Samurai life. He grew up in inner-city Detroit and became a warrior of a different way.



James White (Senghor's birth name) went to prison at an age when most of us went to college. College culture introduced most of us to frat parties; prison culture introduced Senghor to extreme violence and intimidation.

He was maybe the most insightful person I have ever spoken to about how to build a culture and run an organization. He had been the CEO of a 200-member prison gang, a tough organization to manage. He not only built a strong culture, he changed his squad into something entirely different. He displayed all the skills this book hopes to impart. He shaped a culture, recognized its flaws, then transformed it into something better.

Beginning his first day in the general population, when he saw another prisoner killed, Senghor studied the culture, assimilated it, and meticulously improved it as he rose through the ranks. Once he reached the top of the gang, he was faced with a new set of choices which prompted a profound realization. All those life-risking decisions he'd made, all those moments of serial integrity, had added up to a culture he didn't want. So he began to make a concerted effort to shift the culture.

Culture is a consequence of actions rather than beliefs, so it almost never ends up exactly the way you intend it. This is why it's not a "set and forget it" endeavor. You must constantly examine and reshape your culture or it won't be your culture at all.

Senghor knew that he had to align his team more tightly. He used one of the best techniques for changing a culture which is constant contact. By requiring his team to eat together, work together, and study together, he made them constantly aware of the cultural changes he was making. Nothing signals the importance of an issue like daily meetings about it.

Who is Shaka Senghor? Is he a ruthless criminal and prison gang leader ... or a best-selling author, leader in prison reform, and contributor to a better society? Clearly he's capable of being both. That's the power of culture. If you want to change who you are, you have to change the culture you're in.

5. Shaka Senghor Applied

Culture is an abstract set of principles that lives or dies by the concrete decisions the people in your organization make.

As a leader, this gap between theory and practice poses huge challenges. How do you get an organization to behave when you're not around to supervise? How do you make sure the behaviors that you prescribe result in the culture that you want? How can you tell what's actually going on? How can you know if you've succeeded? Two lessons for leaders jump out from Senghor's experience:



Your own perspective on the culture is not that relevant

Your view or your executive team's view of your culture is rarely what your employees experience. What Shaka Songhor experienced on his first day out of quarantine transformed him. The relevant question is, what must employees do to survive and succeed in your organization?

You must start from first principles

Don't just blindly adopt a default culture because you may be adopting an organizing principle you don't understand, or the predominant culture may not fit your business. Senghor walked into a culture that was designed to fix criminal behavior but actually increased it.

If you're a leader, how do you know what your culture is? The best way to understand your culture is not through what your managers tell you, but through how new employees behave. What behaviors do they perceive will help them fit in and get ahead? That's your company's culture.

Cultures tend to reflect the values of the leaders. Ultimately, Senghor had to change himself to get the culture that he wanted. Senghor's predecessors did not live up to their own code and it eventually cost them their positions. A leader must believe in his own code. Embedding cultural elements you don't subscribe to will eventually cause a cultural collapse.

When Senghor decided to dramatically redirect his squad, he did it through urgent emphasis in daily meetings. This is one of the best ways to change culture in a company. To change a culture, you can't just give lip service to what you want. Your people must *feel* the urgency of it.

6. Genghis Khan, Master of Inclusion

Genghis Khan was the most effective military leader in history. He conquered more than twice as much land as anyone else, and he did it in a series of astonishing campaigns. He subdued some twelve million square miles—an area roughly the size of Africa, stretching from the Persian Gulf to the Arctic Ocean—with an army of just one hundred thousand men.

Most companies today struggle with how to create an inclusive culture, but Genghis Khan mastered this difficult art nearly a thousand years ago. He subsumed peoples from China and Persia and Europe, practitioners of Islam, Buddhism, Christianity, and even cannibalism, within one contiguous domain.

Temujin was born in 1162 in one of the harshest, most arid regions of the world, near the modern-day border of Mongolia and Siberia. He was raised in a small tribe of Tayichiud, one of the two leading clans of the thirteen clans that made up the Mongols. As an adult, his worldview was piratical:



"It is delightful and felicitous for a man to subdue rebels and conquer and extirpate his enemies, to take all they possess, to cause their servants to cry out, to make tears run down their faces and noses, to ride their pleasant-paced geldings, to make the bellies and navels of their wives his bed and bedding, to use the bodies of his women as a nightshirt."

That was the Mongol way. In 1206, the Mongol nobles asked Temujin to become their supreme leader. He accepted under the condition that every Mongol obey him without question, go wherever on earth he directed, and put to death whomever he chose. Now that he was in charge of thirty-one tribes and some two million Mongols, Temujim took the name Genghis Khan, meaning "fierce" or "tough" ruler.

After putting all the Mongol tribes under his yoke, Genghis attacked and subdued northern China. Then he turned west and knifed through Khwarezmialk, the Persian Empire. Finally, before he died in 1227—most likely from the effects of a fall from his horse—he brought Russia under his thumb.

Genghis's campaigns were ruthless. His generals routinely told opposing forces they would spare them if they surrendered, then, when they did, butchered them all. After conquering the city of Gurganj, his army made the women strip naked and fight each other before they slaughtered them. In the Arab world to which he laid waste, he became known as "the Accursed One." He also, contrarily, displayed a new kind of acceptance and inclusiveness.

He organized the Mongols in concentric circles. Each squad of ten men was part of a brigade of one thousand, which, in turn, were part of a battalion of ten thousand men. At the pinnacle of the army's power, ten of these ten-thousand battalions encircled Genghis Kahn, who rode in the middle.

Genghis created a remarkably stable culture by founding it on three principles:

MERITOCRACY

Genghis abolished inherited aristocratic titles and eliminated the steppe tribes caste hierarchy. All men were equal. Shepherds and camel boys could now become generals.

LOYALTY

Genghis viewed loyalty as a bilateral relationship that gave him significant responsibilities. By elevating loyalty to a higher principle, he created a massive military advantage. Precisely because he wasn't asking his troops to die for him, they eagerly would.

INCLUSION

Rather than treating conquered aristocratic leaders with special care and enslaving the rank and file, he executed the aristocrats and incorporated the soldiers into his army. In this way he not only swelled his ranks, but also established himself as an equal-opportunity giver, the guy whose team you wanted to be on.



He had grown up as an outcast, so Genghis Khan saw what blinded other leaders in his day and indeed most leaders even today. Where they perceived only differences, only threats they would be prudent to suppress, Genghis Khan saw only talent he could use.

7. Inclusion in the Modern World

Inclusion is a huge and complex issue, and I am not qualified to address all the societal issues associated with it. So I will focus on how you can apply Genghis Khan's principles to give your company a competitive advantage—the advantage of acquiring the best talent available.

He understood more than just national or racial or gender diversity. He saw people's disparate and unique ways of processing information, thinking, and interacting with others. For seeing people for who they were he could see what they truly had to offer. There were three keys to Genghis Khan's approach to inclusion:

- 1. He was deeply involved in the strategy and implementation, down to having his own mother adopt children from a conquered tribe to symbolize the integration process.
- 2. He started with the job description he needed to fill, be it cavalry, doctors, scholars, or engineers and then went after the talent to fill it. He did not assume that every person with a particular background could do the job that people with similar backgrounds had done. For example, he knew that not all Chinese officials would make great administrators.
- 3. Not only did he make sure that conquered people were treated equally, but through adoption and intermarriage, he made them kin. They weren't brought into the empire under some separate but supposedly equal side program. As a result, they felt truly equal and became more loyal to him and to the Mongols than to their original clans.

The key to inclusion means seeing someone for who they are even if they come in a color or gender that you're not used to. You want to see your employees for who they are, not what they look like. So it follows that hiring people on the basis of color or gender will actually defeat your inclusion program. You won't see the person, you will just see the package.

It's easy to value the things that you test for in an interview and nearly impossible to value things that you don't. When a company hires an African-American employee because he or she is African-American, then race becomes a reason for making decisions in that culture and the culture often becomes racist. What you do is who you are. If someone enters a company through a "diversity program," everyone will remember that fact, and the employee will be suspect and have to prove herself over and over. Whereas if everyone is hired on the same criteria, then the culture will see people for who they are and what they uniquely bring to the table.



8. Be Yourself, Design Your Culture

The first step in getting the culture you want is knowing what you want. It sounds obvious and it is; it sounds easy, but it's not. With seemingly infinite possibilities to choose from, how do you design a culture that gives your organization the advantages it needs, creates an environment you are proud of, and most importantly, one that can actually be implemented.

- Culture is always relevant. Cultures, like the organizations that create them, must evolve to meet new challenges.
- All cultures are aspirational. No company ever achieved total cultural compliance or harmony. There will always be violations, but the point is not to be perfect, just better than you were yesterday.
- While you can draw inspiration from other cultures, don't try to adapt another organization's ways. For your culture to be vibrant and sustainable, it must come from the blood, from the soul.

Step one in designing a successful culture is to be yourself. That's not so easy. Other people will always have ideas of what you should be, but if you try to integrate all those ideas in a way that's inconsistent with your own beliefs and personality, you will lose your mojo. If you follow the first rule of leadership, not everybody will like you, but trying to get everyone to like you makes things even worse.

There are parts of any CEO's personality that he doesn't actually want in the company. Think carefully about what your flaws are, because you don't want to program them into your culture or leading by example will bite you in the backside.

Once you're comfortable with who you are, you can begin to map that identity onto the culture you want. It is much easier to *walk the talk* when the talk is your natural chatter. A company's culture needs to reflect the leader's sensibilities. If the expressed culture goes one way but you walk in the opposite direction, the company will follow you, not your so-called culture.

One way to think about designing your culture is to conceive it as a way to specify the kinds of employees you want. What virtues do you value most in employees? Making your virtues precisely the qualities you're looking for in an employee reinforces an important concept from *bushido*: virtues must be based on actions rather than beliefs. Trust me, it's really easy to fake beliefs in an interview.

While you should design your culture to meet the unique needs of your organization, there is one element every company needs. Almost no one ever makes it part of their stated set of values, but it's impossible to build a winning company without it. The most important element of any corporate culture is that people care.



They must care about the quality of their work, they must care about the mission, they must care about being good citizens and they must care about the company winning. A gigantic portion of your cultural success will be determined by what gets rewarded at your company.

9. Edge Cases and Object Lessons

To truly grasp how culture works, we need to examine the unmapped terrain out on the boundaries where cultural principles often break down or become counterproductive. When does too much of a good thing become a bad thing? When does following one cultural violate another? Is it okay to violate your cultural principles to survive? Do cultural tenets ever run their course and need to be retired?

One cultural virtue many companies try to live by is its customer obsession. They want to know every want, desire, and whim of their customers, then work relentlessly to satisfy them all. This kind of maniacal cultural focus on customers led RIM (creators of the Black-Berry) to ignore Apple's iPhone—a failure of imagination that shrunk their market cap from \$83 billion to \$5 billion.

Cultural rules can often become bloated sacred cows. Everyone tiptoes around them, trying to respect the culture until the cows topple and crush you. Strategies evolve, circumstances change, and you learn new things. When that happens, you must change your culture or you will end up pinned beneath it.

Determining that your culture is broken is hard. It would be great if you could trust your employees to tell you, but, a) they'd need the courage to do that, and b) the person complaining would have to be a good cultural fit themselves or the complaint might actually be a compliment (your culture is working and therefore the complainer, who can't get with the program, doesn't like it), and c) most complaints about culture are too abstract to be useful ("Our culture is broken"). That may well be true, but it doesn't tell you anything.

How do you know when you're off track? The wrong people are quitting too often for the wrong reason. You're failing at your top priorities because your culture rewards the wrong things. An employee does something that truly shocks you, because if somebody behaves in a way you can't believe, remember that your culture somehow made that acceptable.

10. Final Thoughts

Remember that a perfect culture is totally unattainable. Your goal is to have the best possible culture for your company, so it stays aimed at its target.

If you want people to treat every corporate nickel like it's their own, then having them stay at the Red Roof Inn sends a better cultural signal than having them stay at the Four Seasons. If you want them to



have the confidence to ask for a \$5 million order, the opposite might be true. If you don't know what you want, there is no chance that you will get it.

Culture begins with deciding what you value most. Then you must help everyone in your organization practice behaviors that reflect those virtues. If the virtues prove ambitious or just plain counterproductive, you have to change them. When your culture turns out to lack crucial elements, you have to add them. Finally, you have to pay close attention to your people's behavior, but even closer attention to your own. How is it affecting your culture? Are you being the person you want to be? That is what it means to create a great culture. That is also what it means to be a leader.