



Stanford eCorner

Global Acquisitions: Lessons Learned

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October 29, 2003

Video URL: <http://ecorner.stanford.edu/videos/335/Global-Acquisitions-Lessons-Learned>

Tilenius talks about the lessons learned as eBay has grown. These include: 1) How to execute and maintain focus 2) Setting the bar very high 3) Doing things fast to maintain momentum 4) Listening to the community 5) Acting with integrity and confidence.



Transcript

So what are the lessons learned? I would say that, for me, focus strategy. Lynn mentioned a lot of this in terms of having the right strategy to be successful. We had to spend a lot of time up front figuring out how to execute. And then once we made the key strategic decisions, it was very easy to say, "Oh, let's focus, and let's execute. Here's the path." We set the bar very high. Many of you may have heard of Jim Collins, who was a former professor at Stanford. He came up with the term BHAG, a 'big, hairy audacious goal'. When we formatted, put together Golden Bell, we said, "We want to get 75% C to C and we want to eliminate all fraud and we want to get to profitability." People didn't think it was possible. They thought we were creating a stretch target that was just not achievable. And, lo and behold, we achieved the target.

And large change is hard. You have to do it fast. There was so much we had to do in a short period of time, but if we didn't do it fast, we would've lost momentum. And we needed to make sure everybody was on track and believed in the mission and was executing quickly so we could achieve our goals. And the folks that didn't believe generally ended up selecting the ERP, the Early Retirement Program, because they realized over time that they just didn't believe in what we were doing and in the mission of the company. Listening to the community is key. We had to spend a lot of time making sure that we weren't making a mistake in the decisions we were making and that Korea wasn't significantly different than what we were doing in the rest of the world around. We were in 15, 20 countries at that time in eBay, and I wanted to make sure we weren't bypassing the eBay community or the equivalent community in Korea and that we were making the right decisions for that marketplace. I would say acting with integrity, both from a perspective of eliminating fraud--you don't want a business with any kind of fraud--but also acting with integrity with the employees. The ERP program that we put in place was hailed as one of the best ever in Korea.

We didn't have any labor unions or any picketing, and it was really well-executed. And I would say that, finally, acting with confidence and listening to your gut. There were a lot of naysayers about what we were doing, and the team that was leading Golden Bell stayed focus and believed in what we were doing and really tried to continue to be evangelists throughout the company to make sure that everybody was on board and we could execute. So it was a really exciting experience for me. At that time I was running Japan, Korea, Australia. We were doing the acquisition in China, Taiwan. And so I was multi-tasking across multiple countries, but I literally got lived in a hotel over in Korea and spent most of my time there for several months making sure that we could really execute Golden Bell. So it was a lot of fun in the end. And with that, I thought we'd open it up to questions.