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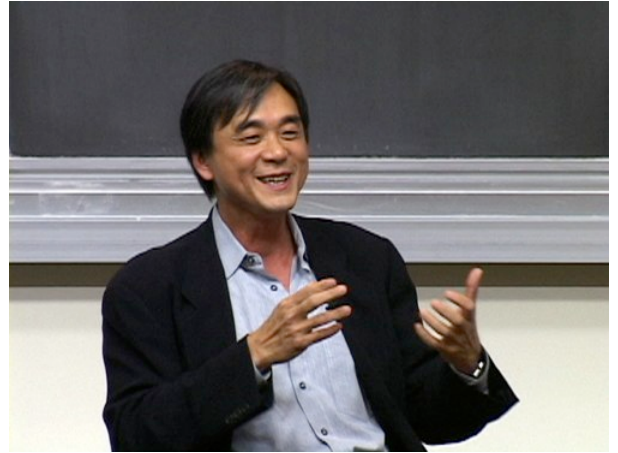
### Lessons from Applying the HP Way to Startups

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Dominic Orr, CEO of Aruba Networks, speaks about lessons learned from applying the HP way to startups. Orr suggests that he has achieved great results from giving employees respect and dignity. At the same time, Orr acknowledges mistakes he has made in applying the HP way to startups. In particular, in a large organization, such as HP, there time for long feedback cycles because any mistakes from giving people too much benefit of the doubt are covered by the overall inertia of large company. By contrast, in a startup, there is little inertia and so the feedback cycle must be shorter and mistakes or problems must be resolved quickly.



#### Transcript

The question is a little bit more detailed explanation of how the HP way can be applied in the startup environment, and of all the HP way values, what tend to work, and what, not as well. They do three-day seminars on subjects like that. And for me, I just focused.. I think if you get the book written by Dave Packard, a very small book called "The HP Way," there were seven or eight values in there. I just picked one or two, and I blended it in one area, which I find, work again and again, is fundamentally give the employees respect, dignity. And associated with that, trust, so that they feel empowered to go out and innovate. And through that process, kick off the passionate part of the brain, and from then on, it's kind of uncontrollable. You get the energy, all of that. And the reason that I think that it worked very well is that because people are people, whether you work in a startup, whether you're in a large company. If you go down to that level of psychology, there's no difference.

The thing that I found--I have my scars on my back as well--that in the old HP way, that in the execution of that, that has less tolerance in the outside of HP environment is how much time you give, when they want to ... obviously, you want to give them a longer and longer rope. But if it doesn't work out, how do you. The feedback cycle. I think, at least in the HP that I left, we tend to give people too much benefit of the doubt. If somebody. Then, well, try this, try that. And what you find, in a startup environment, since time is such a big sense, and you don't have the inertia to carry you for mistakes. The flip side of being able to go fast is, when you tank, you tank. There's no inertia.

And so one of my first errors, and I remember that was after I left HP, and I know I want to do a small startup, but at that point in time, I was managing thousands of people. And I don't want to jump to as many as 30 people. So I choose an environment that I manage as a smaller section. And I really was not happy with my performance there, because I fundamentally do not appreciate. Suddenly, now, I don't have that inertia to help me now. Inertia is there, but it's much smaller. And I think I gave the feedback cycle too long. So I think that is the one caution from experience that I learned, that I want to share with you.