



## Stanford eCorner

### Benefits of a Distributed Organization

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November 02, 2011

Video URL: <http://ecorner.stanford.edu/videos/2831/Benefits-of-a-Distributed-Organization>

As CEO of MySQL AB, Mårten Mickos saw advantages of utilizing a distributed organization model where seventy percent of the company's employees worked from home. According to Mickos, this cultural design actually put the focus on results and productivity, while still allowing colleagues to share their lives with one another.



#### Transcript

And then building the global distributed organization. When we had 500 people onboard, 70% worked from home. From home. It all started when I joined as CEO and our founder was in Helsinki and I was in a suburb outside of Helsinki. I mean it was half hour to drive between us but we never did. We're just sitting there in our homes working. We could have been in the same room, but we weren't. And so the whole culture - and is - even earlier the whole culture became one of working from home. And I realized that offices are so last century. Man has existed for - 50,000 years ago we all came out of Africa, sort of, and during those 50,000 years, 300 years we have spent in offices, but only 300.

It's not like it's some natural thing for us. The natural thing is to have work where you live and to have people around you who you love and have food that you like and the place you like. That's the natural state of being. We don't all need to be in offices all the time. It was an invention of the industrial revolution where human beings were used as machines and had to be channeled into a factory and they had to take time and how much work they did and then go back out. But that's not how the real world works. Look at fishermen or shoemakers or anybody working with a craft. How do they go about it? Do they count their hours? Do they have vacation? Do they retire? None of that. They just work when work is to be done and they have fun, they have big feasts when there's time for big feasts. So, we created a culture of working from home and we just said everything goes online.

Not just our business goes online but our lives go online. So, we had an e-mail alias at MySQL called [life@mysql.com](mailto:life@mysql.com). So, people send e-mails about things happening in their life. Because we felt that as we are not seeing each other at the water cooler or in the breaks, we need to share life things as well. So, we did that and people would send e-mails about 'I had a baby', yet another MySQL baby. Somebody sent a very touching e-mail about his father nearly dying in a surgery in the hospital the day before. So, we were all crying in our 110 different locations. But we shared that completely online and it became a culture that worked. Our technical support team, they did virtual Christmas parties. And not - we stopped calling them Christmas parties because we realized not everybody is Christian.

I mean, we stopped saying good morning and good evening because whatever you say, it's wrong. We stopped saying spring, because it's fall in Australia. We stopped saying remote because everybody's remote. But anyhow they still had a, sort of a holiday party and it was virtual. So, Tom who was the boss on IRC would say, Thomas, could you serve the eggnog and he pretended to serve eggnog to everybody and everybody was sitting all over the planet and then started giving Christmas gifts for each other. So, Victoria who had just moved from, I think, Kiev to Moscow, she needed an apartment, so they gave her a whole building. They gave her a skyscraper, because they pasted a URL of a picture of a skyscraper into IRC and said Merry Christmas. And she clicked on it and there was a skyscraper. And you laugh at this, because in our childhood we want physical, hard Christmas gifts. But when you're grownups, it doesn't matter.

It is as much fun to get a URL that has a genuine intention than to get something you must open, it's nicely packaged and it's from Crate and Barrel and all those places. You don't need that. The thought is what really matters and it works. So we built this global distributed organization and people then say 'but Marten, how do you know that they work?' And you know what I say? 'How do you know that people work in offices?' Much easier to fake it in an office. I can tell you how. Dress nicely, smile, talk to everybody, go to every meeting, say stupid things but say things, break up a little bit early and say 'I must do this other thing.' You never have to do anything and people think you are very productive. When you work from home, the only way to communicate productivity is through productivity. Show me the deals, show me the records you've brought into accounting, show me the code you've produced, show me the marketing you did, show me the webinar you run. So, actually it works better that way.