



## Stanford eCorner

### One CEO's Take on Talent

Jeff Housenbold, *Shutterfly*

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Video URL: <http://ecorner.stanford.edu/videos/1983/One-CEOs-Take-on-Talent>

In addition to the practical knowledge to do the job right, Jeff Housenbold, CEO of Shutterfly, seeks out employees that have a healthy self-awareness of their own strengths and weaknesses. In addition to capable communication and people skills, his talent has problem-solving tactics in situations of uncertainty. Thought-capital, thought-leadership, and intellectual curiosity are key.



#### Transcript

What am I looking for when I hire people? So first of all, I look for a functional expertise. An engineer needs to know how to code and head of supply chain needs to understand that. But way beyond that, first of all, I'd look for, what is the portfolio skill required to be successful? Particularly as an entrepreneur, I think one of the key things is to realize - and I made some of these mistakes earlier in my career - you don't know everything, and you can't do everything, and you're not good at everything. And so I think it's better to understand what are your strengths and amplify those versus taking what are your weaknesses and trying to make those modestly better. Now, there are some things you're going to have to have a minimum capability of. Communication is one of those. But if you're not the world's greatest strategist, don't try to go into a strategy role. Amplify your capability. So I look for someone who has healthy self-awareness about what are their strengths. And then I look for, how does that person's overall skills fit into the portfolio of skills needed for that position.

And I believe in the right person with the right skills in the right job at the right time with the right attitude. And you have to have all of those. You can have the most brilliant individual. But if they can't get along with people and the job requires cross-functional collaboration, then it's not going to be successful. So at Shutterfly, we evaluate the people on both the 'what', what they do and what they perform and what results they get. But also on the 'how', how do they achieve those results. Is it consistent with our culture? I look for communication skills, both written and oral. You know, in this world of email and text messaging, written is in some way is becoming more interesting, though I have no idea what these three-letter things that my kids are already texting me is all about. I look for problem-solving skills, particularly under uncertainty and with incomplete information. In fast-paced environments where we grew 51% year over year last year and we're competing against little companies like Yahoo! and Kodak and Hewlett-Packard and Wal-Mart, we got to continue to execute really quickly.

So you can't have paralysis through analysis. They've got to be fact-based decisions, but you've got to be able to make a decision under uncertainty. I look for someone who thinks out of the box and has thought capital and thought leadership. I look for people who are going to fit in from a culture standpoint. And I look for people who have intellectual curiosity. I don't care what functional role you're in: marketing, finance, operations engineering. I want people who want to tackle real tough problems. They get excited about finding those. But also I want them to do that in an applied and in a pragmatic way. So when we're interviewing, for example, software engineers, one of the questions I try to ferret out is, "Do you want to just work on real cool technology? Is that what get you excited?" And there's nothing wrong with that.

Or, "Do you get excited by the application of your work and the technology and a lot of people adopting it?" And I found in

the Valley that engineers fall into one of those two camps and sometimes they're not sure which camp they fall into, but you could kind of figure that out. And for us, we're not Google Labs or Xerox Park. We're not just thinking for technology in a broader kind of scientific way. We're looking for applied science. So I look for people who want to have an impact with their work. I also look for people who are going to be able to, again, deliver that 'how' through the cross-functional. One of the key lessons that I think as you age in your career and it becomes even more and more important is that mostly as you rise in the ranks of an organization, the most important skill to have is people skills. And if have to go back to business school again or if I was the dean at Harvard Business School, I would make everyone take three or four or five organizational design people, sociology, psychology classes. If you think about the venture capital role, what is it about? Identifying good talent. What are great businesses? Not the idea, it's about people who can execute.

So it's about identifying talent. It's about conflict resolution. How do I get my idea across? How do I listen to you? How do I take that and synthesize it and make it a better answer? It's about motivating people to do more as a collective than they ever thought possible as individuals. So it's about inspiration. It's about interviewing skills. It's about firing. It's about giving feedback. It's all about people skills. I don't care what business you're in. I don't care what function you're in.

So I look for people who have people skills and want to play as a team versus play as an individual.