URL: https://stvp.stanford.edu/clips/company-culture-can-drive-business

Eucalyptus Systems CEO Mårten Mickos is a devotee of management guru Peter Drucker. Mickos elaborates on Drucker's position that "company culture eats strategy for breakfast," by offering amusing examples of culture building from his time at MySQL AB.

Transcript

The realization that came slowly that company culture is what drives and defines a business.. And Peter Drucker, who is my all-time superstar, when it comes to leadership and management and everything.. I think he is among the smartest guys we have seen in the last 1,000 years.. He said, culture eats strategy for breakfast.. Meaning, you need the culture first and then you can have a strategy.. But, the strategy without the culture is meaningless.. And we were very deliberate at MySQL at developing our culture and this is what I think made the organization so strong that we took this David versus Goliath culture.. So we were a little bit sort of like Robin Hood out there doing things on our own, doing things the opposite way.. When the logo was designed for us, the logo of the dolphin, our designer first painted it as a dolphin jumping up to the right like everything in the western world.. Everything in the western world must up to the right because where Gartner and everybody have their magic quadrants..

But we said no, we are contrarians.. We will have the dolphin jump from right to left just to make a point, so we did that.. And we chose the dolphin because we said dolphin is fast, intelligent and kind and in groups they kill sharks.. So, we were very deliberate on this on building a culture.. We were very global so we had influence from every culture on the planet.. We had people in 110 major locations, 32 countries, 18 time zones.. So, we had nearly everything onboard.. But we took some specific things from Nordic heritage and one was openness.. So, we really drove openness and we said we must share anything we can share with all employees.. So, we shared our problems, we shared the financial numbers, we shared our plans and we tried to be as open as possible with people..

Because when you show openness to them, they will respond very favorably.. And that's the difference I have seen in other parts of the world where openness isn't given.. But in the Scandinavian countries public government for instance a document is by definition public unless it is declared secret.. Most other governments say our documents are by definition secret unless declared opened, but not in the Nordic countries.. And in Nordic countries there's a thing called right to public access meaning, anybody can use any land, any unused land.. So, if somebody owns a big, big forest you can't lock people out.. You can build fences all you like.. But people have the right to climb over them and use the land.. So there is sort of an idea of shared ownership of the land, which lends itself to open source and having a shared mission and sharing responsibility with people.. So, we learned to push out responsibility far out in the organization and I've always tried a CEO to do make as few decisions as I could..

When they came to me and said, "Marten, how should we do this, what date should we have this on?" I said, "Why do you need me to decide it?" Because people have this tendency to believe in authorities.. We have it from our childhood when we believed our parents.. And then in business we think the same but we try to turn it around and say, no, you are the smartest people and you got out and do it.. And I said, but what if you don't agree with me? I said, it doesn't matter you are in charge.. And many times my organization made decisions I would never make.. And I would look and think what is this, what have I created a culture where they do all these things which I find stupid.. Well, most of the time it turned out they were smart and I was the stupid guy.. So, luckily I could restrain myself and sort of use duck tape to tie my hands to my seat or the desk to just not intervene.. So, it worked very well and this notion of building a culture became so important that we had a culture that stipulated how we operate.. And when we made decisions, we reiterated, we said, hey, our culture is to be open therefore we are now opening up this thing..

Our culture is to have fun, therefore we do this.. Our culture is to be contrarians that's why we are now doing this.. So, for decisions we pointed them back at some specific principle of our culture.. So, the people would understand us, oh yes, this is how the culture works.. And fostering and building a culture is hard work, but I think its worth, work the pace off because then it means that the organization can operate on its own...