



## Stanford eCorner

### Complementary Skills for Management Teams

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Idealab Founder and CEO Bill Gross offers an engaging way of examining the mix of personalities present on management teams, featuring the roles of the Entrepreneur (E), Producer (P), Administrator (A), and Integrator (I). According to Gross, each of us has a dominant type, and individuals of different types often will not see eye to eye. However, the best management teams consist of a strong mix of all four types, working together.



#### Transcript

So, there are obviously a million ways of measuring the different personality types of people. This is one particular taxonomy. The entrepreneur, the producer, the administrator, the integrator. No person is just one of those four. Everybody is a blend of all of these talents. But everybody has dominance in one and has weaknesses in the other. I'm clearly an entrepreneur. I really love inventing new things, seeing things in a distance and trying to do things ahead of their time. The producer is the person who actually makes things happen, who actually takes a product and executes on it, who sells it, all the execution stages to get into the customer's hand. I'm very high on the E.

I'm actually moderate on the P. There are some entrepreneurial types who have no P. They're just not good at that or even negative. They get in the way of getting things done. That's actually OK as long as they find someone else to complement them who is good at getting things done and then has mutual trust and respect for them so that together as a team, they can get things done. But you have to get the P in the company as well. And then, the administrator, that's a little bit more the bureaucrat. You have to have that in the company, too, to succeed. It sometimes gets in the way of things but it also helps organize things. The administrator puts systems in place and helps the trains run on time.

It keeps the wheels in the bus when things are going crazy, when orders are going gang busters and helps. Any one of these skills taken to extreme is a negative. But any one of these skills in the right balance with others is exactly what you want. The final skill, the integrator, that is the person who is more of a people person, who understands the other three people there and helps those other three people, those three talents get along because very often those other three talents hate each other's guts. Sometimes the E hates the A. Almost always the P hates the A. The P wants to get things done and the A is trying to put a system in place. I'll just give you an example just so you can all sort of self-classify yourself and your strengths and weaknesses on these different things. Imagine that there's these four personality types sitting together in a room. There's a window over there and they were looking out.

The window is over there and there's some dirt on the window. The E looks at the window and says, "Look over there. There's a parking lot. We could build a building." He sees all of the stuff in the future. He doesn't even see the window. The P looks at the window and says, "There's a scratch in the window. That window is dirty. We better clean that, take care of that." The A looks at the window and says, "You know, we can make a form and people could fill out when they see something wrong. And then, they'll turn that in. That will go in a queue.

And then, we'll get that taken care of." The I looks at that and says, "I wonder what those three people are thinking." It really is true. There are many people. I don't do it enough on the I. I have some I but not enough. I find I always hire an I at the

company. The I actually is more worried about what other people are thinking or feeling than the actual product or execution or a customer. But that's hugely important. The I is the person who sits in a room when the P is screaming at the A and says, "Listen. You both have a point here. The P wants to get this done and the A says let's do this," and bridges the gap.

That's an important skill for a CEO to have as well, of course, to try and bridge that balance. But it's really important to try and find balance in a company at all those skills. Let me show you an example of what happens in a company that doesn't have all those because I've seen this many times. This is one of the things we learned after so many companies. When you think about this, we've had 100 companies in 15 years, probably 150 CEOs, probably say 300 rounds of financing each. Of all the problems and challenges and products and delays and all the things, the companies that made it had all these skills in balance than the companies that didn't. Let me give you a very specific example. So, a company always starts with E. An I can't start a company. An A can't start a company.

The company starts with a vision of the E person, the entrepreneurial person. The company starts out with that E. It's sort of making forward progress. It's going up into the right because there is a vision there. But then, very quickly, if the E just has vision and can't execute a thing, the thing just fizzles out and turns into nothing. It has to bring this P skill into the company at some point. It could be in a week. It could be in a month. It could be in a year. But at some appropriate point, before the idea fizzles out, some P skill has to happen at the company.

Now, it could be a solo entrepreneur who is an E, who also knows how to program or knows how to build or knows how to do whatever. So, that can be in the same person. But that skill has got to be there. It's usually better if it's in another person who really gets along with E. It really is great when there's a team who gets along. But then, eventually, even if the company starts producing things, starts selling things and starts going, it eventually, too, will fail if it doesn't get some system in place to be able to handle the order, get the money in the bank, pay the bills, pay the employees. Those are all A-like functions. But there's many other A-like functions that have to happen to make the company get past that stage. But even then, a company will eventually fail because everybody could be at war with one another unless there's enough I skill in the company to keep the company going up. One of the things that I wish I had learned when I was in college and life anywhere was what this I skill even was and how to learn more about it myself.

I never had a class on how to do the conflict resolution between people when they were having problems or even to see good ways of giving people feedback. That's a very, very valuable skill to make a successful company. If you look at some of the really, really incredible companies, they almost always had great teams of people, sometimes, a duo, sometimes more at the top, who really, really had opposite skills but really, really got along. They have such mutual trust and respect for one another that you really got the best out of both of them. You never have any war between them. That really is amazing when that happens. If I were to have any single thing that I would recommend for success in a company, it will be this after, of course, having a decent idea. I even think this is more important than having a decent idea because this team working together can take a not-so-decent idea and turn it into a decent idea because they'll have a method to get from not decent to incredible, whereas a great idea will usually fizzle if it doesn't have all these together. So, that's one thing that I learned very painfully. I wish I had learned it earlier in my career.

I could have made some things that weren't successful successful. A lot of this learning came to me from a consultant named Ishaq Adesis, who first thought about this in the life cycles of companies and the different stages that companies go through. You can plot this either in time or a stage of revenues or things like that. But there's a great degree of flexibility. I'm just saying and repeating it a lot of times because I think it's so important. Get complementary skills in your startup. It's very, very valuable.