

1ST PERSON

I recently sat down with Bill McLawhon, head of leadership development at Facebook and a seasoned executive coach. I asked Bill how Facebook is approaching the elusive topic of global leadership development. To say that this topic strikes at Bill's passion is an understatement. He speaks with wisdom and enthusiasm about what he's learning from the young leaders he coaches at Facebook.

First, a little context: Many of Facebook's 5,300 staff members are under the age of 30. It's a company Bill describes as being "hierarchical and title-agnostic." But don't expect one more boomer rant about narcissistic, entitled millennials from Bill. Instead, he describes a revolutionary approach to work among his young peers at Facebook, and he suggests that if we pay attention, we all might learn something from them.

So how does the first millennial-run organization to hit the Fortune 500 develop its global leaders?

How Facebook Develops Its Global Leaders

David Livermore, in a conversation with Bill McLawhon at Facebook

By David Livermore

Silicon Valley has a reputation — young, entitled engineers who don't believe they have a whole lot to learn from seasoned, corporate leaders. To what degree is that fair and how, if at all, does this influence the way you develop leaders at Facebook?

As a 56-year-old guy, I went through a period where I looked at these young kids and thought, "Wait until you get your butt kicked out in the real world." But I quickly realized this is the real world. And they're making it their own. This is the future of work. It doesn't look much like the world of work where I started. But I'm completely awed by the high-performing individuals I get to coach everyday, most of whom are young enough to be my kids.

Our whole approach to leadership development at Facebook is coherent with the fact that we're an engineering company to the core, and we're led and run by millennials. We have no interest in a competency-based model of leadership. That doesn't fit who we are. Our engineering, millennial roots shape who we are from top to bottom.

How does that shape the way you approach leadership development?

Engineers are trained to be skeptics. As a result, you see an embedded skepticism all across the company. There's zero-tolerance for talking heads. The driving question is "What works?" There are posters all over campus that say things

like, "Move fast and break things" and "Done is better than perfect." Our engineering DNA shapes everything we do, including leadership development. I never design a leadership program without including engineers or in-house, world-class functional experts/leaders as a part of the process.

How do you convince engineering techies that soft skills matter?

That's an interesting question but I don't have to do any convincing. I haven't thought about my coaching work as providing "soft skills" in a long time because there's a hunger for these kinds of skills by our people.

We're an extremely flat, meritocratic company. So it's impossible to get anything done unless you have the ability to influence and inspire people. You can't run to a boss and have them issue a mandate to get something done. You're going to have to figure out how to get it done yourself. So I don't have to convince leaders at Facebook that they need these capabilities. They almost unconsciously know that these skills are the only way to get things done in such a flat, meritocratic organization.

So how does one become a leader at Facebook and what does that mean?

Leadership is not conferred based upon your position and title at Facebook. It comes natu-

rally to individuals who have a high level of impact. Who are the individuals who create extraordinary value quickly? That kind of impact leads to followership, which confers leadership. The people who "ship it" and make an impact are the ones who are going to emerge as leaders.

Something I should also point out with respect to our philosophy on management is that becoming a manager at Facebook is a lateral move. It's not a promotion and that's very intentional. We don't want people aspiring to people management because they want more money or title. We want managers who have demonstrated two things: impact and character. We want them driven by a belief in our mission and an ability to make broadened impact.

In Mark Zuckerberg's letter to prospective Facebook investors, he outlines five values that drive Facebook: Focus on impact, move fast, be bold, be open and build social value. How do those influence what you do in developing global leaders at Facebook?

They drive everything we do. There's an extreme level of coherence between those values and life inside the company. We've outlined five leadership abilities that are essentially the behavioral expressions of those five values outlined by Mark. I want to share them with you because they really capture how I go about my work as an executive coach here and how I advise our cadre of external coaches. This is our leadership narrative:

1. Encourage Ownership

As I said, everything at Facebook is driven by a high-impact, "ship it" mentality. There's no room for victims here. If something is broken, you don't make a big noise about it. You identify the problem and go fix it. There's a lot of white space across Facebook. You're not going to be told what, where, when or how to do things. We set goals together and then

you go do it. As one poster on campus says, "Whine less, code more."

2. Inspire Others

The iconic stories around Facebook are about individuals who took a risk, went after something and made a big impact. Our mission is simple: to make the world a more open and connected place. Mark speaks from a 100-year vision and he talks about it all the time. It's bigger than any of us can foresee happening in our lifetime. But that's what makes it so inspiring.

One of the ways we succeed in getting the best talent from other successful companies is that if they come here, they can start coding and within a few hours, they'll "ship it" and impact more than a billion people. That's pretty inspiring.

3. Do Real Work

Mark Zuckerberg still codes and Sheryl Sandberg still makes sales calls. We're an extremely lean, fast-moving company so there's no room for bureaucrats who sit around and tell other people what to do. Think about it: We have less than 6,000 FTEs (full-time equivalents) and we serve more than a billion users. We talk a lot about "butt in chair." It comes back to our "ship it" mantra.

Howard Schultz, CEO of Starbucks and a board member at Facebook, says it best; "The future belongs to people who are willing to get their hands dirty." We reward impact, not effort. Impact is all that matters to us. It doesn't matter where you are, where you work from, or what time of day you work... just ship it.

4. Speak and Reward Truth

Everything you hear about millennial's desire for regular and consistent feedback fits my experience working here. I've never been at a place where people crave so much feedback on their performance like they do at Facebook. And they sail right past the positive feedback and say, "OK, but tell me what I need to do to get better."

We have a very high bar for our talent, and people want it that way. I liken them to elite athletes who push themselves to the absolute zenith of performance. There are very few individuals around here who are content to function at the status quo. They won't last.

5. Treat people with extraordinary respect

We have very few assholes at Facebook. You never hear people shouting at each other and bullying rarely happens. Part of being in such a fast-paced, meritocratic culture is if someone isn't doing his or her job, it will become evident very quickly.

Everything gets measured—are you having impact or not? But alongside that, there's an overarching value for respecting each other. Most of our leaders don't fit the geeky, tech stereotypes. They have high EQ, they're self-aware, and they're committed to character and meaning in themselves and others.

I was surprised to learn that 70 percent of your users are outside North America. How does your global presence influence the way you recruit and develop leaders?

The percentage of users outside North America is steadily growing. I expect that most of Facebook's second and third billion users will come from the developing world, where access to the Web is through simple, mobile devices with low-cost access to data.

These global realities significantly influence what we do all across the company. We're increasing our global footprint with data centers, engineering offices and sales offices placed in strategic hubs around the world. And we're creating teams in those regions that reflect the cultural complexion of the region. Most of our international offices are made up of local talent — with a few expats from other regions brought in when a specific expertise is needed.

Headquarters remains in Menlo Park (Calif.), but we're looking at how to avoid a purely unidirectional flow — from Menlo Park to our global regions. Instead, we're creating ways for a parallel flow of information, strategies and leadership that goes both ways. This might include having a functional head based in a place like Mumbai, who manages a team located around the world, including individuals in Menlo Park.

You've described a very strong culture at Facebook — hierarchy-agnostic, fast, autonomous, no victims/excuses, take risks, etc. Many of these values are diametrically opposite to the core values of most developing world cultures. How is that influencing your approach to leadership development globally?

You're absolutely right and I know this can be an issue. We've already observed it among some of our teams. We want to find the right individuals globally who are culturally synchronous with both their local context and Facebook. It won't work if they can't bridge both cultures.

We'll cease to be Facebook if we eliminate all our core values from how we operate. But we're conscious of this challenge, and it's one of the things that we'll be prioritizing most this next year. How do we develop high-performing teams who can effectively utilize our diversity across the world to make even greater impact?

We're a very process-light organization. We're always looking for the lightest touch process possible to get something done. Wherever our leaders operate in the world, we want them to have the freedom and tools to "ship it" based upon what works best in that context.

Are there any final insights you'd like to share from your leadership development experiences at Facebook?

As you can tell, I get pretty excited about this stuff. This is the future of work. Millennials are here and they're changing the workplace; by 2020, they'll be 50 percent of the U.S. workforce. They want to make an impact, but they want feedback on how to reach optimal performance. One in 5 of our employees are being coached. I've never been at a place that puts so much value on how we develop our people. It's a wonderful place to be.

Bill McLawhon is head of Leadership Development at Facebook and oversees the coaching process across the company. Prior to coming to Facebook, McLawhon spent 13 years coaching executives within high tech, bio tech and financial services, following a vice president position at Charles Schwab & Co. When he isn't keeping up with millennials at Facebook, he enjoys cooking Indian food, spending time in Paris and Kauai, and thinking about what's coming in the world of work.

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