



## YOU GET THE LEADERSHIP YOU INSPIRE: HUMOR AT GOOGLE WITH ERIC SCHMIDT

*“You get the leadership that you inspire. If the leadership of the company is relaxed and humorous and having fun, the other people will have permission, within the appropriate boundaries, to do the same thing.”*

—Eric Schmidt

Once upon a time, in the town of Mountain View, California, a sleepy suburban locale most notable for its abundance of moderately-priced Chinese restaurants, there arose a plucky search engine startup by the name of Google.

In Google’s early years, founders Sergey Brin and Larry Page and CEO Eric Schmidt worked hard to run their company in a way that avoided the cagey business practices of predecessor technology firms. They hoped to establish a culture built on authenticity and transparency, and they made it a priority to share as much information with their employees as they sensibly could. There were numerous personal and business risks that came with communicating openly and directly with their employees, and humor was one tool they used to mitigate these risks.

Schmidt, Page and Brin held an hour-long ‘all-hands’ meeting at the end of each week called TGIF (Thank Goodness It’s Friday), in which every single employee at the company was invited. For the first 30 minutes, the team reviewed news and product launches from the past week, provided demos for unreleased products, and celebrated recent wins. The second 30 minutes was comprised of a question and answer session where any Google employee could query the leadership team.<sup>1</sup>

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<sup>1</sup> Subtle search engine pun.

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Jeffrey Conn (MS 2018), Matt Saucedo (MBA 2015), Lecturer Naomi Bagdonas (MBA 2015), Professor Jennifer Aaker and Alan Eagle prepared this case as the basis for class discussion rather than to illustrate either effective or ineffective handling of an administrative situation.

Googlers<sup>2</sup> enjoyed both the subject matter and the style in which the meetings were held. Almost any conceivable topic could (and would) be debated or conversed, from cellular phone features to election results. The witty repartee between Schmidt, Page and Brin was often the highlight of the talks, with Brin's farcical sense of humor on full display. Schmidt described the typical scene:

You want people to see that we're having fun. And when I say fun, I mean appropriate fun. So, when the three of us were running the company, we would appear together, and one person would be the straight man, which would be Larry or me, and then the others would use quips that take it to an extreme...It came out completely naturally. Sergey is incredibly quick, and often, if we say something, he'll say something outlandish, for humor, for effect. Everyone understands he's being funny. [He'd say something like] "Oh, well, we're going to the moon. Well, we should go to Mars, instead," right? It's a funny form of escalation to absurdity, and it works.

TGIF at Google frequently resembled a comedy show (and still does).<sup>3</sup> The leaders' strategy was clear and purposeful; Schmidt, Brin, and Page's behavior at the TGIF's inspired a different, more relaxed form of leadership. They set a cultural tone that has remained consistent for over 20 years: Google was a company where people were empowered to have fun and be themselves.

**Figure 1 – Google TGIF**



### **HUMOR SHOWS THE COLLECTIVE GOOD**

Organizations take cultural cues from the behavior of founders and leaders. By using humor and spontaneity in company meetings (typically somber, scripted events), leadership gives the organization the opportunity to relax and have fun. Humor reduces feelings of hierarchy (the leaders laugh and joke just like everyone else) – and gives everyone more energy.

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<sup>2</sup> Nickname for Google employees,

<sup>3</sup> You can view a long-lost video from a 1999 Google TGIF [here](#).

Schmidt was intentional in modeling his own behavior in a way that furthered the type of culture he wished to build at Google:

You get the leadership that you inspire. If the leadership of the company is relaxed and humorous and having fun, the other people will have permission, within the appropriate boundaries, to do the same thing. I think it's essential in a small company, medium company, or big company, as so many of the traditional leadership styles are being challenged by these newer models...If the culture tolerates the sort of humorous quip, the relaxing quip, then it just sort of relaxes everybody...You want to use a verbal way of showing collective good, and humor is part of that.

### **HUMOR SOLVES THE BOREDOM PROBLEM**

Work is boring. It is rarely designed to be fun. The majority of your time consists of staring at a computer, filling out paperwork, and completing myriad tasks you would not wish to perform if given alternatives. But Schmidt believes that interspersed bouts of humor can help make your work experience meaningfully better (if not actually fun) and build engagement and team camaraderie in the process:

Humor solves the boredom problem. My observation is that most of business is pretty boring: 'Let's look at the financial spreadsheets again; let's look at our HR policies again; let's look at our engineering plans again.' They're interesting if you're a professional, but for most people, they're not...Most of the stuff that engineers do is pretty dry, and so, quirky humor can make everything more engaging.

Schmidt observes that a spontaneous, intelligent and insightful quip inserted as a response to your colleague's remarks can be a great way to inject humor into an otherwise dull workday, regaining the audience's attention (and displaying your wit) in the process. Schmidt elaborates:

The idea of solving [boredom] with humor, just with a quick quip and then getting back to business, is a pretty important technique. You understand humor very well – especially if it's quick. I have found that the best humor is the unplanned insertion of a quip, in the middle of some long narrative, which is unexpected...Think of it as a tolerated interruption for humor, and the tolerated interruption for humor is all of, 10 or 15 seconds, maybe it's five, but it's just enough to get to the point. That kind of approach legitimizes the speaker by virtue of the attention given by the humorist, and it shows a bond between the two...I think humor is a sign of intelligence, and the quickness of Sergey shows his native intelligence and explosive insight. The serious comics that I have met are deeply talented people. So, humor also shows off intelligence and commitment when done correctly.

## **“HUMOR AT WORK” GENERATES 411 MILLION RESULTS.<sup>4</sup> LET’S TALK ABOUT 3...**

Schmidt adheres to the following guidelines for the effective use of humor at work:

- 1) Play Along
- 2) Go for Absurdity, Never Denigration
- 3) Proceed with Caution...

### **Play Along**

As a leader, Schmidt believes that a leader should take pranks or humorous indignities in stride. Early in his career, Schmidt came into work at Sun Microsystems to find that his team had disassembled an entire Volkswagen Bug and reassembled it ... in his office. Years later, after Schmidt had moved to Google, he discovered that a Google engineer had unexpectedly moved into his personal office, because the engineer’s office was too crowded.

In both cases, Eric played along. He believes that a leader’s reaction to humor will drive the culture of his or her team:

Culturally, it’s very important that when you’re on the receiving end of humor you play along with it...Because not embracing it is actually worse than not having it at all. In other words, if you come across as hostile to the humor of the organization, then you’re in trouble, and you’re culturally inappropriate.

### **Go for Absurdity, Never Denigration**

You may have spent a late night or two at a comedy show, watching as several performers worked the crowd taking pot-shots at individuals in the audience, in homage to the late comedian Don Rickles, the widely acknowledged king of ‘insult’ comedy. Perhaps the comedian poked fun at one person’s jacket, another’s choice of drink, another’s taste in smartphone cases, and yet another’s unique hairstyle.

**Figure 2 – Don Rickles**



<sup>4</sup> Additional search engine reference (query performed as of May 5, 2019).

It can be tempting to channel your inner late-night ‘roaster’ and unleash a torrent of digs aimed at your competitors, your fellow employees, your spouses, or even your pets (nothing is sacred). However, Schmidt points out that humor in the workplace is unlike humor in the comedy club – the rules of engagement are vastly different:

When you look at professional comedians, they will often pick somebody out in the audience and take advantage of them in a negative way. But those techniques don’t work at all in the workplace, because the company is a tribe. And denigrating your opponents is probably also a mistake; you’re probably better off making an absurd quip. When a Google executive used to talk about Microsoft, he would say, “You know they want to own the letter M.” He was referring to their monopolistic tendencies. It was funny and worked because he said they wanted to own a letter, which is a funny idea. He didn’t say they were bad guys. He made his point with humor.

### **Proceed with caution...**

If it is used correctly, humor legitimizes the speaker. However, when it is used incorrectly, humor diminishes the speaker’s standing and effectiveness within an organization. Schmidt believes that the effectiveness of humor as a strategic management tool *depends heavily on authenticity and context*. Humor falls flat in areas where it feels contrived or staged, and Schmidt avoided forcing his executives to use humor as a tool when it did not feel authentic to their personality or further their management goals. Schmidt continues:

[There]’s a long list of don’ts, and that long list is getting longer because of various memes that exist today. So, what I see is that executives are getting more and more careful with their use of humor, for reasons that are obvious. Executives have decided they’ll hire a professional comedian, and they’ll come in and give generic jokes. That doesn’t work at all. And it’s also a waste of money.

To Schmidt, the key is to cultivate fun, not Fun.<sup>5</sup> That means letting humor and fun become an organic element of the culture, rather than manufactured artifice (e.g. the uncomfortable company picnic). In a company full of highly intelligent people (such as Google), when leaders let humor bubble up organically, humorous content is bound to emerge. In this context, quality humor can not only indicate a healthy company culture, but also a strong talent pool (and solid hiring process to boot).

Lastly, Schmidt believes that humor in business works best when it is used wisely and in moderation, from an attitude of confidence and strength. There are tangible consequences for its overuse. He elaborates:

Humor in the workplace is required for productivity, but too much humor destroys productivity. It’s kind of a simple rule. An example would be: you would never make a comment that’s negative about a customer, but you might make a comment that’s humorous about a competitor. But if you make too much of the humor about a competitor, the

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<sup>5</sup> Schmidt, Eric and Rosenberg, Jonathan. *How Google Works* (p. 55). Grand Central Publishing. Kindle Edition.

employees think that you're scared of the competitor. Humor in the workplace has to come from a position of strength – humor from a position of weakness is immediately perceived as an admission of failure, or fear. And employees are incredibly observant about these things.

### **HUMOR IS A TOOL FOR NEW TYPES OF LEADERS**

For Schmidt, the use of humor in the workplace is one aspect of a broader shift away from the staid, humorless, traditional methods of business leadership. Humor is a powerful tool which new types of leaders can use to generate personal, emotional connections between themselves and their team members, and to generate enthusiasm about the direction in which they are leading their team. Plus, it's just fun. The best workplaces are fun. Think about your favorite job – it was fun (we hope). The best leaders create a fun environment through a combination of vision (we're excited about where we're going) as well as humor (we're having fun along the way). Schmidt concludes:

So, how do you use humor in the context of the leadership? Leadership is expressed as a strategic process of thinking, rather than as an emotional motivation aspect. And the best leaders are both right and also are charismatic - they can get people excited. You want to think about what kind of leader you want, and what that leader is. That leader is your friend, confidant and can be motivate lots of people - besides just you. That leader is charismatic. That leader sees ahead. And that leader is committed beyond belief. So in order for you today to follow a leader, you have to believe that ***they're going to land the plane no matter what*** – they're not going to just try hard. ***They're going to do whatever it takes.***

From TGIF's to Volkswagen Bugs, Schmidt has used humor as a strategic tool to land many proverbial 'planes' throughout his career. But what about you? Imagine holding a company-wide town hall every week as CEO. When will you insert a quip (or two) to solve your team's 'boredom' problem? How will you react to your own 'VW Bug in office' moment when it occurs? How can you make work more *fun*?