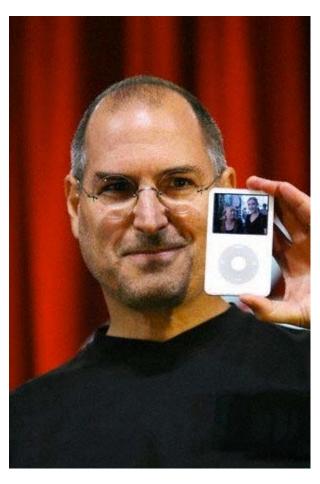


# Steve Jobs: A Leader Who Defied The Rule Book

Shaji Kurian, Asst. Professor, OB, Institute of Finance and International Management, (IFIM), Bangalore



Steve Jobs is no more. Surely, his accomplishments far-reaching and impossible to Apart from summarise. revolutionisina computer, music and publishing industries in his lifetime, Steve Jobs' death has pointed out that he may have transformed just one more - the leadership industry. Here's one way of looking at the scope of his achievement: It is the dream of any entrepreneur to effect change in an industry. Well, Jobs transformed half a dozen of them forever, from personal computers to phones, animation, music, publishing and video games. He was a great negotiator, a skilled motivator, a decisive judge, a farsighted tastemaker, an excellent showman and a gifted strategist. Most people will try to fit him into old moulds, trying to confine his spirit within the familiar terms: Vision, Innovation, Communication, Inspiration. There was all of that, for sure, but these encomiums alone do not quite succeed in capturing him. We haven't lost the best CEO of this generation – we've lost one of the greatest artists of our times. Under his leadership, the previously tottering Apple not only recovered, but climbed its way to the top to become the most valuable company in the world, based on market cap!

Unlike most technologists and entrepreneurs who appear to succeed only once, Steve Jobs was distinctly different, in that he constantly repeated his success. He never gave up and steadfastly pursued his dreams, and is believed to have never been driven by the riches or the fame that followed his success. Jobs was clearly obsessed with the products that his company rolled out, and pursued them to the minutest detail. He was a perfectionist, and a strongly opinionated one at that.

Jobs was destined to change many industries during his life time. He had a fairly difficult childhood. He was given up for adoption, dropped out of school, but eventually went on to start a company that practically shaped the personal computer industry. He never had any fancy degrees. In fact, he had no degree at all! Of course, this does not mean that you don't aspire and work towards higher degrees, but these alone cannot guarantee success. Rather, dedicated pursuit of goals and determination can be magical wands. Following Jobs' example, parents should ask themselves how they can encourage their children to pursue their dreams with limitless passion and safeguarded from the fear of failure.



## **PART-I**

## **A Wonder Called Steve**

To unravel the enigma that was Steve Jobs, let's take a walk through his life.

## **Young Steve**

Steven Paul Jobs was born in San Francisco, California, on February 24, 1955. His biological parents, unwed college graduates Joanne Simpson and Abdulfattah Jandali, gave him up for adoption to a lower middle-class couple from south of the Bay Area, Paul and Clara Jobs. It was not until Jobs was 27 that he was able to uncover information on his biological parents.

Jobs grew up in California, a willful, free-spirited young loner, with a penchant for trouble. In his high school years, he was already fascinated with electronics. In 1969, he met Steve Wozniak, better known as 'Woz', who was five years older, and already an electronics whiz. Jobs attended college, but soon dropped out. He embraced the hippie lifestyle – drugs, Zen and Eastern philosophy. In 1974, he took a position as a video game designer with Atari. Several months later, he left Atari to find spiritual enlightenment in India. After months spent traveling through India in rags, he returned to California and started a thriving business with Woz. They built and sold 'blue boxes' that let users make long distance calls for free.

In 1976, Jobs, then 21, and Wozniak started a new business to build computers for hobbyists. Jobs chose the name Apple Computer.

## **Seeding Apple**

Steve Jobs saw that many people were interested in his friend Woz's brilliant amateur work – a computer circuit board – and suggested that they sell the board to them. Apple Computer was born.

Apple's first year in business consisted of assembling the boards in Steve's garage and driving to local computer stores to try and sell them. Meanwhile, Woz worked on a new, much-improved computer, the Apple II, which he finished in 1977. Both Woz and Steve knew the Apple II was a breakthrough computer, much more advanced than anything the market had ever seen. Thus, Steve set out to find



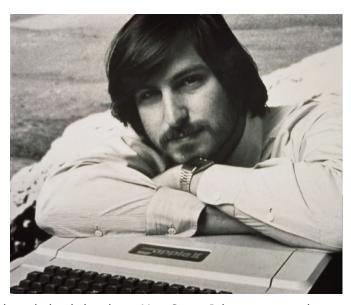
venture capitalists to fund Apple's expansion. After a while, he made a deal with Mike Markkula, an enthusiastic former Intel executive, who invested \$250,000 in their business and assured them that their company would enter the Fortune 500 list in less than two years' time.

Mike was right. The Apple II soon became the symbol of the personal computing revolution worldwide and Apply Computer went public in December 1980, after just four years of existence. Steve Jobs' net worth crossed the \$200-million mark on that day – he was only 25.



In the pursuit of what he believed, however, Jobs never hesitated to inflict his tantrums on anybody, including on Woz, whose relationship with Jobs soon collapsed. In his messy personal life, Jobs refused to acknowledge his baby daughter, Lisa, and acquiesced to letting her grow up in poverty. Of course, he continued his dedication to creating revolutionary products, and his fervour inspired his Apple cohorts.

Apple's president and board, though, avoided giving him full authority, and Steve was digging his own corporate grave. The Apple III, which he supervised, never worked properly. He dreamed of creating a business computer – which would be his creation, not Woz's. The result was a business-oriented



computer that Jobs named Lisa, after his unacknowledged daughter. Yet, Steve Jobs was soon thrown out of the Lisa project because he was considered too temperamental a manager. Deeply angry, he took revenge by taking over a small project called Macintosh, determined to make it a cheaper GUI computer that would cannibalise the sales of Lisa.

Around this time, IBM entered the personal computer business, legitimising the industry. The lower price tag on its PCs made the \$10,000 Lisa a clear flop. Since Jobs was not allowed to run Apple, he recruited Pepsi executive John Sculley, thinking that he could push Sculley around.

In 1984, the first Macintosh made its debut. Macintosh's point-and-click technology (partly derived from Xerox's 1970s Palo Alto Research Center) reduced the need for users to remember innumerable tricky-to-use DOS commands, and brought out the visual and user-friendly potential of computers. The rivals only fully caught up a decade later, with Windows 95. However, despite positive sales and a performance that was superior to IBM's PCs, the Macintosh was still not IBM-compatible. It was cheaper than the Lisa, but Jobs had blundered – the closed box had no expansion slots, and its limited memory made it impractical. Only the old Apple II now kept the company afloat. Woz publicly quit Apple, and denounced its management. The board took the Macintosh division away from Jobs, and turned to Sculley, who insisted on full authority and got it.

## **Exit From Apple**

Jobs tried to stage a coup, but was caught and demoted. He planned to send Scullery to China on a business tour and take over the corporate control of Apple in his absence. Scullery went to China, but he soon got wind of Steve's plan and returned from there. He then presented the issue to Apple's Board of Directors, and asked them to vote against Steve in his presence. Everyone from the board voted against Steve, and he was fired from his own company.

(The background to this was that Apple's board was unhappy with Steve's indisciplined behavior. The war between Board and Steve started when Apple was designing the personal computer, Lisa. Steve was expelled from this project in 1982 and asked to work for Macintosh. Lisa was presented in 1983, but did not perform well. It was believed to be a marketing failure. On the other hand, the Macintosh project



assigned to Steve did extremely well. Steve now lost faith on Scullery, and wanted to wrest back control. He started doing odd things like organising meetings late into the night, sending out long faxes and many such indisciplined activities. The Board lost patience, and decided to fire Steve.)

Later, in 1993, Scullery was also forcibly replaced from the post of CEO. When Scullery was replaced, Apple was in a poor condition, as the company's margins had eroded, sales had diminished and the stock had declined.

## **Life after Apple**

Steve was stunned by his removal. Apple was his life, and he had just been kicked out of it. He started

travelling, looking for new ways to expend his energy. In 1985, Jobs founded another computer company, NeXT. Its machines were not a commercial success, but some of the technology was later used by Apple, where Jobs was eventually to return. However great it was, the NeXT 'Cube' didn't sell. It was overpriced and missing useful software. The company was bleeding money. All its co-founders left one after the other, as did its first investor from outside, the Texan billionaire Ross Perot. By 1993, NeXT had to give up its hardware business, and focus only on promoting its advanced software technology. Now, NeXT Software turned into a niche software development business.



In the meantime, in 1986, Jobs bought 'The Graphics Group', the computer graphics department of Lucasfilm. The group was responsible for making high-end computer graphics hardware, but under its new name, Pixar, it began to produce innovative computer animations. Their first title under the Pixar name, 'Luxo Jr.' (1986) won critical and popular acclaim. In 1991, Pixar signed an agreement with Disney, with whom it already had a relationship, to produce a series of feature films, beginning with Toy Story (1995).

Until then, Pixar too had been going through a difficult time. The movie was to be released in the Thanksgiving of 1995. As the date approached, Steve Jobs realised what an incredible power the Disney brand was. He decided that Pixar would go public the week after the release of Toy Story, to cash in on the media hype surrounding the first computer-generated animation movie of all times. This strategy worked wonders – Toy Story's box-office success was only surpassed by the Pixar stock's success on Wall Street. Steve Jobs, who owned 80% of the company, saw his net worth rise to over \$1.5 billion – five times the money he had ever made at Apple in the 1980s!

The studio merged with Walt Disney in 2006, making Steve Jobs Disney's largest shareholder.



## **Reinventing Apple**

Speaking of Apple, the fruit company was in the midst of its worst year ever. After the release of Windows 95, the Mac, which had turned profitable but had failed to evolve for a decade while Steve Jobs was away, started losing its market share at an alarming rate.

By 1996, the company's newly-appointed CEO, Gil Amelio, was looking for new software to replace the old and bloated Mac OS. He eventually chose Steve's NeXTSTEP. Apple paid \$400 million to acquire NeXT, and Steve was back to the company that had thrown him out a decade before. His official title was that of 'informal adviser to the CEO'.

Shortly after, when Amelio announced Apple's losses of \$700 million for the first quarter of 1997, the board decided that it was time to get rid of this terrible manager. Steve Jobs organised a board coup, and was named interim CEO of Apple in July 1997.

Steve Jobs quickly brought the lost confidence back to the Apple community. The company launched a revolutionary marketing campaign around a new slogan *Think Different*, spreading the idea that people who used Macs were dreamers who could change the world. Six months after he was back, Steve Jobs had led the company to profitability.





Yet, Apple's real resurgence came a little later, when Steve introduced a new, amazing consumer desktop computer – the iMac. Introduced in May 1998, it was Apple's first really innovative product since the unveiling of the original Macintosh in 1984. The iMac's stunning translucent design blew away the whole personal computer industry, which had failed to produce anything but black or beige boxes for over a decade. Moreover, the iMac was a hot seller, and was instrumental in bringing tonnes of developers back to the Mac platform. Design innovations continued throughout 1998 and 1999, with the launch of coloured iMacs and the iBook, Apple's consumer notebook. After three years of being in charge, Steve Jobs had brought Apple back to greatness. He was finally accepted as the full-time CEO of Apple in January 2000 – this was the first time that one person became the CEO of two public companies at the same time.



The digital hub strategy was unveiled by Steve Jobs at Macworld, San Francisco, in January 2001. This was a vision for the future of the PC. Although many analysts and self-appointed experts were proclaiming that PCs would disappear within a couple of years to be replaced by Internet terminals, Apple believed they would evolve into digital centers or hubs for our new digital lifestyles.

## Miracle Days – iPod, iPhone and iPad

The greatest momentum for Apple came from an unexpected source – the iPod. The iPod was an integral



part of the digital hub strategy. For the first time, people were buying Macs just so that they could use this little music player the size of a cigarette box. Apple cashed in on that success and went further in the following years, first by making the iPod Windowscompatible in 2002, and then by opening the iTunes Music Store and developing a Windows version of iTunes in 2003.

In 2006, for the first time in its history, the firm from Cupertino left its niche market to become as influential a player in consumer electronics as Microsoft was in the PC space. The iPod's market share was close to 75%!

The master move, of course, came in January 2007, when Steve Jobs introduced the iPhone at Macworld. The iPhone was arguably the ultimate Apple product. Its beautiful hardware ran no less than Apple's full operating system, OS X. Three years after it was introduced, it is already fair to say that the iPhone will go down in history as the first digital convergence device, equivalent to putting

a computer, an iPod and a phone in your pocket. It was such an obvious part of Apple's move outside the PC business that Steve announced at the end of Macworld 2007, that the company's name would be

changed from Apple Computer Inc. to Apple Inc.

In late 2003, Steve was diagnosed with pancreatic cancer. It was only in August 2004 that he agreed to undergo surgery. Although Steve and Apple kept denying any serious problem, to everyone's surprise, in December 2008, they announced that the CEO would not go on stage for the last Macworld keynote in history in January 2009. Steve Jobs took six months off (the first half of 2009), as he was awaiting a liver transplant, which he underwent in April 2009.



2010 saw the incredible rebirth of Steve Jobs as a very active CEO. In August 2011, Jobs resigned as CEO of Apple, but remained at the company as Chairman of the company's board. On October 5, 2011, at around 3:00 p.m., Jobs died at his home in Palo Alto, California, aged 56, six weeks after his landmark resignation. A legendary life thus came to an end.

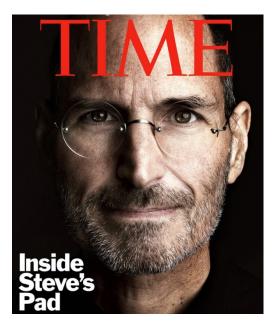
[This text was written from various sources, whose authenticity the author verified with research. However, the content is predominantly sourced from allaboutstevejobs.com and iCon Steve Jobs by Jeffry S. Young and William L. Simon.]

Read On: Part II On The Following Page...



## **PART-II**

# **Steve - Why Was He Different?**



If we look closely, Steve Jobs was singularly devoted not to technology, but to *how people interacted with technology*. It wasn't for us to fit into a world of computers, but for computers to fit into a world of people. That is what made Jobs different.

Jobs lived above his company and its products. This is what made Jobs one of the great leaders of our time. He didn't lead a company – he led us. He inspired us. He had a cause, and we followed him in his pursuit. Let me portray some facets of the genius that was Steve – what made him an iconic businessman, which transformed in a major way the lifestyle of human beings and their interaction with technology.

#### **Man Of Passion**

If we analyse Steve's life, one fact emerges for sure – that he was overtly passionate about what he thought he wanted to achieve. Even during his drifting days in 1984, when he was humiliated and demoted in his own company, Steve was passionate about what he created and what he believed would change the life of the entire world. "I am not a power-oriented person. I care about Apple a great deal. I put pretty much my entire adult life into building great products and building a great company. So I am going to give what I can to further Apple. If that means sweeping the floors, I'll sweep the floors. If that means cleaning the toilet, I'll clean the toilet."

In an interview with Daniel S. Morrow, (Steve, 1995), Steve said, "I'm convinced that about half of what separates the successful entrepreneurs from the non-successful ones is pure perseverance. It is so hard. You put so much of your life into this thing. There are such rough moments in time that I think most people give up... It's pretty much an eighteen hour day job, seven days a week for awhile. Unless you have a lot of passion about this, you're not going to survive. You're going to give it up. So you've got to have an idea, or a problem or a wrong that you want to right that you're passionate about otherwise you're not going to have the perseverance to stick it through. I think that's half the battle right there".

Steve was always ready to move on. He called being fired from Apple "...the best thing that could have ever happened to me". It's fairly easy to forget that Jobs built Pixar, the astonishingly successful computer animation company, while in exile from Apple!

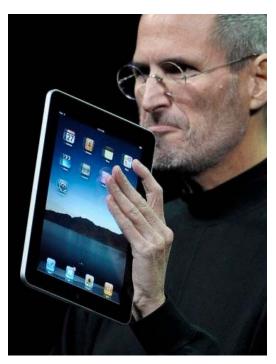


Setbacks are a part of life, and whether you become successful or not often depends upon one's ability to **not give up**. It is all the more important to display this attribute of never-say-quit, especially if we want to achieve a dream.

#### **Man Of Innovation**

In business, everything comes down to the product. Steve believed in this philosophy, and was always obsessed with creating the best. To quote Steve himself, "My philosophy is that everything starts with a great product". (Newsweek, 1985) Steve believed that most of the time, customers do not know what the next big thing is. So, innovative business people have the responsibility to foresee the 'next big thing'. According to Jobs, "Customers can't tell you about the next breakthrough". This philosophy always helped him create great products like the Apple II, the iPod and the iPhone.

A closer look at Steve Jobs' story would tell us that one of the greatest philosophies he followed was that he believed in designing products rather than in concepts. According to MacGateway (2011), "Apple doesn't spend a lot of its time or money designing flashy concept products, because it is wasted effort – no one ever has the opportunity to buy a concept. Xerox PARC invented the graphical user interface. They could have been the next IBM, Microsoft and Apple rolled into one, but they aren't. Why? Because they didn't ship. At the end of the day, your genius idea will get your company nowhere if you can't put it into a real product".



Further, it can be seen that Jobs believed not in concepts or products, but in dreams. Steve Jobs didn't sell computers – he sold the promise of a better world. When Jobs introduced the iPod in 2001, he said, "In our own small way we're going to make the world a better place". Where most people see the iPod as a music player, Jobs sees it as tool to enrich people's lives. Of course, it's important to have great products. So, did he prove that passion, enthusiasm and a sense of purpose beyond the actual product worked wonders?

Breakthrough innovation requires creativity, and creativity requires that we think differently about the way we think. Jobs has demonstrated and highlighted the importance of creativity and uniqueness in the way we do business. This reminds us of the story behind Apple's name. The idea fell from a tree, literally. Jobs had returned from visiting a commune-like place in Oregon located in an apple orchard. Apple co-founder and Jobs' pal, Wozniak, picked him up. On the drive home, Jobs simply said, "I came up with a name for our company — Apple." Wozniak said that they could have tried to come up with more technical-sounding names,

but their vision was to make computers approachable. Apple fit nicely.

Jobs created new ideas precisely because he spent a lifetime exploring new and unrelated things and seeking out diverse experiences. He hired people from outside the computing profession. He studied the art of calligraphy in college (a study that found its way into the first Macintosh), meditated in an Indian ashram, studied the fine details of a Mercedes-Benz or European-made washer-dryers for product ideas,



and evaluated The Four Seasons hotel chain as he developed the customer service model for the Apple Stores. This could be held out as an example of lack of focus. But Jobs looked outside his industry for inspiration and bombarded his brain with new experiences. History proved that this paved the base for his creativity and innovativeness.

#### **Trust In Success**

Erik Qualman (2011) wrote, "There is a saying in Silicon Valley that you need to eat your own lunch before someone else does. Jobs had the conviction to do this with the introduction of the iPhone, knowing full well it would and did cannibalize the sales of the flagship iPod. Letting go of the familiar and embracing the unknown is a real test of leadership". All through his life, Steve Jobs wanted to explore the unexplored and innovate on new things to change the world. In this pursuit, he always believed that he could do better than what he had done in the past.

The Apple Newton was one of the world's first PDAs. It was an excellent product for many applications, and there are still Newton owners out there who love their devices to this day. However, Steve Jobs shut the Newton division down shortly after returning to Apple. It was a good idea, but Apple had plenty of good ideas and was failing. Jobs wanted to concentrate on the few great ideas that could take the company forward. Ex-members of the Newton team went on to design the software for the iPod, which became a massively successful product. Had Apple continued to develop the Newton line, there may never have been an iPod!

In his book on Steve, Jeffry S. Young (2005) said, "Steve has a power of vision that is almost frightening. When Steve believes in something, the power of that vision can literally sweep aside any objections, problems or whatever. They just cease to exist".

Steve believed in intuitive feelings. In his famous Stanford commencement speech (2005), Steve said, "You can't connect the dots looking forward; you can only connect them looking backwards. So you have to trust that the dots will somehow connect in your future. You have to trust in something – your gut, destiny, life, karma, whatever. This approach has never let me down, and it has made all the difference in my life".

Further, Jobs believed in his success as the leader and stated the need to trust, which will ultimately bring necessary changes into one's life and make one the leader. Finding the job one loves will also create serious success in any area. He held that it is essential to believe that what we do is great,

otherwise our activity is doomed to failure.

## **Belief In 'Oneself'**

Steve believed in himself. He turned what many believed impossible into reality. This focus helped him his companies to sail through difficulties, and made him the architect of many successful products.

Even in the most difficult time, when a normal person would have cracked, Steve found opportunities that would not have existed otherwise. In his own words, "I didn't see it then, but it turned out that getting fired from





Apple was the best thing that could have ever happened to me. The heaviness of being successful was replaced by the lightness of being a beginner again, less sure about everything. It freed me to enter one of the most creative periods of my life".

Clearly, most of Steve Jobs' career was focussed on himself. His words in his 2005 address to the graduating class of Stanford University give us more insight into his beliefs. "Your time is limited, so don't waste it living someone else's life. Don't be trapped by dogma – which is living with the results of other people's thinking. Don't let the noise of others' opinions drown out your own inner voice; and the most important, have the courage to follow your heart and intuition. They somehow already know what you truly want to become. Everything else is secondary".

## **Striving For Perfection & Simplicity**

Jobs was concerned with perfection, and that must have made him a real micro-manager. He always looked into all possible details of a product meticulously, even at the micro level. The night before the opening of the first Apple store, he had them all the tiles ripped up and replaced because he didn't like how they looked. Just before the iPod launch, Jobs had all the headphone jacks replaced so that they were more 'clicky'.

Jobs demanded that the iPod should not have any buttons on it, including an on/off switch. This seemed implausible to the engineers working on the project, but Jobs wouldn't budge. The engineers were pushed to their limits, and as a result the scroll wheel was inspired. Ultimately, the simplicity of Apple's products is what attracted customers to them.

Jobs' genius for design and his understanding of the needs of non-technical users has helped to make the tech sector a consumer-centric business, revolutionising the economy as well as individual lives.

## **Creating A Small Team Of Talents**

Though he was not lauded as the most employee-friendly CEO, Steve Jobs had a great ability to get the best employees to create the best. About this ability, Jeffry (2005) says, "As pressure mounted in late 1976 to get the Apple II ready for market and to continue building the company, Steve Jobs showed an awareness of his own limitations, combined with an almost uncanny ability to hunt down exceptional people and cajole them into joining the effort. He had a salesman's enthusiasm for the product, an evangelist's bible thumping passion, a zealot's singularity of purpose, and a poor kid's determination to make his business a success. In that stew of characteristics lay both the seeds that would make Apple a



success and the poison that would turn so many people into Steve Jobs's enemies".

Jobs believed that passion and determination drives innovation. He was proud of the achievements of his small teams. His own words exemplify this zeal, "Innovation has nothing to do with how many R&D dollars you have. When Apple came up with the Mac, IBM was spending at least 100 times more on R&D. It's not about money. It's about the people you have, how you're led, and how much you get it" [Fortune, November 9, 1998].



Can a leader articulate a vision that's interesting, dynamic, and compelling? Importantly, can the leader do this when things fall apart? More specifically, when the company gets to a point when it does not make objective financial sense for any employee to continue working there, can the leader articulate a vision that is compelling enough for the people stay out of curiosity? Yes, it's possible. And that is exactly what Steve Jobs did.

Though Jobs was never popular in his people management, it is worth highlighting some of his achievements as a visionary leader. These included getting so many super talented people to continue following him at NeXT, long after the company lost its sheen, and again, getting the employees of Apple to buy into his vision when the company was weeks away from bankruptcy. It is difficult to imagine any other leader as being so compelling, and being able to achieve these feats back-to-back.

#### **Brand Fanaticism**

Steve is especially credited for his contributions to marketing, which has always been one of his premier domains of expertise. He is well known for having worked on a large number of Apple's TV commercials and promotional videos, starting with the *1984* and *Think Different* ads, some of Apple's most brilliant pieces of marketing.

"I've always wanted to own and control the primary technology in everything we do", Steve once said. He based the leadership culture of Apple on brand fanaticism and radical customer devotion. The unadulterated loyalty often involves brand-centric fan groups. Steve and Apple not only created a great Apple community, but he himself was a great brand fanatic.

Apple is famous for its secrecy, which even Jobs admitted. "It is generally not Apple's policy to trumpet our plans for the future; we tend to talk about the things we have just accomplished". This not only fuelled curiosity among customers, but also built a great fan-following. Apple's overall culture was developed on a 'need-to-know' basis. This is because secrecy is an integral part of the company's marketing strategy. Rumors that start months before a product is released offer a ton of free publicity, especially in the current scenario, where they are relayed by the mass media.



## **Radical Customer Devotion**

Steve Jobs had a different orientation towards customers. "Whilst he recognises that relationships with the customer is vital, Steve Jobs quoted Henry Ford when he said, 'If I had asked the customer what they wanted, they would have said a faster horse'. There is the difference between listening to the customer and then providing what the customer needs regardless of what the customer perceives they need. He has been very effective at putting himself in the consumer's shoes but is not afraid to decide what the consumer actually needs or what is best for them. Business leaders would do well to learn from his leadership" (Paul, 2009). This unique customer insight was instrumental in the acceptance of his products once they were launched, even while market researchers gave a different view.



While not all his products were the most cutting-edge in the market, consumers perceived them to be so. Part of this was a result of Jobs' overzealous demand of secrecy around the company's products. This secrecy helped feed consumers' desires for the products once they were revealed. This is the critical point – where perception becomes reality. Unlike every other electronics maker, Apple refused to let even the biggest retailers know what new products are coming until Jobs unveiled them. That means that the retailers were not able to leapfrog ahead on arranging ad campaigns or switching out inventory. Jobs would always rather have the surge of publicity that came with his dramatic product intros.

Steve wanted to ensure the importance of relationships and the customer experience. He sought to ensure that Apple's products created an easy experience for the customer. His aim was to strip away the confusion, and make everything simple for the consumer to use. This approach has widened the gap between Apple and its competitors, and continues to do so. To quote an example, when Apple II was introduced and was a major hit in market, Steve allowed owners of the earlier version (Apple I) to upgrade. This was the kind of issue he intuitively understood, which was never a practice before. It was costly to the company, but he always held on to the ethics of 'what was right', even when it was costly. This was a practice Apple followed till Steve was fired.

## **Killer Products Bring Killer Profits**



"The great thing about Steve is that he knows that great business comes from great product", says Peter Schneider, former Chairman of Disney's studio. "First you have to get the product right, whether it's the iPod or an animated movie".

Let's look at another example cited in iCon Steve Jobs (Jeffry, 2005). "A few minutes later, in walked Steve Jobs. The co-founder of the once proud company had been fired by Apple 12 years before. He had returned seven months earlier as a consultant, when Amelio acquired his NeXT Software Inc. And now, Jobs was back in charge (in Apple). Wearing shorts, sneakers, and a few days' growth of beard, he sat down

in a swivel chair and spun slowly, says (Jim) McCluney, now president of storage provider Emulex Corp. 'O.K., tell me what's wrong with this place,' Jobs said. After some mumbled replies, he jumped in: 'It's the products! So what's wrong with the products?' Again, executives began offering some answers. Jobs cut them off. 'The products SUCK!' he roared. 'There's no sex in them anymore!"'

So, Steve knew that the greatest advantage of any organisation is its products. Therefore, his focus was not mainly on managing people but on managing great products.

Further, the trick isn't only in wanting to make great products, but equally in saying no to unwanted product lines. For years, Steve plugged away at Apple with his proprietary approach, not worrying much about Wall Street's complaints. In fact, when he rejoined Apple, one of Steve's first moves was to take an axe to Apple's product line, lopping off dozens of products to focus on just four. "Our jaws dropped when we heard that one", recalls former Apple chairman Edgar S. Woolard. Time and again since, Apple has



eschewed calls to boost its market share by making lower-end products or expanding into adjacent markets where the company wouldn't be the leader. "I'm as proud of what we don't do as I am of what we do", Jobs often said. Often, this is a difficult call for leaders. And this is what makes leaders different.

## **Ability To Express Ideas For Realisation**

John Warnock of Adobe, Apple's biggest software provider, once said, "I don't know if the previous CEOs at Apple had any effect on that company. We would have meetings with all those CEOs and nothing would happen, no traction, unless the group responsible went for the idea. The energy just dissipated into the organization, where the first person capable to make a decision is the one who makes it. But with Steve, he comes in with a very strong will and you sign up or get out of the way. You have to run Apple that way – very direct, very forceful. You can't do it casually. When Steve attacks a problem, he attacks it with a vengeance. I think he mellowed during the NeXT years and he's not so mellow anymore" (Allan, 2000).

Jobs would certainly not have been hailed as an employee-friendly CEO. However, he was great at motivating his core team to achieve the impossible. An indication of this can be seen in the following statement, "My job is not to be easy on people. My jobs is to take these great people we have and to push them and make them even better".

Steve was different the way he managed his business. Certainly, his understanding of the technologically possible, combined with a visionary gift helped him to develop his visions and efficiently communicate them to his employees for execution. He knew exactly what he wanted, and never hesitated to communicate the same, at the risk of being blunt. This is quite obvious from the following story.

Mike Evangelist recollects one of his first meetings with Jobs in 2000. This took place just a few months after Apple purchased the American division of Astarte, a German software company where Evangelist was an operations manager. Phil Schiller, Apple's longtime head of marketing, put Evangelist on a team charged with coming up with ideas for a DVD-burning program that Apple planned to release.

His team went to work creating beautiful mock-ups depicting the perfect interface for the new program. On the appointed day, Evangelist and the rest of the team gathered in the boardroom. They'd brought page after page of prototype screen shots showing the new program's various windows and menu options, along with paragraphs of documentation describing how the app would work.

"Then Steve comes in", Evangelist recalls. "He doesn't look at any of our work. He picks up a marker and goes over to the whiteboard. He draws a rectangle. 'Here's the new application', he says. 'It's got one window. You drag your video into the window. Then you click the button that says BURN. That's it. That's what we're going to make'".



"We were dumbfounded", Evangelist says. This wasn't how product decisions were made at his old company. Indeed, this isn't how products are planned anywhere else in the industry.



# **Summing Up**

We know that there are basically two types of organisational leaders – the transactional and the transformational. Transactional leaders are the ones who work with the safety of the status quo. Transformational leaders strive with all their might to change the existing order of things. They are the ones who bring about major, positive change for a group, organisation or society. We have seen that Steve Jobs was able to direct his people and make them do things which they had never done before, but these things were also essential for the realisation of his vision and plans. I leave it your judgment to deduce what style of leadership Jobs followed.



It is quite logical to assume that Jobs' style of management changed over the years. This is also indicated in the following quote — "When Jobs was ousted from Apple in 1985, he was often termed as arrogant and bully combined with perfectionist attitude, something that indicates the 'Authority-Obedience Manager'' (Fortune 2009, The Decade of Steve). In 2009, due to medical reasons, Steve delegated his responsibilities to Tim Cook, Apple's COO for six months, and everything went on smoothly. Perhaps, he had mentored his executive team successfully to think and decide like him, which indicates that his style had probably moved on to being a 'Team Manager'.

Interestingly, Jobs may not be the embodiment of an effective leader – in a way, he was far from being a classical 'text-book' example. Nevertheless, his charisma, self-confidence and

passion for work overshadow all his flaws, making him one of most successful CEOs of the decade.

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