



Stanford eCorner

New Leadership and Organizational Change

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Video URL: <http://ecorner.stanford.edu/videos/1097/New-Leadership-and-Organizational-Change>

When CEO Eric Schmidt started at Google, his job was largely centered around providing some organizational design. The culture was working well but the company needed more structure. He hired a financial and controller system, instituted staff meetings, and set and reviewed quarterly objectives.



Transcript

We are right on schedule. More seriously, when I went to Novell, Novell had a lot of operational problems and was frankly nearing bankruptcy and we had to do a hardcore turn around. When I came to the Google, it was very different. It was clear that the culture and the structure and the things that they were talking about now were going to work although I was quite surprised how well it has worked. I didn't foresee our success over last year for which I am eternally grateful. So my whole strategy was to provide some structure. The first thing is we had to have an offsite. So we had one which Larry actually went to. And he complained at that time about this offsite but he since has changed his mind and said it was, "Okay." and we worked on our strategy. So that was an example.

We have a staff meeting, we have quarterly objectives and we review them things like that. We have an MIS financial system that didn't work and so we had to replace it. So that took six months. We didn't really have a financial or controller system, we had to hire those. So what I found was a company that was working extremely well that just needed a little bit of list making and structure and that's frankly what I've been relegated to. No, no that's not true. It's ok, it's ok. Your strategy is pretty good. It's working well so far.