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Preface: A Guidance Counselor's Nightmare

Building the perfect Google resume, in retrospect

My first paycheck came in the summer of 1987, when I was fourteen years old. My best friend, Jason Corley, and I had been invited by our high school to enroll in a summer-school debate class the year before ninth grade. By the next year, we were teaching it. We earned $420 each.

Over the next twenty-eight years, I amassed a random walk resume that could best be described as a guidance counselor's nightmare: I worked in a deli, a restaurant, and a library. I tutored high school students in California and taught elementary school students English in Japan. I was first a lifeguard in real life at my college pool, and then I played one on TV, appearing on *Baywatch* as a 1960s lifeguard in a flashback and as that old acting standby, "Man walking across background." I helped start a nonprofit that supported troubled teens, and worked at a manufacturer that built construction products. I stumbled into consulting on executive pay, and with all the wisdom a twenty-four-year-old can muster, observed that human resources was a stagnant field and fled to get an MBA. Two years later I joined McKinsey & Company, the management consulting firm, where I focused as little on people issues as I could. During the dot-com boom years up until early 2000, I advised technology companies on how to grow sales, users, and organizations. And when the bubble popped, I advised technology companies on how to slash costs, run efficiently, and pivot into new businesses.

But by 2003 I was frustrated.

Frustrated because even the best-designed business plans fell apart when people didn't believe in them. Frustrated because leaders always spoke of putting people first, and then treated them like replaceable gears. (Low point on my first project: I asked my manager for career advice and he told me, "You guys are all like arrows in a quiver. Every one of you is the same.")

I'd held blue-collar jobs and white-collar jobs, been paid minimum wage and a six-figure salary, toiled alongside—and been managed by—people who didn't finish high school and people with PhDs from the poshest universities in the world. I had worked in an environment where our sole purpose was to change the world, and another where it was all about profits for the owner. It just didn't make sense to me that no matter where I turned, people weren't treated better in their jobs. You spend more time working than doing anything else in life.[1] It's not right that the experience of work, even at some of the best employers, should be so demotivating and dehumanizing.

I determined that I had two paths to choose from. The first was to treat my teams better, improve their output, and hope that over time others would follow my example. The second was to find a way to influence how entire companies treat people. I chose the latter path because I believed it would give me the greatest chance of affecting the most people, and decided to find a job in human resources (HR). My colleagues in consulting thought I was committing professional suicide, but I'd done my homework. At the time, there were more than five thousand people in McKinsey's database of alumni, but only a hundred of them were in human resources, virtually all working as consultants for other firms or recruiters. I reasoned that my training and background would make me stand out in the HR talent pool and help me come up with novel solutions to people. And maybe, just maybe, that would help me have a faster career trajectory than waiting twenty or thirty years to creep up the corporate ladder. I might get to a place where I could impact more people, faster.

I wanted to work at the places where I could learn as much as possible about HR, and Pepsi and General Electric were the best-regarded HR shops at the time. I cold-called eight HR executives from the two companies, but only one, Anne Abaya at GE, returned my call. Anne, a fluent Japanese speaker from Hawaii who somehow was always able to carve out a few minutes here and there to help people, found my background intriguing and introduced me to others at GE.

Six weeks later, I was hired. I was now the Vice President of Compensation and Benefits of the Commercial Equipment Financing division of the GE Capital division of the General Electric Company. I was thrilled to be there, though my friends took one look at my business card and thought I was nuts. My first boss, Michael Evans, gave me tremendous latitude to explore the company and helped me understand GE's approach to talent.

People mattered to Jack Welch, GE's chairman and CEO from 1981 to 2001. He spent more than 50 percent of his time on people issues,[2] and together with Bill Conaty, his chief human resources officer, built an acclaimed people management system by stringently ranking employees based on performance, choreographing job changes for top talent every twelve to eighteen months, and building a global training center in Crotonville, New York. Jack had handed over the reins to a new CEO, Jeff Immelt, two years before I joined, which allowed me to see what had been built and how it changed as Immelt's focus shifted to other areas.

Welch and Conaty had implemented a 20-70-10 performance ranking system, where GE employees were sorted into three groups: the top 20 percent, the middle 70 percent, and the bottom 10 percent. The top workers were lionized and rewarded with choice assignments, leadership training programs, and stock options. The bottom 10 percent were fired. Under Immelt, the forced distribution was softened and the crisp labels of "top 20 percent," "middle 70 percent," and "bottom 10 percent" were replaced with euphemisms: "top talent," "highly valued," and "needs improvement." Colleagues told me that the vaunted Session C process, a yearlong review of talent across the 300,000-person-strong company, had "lost its teeth" and "just wasn't the same without Jack's focus."[3]

I didn't have the benefit of having worked under both CEOs, but it dawned on me how deeply a CEO's persona and focus can shape an institution. Most CEOs are very good at many things, but they become CEOs for being superbly distinctive at one or two, which tend to be matched to a company's needs at that time. Even CEOs need to declare a major. Welch is best known for Six Sigma—a set of tools to improve quality and efficiency—and his focus on people. Immelt instead emphasized sales and marketing, most visibly through GE's branded "ecomagination" efforts to make and be perceived as a maker of greener products.

In 2006, after three years at GE, I was recruited to join Google as head of People Operations. I remember the recruiter, Martha Josephson, trying to convince me not to wear a suit to the interview. "No one wears suits," she assured me, "and they'll think you don't understand their culture if you show up in one." I took her advice, but was skeptical enough that I carried a necktie stuffed into my jacket pocket in case I needed it. Years later, I'd interview a candidate who had clearly purchased a beautiful pinstripe suit just for the interview, but who was still so exceptional that I could tell we'd hire him. I closed the interview with, "Brian, I have good news and bad news. The good news is that, while you still have more interviews to go, I can tell that you're going to get an offer. The bad news is that you're never going to get to wear that suit again."

When I joined, it was two years after Google's initial public offering: Revenues were growing 73 percent a year; Gmail had just launched with an unheard-of free gigabyte of storage (five hundred times more than prior webmail services—this was so crazy that people thought Gmail was an April Fool's joke)[4]; there were six thousand Google employees and the company wanted to double in size every year; and they had this wildly ambitious mission to organize the world's information—all of it!—and make it universally accessible and useful.

This mission for me was by far the most exciting part. I was born in 1972 in Communist Romania, a country ruled by the dictator Nicolae Ceausescu and permeated by secrecy, lies, and fear. It's hard to conceive of today, but Romania at the time was much like North Korea today. Friends and family members would disappear for criticizing the government. Members of the Communist Party had access to fine clothes, consumer goods, and fruit and vegetables from the West, while my parents didn't taste their first banana until they were in their thirties. Children were encouraged to spy on their parents. And the newspapers and radio disseminated little but lies about how great the government was and how evil and oppressive the United States was. My family fled Romania seeking freedom, the right to go where they wanted, say and think what they wanted, associate with whomever they wanted.

The idea of joining a company founded with a goal of making information available to everyone was thrilling, because the state of freedom is predicated on free expression, which in turn relies on access to information and truth. I'd lived and worked in all kinds of environments and seen lots of examples of what didn't work. If this place is for real, I thought, this is going to be the best job in the world.

Since I joined, Google has grown from six thousand employees to almost fifty thousand, with seventy-plus offices across more than forty countries. *Fortune* has named Google the "Best Company to Work For" an unprecedented five times in the United States, as well as numerous times in countries as diverse as Argentina, Australia, Brazil, Canada, France, India, Ireland, Italy, Japan, Korea, the Netherlands, Poland, Russia, Switzerland, and the UK. Google is the most sought-after place to work on the planet according to LinkedIn,[5] and we receive about two million applications every year, representing individuals from every background and part of the world. Of these, Google hires only several thousand per year,[6] making Google twenty-five times more selective than Harvard,[7] Yale,[8] or Princeton.[9]

Far from being professional suicide, my time at Google has been a white-water ride of experimentation and creation. Sometimes exhausting, sometimes frustrating, but always surging forward to create an environment of purpose, freedom, and creativity. This book is the story of how we think about our people, what we've learned over the past fifteen years, and what you can do to put people first and transform how you live and lead.

Why Google's Rules Will Work for You

The surprising (and surprisingly successful) places that work just as we do

A billion hours ago, modern Homo sapiens emerged.
A billion minutes ago, Christianity began.
A billion seconds ago, the IBM personal computer was released.
A billion Google searches ago . . . was this morning.

—HAL VARIAN, GOOGLE'S CHIEF ECONOMIST, DECEMBER 20, 2013

Google turned sixteen years old in 2014, but became part of the fabric of our lives long before. We don't search for something on the Internet, we "Google it." More than a hundred hours of video is uploaded to YouTube every minute. Most mobile phones and tablets rely on Google's free, open-source[i] operating system, Android, which didn't exist in the market before 2007. More than fifty billion apps have been downloaded from the Google Play store. Chrome, launched as a safer, faster, and open-source Web browser in 2008, has over 750 million active users and has grown into an operating system powering "Chromebook" laptops.[10]

And Google is just beginning to explore what is possible, from

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[i] "Open source" means the software is freely available and can be modified. For example, Amazon's e-book reader, Kindle, runs on a modified version of the Android operating system.

self-driving cars to Project Loon, which aims to provide Internet access by balloon to the hardest-to-reach parts of the globe. From wearable computing products like Google Glass, which blends the Web and the world in a tiny lens that sits above your right eye (we're working on a version for lefties), to Project Iris, a contact lens that doubles as a blood glucose monitor for people with diabetes.

Each year, tens of thousands of visitors come to our campuses around the world. They include social and business entrepreneurs, high school and college students, CEOs and celebrities, heads of state and kings and queens. And of course, our friends and families, who are always happy to stop by for a free lunch. They all ask about how we run this place, about how Google works. What is the culture all about? How do you actually get any work done with all the distractions? Where does the innovation come from? Do people really get 20 percent of their time to do whatever they want?

Even our employees, "Googlers" as they call themselves, sometimes wonder why we do things a certain way. Why do we spend so much time on recruiting? Why do we offer some perks and not others?

Work Rules! is my attempt to answer those questions.

Inside Google we don't have a lot of rule books and policy manuals, so this isn't the official corporate line. Instead, it's my interpretation of why and how Google works, viewed through the lens of what I believe to be true—and what the latest research in behavioral economics and psychology has revealed—about human nature. As the SVP of People Operations, it continues to be a privilege and delight to play a role, along with a cast of literally thousands of Googlers, in shaping how Googlers live and lead.

The first time Google was named the Best Company to Work For in the United States was a year after I joined (not thanks to me—but my timing was good). The sponsors of the award, *Fortune* magazine and the Great Place to Work Institute, invited me to sit on a panel with Jack DePeters, SVP of store operations at Wegmans, an eighty-four-store grocery chain in the northeastern United States that has earned a seventeen-year run on *Fortune*'s list of best companies to work for, taking the top spot in 2005 and showing up in the top five almost every year since.[11]

The point of having us both on stage was to showcase our distinctive management philosophies, to show that there was more than one path to becoming a superb employer. Wegmans is a privately held regional retailer that operates in an industry with an average 1 percent profit margin, and its largely local workforce has for the most part a high school education. They've been around since 1916 and have been family-run the whole time. Google at the time was a nine-year-old publicly held global technology company with a roughly 30 percent profit margin; its recruits, drawn from all over the world, collected PhDs like trading cards. The two companies could not have been more different.

I was stunned to learn that our companies had far more in common than not.

Jack explained that Wegmans adheres to virtually the same principles as Google: "Our CEO, Danny Wegman, says that 'leading with your heart can make a successful business.' Our employees are empowered around this vision to give their best and let no customer leave unhappy. And we use it to always make our decisions to do the right thing with our people, regardless of cost."

Wegmans gives employees full discretion to take care of customers, awarded $5.1 million in scholarships to employees in 2013,[12] and even encouraged an employee to start her own in-store bakery simply because her homemade cookies were so good.

Over time I learned that Wegmans and Google weren't alone in their approach. The Brandix Group is a Sri Lankan clothing manufacturer, with more than forty plants in Sri Lanka and substantial operations in India and Bangladesh. Ishan Dantanarayana, their chief people officer, told me that their goal is "inspiring a large female workforce" by telling employees to "come as you are and harness your full potential." In addition to making their CEO and board accessible to all employees, they provide pregnant women with supplemental food and medicine; offer a diploma program that allows employees to learn as they work and even trains them to be entrepreneurs and start their own businesses; appoint worker councils in all plants to help every employee influence the business; offer scholarships for children of employees; and more. They also give back to the community, for example through their Water & Women program, which builds wells in employees' villages. "This elevates the stature of our employees in the community, and they are then privy to clean water, which is scarce."

All these efforts have made them Sri Lanka's second-largest exporter and the recipient of numerous awards for their employment conditions, community involvement, and environmental practices. Ishan elaborated how this happens: "When employees trust the leadership, they become brand ambassadors and in turn cause progressive change in their families, society, and environment. The return on investment to business is automatic, with greater productivity, business growth, and inspired customers."

Contrast Brandix's approach with the collapse of the Rana Plaza building in Bangladesh on April 24, 2013. Five apparel manufacturers, a bank, and several shops filled the eight-floor building. The day before, Rana Plaza was evacuated as cracks appeared in the walls. The next day, the bank and shops told their employees to stay away. The apparel companies ordered their workers back in. More than 1,100 people lost their lives, including children who were in a company nursery in the building.[13]

Closer to home, the 1999 film *Office Space*, which deadpanned the meaningless rituals and bureaucracy of a fictional technology company, became a cult hit because it was instantly recognizable.

In the movie, programmer Peter Gibbons describes his job to a hypnotherapist:

> *Peter:* So I was sitting in my cubicle today, and I realized, ever since I started working, every single day of my life has been worse than the day before it. So that means that every single day that you see me, that's on the worst day of my life.
>
> *Dr. Swanson:* What about today? Is today the worst day of your life?
>
> *Peter:* Yeah.
>
> *Dr. Swanson:* Wow, that's messed up.[14]

I thought of these vastly different examples when a reporter from CNN International called for an article about the future of work. She argued that the model exemplified by places like Google—what I'll call a "high freedom" approach where employees are given great latitude—was the way of the future. Top-down, hierarchical, command-and-control models of management—"low freedom" environments—would soon fade away.

Someday, perhaps. But soon? I wasn't so sure. Command-oriented, low-freedom management is common because it's profitable, it requires less effort, and most managers are terrified of the alternative. It's easy to run a team that does what they are told. But to have to explain to them why they're doing something? And then debate whether it's the right thing to do? What if they disagree with me? What if my team doesn't want to do what I tell them to? And won't I look like an idiot if I'm wrong? It's faster and more efficient to just tell the team what to do and then make sure they deliver. Right?

Wrong. The most talented people on the planet are increasingly physically mobile, increasingly connected through technology, and—importantly—increasingly discoverable by employers. This global cadre want to be in high freedom companies, and talent will flow to those companies. And leaders who build the right kind of environments will be magnets for the most talented people on the planet.

But it's hard building such a place, because the power dynamic at the heart of management pulls against freedom. Employees are dependent on their managers and want to please them. A focus on pleasing your manager, however, means it can be perilous to have a frank discussion with her. And if you don't please her, you can become fearful or resentful. At the same time, she's accountable for you delivering certain results. Nobody produces their best work entangled in this Gordian knot of spoken and unspoken agendas and emotions.

Google's approach is to cleave the knot. We deliberately take power and authority over employees away from managers. Here is a sample of the decisions managers at Google cannot make unilaterally:

- Whom to hire
- Whom to fire
- How someone's performance is rated
- How much of a salary increase, bonus, or stock grant to give someone
- Who is selected to win an award for great management
- Whom to promote
- When code is of sufficient quality to be incorporated into our software code base
- The final design of a product and when to launch it

Each of these decisions is instead made either by a group of peers, a committee, or a dedicated, independent team. Many newly hired managers hate this! Even once they get their heads around the way hiring works, promotion time comes around and they are dumbfounded that they can't unilaterally promote those whom they believe to be their best people. The problem is that you and I might define our "best people" differently. Or it might be possible that your worst person is better than my best person, in which case you should promote everyone and I should promote no one. If you're solving for what is most fair across the entire organization, which in turn helps employees have greater trust in the company and makes rewards more meaningful, managers must give up this power and allow outcomes to be calibrated across groups.

What's a manager to do without these traditional sticks and carrots? The only thing that's left. "Managers serve the team," according to our executive chairman, Eric Schmidt. Like any place, we of course have exceptions and failures, but the default leadership style at Google is one where a manager focuses not on punishments or rewards but on clearing roadblocks and inspiring her team. One of our lawyers described his manager, Terri Chen, this way: "You know that killer line from *As Good As It Gets* where Jack Nicholson says to Helen Hunt: 'You make me want to be a better man'? That is how I feel about Terri as a manager. She makes me want to—and helps me try to be—a better Googler and trademark lawyer and person!" The irony is that the best way to arrive at the beating heart of great management is to strip away all the tools on which managers most rely.

The good news is that any team can be built around the principles that Google has used. Even in the garment industry, MIT's Richard Locke found that this kind of approach works.[15] He compared two Nike T-shirt factories in Mexico. Plant A gave workers more freedom, asking them to help set production targets, organize themselves into teams, and decide how work would be broken up, and granting them authority to stop production when they saw problems. Plant B tightly controlled the shop floor, requiring workers to stick to their assigned tasks and adding strict rules about when and how work happened. Locke found that workers at Plant A were almost twice as productive (150 T-shirts per day vs. 80), earned higher wages, and had 40 percent lower costs per T-shirt ($0.11/shirt vs. $0.18/shirt).

Dr. Kamal Birdi of the University of Sheffield and six other researchers studied the productivity of 308 companies across twenty-two years and came to a similar conclusion. These companies had all launched traditional operations programs like "total quality management" and "just-in-time inventory control." Birdi found that these programs sometimes improved productivity in one company or another, but "we found no overall performance effect" when the companies were looked at in aggregate. In other words, there was no evidence suggesting that any of these operations initiatives would reliably and consistently improve performance.

So what did? Performance improved only when companies implemented programs to empower employees (for example, by taking decision-making authority away from managers and giving it to individuals or teams), provided learning opportunities that were outside what people needed to do their jobs, increased their reliance on teamwork (by giving teams more autonomy and allowing them to self-organize), or a combination of these. These factors "accounted for a 9% increase in value added per employee in our study." In short, only when companies took steps to give their people more freedom did performance improve.[16]

That's not to say that Google's approach is perfect or that we don't make our fair share of mistakes. We've taken some bruises along the way, as you'll see in chapter 13. I expect my examples and arguments will be greeted with a healthy helping of skepticism in some quarters. All I can say in my defense is that this is really how it works at Google, and this is really why we run the company this way. And a kindred approach works for Brandix, Wegmans, and dozens of other organizations and teams, both large and small.

I once gave a talk in Chicago to a group of local chief human resources officers (CHROs) about Google's culture. After the presentation, one CHRO stood up and sneered, "This is all well and good for Google. You have huge profit margins and can afford to treat your people so well. We can't all do that."

I was going to explain that most of what we did cost us little to nothing. And that even in a time of flat wages you can still make work better, make people happier. Indeed, it's when the economy is at its worst that treating people well matters most.

Before I could muster a response, another CHRO argued back, "What do you mean? Freedom is free. Any of us can do this."

He was right.

All it takes is a belief that people are fundamentally good—and enough courage to treat your people like owners instead of machines. Machines do their jobs; owners do whatever is needed to make their companies and teams successful.

People spend most of their lives at work, but work is a grinding experience for most—a means to an end. It doesn't have to be.

We don't have all the answers, but we have made some fascinating discoveries about how best to find, grow, and keep people in an environment of freedom, creativity, and play.

The secrets of Google's people success can be replicated in organizations large and small, by individuals and CEOs. Not every company will be able to duplicate perks like free meals, but everyone can duplicate what makes Google great.

1

Becoming a Founder

Just as Larry and Sergey laid the foundation for how Google treats its people, you can lay the foundation for how your team works and lives

Every great tale starts with an origin story.

The infants Romulus and Remus, abandoned beside the Tiber River, are nursed by a she-wolf, fed by a woodpecker, and then raised by kindly shepherds. As a young man, Romulus goes on to found the city of Rome.

Baby Kal-El rockets to earth as his home planet Krypton explodes behind him, landing in Smallville, Kansas, to be raised by the kindly Martha and Jonathan Kent. Moving to Metropolis, he takes on the mantle of Superman.

Thomas Alva Edison opens a lab in Menlo Park, New Jersey, in 1876. He brings together an American mathematician, an English machinist, a German glassblower, and a Swiss clockmaker who develop an incandescent lightbulb that burns for more than thirteen hours,[17] laying the foundation for the Edison General Electric Company.

Oprah Winfrey, born of an impoverished teenage mother, abused as a child, and shuttled from home to home, goes on to become an honors student, the youngest and first black news anchor at WLAC-TV in Nashville, and one of the most successful communicators and inspirational businesspeople in the world.[18]

Vastly different tales, yet all teasingly similar. The mythologist Joseph Campbell argued that there are just a few archetypal stories that underpin most myths around the world. We are called to an adventure, face a series of trials, become wiser, and then find some manner of mastery or peace. We humans live through narrative, viewing history through a lens of stories that we tell ourselves. No wonder that we find common threads in the tapestries of one another's lives.

Google has an origin story too. Most think it began when Larry Page and Sergey Brin, Google's founders, met during a campus tour for new students at Stanford University. But it starts much earlier than that.

Larry's views were shaped by his family history: "My grandfather was an autoworker, and I have a weapon he manufactured to protect himself from the company that he would carry to work. It's a big iron pipe with a hunk of lead on the head."[19] He explained, "The workers made them during the sit-down strikes to protect themselves."[20]

Sergey's family had defected from the Soviet Union in 1979, seeking freedom and a respite from the anti-Semitism of the Communist regime. "My rebelliousness, I think, came out of being born in Moscow," explained Sergey. "I'd say this is something that followed me into adulthood."[21]

Larry's and Sergey's ideas about how work could be were also informed by their early experiences at school. As Sergey has commented: "I do think I benefited from the Montessori education, which in some ways gives the students a lot more freedoms to do things at their own pace." Marissa Mayer, at the time a Google vice president of product management and now CEO of Yahoo, told Steven Levy in his book *In the Plex*: "You can't understand Google . . . unless you know that both Larry and Sergey were Montessori kids."[22] This teaching environment is tailored to a child's learning needs and personality, and children are encouraged to question everything, act of their own volition, and create.

In March 1995, a twenty-two-year-old Larry Page was visiting Stanford University in Palo Alto, California. He was finishing his undergraduate degree at the University of Michigan and considering entering Stanford's PhD program in computer science. Sergey, twenty-one years old, had graduated from the University of Maryland two years earlier[ii] and was already enrolled in the PhD program. He was volunteering as a tour guide for prospective students. And of course, Larry was assigned to Sergey's tour group.[23]

They quickly developed a friendly banter, and a few months later Larry showed up as a new student. Larry was fascinated with the World Wide Web, and particularly the way Web pages connected to one another.

The Web in 1996 was a chaotic mess. In simplest terms, search engines wanted to show the most relevant, useful Web pages, but ranked them mainly by comparing the text on a Web page to the search query that was typed. That left a loophole. The owner of a Web page could boost his rankings on search engines with tricks like hiding popular search terms in invisible text on the page. If you wanted people to come to your pet food site, you could write "pet food" in blue text on a blue background a hundred times, and your search ranking would improve. Another trick was to repeat words again and again in the source code that generated your page but was invisible to a human reader.

Larry reasoned that an important signal was being overlooked: what users thought of the Web page. The most useful Web pages would have lots of links from other sites, because people would link only to the most useful pages. That signal would prove to be far more powerful than the words written on the page itself.

[ii] Sergey left high school a year early and finished college in three years.

But creating a program that could identify every link on the Web and then tabulate the strength of every relationship across all websites at the same time was an inhumanly complex problem. Fortunately, Sergey found the problem equally captivating. They created BackRub, a reference to the backlinks reaching back from the site you saw to the site you had just been on. In August 1998, Andy Bechtolsheim, one of the cofounders of Sun Microsystems, famously wrote a $100,000 check to "Google, Inc." before the company was even incorporated. Less well known is that they moments later received a second $100,000 check from Stanford professor David Cheriton, on whose porch they had met Andy.[24]

Reluctant to leave Stanford to start a company, Larry and Sergey tried to sell Google but were unable to. They offered it to AltaVista for $1 million. No luck. They turned to Excite and at the urging of Vinod Khosla, a partner at venture capital firm Kleiner Perkins Caufield & Byers, lowered the price to $750,000. Excite passed.[iii]

This was before Google's first advertising system, AdWords, was launched in 2000, before Google Groups (2001), Images (2001), Books (2003), Gmail (2004), Apps (spreadsheets and documents for businesses, 2006), Street View (2007), and dozens of other products we use every day. It was before Google Search was available in over 150 languages, and before we opened our first international office in Tokyo (2001). And way before your Android phone could buzz you in advance if your flight was delayed, or you could say to the Google Glass on your eyeglass frame, "Okay, Glass, take a picture and send it to Chris," and know Chris will get to see through your eyes.

[iii] One of the great lessons of Google's history is that to succeed you need to have a brilliant idea, great timing, exceptional people…and luck. Though it didn't feel like it at the time, failing to sell the company was a tremendously fortunate break, as were the chance meeting between Larry and Sergey on a campus tour and dozens of other events. It would be easy to claim that our success was due to being somehow smarter or working harder, but that's just not true. Smarts and hard work are necessary but not sufficient conditions for success. We got lucky too. Kinda gives the "I'm Feeling Lucky" button on our home page a whole new meaning.

Larry and Sergey had ambitions beyond developing a great search engine. They started out knowing how they wanted people to be treated. Quixotic as it sounds, they both wanted to create a company where work was meaningful, employees felt free to pursue their passions, and people and their families were cared for. "When you're a grad student," Larry observed, "you can work on whatever you want. And the projects that were really good got a lot of people really wanting to work on them. We've taken that learning to Google, and it's been really, really helpful. If you're changing the world, you're working on important things. You're excited to get up in the morning. You want to be working on meaningful, impactful projects, and that's the thing there is really a shortage of in the world. I think at Google we still have that."

Many of the most meaningful, beloved, and effective people practices at Google sprouted from seeds planted by Larry and Sergey. Our weekly all-employee meetings started when "all" of us amounted to just a handful of people, and continue to this day even though we're now the size of a respectable city. Larry and Sergey always insisted that hiring decisions be made by groups rather than a single manager. Employees calling meetings simply to share what they were working on turned into the hundreds of Tech Talks we host each month. The founders' early generosity led to an almost unprecedented sharing of ownership in the company: Google is one of the few companies of our size to grant stock to all employees. Our efforts to draw more women into computer science started before we had thirty employees, and at Sergey's direct request. Our policy of welcoming dogs at work originated with our first ten people. (As did our position on cats, which is enshrined in our code of conduct: "We like cats, but we're a dog company, so as a general rule we feel cats visiting our offices would be fairly stressed out."[25]) And of course, our tradition of free meals started with free cereal and an enormous bowl of M&M's.

When Google went public on August 19, 2004, Sergey included a letter in our prospectus for investors, describing how the founders felt about their 1,907 employees. The italics are his:

> *Our employees, who have named themselves Googlers, are everything. Google is organized around the ability to attract and leverage the talent of exceptional technologists and business people. We have been lucky to recruit many creative, principled and hard working stars. We hope to recruit many more in the future. We will reward and treat them well.*
>
> We provide many unusual benefits for our employees, including meals free of charge, doctors and washing machines. We are careful to consider the long-term advantages to the company of these benefits. Expect us to add benefits rather than pare them down over time. We believe it is easy to be penny wise and pound foolish with respect to benefits that can save employees considerable time and improve their health and productivity.
>
> The significant employee ownership of Google has made us what we are today. Because of our employee talent, Google is doing exciting work in nearly every area of computer science. We are in a very competitive industry where the quality of our product is paramount. Talented people are attracted to Google because we empower them to change the world; Google has large computational resources and distribution that enables individuals to make a difference. Our main benefit is a workplace with important projects, where employees can contribute and grow. We are focused on providing an environment where talented, hard working people are rewarded for their contributions to Google and for making the world a better place.

Google was fortunate that our founders had such strong beliefs about the kind of company they wanted to create.

But Larry and Sergey weren't the first.

Henry Ford is best known for his sweeping adoption of the assembly line. It's less well known that his philosophy of recognizing and rewarding work was remarkably progressive for the time:

> The kind of workman who gives the business the best that is in him is the best kind of workman a business can have. And he cannot be expected to do this indefinitely without proper recognition. . . . [I]f a man feels that his day's work is not only supplying his basic need, but is also giving him a margin of comfort, and enabling him to give his boys and girls their opportunity and his wife some pleasure in life, then his job looks good to him and he is free to give it of his best. This is a good thing for him and a good thing for the business. The man who does not get a certain satisfaction out of his day's work is losing the best part of his pay.[26]

This is entirely consistent with Google's view, though Henry Ford wrote these words more than ninety years ago, in 1922. And he acted on them as well, doubling the wages of his factory workers in 1914 to $5 per day.

Even earlier, in 1903, Milton S. Hershey not only laid the foundation for what would become the Hershey Company but also for the town of Hershey, Pennsylvania. The United States had over 2,500 company towns in the nineteenth and early twentieth centuries, housing 3 percent of the population at their peak.[27] But unlike in most company towns, Hershey "avoided building a faceless company town with row houses. He wanted a 'real home town' with tree-lined streets, single- and two-family brick houses, and manicured lawns."

> With Milton Hershey's success came a profound sense of moral responsibility and benevolence. His ambitions were not limited to producing chocolate. Hershey envisioned a

> complete new community around his factory. He built a model town for his employees that included comfortable homes, an inexpensive public transportation system, a quality public school system and extensive recreational and cultural opportunities.[28]

Which is not to say that all of Ford's and Hershey's views were palatable. Some were abhorrent. Ford was widely criticized for publishing anti-Semitic works and later apologized.[29] Hershey too allowed racist commentary to be published under his leadership in the Hershey town newspaper.[30] But it's also clear that—at least for a subset of people—both of these founders saw value in considering workers as something more than manufacturing inputs.

A more recent, and less morally ambiguous, example is Mervin J. Kelly, who joined Bell Labs in 1925 and served as president from 1951 to 1959.[31] During his tenure, Bell Labs invented lasers and solar cells, laid the first transatlantic phone cable, developed crucial technologies that made possible the rise of the microchip, and created the foundation for information theory through its work on binary code systems. This built on Bell Labs' earlier work, which included the invention of the transistor in 1947.

Upon becoming president, Kelly took an unorthodox approach to management. First, he upended the physical design of their Murray Hill, New Jersey, labs. Rather than a traditional layout with each floor segregated into sections for each specialized area of research, Kelly insisted on a floor plan that forced interaction across departments: Offices were along long corridors spanning the entire floor, so that walking down the hall all but guaranteed that colleagues would stumble over each other and be drawn into one another's work. Second, Kelly built Franken-teams, combining "thinkers and doers" as well as disparate experts on single teams. Author Jon Gertner described one such team in his history of Bell Labs, *The Idea Factory*:[32] "Purposefully mixed together on the transistor project were physicists, metallurgists and electrical engineers; side by side were specialists in theory, experimentation and manufacturing."

Third, Kelly gave people freedom. Gertner continues:

> Mr. Kelly believed that freedom was crucial, especially in research. Some of his scientists had so much autonomy that he was mostly unaware of their progress until years after he authorized their work. When he set up the team of researchers to work on what became the transistor, for instance, more than two years passed before the invention occurred. Afterward, when he set up another team to handle the invention's mass manufacture, he dropped the assignment into the lap of an engineer and instructed him to come up with a plan. He told the engineer he was going to Europe in the meantime.

Kelly's case is particularly fascinating because he wasn't the founder of Bell Labs, or even a rapidly rising star. On the contrary, he quit twice because he felt his projects weren't adequately funded (and in both cases was lured back with the promise of more funding). He was mercurial and had a nasty temper. An early manager, H. D. Arnold, "kept him for a long time at a low administrative level because he distrusted his judgment."[33] As a result, his career moved slowly. He worked as a physicist for twelve years before becoming director of Vacuum Tube Development, and it was another six years before he was made director of research. He was made president of Bell Labs twenty-six years after joining Bell.

What I love about his story is that Kelly acted like a founder. Like an owner. He didn't care only about the output of Bell Labs; he cared about the kind of place it was. He wanted brilliance to work free from the scrutinizing eye of management, while being constantly jostled by the elbows of the geniuses down the hall. It wasn't his job to care about building design and foot traffic patterns, but in doing so he became the spiritual founder of one of the most innovative organizations in history.[iv]

Turning back to Google, Larry and Sergey deliberately left space for others to act as founders. People with vision were given the opportunity to create their own Google. For years, the troika of Susan Wojcicki, Salar Kamangar, and Marissa Mayer were referred to as the "mini-founders," critical early Googlers who would go on to build and lead our advertising, YouTube, and search efforts, in partnership with brilliant computer scientists such as Sridhar Ramaswamy, Eric Veach, Amit Singhal, and Udi Manber. Craig Nevill-Manning, a gifted engineer, opened up our New York office because he preferred the big city to the suburbs of Silicon Valley. Omid Kordestani, recruited out of his job as the top sales exec at Netscape to build and lead the sales team for Google, is often referred to by Larry, Sergey, and Eric Schmidt as the "business founder" of Google. Fast-forward more than a decade, and Googlers are still acting like owners: Craig Cornelius and Rishi Khaitan decided to make a Cherokee language interface for Google, helping in a small way to preserve an endangered language.[34] Ujjwal Singh and AbdelKarim Mardini partnered with engineers from Twitter following the Egyptian government's shutdown of the Internet in early 2011 to create Speak2Tweet, a product that takes messages from a voice mailbox and transcribes them into Tweets broadcast around the world.[35] This gave Egyptians a way to communicate en

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[iv] It wasn't just the boys who were building a different kind of workplace. In Paris, fashion designer and entrepreneur Madeleine Vionnet went to work as an apprentice seamstress at the age of eleven. In 1912, at the age of thirty-six, she founded her eponymous fashion house and in the next decade introduced the bias cut (*coup en bias*), replacing corsets with slim, body-hugging fabrics. Even in the midst of the Great Depression, her employees received "free medical and dental care, maternity leave and babysitting services, and paid holidays, too," according to Northwestern University professor Deborah Cohen. [Sources: http://www.vionnet.com/madeleine-vionnet; http://www.theatlantic.com/magazine/archive/2014/05/the-way-we-look-now/359803/.]

masse with the world and, by dialing into the voice mailbox, to listen to one another.

You are a founder

Building an exceptional team or institution starts with a founder. But being a founder doesn't mean starting a new company. It is within anyone's grasp to be the founder and culture-creator of their own team, whether you are the first employee or joining a company that has existed for decades.

At Google, we don't believe we've stumbled on the only model for people success. We certainly don't have all the answers. And we absolutely screw up much more often than we'd hope to. But we have been able to prove that many of Larry and Sergey's original instincts were right, to debunk some management lore, and to discover some shocking things along the way. Our aspiration is that in some small way, sharing the lessons we've learned will improve how people experience work everywhere.

The Russian novelist Leo Tolstoy wrote, "All happy families resemble one another."[v] All successful organizations resemble one another as well. They possess a shared sense not just of what they produce, but of who they are and want to be. In their vision (and perhaps hubris), they've thought through not just their origin, but also their destiny.

One of my hopes in writing this book is that anyone reading it starts thinking of themselves as a founder. Maybe not of an entire company, but the founder of a team, a family, a culture. The fundamental lesson from Google's experience is that you must first choose whether you want to be a founder or an employee. It's not a question of literal ownership. It's a question of attitude.

[v] Leo Tolstoy, *Anna Karenina*. He concluded morosely: "Every unhappy family is unhappy in its own way."

In Larry's words: "I think about how far we've come as companies from those days, where workers had to protect themselves from the company. My job as a leader is to make sure everybody in the company has great opportunities, and that they feel they're having a meaningful impact and are contributing to the good of society. As a world, we're doing a better job of that. My goal is for Google to lead, not follow."[36]

That's how a founder thinks.

Student or senior executive, being part of an environment where you and those around you will thrive starts with your taking responsibility for that environment. This is true whether or not it's in your job description and whether or not it's even permitted.

And the greatest founders create room for other founders to build alongside them.

One day your team will have an origin story, a founding myth, just like Rome or Oprah or Google. Think about what you want it to be, about what you want to stand for. Think about what stories people will tell about you, your work, your team. Today you have the opportunity to become the architect of that story. To choose whether you want to be a founder or an employee.

I know which I'd choose.

WORK RULES . . . FOR BECOMING A FOUNDER

- ☐ Choose to think of yourself as a founder.
- ☐ Now act like one.

Work Rules

Chapter 1

WORK RULES . . . FOR BECOMING A FOUNDER

- Choose to think of yourself as a founder.
- Now act like one.

Chapter 2

WORK RULES . . . FOR BUILDING A GREAT CULTURE

- Think of your work as a calling, with a mission that matters.
- Give people slightly more trust, freedom, and authority than you are comfortable giving them. If you're not nervous, you haven't given them enough.

Chapter 3

WORK RULES . . . FOR HIRING (THE SHORT VERSION)

- Given limited resources, invest your HR dollars first in recruiting.
- Hire only the best by taking your time, hiring only people who are better than you in some meaningful way, and not letting managers make hiring decisions for their own teams.

Chapter 3

WORK RULES . . . FOR SELECTING NEW EMPLOYEES

- Set a high bar for quality.
- Find your own candidates.

- Assess candidates objectively.
- Give candidates a reason to join.

Chapter 4

WORK RULES…FOR FINDING EXCEPTIONAL CANDIDATES

- Get the best referrals by being excruciatingly specific in describing what you're looking for.
- Make recruiting part of everyone's job.
- Don't be afraid to try crazy things to get the attention of the best people.

Chapter 5

WORK RULES…FOR SELECTING NEW EMPLOYEES

- Set a high bar for quality.
- Find your own candidates.
- Assess candidates objectively.
- Give candidates a reason to join.

Chapter 6

WORK RULES…FOR MASS EMPOWERMENT

- Eliminate status symbols.
- Make decisions based on data, not based on managers' opinions.
- Find ways for people to shape their work and the company.

Chapter 7

WORK RULES…FOR PERFORMANCE MANAGEMENT

- Set goals correctly.
- Gather peer feedback.
- Use a calibration process to finalize ratings.
- Split rewards conversations from development conversations.

Chapter 8

WORK RULES . . . FOR MANAGING YOUR TWO TAILS

- Help those in need.
- Put your best people under a microscope.
- Use surveys and checklists to find the truth and nudge people to improve.
- Set a personal example by sharing and acting on your own feedback.

Chapter 9

WORK RULES . . . FOR BUILDING A LEARNING INSTITUTION

- Engage in deliberate practice: Break lessons down into small digestible pieces with clear feedback and do them again and again.
- Have your best people teach.
- Invest only in courses that you can prove change people's behavior.

Chapter 10

WORK RULES . . . FOR PAYING UNFAIRLY

- Swallow hard and pay unfairly. Have wide variations in pay that reflect the power law distribution of performance.
- Celebrate accomplishment, not compensation.
- Make it easy to spread the love.
- Reward thoughtful failure.

Chapter 11

WORK RULES . . . FOR EFFICIENCY, COMMUNITY, AND INNOVATION

- Make life easier for employees.
- Find ways to say yes.

- The bad stuff in life happens rarely . . . be there for your people when it does.

Chapter 12

WORK RULES . . . FOR NUDGING TOWARD HEALTH, WEALTH, AND HAPPINESS

- Recognize the difference between what is and what ought to be.
- Run lots of small experiments.
- Nudge, don't shove.

Chapter 13

WORK RULES . . . FOR SCREWING UP

- Admit your mistake. Be transparent about it.
- Take counsel from all directions.
- Fix whatever broke.
- Find the moral in the mistake, and teach it.

Chapter 14

WORK RULES

1. Give your work meaning.
2. Trust your people.
3. Hire only people who are better than you.
4. Don't confuse development with managing performance.
5. Focus on the two tails.
6. Be frugal and generous.
7. Pay unfairly.
8. Nudge.
9. Manage the rising expectations.
10. Enjoy! And then go back to No. 1 and start again.