MANAGEMENT

MBA: MANAGING BUSINESS IN ASIA

LEADERSHIP AT CORE OF APPLE'S SUCCESS

Jobs' model for companies was the Beatles – he saw team work as integral to realising his vision with a clear strategy and plan to nurture talented workers

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Randel S. Carlock

"You're an idiot, that's not how you use a mouse!" These were the first words spoken to me by Steve Jobs. He was demonstrating the soon-to-be-introduced Macintosh computer and I was the president of one of the Apple dealerships (that is, Steve's customer) attending a pre-launch event. It was the first time I'd ever used a computer mouse. In fact, it was one of the first time's anyone outside Apple had used a mouse.

Despite his aggressive style of communicating, it was clear to everyone in the room that this 20-something-year-old entrepreneur was a complete maniac and his ideas could change the world. There was no doubt he was brilliant on many levels: he was a technology visionary and a master communicator, but I think that the power of Steve Jobs is best captured in an idea he shared with me later that day. Steve, despite being chief executive of a company selling only one product, the Apple II, whose most recent product, the LISA,

Apple's headquarters in California

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was a disaster and with only the MAC on the way, stated with full conviction: "We will change the way people learn, work and play."

More than 30 years later and now a business professor I have a unique perspective to reflect on what Steve's thinking and behaviour means to leaders and their organisations around the world. Despite his sometimes emotional and often abrasive personal style – and the unreasonable demands he made on the people around him – he managed to inspire a loyalty in people that most leaders can only dream of. Here are some examples of his most important leadership behaviours and quotes that may help others be more effective – and more successful – leaders.

Teams and Leadership: when Steve returned to Apple in 1998 it was a different company than the one he had been fired from 10 years earlier. The firm had grown significantly, but it had lost market share, which was down to 4 per cent. It had generated an annual loss of more than US$1 billion and gone through three chief executives in the previous decade. The board had unsuccessfully tried to sell the company and Michael Dell summed up the industry's feelings about Apple when he said: "If I ran it, I would shut it down and give the money back to the shareholders."

What Steve realised when he returned was that Apple did not need him as the entrepreneur, but as the head of a leadership team that empowered people. As he put it: "There's a lot of really talented people in this company who listened to the world tell them they were losers for a couple of years, and some of them were on the verge of starting to believe it themselves. But they are not losers. What they didn't have was a good set of coaches, a good plan, a good senior management team. But they have it now."

Steve was certain about the advantages of teams. "My model for business is the Beatles," he said. "They were four guys who kept each other's negative tendencies in check. They balanced each other. Great things in business are never done by one person, they're done by a team."

Business Strategy: Steve gets much recognition for reigniting Apple's growth in 1998 with the bondi blue-coloured iMac, but his most important contribution was really his long-term strategy. This focused the Apple group on a new vision of personal technology that went way beyond personal computers.

Most people use the "i" prefix when talking about their Apple products, but few realise that in 1998 Steve had a "six- i" strategy that focused what Apple would do for the next two decades – starting with the iMac, and continuing with the iPod, iTunes, iPhone and iPad. The "i" strategy was so ingeniously simple, so that everyone at Apple had a clear idea what they were attempting to do.

The first "i" was the internet, which Steve saw as a powerful tool for connecting people and eliminating the need for peripherals such as disc drives. The second "i" stood for individual because he saw personal technology as based on one person. The third stood for instruct because Apple had demonstrated that the computer was a powerful learning tool. The fourth stood for inform because he believed personal technology was the way the world would get its information. The fifth stood for inspire because he felt an important role for Apple and its product was to inspire consumers.

Finally, in a typical tongue-in-cheek twist, he talked about "i" standing for interim chief executive because it would mean he could not get fired before he was finished with his work at Apple.

Values and Culture: Steve recognised that the new Apple needed a more engaging and sustainable culture that energised the commitment and talents of people across the organisation. He had very strong feelings about leading cultural change because he had seen the consequences of failing to move beyond the entrepreneur's leadership at Hewlett-Packard. Bill Hewlett had been a strong influence on Steve, who felt that the "HP way" had slowly been replaced with a corporate culture that had reduced HP's innovation and competitiveness.

Steve recognised that Apple could be guided either by controls or by culture. The traditional approach is management controls, which are about policies and procedures, performance reviews, audits, budgets, and financial projections. Culture, by contrast, is based on a vision: stories and myths, values and recognition, long-term thinking and deep learning. Steve saw himself as an entrepreneur building a sustainable culture that transmitted his values to Apple employees and, remarkably, millions of customers around the world.

Stewardship: when Steve returned from his medical leave in 2008 one of his first acts was to create the Apple University. It was not designed to teach corporate management, but to teach Apple management – or in Steve's words, "to unleash innovation and sustain success at Apple – accountability, attention to detail, perfectionism, simplicity, secrecy". Steve's dream was that Apple could become a learning organisation, sustaining itself with classes taught by Apple leaders who understood what made the company a success.

One of Steve's last public appearances as Apple chief, before his health forced him to step down, was a meeting with the Cupertino City Council to secure permission to build what is being called the iSpaceship. As he told the council, "We have a shot at building the best office building in the world." This new corporate headquarters was meant to demonstrate innovation tangibly by creating a new way of working together – sharing ideas and personal interaction to support and sustain creativity.

So what is the most important lesson to learn from Steve Jobs? It's probably the way he transformed himself from a powerful entrepreneur into a leader who empowered others to launch Apple into a future he will never know. Not many chief executives in this era of financial manipulation, cost cutting and downsizing will leave a legacy so powerful that the creation of the Macintosh computer, the iPad or changing the movie world with Pixar is overshadowed by a far greater achievement. There was only one Steve Jobs and he always believed, "My legacy is Apple the company ... not the Mac or iPad."

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