Microsoft

Bill Gates Answers Most Frequently Asked Questions

Q. What kind of role did fate or luck play in your success?


Bill Gates

A. I get a lot of questions about my success, so I'll answer several and then reflect on the importance of mistakes, the flip side of success. Luck played an immense role. Some of it came after I entered the business world, but my lucky streak started much earlier than that.

I was fortunate to have family and teachers who encouraged me. Children often thrive when they get that kind of attention.

I was incredibly lucky to become boyhood friends with Paul Allen, whose insights proved crucial to the success of the company we founded together. Without Paul, there would have been no Microsoft.

Our timing in setting up the first software company aimed at personal computers was essential to our success. The timing wasn't entirely luck, but without great luck it couldn't have happened.

The importance of being born at the right time is a point I make in the revised edition of my book, *The Road Ahead*:

> "My friend Warren Buffett, who's often called the world's greatest investor, talks about how grateful he is to live at a time when his particular talents are valuable.
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> "Warren says if he'd been born a few thousand years ago, he'd probably have been some animal's lunch. But he was born into an age that has a stock market and rewards Warren for his unique understanding of the market.
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> "Football stars should feel grateful too, Warren says. 'There just happens to be a game,' he says, 'where it turns out that a guy who can kick a ball with a funny shape through goal posts a fair percentage of the time can make millions of dollars a year.' "

Like Warren and today's football stars, I was born at the right place and time.

When you're lucky and successful, it's important not to get complacent. Luck can turn sour, and customers demand a lot of the people and companies they make successful. Big mistakes are rarely tolerated. I hope to remain successful, but there are no guarantees.

Q. In the history of Microsoft, what was your happiest moment?

A. If I had to pick one it was the launch of the IBM PC in 1981. Either that or back in 1976 when our version of BASIC first ran on the Altair, the very first personal computer. But I don't much celebrate milestones such as these because I view my job as a job only partly done. Computers aren't on every desk in every home yet, and they're not as easy to use as they should be. When we achieve these goals, I'll have something to really be happy about.

Like everybody, I hope that my very happiest moments are ahead of me.

Q. How do you spend your time?

A. I spend less time in the office than I used to, partly because I have family now but more because electronic mail has freed me to work at home in the evenings and on weekends. I still work 10 or more hours each weekday, not including business-related social functions, and another 10 or so hours most weekends. And I'm still keenly conscious of how I use my time. I always ask: "Am I doing the things that are the most important?"

As I have for years, I spend about half of my work time with product groups. I spend another quarter of my time in customer-related activities where I get feedback. I spend the rest in general management activities such as board meetings, press interviews, hiring, budget reviews, and writing.

I put in about three hours a day working on my computer. Half of that time may be spent browsing the Web or trying out software, and half may be spent reading and writing e-mail, including reports.

Fortunately, e-mail has given me the flexibility to do many kinds of work from nearly anywhere—and in little snippets of time. If I'm enjoying a nice Saturday or

Sunday at home and I come up with a good idea, I can write it up and send it off in half an hour—and then get back to my family.

Once quality-of-service guarantees are available, you'll pay a slight premium for priority communications guaranteed to arrive on time. You won't want or need to guarantee instant delivery of e-mail, voicemail messages or many kinds of Web pages. But for Internet-based "phone" calls, videoconferences, and many kinds of entertainment communications, you'll pay a little extra for top-quality service.

I used to work all night in the office, but it's been quite a while since I lived on catnaps. I like to get seven hours of sleep a night because that's what I need to stay sharp and creative and upbeat. I envy people who thrive on three or four hours of sleep a night. They have so much more time to work, learn, and play.

Because there aren't enough hours in the day, it's tempting to try to do two things at once. Right now I'm perfecting reading a newspaper and riding an exercise bike at the same time—a very practical form of multitasking.

Q. What do you think is more important to your success, raw intelligence or hard work?

A. Hard work, without a doubt. But not just my hard work. What really matters is the hard work of people who come to work with me. Raw intelligence weighs most heavily in a little contest like a math puzzle. But over a period of years, when you're in business building complex projects and working with customers, success is much more a result of dedication and persistence than brilliance.

I don't mean to discount intelligence. I value it highly, and it is essential to many kinds of success. But even when intelligence appears to be the reason for a success, hard work probably had a lot to do with it, too. Thomas Edison said, "Genius is one percent inspiration and 99 percent perspiration." I believe that.

Q. Please explain the secret of your success.

A. There is no one secret to success. But certain attitudes and approaches contribute to success. I'll describe three that help me.

First, I am acutely conscious of the value of time.

For example, when I go to a meeting I keep specific objectives in mind. There isn't much small talk, especially if I'm with colleagues I know well. We discuss accounts we lost or where overhead is too high, and then we're done. Bang! There are always more challenges than there are hours, so why be wasteful?

Second, I watch the competitive landscape carefully.

Microsoft is always searching for the new thing that is coming along, whether it is in a research lab or at another company. We try to understand what other people are doing, even if their apparent mission is so distant that it is not obvious competition.

We focus on what companies do well, as opposed to what they do poorly. We don't dismiss a company as unimportant just because a lot of things about it may be less than perfect. The company may be doing something important; it may not even know that it is important.

We end up looking at a lot more potential threats than ever become real, and there's a constant flurry of memos from employees who are alarmed about one thing or another. We don't cry wolf too often, though.

Third, I don't settle for platitudes when discussing management challenges.

There is a kernel of wisdom in certain platitudes, such as "Listen to your customers" or "Capture all the information." A well-chosen platitude can get people thinking in an appropriate framework. At times a manager makes a valid contribution by saying, "Hey, let's think of this from the customer's point of view."

What annoys me is the manager whose only contribution is spouting platitudes. I've been in meetings where clear-cut issues are on the table, and the total contribution of a participant is to say things like, "Well, we should only do what the customer wants. Let's keep that in mind."

This is a poor substitute for thoughtfulness. Of course you want to please customers, but how? What are the trade-offs involved?

In a large company, translating the sentiment behind a platitude into effective action often means setting up a system. This can be a non-trivial problem.

One platitude I embrace is that a company should be customer-driven—it should pay close attention to what customers say they want, and then put that knowledge to work. At Microsoft we pursue the goal through systematic effort. For example, we log every telephone contact with each customer, and analyze the results both to provide better customer service and to improve our products.

We're far from perfect at it, but we're better off with these systems than we would be if we settled for platitudes alone.

Q. When do you think the first computer will become as intelligent as a human?

A. Sometimes when I use software I get the feeling there is something there behind the screen. Could some kind of consciousness emerge from all this information processing? After all, isn't that just what the brain does? (Nicholas Riley, Sussex University, Great Britain, nichr@cogs.susx.ac.uk)

I don't know when computers will become intelligent.

A lot of people, including me, have been optimistic that we could teach a computer to learn the way a human does. But progress has been incredibly modest over the last 20 years.

Today's computers can play a pretty good game of chess. But computers and humans couldn't be more different in the way they go about trying to win. Any results that appear to be "learning" on the part of a computer are achieved purely through the brute-force enumeration of different possibilities. This is not intelligence.

For the next 20 years, I expect the computer to remain a tool rather than become a fellow thinker. Computers will become truly intelligent someday—but I question whether this will happen in my lifetime.

On the other hand, computers are on the verge of being able to talk, and when they do it will be easy to imagine that they are intelligent.

Within a few years, even small, affordable personal computers may have personalities and possibly idiosyncrasies. These machines will speak rather naturally in a human voice, if that's what we want.

They will behave as if they understand many of the verbal commands we give. They will try to be helpful. They may even act sympathetic when we face frustrations.

Giving computers the trappings of intelligence will make them easier to use. But it won't mean they really think—yet.

Q. Do you regret not finishing college?

A. I quit college to start Microsoft, and I don't regret that. But I enjoyed college a lot, and I wish there had been time for me to finish.

When you hear success stories about people who quit college, it may be tempting to believe that education doesn't matter for the entrepreneurially minded. But unless a person has an idea that's very time-critical, and is concerned that he or she might never have as good an idea ever again, it's probably better to finish.

For one thing, it is unusual for a person to be taken seriously in business when he or she is very young. It is hard for a teenager to raise money and hire good people.

More importantly, college is full of lessons. Besides coursework, there is valuable learning outside the classroom during the college years.

Certainly having a degree can be critical for getting a desirable job later on, For example, even though Microsoft was founded by a couple of college dropouts, it's pretty unusual for us to hire somebody for a key position who is interrupting his or her educational career.

Q. Who coined the name *Microsoft*?

A. I did, but I don't think coming up with the name was an achievement. It was the obvious name for a company devoted to microcomputer software. One of the benefits of being the first in a field is that you can claim the obvious name.

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