

## Case Study – Unit 3

### Tech Industry Leaders: From Brash to Boring

CEOs of major technology companies are known for being arrogant and outspoken. Apple’s Steve Jobs was an autocratic micromanager who frequently terrorized his employees and dismissed his critics. Former Microsoft CEO Steve Ballmer has a personality described as “big, brash, and bullish.” Uber founder Travis Kalnick’s combative business philosophy generated a flurry of lawsuits from drivers, municipalities, and competitors.

In recent years, a new type of tech CEO is emerging, one that breaks the stereotype of the dynamic, dominant tech genius. “Arrogance is out and humility is in,” says one observer.<sup>1</sup> *New York Times* tech columnist Farhad Manjoo declared that, when it comes to leadership in Silicon Valley, “boring is the new black.”<sup>2</sup> Current Apple CEO Tim Cook has a “steady” approach to management and prefers to grow from mistakes, rather than go into a rage when they occur. He has made Apple a more pleasant place to work. Microsoft CEO Satya Nadella puts empathy and compassion first. Dana Khosrowshahi, who replaced Kalnick at Uber, remains calm, controlling his temper even when provoked. All three men, along with Google CEO Sundar Pichai, are known as excellent listeners who are willing to work with others.

The change to kinder, gentler, humbler leadership is due in large part to the changing role of technology. When personal computers, iPhones, the Internet, tablets, ride sharing apps, and other forms of technology were new, dominant personalities helped convince consumers to embrace them. According to Manjoo, “the most beloved founders possess an uncanny genius for selling the world on ideas that look useless, pointless or impossible before we all realize we can never live without them.”<sup>3</sup> An enthusiastic press was quick to welcome the latest products. Now tech companies, which have become some of the world’s largest and most powerful firms, are coming under attack for acting as monopolies, violating privacy rights, hosting fake news and hate speech, biasing search results, allowing interference in elections and so on. Technology leaders routinely appear before Congressional hearings to defend their practices and the European Union has instituted much stricter digital privacy regulations. According to the founder and chief executive of start-up software Gusto, “Tech is now such a huge and dominant industry. The fly-by-the-seat-of-your pants mind-set is just not viable when you have a trillion-dollar market capitalization or if you have more influence than many governments around the world.”<sup>4</sup> The press has become much more critical, no longer believing assurances that the latest device will make the world a better place.

While there are still some high-profile tech CEOs still around, they too may be forced to tone down or be replaced. Consider Elon Musk of Tesla and SpaceX, for example. Viewed as a creative, charismatic genius, Musk has come under fire for his erratic behavior, including sending aggressive tweets and apparently smoking pot during a videotaped interview. The Securities and Exchange Commission made Musk step down as the chair of the Tesla board after he falsely claimed he had enough financing to take the company private. (Musk neglected to tell the rest of Tesla board of his plans.) The SEC also demanded that Tesla add two more independent directors to its board to exert further control of the company’s founder, including his communication on Twitter.