URL: https://stvp.stanford.edu/blog/videos/evolving-with-your-company-entire-talk

Tech entrepreneur Bob Tinker was humbled when he stepped down as CEO of MobileIron, a leading provider of mobile security that went from being a three-man startup to a public company with nearly 1,000 employees, earning $150 million a year. Over those eight years, however, he learned how to position a business just right, how a CEO's job and behavior must change over time, and how a leader can develop the self-awareness to adapt.

Transcript

(audience applause) - Thank you everyone.. Good afternoon, thank you for braving the rain and wind to be here today.. It's an honor to be a part of this.. This is a long-standing series that builds some of the bedrock of entrepreneurship in Silicon Valley.. And it was in 1992 that I was sitting in all of your chairs.. I was trying to figure out the world, trying to figure out what I would do next.. I do think it's safe to say that all of you in this room have a much, much, much larger clue about the business and technology world than I did back in 1992.. We're always learning.. And what I wanted to talk about is my journey over the last eight years.. From founding CEO of MobileIron over an eight-year journey was a particularly intense and really interesting learning experience..

So I thought how I would share that is to write myself a letter.. If I could today write myself a letter that would be sort of magically transported through time and space to be delivered to myself on my first day in the office as a first-time CEO of a brand-new company back in January 2008.. So to provide some context, MobileIron's journey was like many early-stage startup companies.. Started with no product, no revenue, three guys and a whiteboard.. Then we were fortunate enough to be part of a market and a team, where, over the next eight years, we grew to be the market-leading mobile security company.. Went public on NASDAQ.. And when I handed off the baton in the beginning of 2016, we were at 150 million dollars a year and nearly a thousand people.. So let's turn on the way back machine, roll all the way back to January 2008 to set the stage.. The picture on the left is the view of the offices I walked into in January 2008.. So I walked in, it's the back office of Storm Ventures who have been incubating us..

I walked in, said hello to my two cofounders, Ajay Mishra, Suresh Batchu, stopped in to see the board member who was incubating us, Tegi Namastorm, and then sat down in my office in the back corner.. Opened up my computer, looked at a completely blank Outlook Calendar and then said, well now what? It's my first job as CEO, what do I do? So the good news is there's a letter sitting there on my desk for myself eight years later.. So let's open that letter.. Dear Bob, success drives change.. Stuff is gonna break, be ready for it.. Anybody wanna guess what these four numbers represent? This is the number of people in the company when all hell breaks loose.. At 50 people, 150 people, 450 people and 750 people.. And it's the damned who stay.. What was working before is suddenly not working anymore and you're kind of scratching your head saying, "What's going on?" At 50 people, when we broke through the 50-person barrier, I felt like we actually went backwards.. Like, we were actually worse at 55 than we were at 45..

It was maddening.. Before the right hand and left hand kind of knew what was going on, then suddenly the right hand and left hand aren't talking to each other.. At 150 people, I had teams inside the company that were bigger than the company was 18 months ago.. We had people scattered around the world.. Communications was kind of a mess.. We had to go from being sort of organic to being organized.. At 450 people, every sort of cross team issue between the different functions seemed like it had to get escalated up to the executive team to get resolved, which was weird given we had a really strong bench of leaders underneath.. So it was really frustrating, kind of slowed us down.. So what are sort of the common, what's the common thread? Like, why was this happening? And it took me a while to figure it out.. The reason that I think it happens is that every time you add a new layer into the company, a new layer of management, stuff changes..

And things that used to work no longer work.. And this is the tricky part, which is clearly you can't keep doing what you were doing before and hope it works, you need to figure out the hard part, which is what are the things you need to keep and

keep doing the same way and what are the things you need to change? This also applies to the CEO, which would be the second thing in the letter.. Dear Bob, the CEO job changes, so must you.. And maybe take a moment, in the early days of the company, what's the number one job of a founding CEO? It's find capital, hire people, build your product, win customers, make decisions.. All that is totally true.. But it's actually not the number one job.. The number one job is survival.. Don't die.. Your job is to push the company as fast as possible to figure out whether you have an opportunity and execute on it while making sure you don't crash and burn.. And if you are fortunate enough to be in a company where you're starting to get traction, it's really fun..

Really, really fun.. It's one of things that is, one of the biggest thrills for being an entrepreneur is when you're part of a company that's starting to get traction.. So enjoy it.. At the same time, be prepared.. You need to start preparing for something I call The CEO Success Irony.. So what is The CEO Success Irony? It's that as the company grows, the CEO job changes.. So what that means is you have to change.. The way you behave, how you work, and even change on the inside.. And this is hard.. Actually really, really, really hard..

It's like rewiring your plane while you're trying to fly it.. You're working your tail off to fly the plane and try and make it, hopefully it gains altitude.. And you have to rip open the fuselage and start messing around with wiring.. (groans) It's like the last thing you wanna do but it's absolutely critical.. And what I realized just sort of looking through the rear view mirror is that I actually had three very different CEO jobs over my eight years.. And I think this is probably generalizable to anyone in a leadership position that's going through significant growth.. So to make some superhero analogies here, the first CEO job is kind of like Captain America.. You're like in the woods with the troops throwing punches, doing hand-to-hand combat, getting dirty with everybody else.. It's a blast.. Then the CEO job changed where it was a little bit more like the Avengers..

Whereas you and your band of superheroes and you had to hire and build a team of superheroes that all had their special superpower that was better than yours.. You need a sales superhero, a marketing superhero, an engineering superhero, a finance superhero; and your job as CEO is to keep the avengers together and all going in the same direction.. And then in really sort of the last year and a half, the job changed again and it was a really big change.. it became sort of more like Professor Xavier in the X-Men, where you're like dean of a university, where your professors are your warriors and they're bringing up the next generation of students.. And instead of doing a lot of things for a lot of people, you have to change your way of thinking and instead be doing fewer things for a lot more people.. And these two transitions to these three jobs forces a fairly significant rewiring inside.. And this is hard.. And I think the key and trick to it is that ironically, the very things that make you successful in getting from A to B actually become the things that can hold you back or even kill you going from B to C.. And for me, I'll share some examples.. In the beginning I had my hands deep into the product..

But then I had to change my focus to be much more focused on the business as a whole.. In the beginning, I was much more detail-oriented and like really hands-on with everybody in the company.. But then I had to change and learn how to work through others.. In the beginning, I was always really good at keeping fairly complex execution plans in my head.. It's one of the things that sort of you need to do in the early days.. But that doesn't work anymore when you grow.. You have to be able to distill all that down to three, four, five goals that you can communicate to the whole company.. These are all really big sort of rewiring exercises for me, all while you're trying to fly the plane.. And this led to what was probably the hardest rewiring exercise for me.. And it took me a little while to figure this one out, which is that in some cases, I would let my fear of sort of short-term turbulence get in the way of making a decision to try and do the right long-term thing..

And I think where this came from is that for so long, I was focused on company survival that I needed to change my mindset to thrival, which is how do we go build a whopper? And sometimes, in trying to go build that big company that it can become and execute its scale, sometimes you do need to occasionally do something that creates a self-inflicted air pocket.. And I got my own way on that.. I occasionally let my fear of that self-inflicted air pocket get in the way of doing the right long-term thing.. It was really only in sort of the last year and a half that I really managed to push through that.. And all of this comes from sort of internal wiring.. How do you behave, what are your skills, what's going on inside of you? And what most people talk about when it comes to the job of being CEO is sort of the stuff that's on the outside: vision, determination, leadership, execution.. All that stuff's super important.. But what doesn't get enough air time is what's the stuff that's going on inside? What are the sort of hidden behaviors or skills that are really sort of the soul of who's leading the company? And I wanna talk about sort of what I think of the top three.. The first one is self-awareness.. It is really uncomfortable to look in the mirror, both for a person, as well as a team..

But unless you do it, you don't actually learn and get any better.. So listening to feedback hearing the tough information, taking that account, adapting, learning, all has its roots in self-awareness.. The second one is schizophrenia.. You might ask why schizophrenia.. So on one hand, you need to be this super optimistic Moses-type character leading people up the mountain.. And on the other hand, you need to be this completely paranoid pessimist looking over your shoulder wondering what could go wrong.. It's kind of psychotic actually, but you have to be able to do both at the same time.. And then the last one is the ability to close.. And this sometimes gets mistaken for can you when customers and sell stuff? That's sort of part of it, but it's actually much more deeper and much broader than that, which is, one of most important jobs and skills is your ability to get other people to jump on the bus with you.. That could be how do you win a customer? Sure..

But it can also be, how do you convince an investor to bet on your business? How do you recruit a top executive that you

really want to be part of the company? Even like, how do you close your management team on your goals for the next year? You're doing it all the time.. And no doubt, being a founding CEO is a really hard job.. It's a fascinating, sometimes exhausting exercise in self-awareness.. It is a breathtaking learning curve, or you're not actually paying attention, and it's all-consuming.. It becomes really hard to draw boundaries between your work life and your personal life.. And I'll tell you sort of how that comes home to roost time and time again is that let's imagine you have three hours on a Saturday.. How do you spend it? Do you spend it with your family, with your friends, doing the things that are really important to you personally? Or do you spend it working on the company and trying to make the company more successful and the 500 families that are depending on that? That trade off happens every day of every week of every year, and that's exhausting.. But it's also part of the responsibility and part of the exhilaration of when it goes right.. So it is a really satisfying job.. It's a blast..

And like all big decisions in life, getting married, having kids, it changes you on the inside.. And I think for the better.. Let's go to the third item on the letter.. Building a business is really really, really, really different than just building a product.. This is probably one of my biggest lessons as an entrepreneur, which is that building a product is really, really, really different than building a business.. And I think frankly this is something that Silicon Valley gets wrong, and I think we need to do a better job of this.. Silicon Valley is fundamentally a product shop.. We do a spectacular job teaching entrepreneurs how to build products and funding products.. I think we do a terrible job teaching entrepreneurs and helping entrepreneurs how to build businesses around those products.. I think this is something that we as an ecosystem need to work on..

And I'll give you a really specific example.. The common wisdom of going to build a company and going to build a product is get the product market fit and go, hire sales, spend money, grow! So you're super excited that you've worked hard, that you've got to product market fit and your plan is everything goes up and to the right.. Awesome.. The unfortunate reality that's more frequent than you think is you bump along.. And six months later, you wake up and you haven't won that many more customers.. Your original customers are super happy with you, that's great, but you haven't really grown.. Your team is starting to freak out a little bit, your investors are getting really angsty.. What's going on? I think what's going on here is we make a mistake, which is that product market fit, product market fit is really important, but product market fit is not sufficient to grow your business.. So what's the missing link? The missing link is something I call Go-To-Market fit, which is how do you stitch together the problem, marketing, sales, the customer to drive growth? And this does not replace product market fit.. As a matter of fact, they sort of run in parallel slightly offset in time..

So how does it work? So with the tail end of product market fit, you're usually winning customers and losing customers.. So pay really close attention to what's happening there because the world is teaching you right then.. And you use that to inform your go-to-market plans.. And there are three core parts of go-to-market fit.. One is your sales model, two is do you have a repeatable sales and marketing playbook? And I'll talk a little bit more about that in a moment.. And three, what problem wave are you lined up on? Sales model, repeatable sales and marketing playbook, and what problem wave are you lined up on? So let's drill in for a second.. So on the sales model.. The most important thing is pick one.. (chuckles) You'd be surprised how many people, how many companies sort of bumble along trying multiple sales models at the same time.. That's fine, but in order to go-to-market fit, you have to figure out what your sales model looks like..

It can be direct, it can be channel, it can be web, it can be retail, it can be freemium, it can be expand and upsell, it can be marketing lead, it can be sales lead.. It doesn't matter, but you just have to pick one.. The second thing is your sales and marketing playbook.. The most important part of this, and this is, I would argue, sort of the highest protein part of this exercise, is how do you come up with a repeatable sales and marketing playbook that does two things? How do you find and win customers, and what's the wow? What's the wow that gets them across the line? And the third part of getting go to market fit is the problem wave.. And the key to this is urgency.. Are you lined up on the right problem wave that drives urgency then answers the two question: who cares, and why now? Who cares, and why now? You get these three things right, and you're in rarefied air.. You are a company that has now achieved go-to-market fit.. One of the questions I get asked is sort of how do you tell? Like, how do you know you've hit go-to-market fit? It's actually relatively easy to measure, which is the test is are you feeling momentum and growth? Like, you can just feel it.. All of a sudden, (imitates rumbling noise) you could start to feel things take off.. And it is a blast when you get to this stage..

This is really where it's off to the races.. And it's some of the most fun you'll ever have in building a company.. But at the same time, this is a really hard period as a company.. Finding go-to-market fit strains the company and strains the team.. When you're entering and finding go-to-market fit, the takes go up because now you've really measurable goals and everybody knows whether you hit or miss every quarter versus a product road map that may have slipped a week or two.. When you miss your numbers, everybody knows.. At the same time, your cash burn goes up because you're hiring salespeople investing in marketing.. So all of a sudden, you're seeing cash go out the back door.. So the strain goes way up.. At the same time, you're also going through a culture shift, and this is one that I think is one of the things that needs more discussion in Silicon Valley, which is that many companies start off as being really strong, product-lead cultures, and that actually is what makes us successful..

But in order to successfully navigate go-to-market fit, you need to evolve the culture to be more balanced so that you have balance between a product-driven culture and a sales and market-driven culture.. And that's often hard on the engineers and the product folks that have been spending the last two years working their tails off to build the company.. And the last one is

it's really easy to fall into the blame game at this point.. Where things aren't going right, sales and product just kind of point fingers at each other and say it's the other one's problem.. And this is when I also see companies make a classic mistake.. And in many ways, I sort of hang this one on the venture capital community actually because hey, it's time to start selling, what's the first thing you do? Go hire a VP of sales.. Wrong answer.. Wrong answer.. Because you haven't yet found your path through the woods.. So the thing I've seen be much more successful is the first salespeople on the door you wanna hire are more like Davy Crockett, sort of the explorer finding the path through the woods..

What's working, what's not working, let's try this, let's try that.. And then you start to figure out your path and that go-to-market playbook starts to come together.. That's when you bring in a Grade A VP of Sales.. And one of the dirty little secret is that if you try and bring in a Grade A VP of Sales too early, they're not gonna take the job because no Grade A VP of Sales will ever be the first salesperson in the door.. So once you've found the path, then it's time to go hire, go hire Braveheart to go take the fort.. So at the risk of mixing metaphors here, when you have product market fit and then you nail go-to-market fit, you've got a business.. Product market fit plus go-to-market fit, you've got a business and it's time to accelerate.. And it is a gas.. In MobileIron's history, if you look at what allowed us to become, over that four-year period during the introduction, where we were the fastest-growing technology company in the world from 2010 to 2014, it's because we lined up those two things and turned the crank as fast as we could.. If we hadn't had those two things in place and turned the crank as fast as we could, we would have just wasted an inordinate amount of cash and money and not any results..

When you line those two things up, it's a blast.. Fourth thing on the list in the letter is oh by the way, that people and culture stuff is really important.. I knew this going into it that people and culture are like the core of every team.. But until you get into it, you're not exactly sure what that means.. You sort of see that on posters and you hear about that from people, but until you really get into it, like what does that mean? So where does culture come from? It comes from you actually, the founders of the company.. That's where it comes from.. And one of the things about culture is that by the time your team is at 20 people, your culture is set.. it is what it is, for good or for bad.. So that creates a decision when you're getting a company off the ground, which is when you think about culture, do you wanna be proactive, think about what you want to be and drive the culture in that direction; or do you wanna be organic about it and let it evolve? Both are totally okay, totally okay.. But you just have to pick one consciously..

And the reason is that if the product is sort of the muscles of the company and the team is the brain of the company the culture is the soul.. And it is what binds the team together in good times and bad.. It's what allows you and provides guidance to deal with tough situations.. And one of the things that often doesn't get talked about, particularly in the early stages of a company, which is that when it's time for you to go hire Grade A executives, they're gonna ask about culture.. they're gonna watch the culture to see if it makes sense for them.. So thinking about what your culture is and being deliberate about it is actually a really important aspect of hiring Grade A talent into your company as it starts to grow.. So I wanna share a little bit about how we did this.. So in our first week, one of the very first meetings we had was what type of culture do we wanna have? And we didn't sort of look at posters on the wall and stuff like that.. It was really like the conversation was let's talk about the places we worked before, and what about those cultures did we like? And what about those cultures didn't we like? And that actually was a really rich discussion.. We learned a lot about each other as a part of that..

And what we came up with were five things.. One, we and our customers win together.. Two, intellectual honesty.. Look in the mirror, celebrate the good but talk about the bad.. Be accountable to each other, we're smart and intense and be frugal and treat the company's money like your own.. And those points really drove who we are for years.. And we could have just finished that, finish the poster, put it up on the wall and been done with it, but that actually doesn't accomplish the goal of building a culture.. You actually have to bring the culture alive.. And some things I learned along the way about how to bring your culture alive is the number one thing is use real words that mean something to people and not like stuff from a gym poster.. Like accelerate with a race car, or inspiration with an eagle soaring..

Or integrity with two people shaking hands.. Like, I don't know what to do with that stuff and I don't think anybody else does either.. So use it.. Like in big meetings, board meetings, all-hands meetings, we would start every meeting with what's going well or what's not going well.. Use it to guide big decisions.. Use your culture to make decisions about who you hire, who you promote and who you fire.. And walk it.. There's lots of little things every day that happen that sort of reinforce the culture.. And nothing can undermine the culture faster than if the little things don't add up.. And these come from you..

It could be how you react to a tough question during a meeting.. They could be how you spend the company's money when you fly to Europe.. All those things are little signals.. And the last thing about culture is culture is like a relationship, like you gotta talk about it and talk about it regularly, whether it's an executive team, in offsites, when you're on boarding new employees, like talk about it.. It's an important part of joining the team.. And don't forget to pay attention to those great little stories and opportunities to build company lore and company traditions.. So I wanna share one of those little company lore and tradition stories with you guys, which is in the early days of MobileIron I loved the movie Office Space.. Who's seen the movie Office Space.. Okay, some of you will appreciate this.. And as a joke for our first holiday party, I bought everybody a present..

A red Swingline stapler.. For those of you that have seen the movie, the red Swingline stapler features prominently throughout the plot.. Now the funny thing about that movie was that Swingline at the time didn't actually make a red

Swingline stapler.. It was a prop made by the movie studios.. But apparently after the movie, so many people asked for a red Swingline stapler that Swingline then made a red stapler.. So for Christmas, everybody got a red Swingline stapler.. Ha-ha, kind of a joke, Bob you're quirky.. And then it kept going.. Everybody who joined MobileIron then got a red Swingline stapler in their welcome kit.. And some people got the joke, and other people had no idea why they had a red Swingline stapler..

But it became one of those things that bound us together and it was just sitting there on our desk every day.. And people would ask about it and talk about it.. It became just one of those little company lore and culture things that tied us together.. So in the spirit of paying culture forward, taped to the underside of one of your chairs, probably somewhere in here is an envelope.. If you open the envelope, there's a red Swingline stapler.. A picture of a red Swingline stapler.. So if you come down afterwards, you get your very own red Swingline stapler.. There it is, all right, come on down afterwards to get your very own red Swingline stapler.. (audience laughing) Everybody is like, why didn't I sit there? (chuckles) So when it comes to the culture and the people, the early founders are where it starts.. The founders are the seed corn that build the early product, that hire the original team..

And they're the ones that frankly, bring the mission to life.. And if it starts to work, your mission then grows and starts to turn into something that matters, which is a really special thing.. And then as the company grows and evolves, it's really important as founders to change and evolve with the company and be open to change.. And I've seen some companies do this well and some companies do this terribly.. And this leads me to something that I call The Founder Oath.. And sort of like The Hippocratic Oath that doctors take to do no harm, The Founder Oath goes something like this, which is that it's about the mission.. Not me, or my ego.. And I promise to do my best to separate my ego from the business.. The second thing is that while a lot of the people work for us, that don't ever forget that we work for the company and the team.. And the third part of the founder pledge is that I recognize that very few things can screw up a company more than founder drama..

And if we are fortunate the company grows beyond us, that I will step aside gracefully for the good of the mission.. And these are not hollow words to me.. Every single one of the three founders, AJ, Suresh and myself at some point stepped out of our initial operational role.. Every single one of us.. And I gotta tell you, it's not fun.. It's kind of hard on the ego.. It's a weird out-of-body experience but it's absolutely the right thing to do.. And for those of you that go off and someday, whether it's right after school or 10 or 15 years down the line, if you decide to become a founder of the company, take this founder oath.. The mission you're embarking on depends on it.. And you owe it to the rest of the company and the people that join you on that mission..

Because at the end of the day, sort of passion for the mission is the core of leadership and what makes it really fun.. And in my belief, ego is the ultimate enemy of leadership.. And it's up to all of us to know the difference.. The last point, number five on the list.. Doing something uncool will eventually become cool.. Doing something cool will eventually become cool.. So here's one of the classic dynamics in Silicon Valley is that's a cool hot space and it's like a rugby scrum, everybody piles on.. That's fine, that works.. I'm more of a believer in this guy's model.. Anybody know who that is? Wayne Gretzky..

So Wayne Gretzky is famously quoted because he was asked during an interview, so for those of you who don't know who Wayne is, he's probably the best hockey player of all time.. He was asked during an interview a pretty profound question, which was hey Wayne, why do you think you're such a good hockey player? And he stopped and thought about it for a moment and his answer was, I think it's because I try to skate to where I think the puck is going to be, not where the puck is.. So how does this apply to what we are doing here in the entrepreneurship world? Well, the first thing is that hard things take a while.. So it's really important to have the courage to start on something before it's cool or obvious.. And then at some point, when it becomes cool and obvious, you're ahead of the game.. There's sort of an interesting sort of underlying awkwardness and clunkiness to this though, which I sort of call for me the cocktail party problem.. It's why the cocktail party in the background here.. Because all of us go to cocktail parties where it's either a work thing or social thing and you ask, what do you do? And when you have an answer, everybody sort of turns and yawns.. It's not that fun.. So I'll give you a couple of great examples..

So 1998, I was at a cocktail party right after business school with a bunch of friends of mine.. And everybody's doing like .com something.. It was right before the.com bust.. And furniture.com, pets.com, and a couple of us were doing some uncool enterprise things.. And a buddy of mine was talking about what he did.. He's like, yeah I've got this company, they're translating semiconductor instruction sets on an Intel chipset so that you could actually have more than one operating system run on a chip.. And literally, you could see everybody's eyes glaze over.. People turn around, go get another drink.. Well, that company eventually became VMware.. It unleashed a force of nature on the universe that is now worth between 30 and 40 billion dollars..

For me, in 2008, 2009, when we took off to go focus on enterprise mobility, everybody was in love with consumer mobility.. The next app, the next great game.. And we'd go to like industry events or cocktail parties, everyone talking about the next great thing in consumer.. And I would say hey, we're focused on enterprise work stuff and people would be like, oh, yawn, eyes glaze over, turn, go get a drink.. And you just kind of have to grit your teeth for that because we had the confidence that over time, eventually, people would figure out and customers would figure out that this is gonna be an important market.. The other 12 hours of your day was gonna matter.. And sure enough, two years later, the market took off, we'd spent the last 18 months building a product.. And by the time everybody else figured it out, we were a year and a half ahead.. A year and a half

ahead.. And so with that, I wanna shift gears to a part that is a little bit of a commercial, a commercial for what's one of the things that I think is out there that could be viewed as a little bit uncool but I think is gonna be a spectacular opportunity for those of you in the audience..

I think this is gonna be the next trillion-dollar and I mean trillion with a t dollar opportunity over the next 10 years, which is that the entire enterprise technology sector is getting reinvented; and I would argue totally turned on its head.. Why? Because well, the consumer world is a fascinating gigantic business in and of itself.. At the end of the day, most people spend another 12 hours a day at work, and there's an enormous amount of technology industry that is focused on that other 12 hours of your day.. And if you look inside this industry, there's a changing of the guard that's happening.. All the companies that were born and grew up in sort of the web and PC World are heading into retirement because everything is changing.. Everything.. I sat down for (mumbles) all right, what are the top five or six things I think are changing, and I kept going.. Just to give you an example, cloud is totally changing the way compute is happening.. Apps are reinventing entire industries.. Software is being built differently with clusters of micro services..

Mobile is becoming the new front end for everything.. Security and identity are being totally reinvented.. Data is now being freed for analytics, and that's unleashing a whole new capability for artificial intelligence and machine learning to solve problems in whole new ways.. And this is just the beginning of the list.. If you look at the market capitalization and importance of sort of all the things that are built on this, it is over trillion dollars of market capital that's gonna get rearranged over the next 10 years.. This is one of those opportunities that comes along once every 20 or maybe 30 years.. And the great part about it is the next generation of leaders of companies to do this are being born right now.. And frankly, we need you because I think building a business is always cool.. So to summarize, what are the five things in the letter? Stuff breaks, be ready.. The CEO job changes, so do you..

Building a business is really different than building a product.. Culture and people stuff is really important.. And doing something cool, uncool excuse me, will eventually be cool.. Good luck, Bob.. So there's a little PS down at the bottom of the letter with some parting advice.. So some of the best life advice I ever got, believe it or not, came from a skydiving instructor.. Who's been skydiving? Hmm, all right, pretty good.. So I went to my lesson to learn how to skydive and the skydiving instructor had two pieces of advice.. The first one was when you go up in the plane and you're at 14,000 feet and you're standing at the door going like this, looking so far down that the ground looks like a painting, every bone in your body is gonna be screaming don't jump.. His advice was have courage and jump..

Okay, file that one away.. The second piece of advice he had, I didn't expect, which is he said after you jump and you roll over and you look at the plane flying away, you quickly accelerate to over 200 miles an hour.. Your adrenaline shoots through the roof.. It's gonna sound like a freight train.. Every single one of your senses is gonna be overloaded.. And sometimes, what happens when you get to the bottom and you're standing on the ground, people don't remember their jump.. They were in such sensory overload they don't remember their jump.. His advice was in the midst of all the noise, the adrenaline, the fear, slow your brain down and take mental pictures.. Slow your brain down and take mental pictures.. So for those of you that someday will take the leap, have courage..

And in the heat of battle, the smoke, the lights, the noise, make sure you slow your brain down and take pictures.. And someday, that'll be you standing with your team taking an all hands picture and having a really proud moment.. And by the way, the guy in the front there in the Android shirt right there, that's Andy Weir, the guy who wrote The Martian.. So I'd like to say thank you to all of you for spending time with me today.. It's an honor.. But I'd also like to thank a bunch of other people that played enormous roles in my journey and my learning over the last eight years.. I'd like to thank my team at MobileIron who jumped into the boat and rode like hell with me for eight years and put up with me learning on the job.. Thank my investors who had the confidence and the coaching to stay side-by-side with me.. And also to my wife, my son and my daughter for putting up with it.. And thanks to all of you..

Best of luck.. (audience applause) I think we have a couple of minutes for questions.. (indistinct chattering) Here, we'll let a couple of the people clear out then we'll do questions.. Don't forget to come get your stapler.. Yeah, there was a question up here, and then we'll do one in the back there.. Yeah.. - [Man] Out of all the requirements that you said for founders, like they have to meet their culture, I mean, (indistinct muttering) they have to all have different strengths, and then you gotta sell them on the big picture (indistinct muttering) what's that process look like to acquire these people? - To bring together the initial founding team? - [Man] Yes.. - Yeah, so the question was sort of how do you bring together that initial cofounding team since so many things after that kind of depend on that.. Is that-- - [Man] Yeah.. And then you have to have a history with these people too..

You don't wanna bring somebody on at some random event.. It's like getting married in Vegas.. - Yeah, that's true.. So how do you find that initial founding team? There's no one recipe for it, actually.. I'd love to be able to say here's the answer.. I'll tell you sort of what I've seen, which is that in terms of bringing together the initial founding team, the number one thing is that you actually all care about whatever it is you're gonna go do.. Like you've got passion for the space or the problem, and that can come lots of different ways.. It can be from somebody who is in an adjacent space, somebody who has thought it was interesting, somebody who has been in the industry for 20 years, somebody who did their thesis on it.. Like, just gotta be really passionate about the space.. That's the number one thing..

The second thing, and you're right, this is kind of like getting married, is that you gotta have sort of simpatico and spend some time with them.. So you sort of feel like you like them and you wanna spend time with them because you're gonna spend a lot of time with them.. And it's sort of like dating somebody and you're like, well, I think that problem will kind of go away later, usually doesn't.. (chuckles) And the third thing that I found in sort of bringing together cofounders is having just sort of different perspectives.. You don't want everybody to be sort of cookie-cutter the same.. Like, the last thing you wanna do is sort of start a company and say I've got three X McKinsey consultants that are all coming from the same group to go start a company.. Like you need sort of people with different backgrounds.. And it's great if you can have somebody that's sort of technical, somebody that's more product and go-to-market oriented.. That's sort of the classic combo to go get a company off the ground.. Now for me, what was interesting is in terms of the three of us, two of us knew each other before and Suresh, the third, we didn't know before..

But we found him, which is almost as good as somebody you knew before, through somebody we knew that we trusted.. So sort of the one degree removed of somebody you really respect if they respect this person.. That's not quite as good as having known them before but it's a pretty good headstart.. Next question was back there.. - [Man] You talked about a trillion dollar industry in business.. - Yes.. - [Man] How does one go about getting experience to find those kind of problems (coughing drowns out dialog) (indistinct muttering) - Yes.. So the question was hey look, this trillion-dollar enterprise opportunity, how do we go get experience to figure out how to be part of that? Is that essentially the question? And you also hit on a really good point there, is that one of the things about the consumer world is we all see it every day so it's sort of easy for us to relate to and be like, I'm gonna go do that.. The enterprise sometimes is a little more opaque.. Like you don't necessarily relate to it as a consumer..

So you actually have to make an effort to go learn about that industry.. Me personally, I just love building stuff, building stuff that matters, that's gonna be around, and I think the enterprise sort of fits that category.. So for those of you sitting in school right now thinking about how to go get experience in the enterprise market, you are sitting at sort of the ground zero for most of the major enterprise technology companies in the world.. So one option is go work for one of the mid or large enterprise companies out there and go get some experience.. The second one is there are tons, remember I said sort of all these market leaders are being born right now? There's probably 50 or 60 companies that are, right now, achieving sort of mid side scale in the enterprise space.. They have a chance to really be one of the leaders over the next 10 years.. Go figure out.. They're getting to the stage where sometimes they're willing to hire people right out of school.. The third one is just do your homework.. Start reading like magazines around enterprise technology..

Pay attention to blog posts on it.. Like one of the challenge with consumer world is a lot of times the most advanced interesting problems actually don't get solved in the consumer world first.. They get solved in the enterprise world first and then trickle out to the consumer.. So actually, some of the really gnarly interesting problems are being solved in the enterprise space.. And go figure out what those are.. For me, when I was coming out of school, I asked the same question and Don Valentine, one of the founders of Sequioa was giving a talk about enterprise in 1998 actually.. And he talked about the convergence of voice and data, which we all sort of laugh about now.. Duh, voice over IP exists.. But at that point, nobody had done voice over IP before.. So I was like, that sounds interesting..

So I went, did a bunch of research on that and ended up working at a voice over IP startup.. It was too early actually.. Voice over IP didn't take off till like 2005, but I learned a lot along the way.. Yeah, stapler guy.. (indistinct muttering) So the question was when is something too early? How do you know it's the right time or the right idea? This one is sort of a mixture of logic and instinct.. The instinct on it is sort of connecting the dots and sort of seeing what some of the trendlines are, sort of like Wayne Gretzky skating to where the puck is gonna be.. That's sort of the instinct part.. The part that's logic is you can actually go do your homework to figure it out.. The number one way to do that is go talk to whoever the customers are that would buy whatever you're talking about.. My experience on that one is that for MobileIron, we spent six months talking to customers, six months, before we wrote a line of code or raised a dollar of venture capital..

And that's sort of inverted from sort of the common wisdom, which is hey, we've got a cool technology.. Who to sell it to? That's actually not the way most companies are successful.. The companies who are successful are the ones that could do their homework on the market and the customers.. They connect the dots and say that's where the world is going, I'm gonna skate there.. That way you can tell whether it's too early.. And sometimes, even if you think it's a little bit early, screw it, do it anyway.. Yeah.. (indistinct muttering) Oh I'm so glad you asked that question.. So let me repeat that.. So her question was about self-awareness..

It's easy to say but hard to do, and how do you sort of know whether you're doing it or not? And I would also add to that, when you're interviewing to hire people, how do you figure out whether they're self-aware too? Self-awareness, whew, big topic.. All right.. So number one, in terms of how are you being self-aware, the first way I do that is you almost have sort of this little observer outside of yourself that after you have a meeting, you have a conversation, you do something, you make a decision, you sort of ask yourself how'd I do on that? And the important thing is to not market to yourself.. How you know you're not being self-aware is if you're marketing to yourself.. So that's gotta be a mixture of sort of good and bad.. So your measure of self-awareness should always be, I feel like there's good news and bad news in there so I feel like I'm being honest with myself.. That's sort of number one.. Number two is ask for critical feedback and watch how you react to it.. So here's another little self-awareness loop.. Lots of people ask for critical feedback and they get defensive and sort of like argue about

it..

Like, the irony feedback to people sometimes is that you're not very good at taking feedback.. (chuckles) So ask for critical feedback and then really internalize it, put your defenses down.. And most importantly, be vulnerable.. One of the core measures in my mind of whether you're actually being self-aware about something is do you feel vulnerable? If you feel vulnerable, you're doing a good job.. And that, going to the thing I added to your question, which is then when you're interviewing people, how do you sort of test for self-awareness is that the way I would do it is you always ask the classic interview question: what are you not good at and people usually give you half-baked answers like I work too hard, which is really sort of like a veiled self complement.. So how do you really get to the core of getting to figure out whether somebody's self-aware or not? And the way I would do it would be I would start with putting myself out there and say look, I'm gonna ask you the typical interview question of what are you not good at, but that's actually not what I wanna talk about.. What I wanna talk about is what do you feel insecure about? And let me tell you mine.. Mine is that I'm pretty good at keeping complex stuff in my head, but I'm actually not very good at distilling.. And when you're CEO of a company, you have to distill this stuff down so that people can actually figure out what to do with it.. I'm working on that and I'm not very good at it..

I'm kind of insecure about it.. If you start a conversation like that and show the you're being vulnerable and self-aware gives the other person permission to be that way.. And if they don't, then you know they're not.. We done with time? Okay, all right.. Thank you everyone, best of luck.. (audience applause)..