



## Stanford eCorner

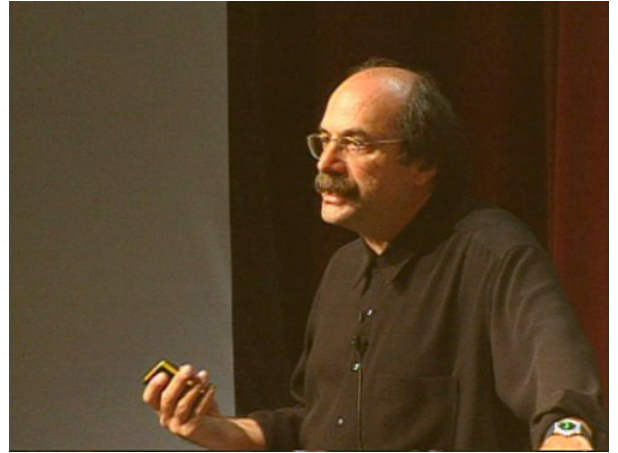
### Hire Great People

David Kelley, *IDEO*

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Video URL: <http://ecorner.stanford.edu/videos/682/Hire-Great-People>

IDEO Founder David Kelley suggests avoiding conventional approaches to hiring employees and building teams. In this clip, Kelley offers a few suggestions: 1) Hire individuals or non-conformists to stimulate the organization, 2) Hire a diverse range of experts and generalists from different fields, and 3) Form "hot groups" of 8-12 people for maximum impact. Kelley also encourages building close ties to universities to source potential staff. To Kelley, an ideal hire interacts well with established staff and demonstrates an "attitude of wisdom" that strikes a balance between the ability to promote ideas and the ability to consider feedback.



#### Transcript

The next thing I want to say is about hiring great people. It seems like this is pretty obvious, but many people don't spend a lot of time on it. They kind of have a conventional HR department or a conventional way of choosing who works in their company. I think you have to spend much more energy on it and be much more creative about deciding who it is that you hire. The individual is important. You certainly have to hire people who don't fit into your organization or who can stimulate the organization and don't kind of have the kind of corporate code involved in them. This is kind of a Bob Sutton kind of point of view. But more and more it's about the team. Building hot teams. And that involves having people with many different disciplines, people who are generalists but also have empathy for people who are experts at different areas.

Hal Levitt's book about hot groups, you can read that and find all the things that are necessary to make a hot group. It's very important that the groups be of a size. Many of the groups that I belong to, like the Mechanical Engineering faculty, are too large to actually be a hot group. And so you have to spend a lot of time figuring out how to make the group small enough, eight to 12 people, so that they can function by breaking the group down into those sizes. But one of the main things is just to have an unfair advantage in doing your hiring. IDEO has this unfair advantage called Stanford University which we've snuggled up next to and have a strong program with. Many companies should have closer relationships with their local universities. I've been quoted lots of times in places like Fortune. There's an article about how I'm basically saying if I hire the right people and everything else will work out. I mean, that's not exactly true, but it makes for good journalism.

But the main thing about hiring people is you have to have a point of view about who you want in your company. And I don't mean that you want people who have four Os from a certain school in their circuits courses. And Bob Sutton, who studied IDEO for a long time, who's a professor here, has this point of view that he calls 'attitude of wisdom'. And so IDEO goes about hiring, we make sure that every single person who's hired by the company has been what we call 'lunched' by 10 other people, meaning that you've been taken to lunch by that person and that person gives you a 9, a 10 on a scale of 'this is a good fit for IDEO'. One of the major fits is what we call the 'attitude of wisdom', which is, is this person the kind of person who has the force of personality to really get their ideas out there, because we really want somebody who is not shy about getting their ideas out and vocal about it and works hard at trying to win everybody over that theirs is a good idea, and that they have the balance with that to actually consider that their idea might be improved upon by others. And you know the kind of people who

have one side or the other, right? Too shy to kind of get involved or too arrogant to not see that their idea can be improved upon and built upon by others. And so looking for that balance, it's really easy to see who has that characteristic. And it turns out that kind of technical competence around here and so forth is easier to find and this kind of fit is hard. And this is where I talk about limits to growth. IDEO has not grown at all based on financial reasons or how much money we want to make or what the numbers went to be.

We grow because we find another one of these people. So we started with two, we're at about 430, and it's just from one at a time picking off these people. When the dotcoms were growing really good, I was on the board of a few of them and they were like hiring stuff and they kept saying what great people they had, and I thought to myself that as they approach the total population of the United States--like 250 million people--in their company, by definition they would have average people in their company. If you know about having a good group, if you don't have a t-shirt, if your group is not represented by a t-shirt, then you're not part of a really good group. So just an indication of that.