

URL: <https://stvp.stanford.edu/clips/building-organizations-by-understanding-human-nature>

Qasar Younis, CEO of Applied Intuition, encourages entrepreneurs who want to build strong organizations to read books from outside the world of technology to learn about human behavior. As an organization grows, he says, leaders have to build organizations that effectively deal with different types of people.



Transcript

- Is there a treasured insight or tactic that you use 00:00:06,900 when it comes to building organizations that you can share that people could use for their? - Yeah, I mean, the old Charlie Munger line about 00:00:15,510 "You'll never meet somebody who's really successful who isn't reading a lot." And I think if you read and I wouldn't read, again, like the startup entertainment thing, like I wouldn't read the airport books.. I would read, the older the book the better is kind of the real- - Can you give us 00:00:29,619 your top three? - I can't top three.. 00:00:37,200 is a fantastic book.. - Oh, wow.. 00:00:39,180 - Yeah, to really understand people.. 00:00:40,650 Sam Walton, so we read books as a part of our company as well.. So recently, we were reading "Made in America" by Sam Walton, an amazing book, the founder of Walmart wrote this book on his deathbed about Walmart, ironically called "Made in America," 'cause so many things at Walmart are not made in America.. And then, I mean, there's a bunch, Autobiography of Malcolm X, phenomenal book.. There's lot of books, the general point would be you wanna read things which are actually outside of technology, and then you are applying those lessons.. And so if you read enough outside, you start seeing patterns of human behavior, and all the way from like "No More Vietnams" by Nixon to McNamara's book on Vietnam, "In Retrospect," like what does the Vietnam War have to do with starting a tech company? You understand how organizations are built and how people function with organizations..

One of the things, probably the key thing that applied that we think about, we have an internal software team that just builds software to run the company, so we take it very seriously, is you're always just working against human nature.. You create a leveling system, people are just gonna game that, they're not gonna think about customers.. You create a comp system that optimizes X, Y will be manipulated, just human nature.. And so I think it's like being honest, organizations that are honest and are trying to build honestly against the realities of human nature, I think tend to be more successful.. Sometimes people use that word, they say transparency or they directness or whatever your verb, whatever word that you wanna use.. But I think it's being, all of our values, our company values can be summed up as radical pragmatism, like, that's our view.. So we really have lots of debates when we're making organization decisions, like what's really the truth there? So what's truth? The most fundamental question, what is truth? Truth is what stands the test of time, in the Gandhi line, truth is what stands the test of time.. So when you keep repeating the same thing, you will ultimately get the pattern that keeps coming, and that's the truth.. And so in organizational development, it's like the truth is people will, as the organization gets larger, will become more selfish.. That's a truth, the truth is the people who join and applied at six, 700 people versus applied at 50 people are different..

So you have to build an organization that deals with different types of people.. So it's just having those very open conversations and trying to find that truth...