OPTIMIZING FOR HAPPINESS

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and read my blog

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github
SOCIAL CODING

SOY SUPER SEXI

WHY DO COMPANIES EXIST

I’m interested in business, and how to build a great company.
Let’s start with a fundamental question:
Why do companies exist?

OPTIMIZE FOR PROFIT?

-OR-

OPTIMIZE FOR HAPPINESS?

Most people say money. But is that really true?
Subtraction proof.
- Company without profit or a product is just a startup.
- Company without people is nothing. It can’t exist.

I've worked for companies that are optimized for profit.
They tend to be terrible places to work.
If I have to pay for my own soda at work, I can tell it's not optimized for happiness.
What is happiness (and by happiness I mean soda) worth?

Optimized for happiness

There’s a neat little trick I use to decide what to spend my life doing.
I call it the Deathbed Filter...
If I’m going to spend my life helping to make a company successful, then the company should help make me happy.

IF PEOPLE ARE PRIMARY, THEN

MONEY IS A SIDE EFFECT

If I’m correct about all this, then there’s only one conclusion:
If people are primary, then money is a side effect.
And don’t get me wrong, I like money as much as the next guy.
Money allows us to run a better company.

INVESTING IN HUMANS IS HOW TO BUILD THE BEST COMPANY

My hypothesis is that by investing in humans
instead of treating them as cogs in a machine,
you can build a company that fulfills all of your dreams.

Every story has a beginning. This is ours.

WHAT PISSES YOU OFF?

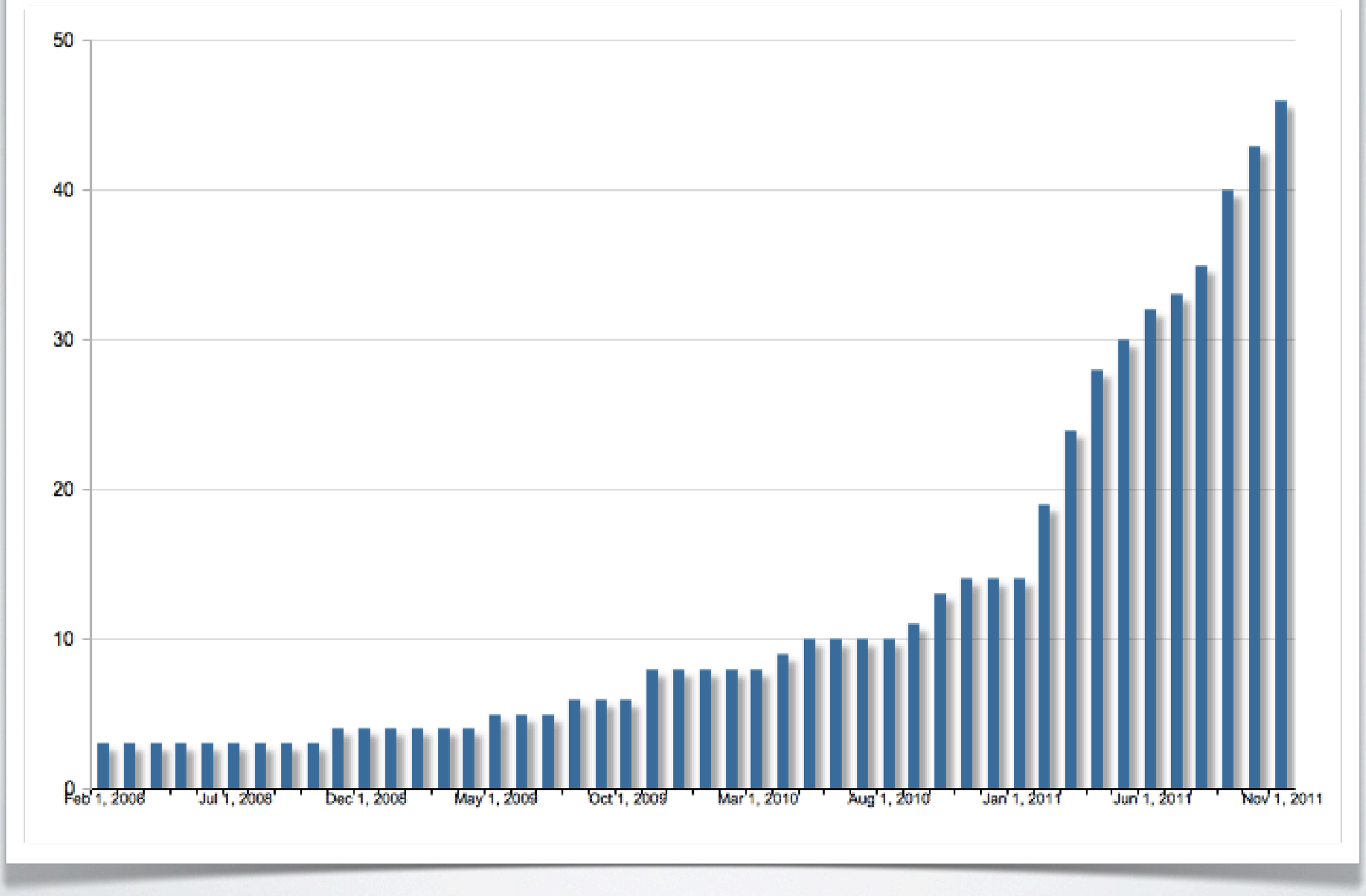
Great products are built by those that are invested in the solution.
Git was great for local coding, but hard to share repos.

I found my cofounders via the local Ruby Meetup.

BOOTSTRAPPED SIDE PROJECT

Worked full time at Powerset for first 8 months of GitHub.
We spent 3 months building an MVP before letting our friends use it.
Three months after that we released to the public.
Rails moved to us one day after that, and Ruby community followed.

GITHUB TEAM SIZE OVER TIME



Over four years we've grown the company to 47 people.

STILL
BOOTSTRAPPED

We’re still bootstrapped.
Never taken a dime of outside investment.
Our customers are our investors.

COOL STORY, BRO
BATMAN BEGINS.
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github
SOCIAL CODING

So that’s a taste of the history of GitHub.
Now, let’s look at how we optimize for happiness.

PEOPLE

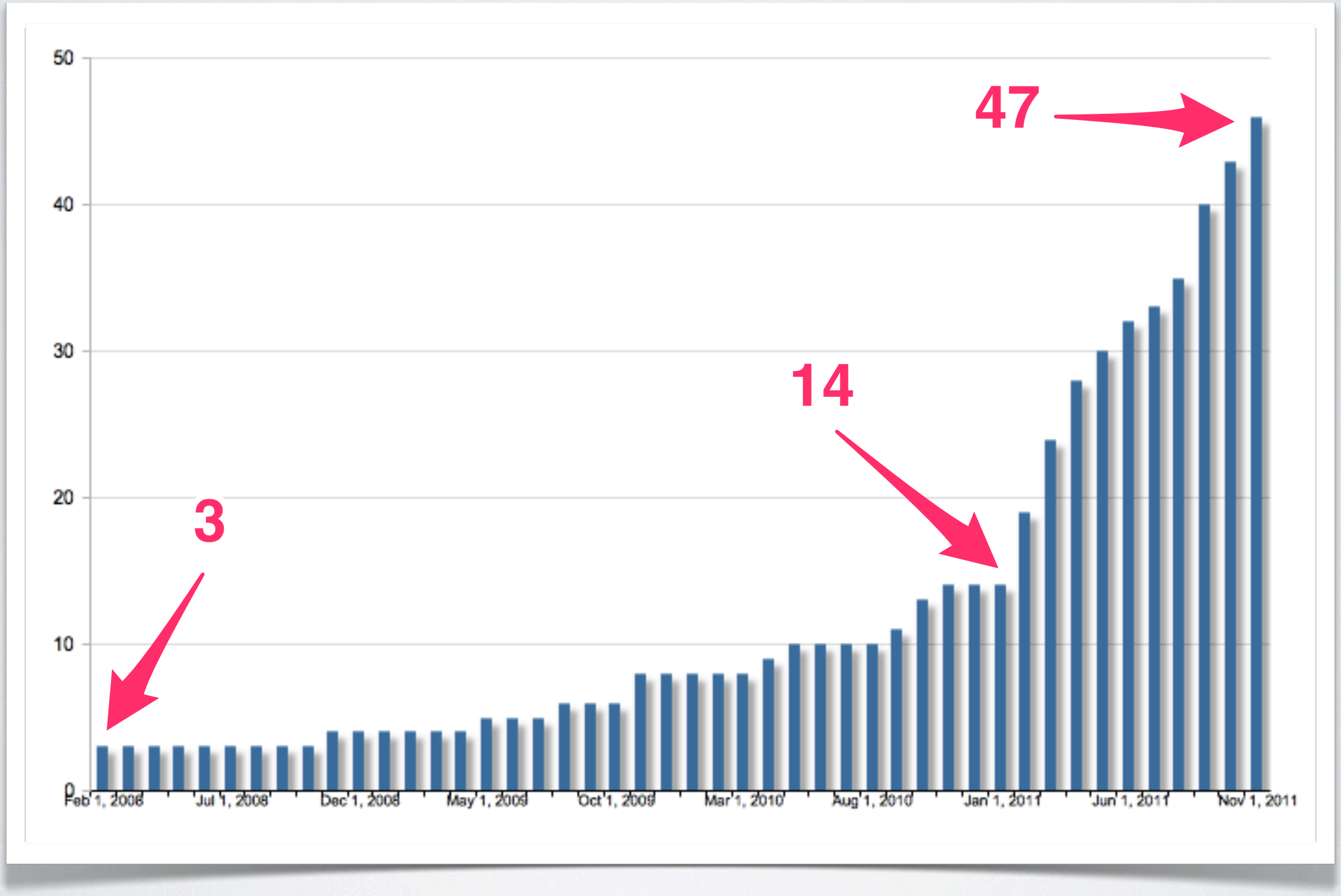
Since I've *totally* convinced you that people
are the most important part of a company,
let's start there.

START SMALL

GROW BIG

Like every startup, we started small.
Now we’re getting a lot bigger.
Most of what I’m talking about today took a while to implement.
Optimizing for happiness is a process.

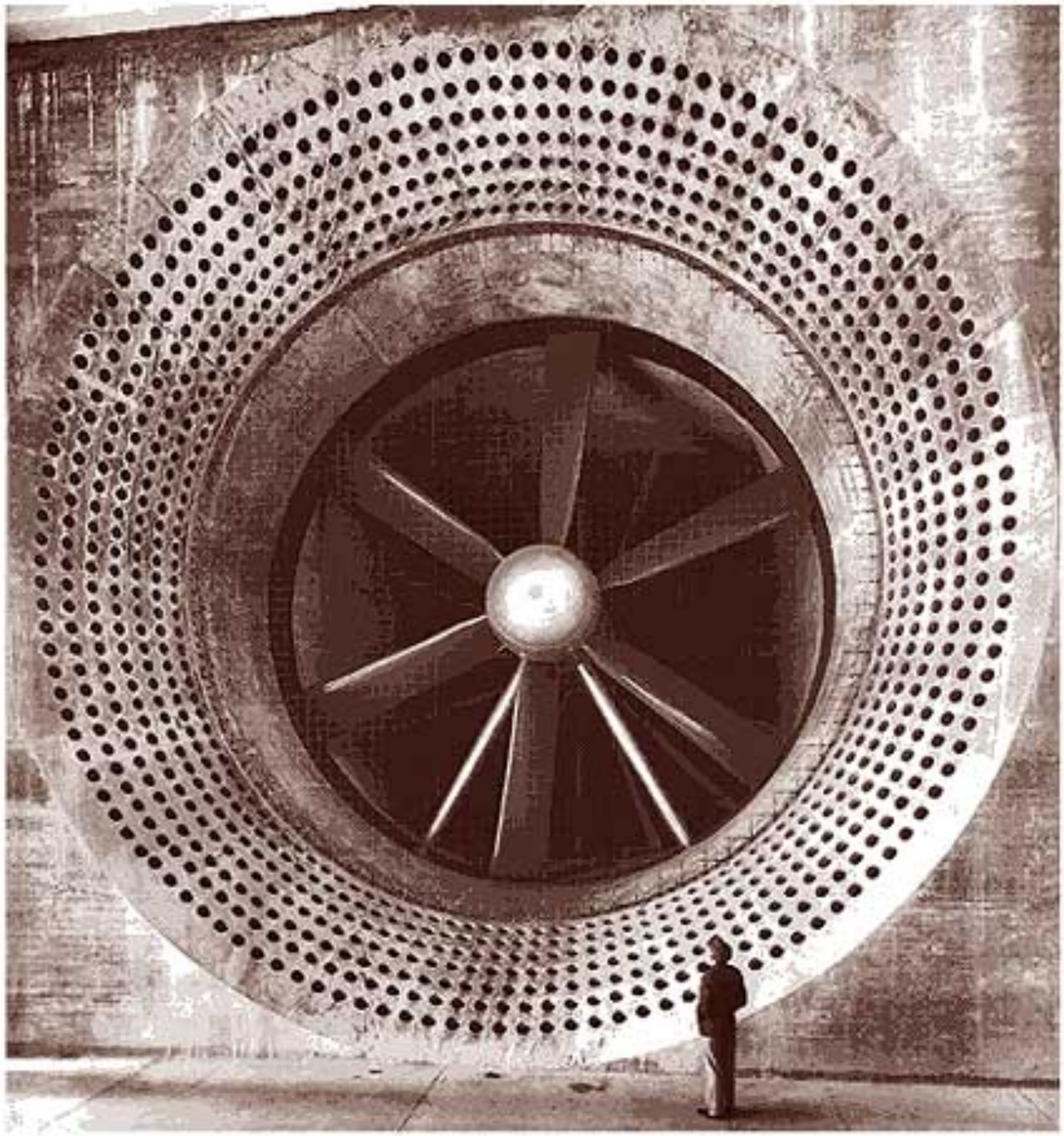
GITHUB TEAM SIZE OVER TIME



In fact, we grew very slowly for the first three years.
We started this year with 14 people. Now we're 47.

CREATE SUPERFANS BY CRAFTING EXPERIENCES

One of the guiding principles we live by.



No, not this kind of superfan...

I’m talking about this kind.
The kind of superfan that will put on a speedo and dance like a crazy person
because their love for what you’re doing is overwhelming.

CREATE SUPERFANS BY CRAFTING EXPERIENCES

Note that it’s all about people, not money.
We try to do this for our users, but we also do it for our team.
Who liked the Drinkup last night?

HIRING

Everything begins with hiring.

SKILL + CULTURE FIT

ALL HIRES MUST HAVE THESE TWO CHARACTERISTICS

Use network first.
Skill: open source code.
Culture fit: drinking or hanging out. Being comfortable.
Interview to impress.

BASICS

There are some things that we've always done.
These are core benefits that act as the groundwork for everything else.

PAY ENOUGH TO REMOVE MONEY AS A MOTIVATOR

Creativity thrives when worries about money vanish.
We couldn’t pay full salaries in the beginning, we ramped up.

WORK

WHEN AND WHERE

YOU WANT

Optimize for human productivity.
We can do this because we work asynchronously.
Pull requests are HUGE.

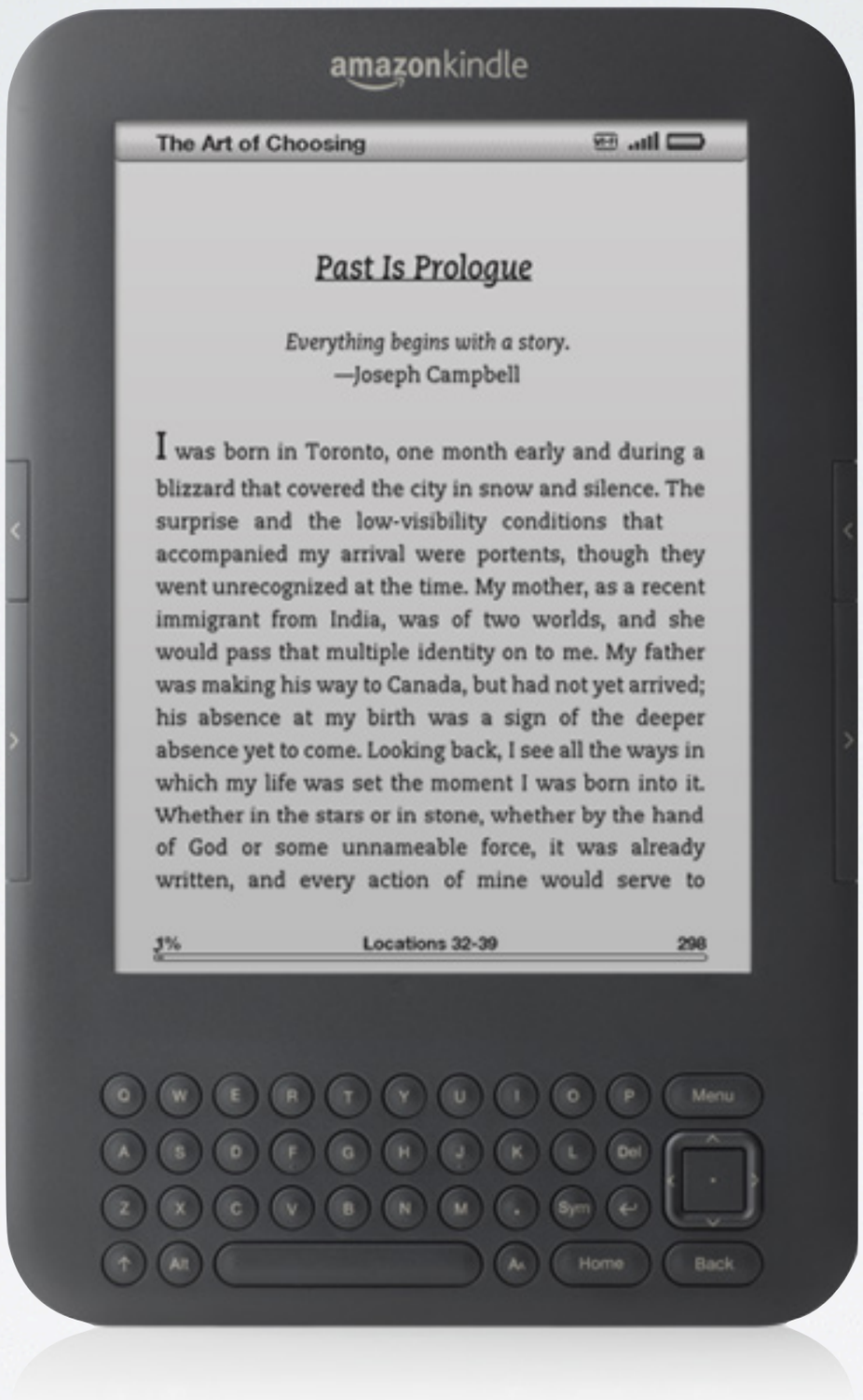
A computer is the most important tool we have.
Make sure it’s a good one.

Being healthy is the number one concern for most people.
Make sure it’s not an issue.

See how far you can reduce unnecessary process.
Base vacations on trust and responsibility.

GITHUB UNIVERSITY

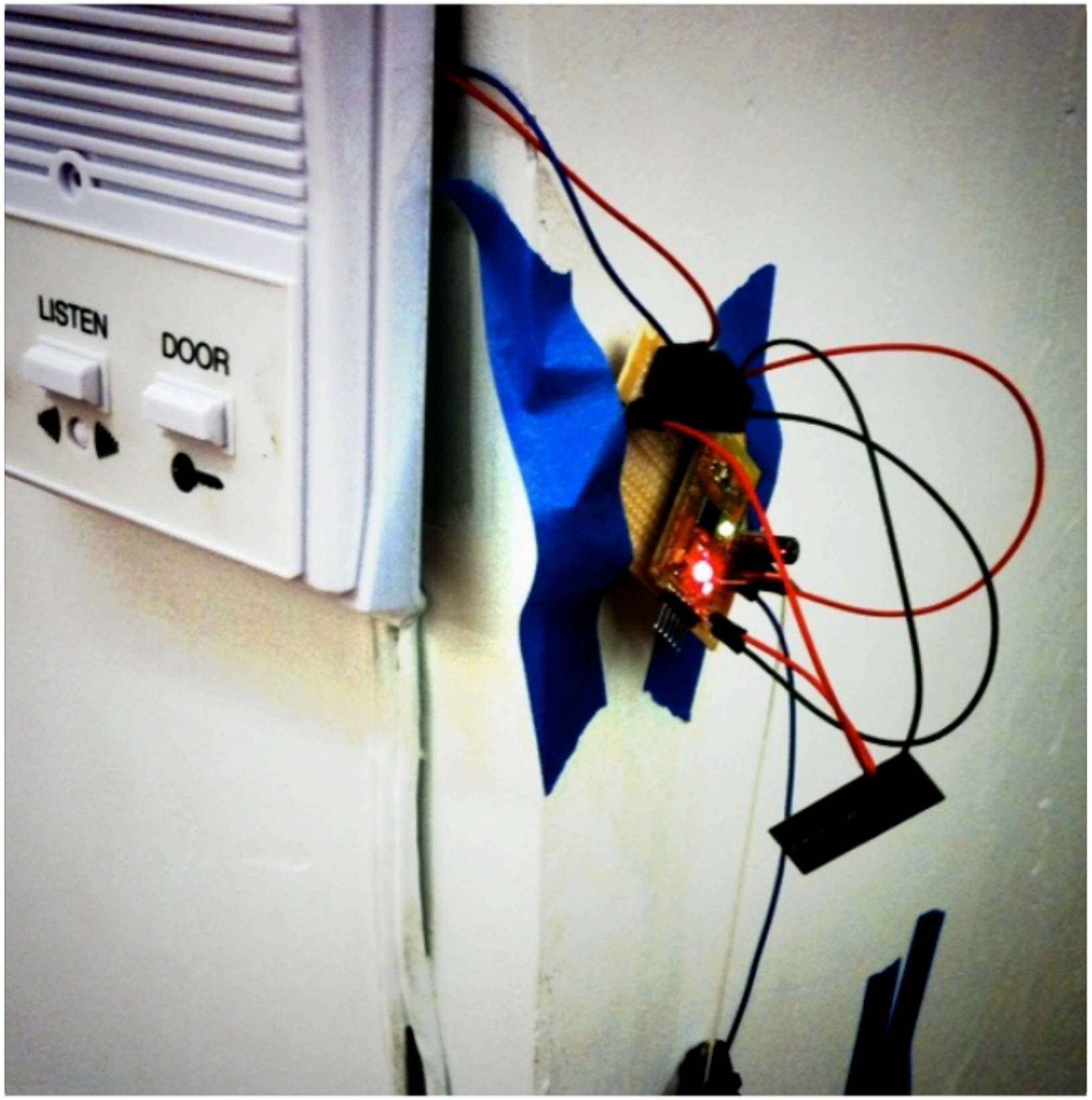
Mastery is important.
People that are not growing and learning are likely to leave.



We provide a Kindle and gift certificates for work related books.

VOS QUERÉS HABLAR ESPAÑOL?

We offer spanish lessons to anyone that wants to partake.



We love to tinker with hardware.
What started as a nifty project grew into a full time technology artist and classes about hardware hacking.

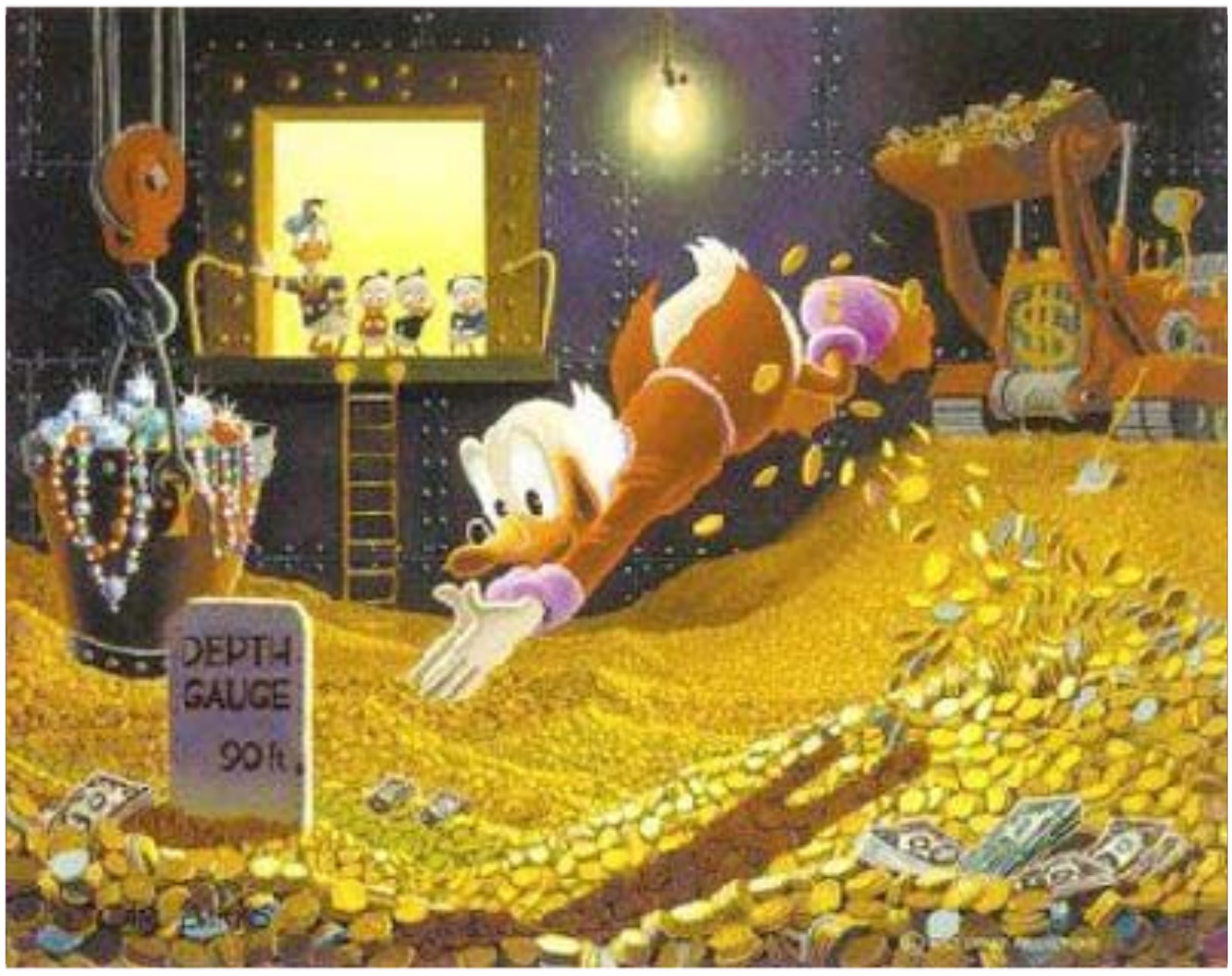
If you get a talk accepted at a conference, we will send you there. This is also great for recruiting.

BECAUSE IT’S AWESOME

3G
9:41 AM
Messages
Calendar
Photos
Videos
YouTube
Maps
Notes
Reminders
Clock
Newsstand
iTunes
App Store
Phone
Mail
Safari
3G
9:41 AM
“ On May 19 remind me it’s dad’s birthday ”
Here’s your reminder for May 19, 2012 at 9 am:
19
Saturday
May 2012
Dad’s birthday
5/19/12
Cancel
Confirm
9:41 AM
Crop Photo
Crop
Constrain

Moving is stressful, and it shouldn’t suck to come work for us.
So we cover moving expenses.
Tryna decide how to deal with bonus vs reimbursement (crafting experiences)

BONUSES



Bonuses are tricky, just like diving into a pit of gold bullion.
Extrinsic vs. Intrinsic motivation.
Only give cash bonuses after good work is done.

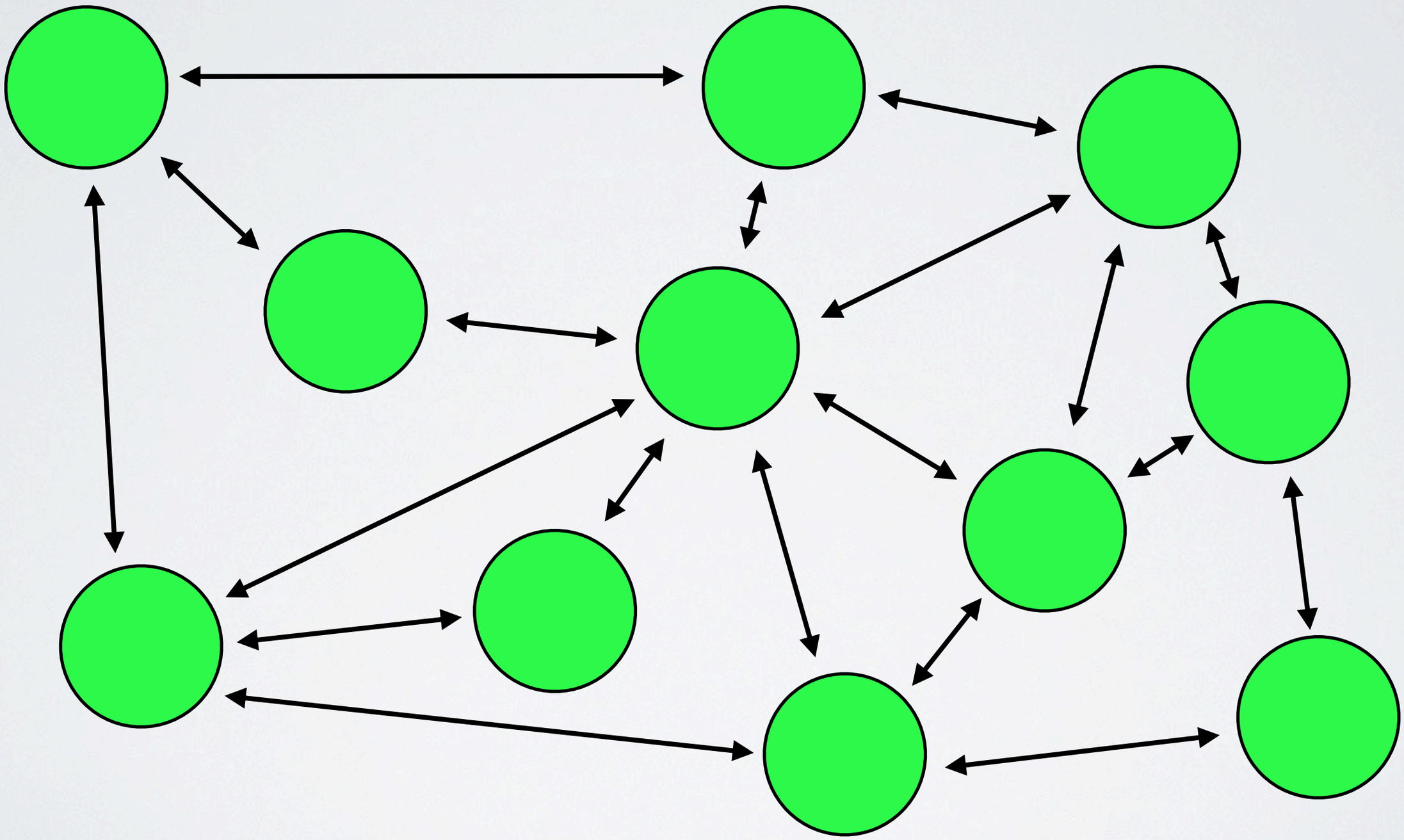
ORGANIZATION

Companies are made of people, but not people acting alone.
How teams work is just as important to happiness.

RETHINK WHAT'S POSSIBLE

First principles.
Never do something just because someone else does it.
Copying other people is the fastest way to mediocrity.

LIQUID LATTICE

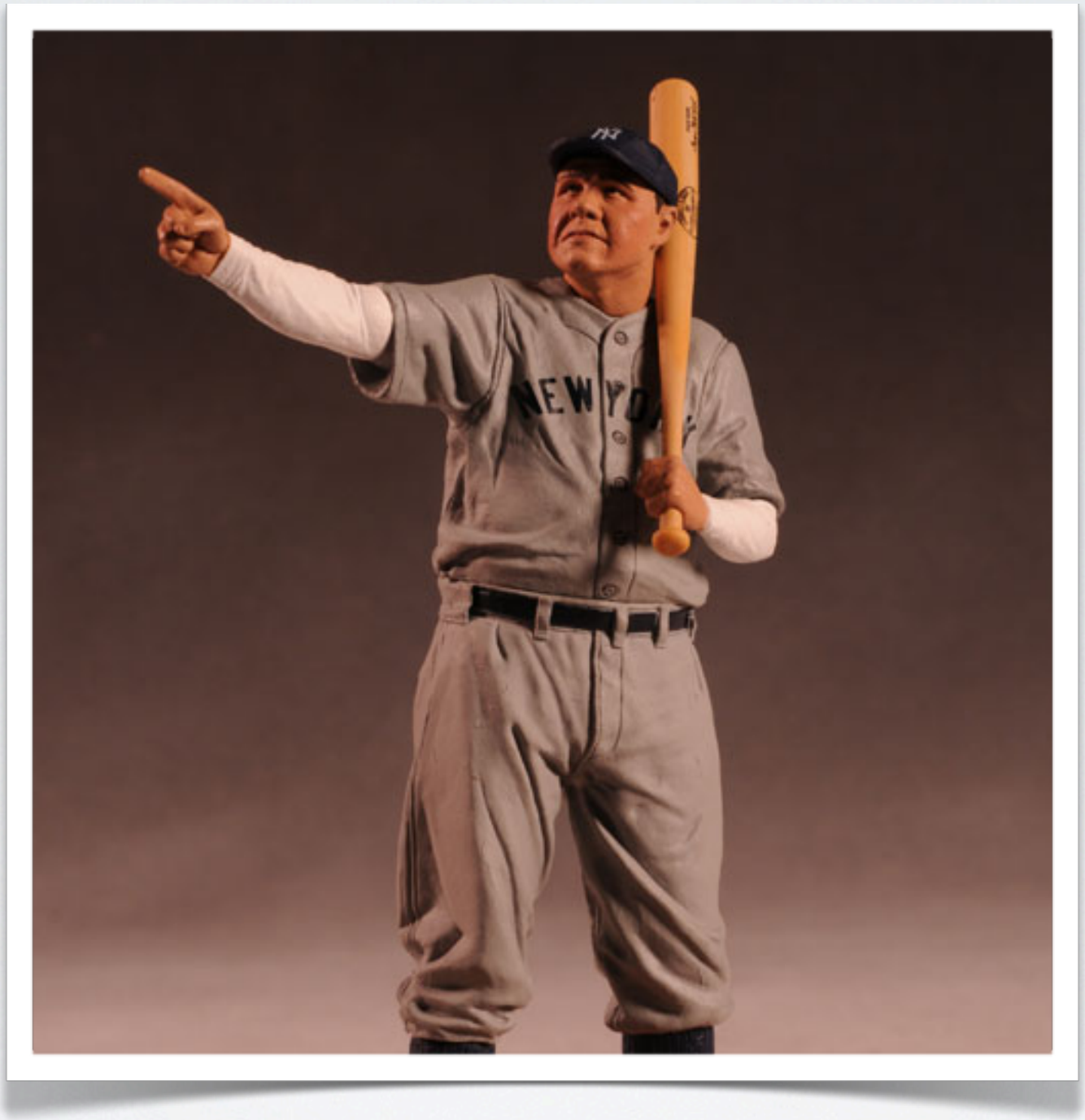


I call our org structure a “liquid lattice”.
Highly connected, flexible micro-structures.

SMALL
SELF MANAGED
TEAMS

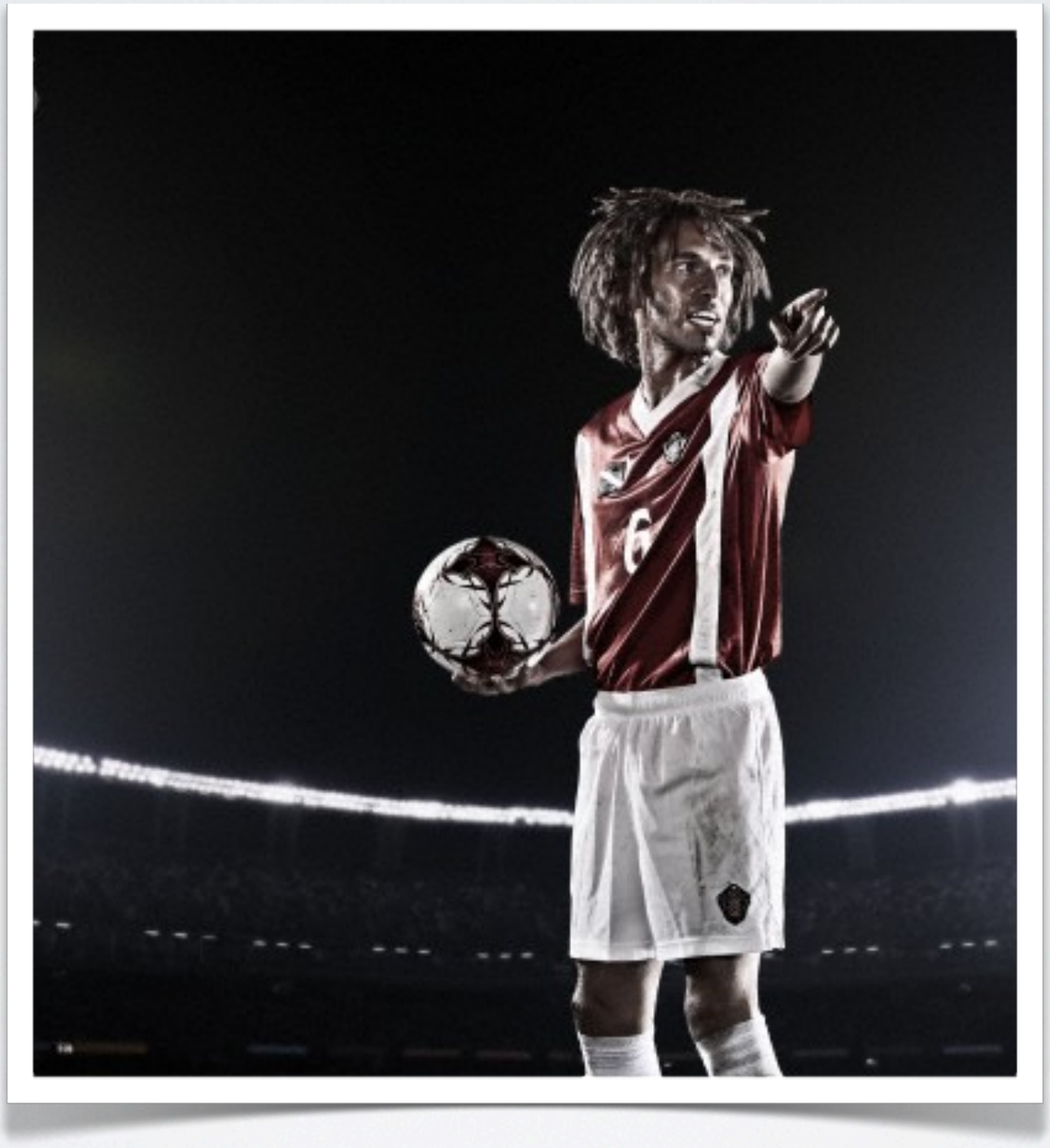
This works because of small teams.
Think about how productive you were when there were only 3 of you.
Replicate that idea across the company.
Leadership through merit and ability.

CHOOSE A VISION



You guys probably don’t know what this strange wooden stick is that this guy is holding.

CHOOSE A VISION



So here’s a better image you’ll like.
To prevent chaos, choose your vision.

FLEXIBLE ROLES

Liquidity is enhanced by flexible roles.
Overly explicit titles are harmful.
More opportunity for growth via this method.

CULTURE OF SHIPPING

We keep things flowing by encouraging constant shipping.
Reduce barriers to shipping.
Deploy to production dozens of times a day via campfire.
A sense of purpose.

ENVIRONMENT

Having an office can act as a catalyst for good ideas.
Increase serendipitous connections.

CAMPFIRE

CHAT APP BY 37SIGNALS

Our first office was a chat room.
It’s still our primary office.
Helps us work asynchronously.

Here’s our first office.
It may look messy, but I prefer to call it
“optimized for serendipitous connections”

Our culture derives from our origins.
Working in close proximity fosters a feeling of belonging.

We’ve kept this going until we outgrew or first office.

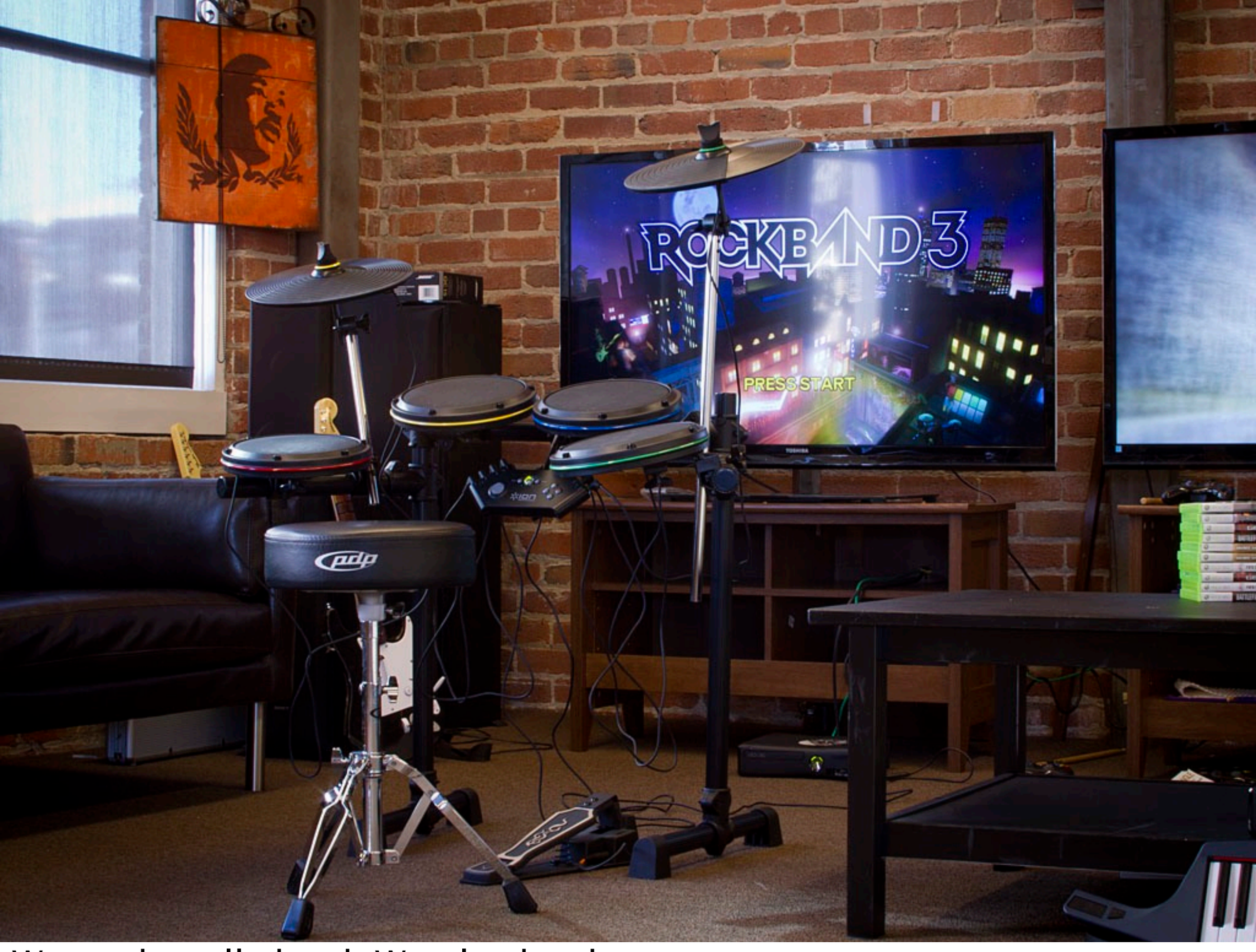
Here’s our new place. It’s huge.
Having ample space will help us continue to optimize for happiness by having more casual collaborative areas.

We still work closely in an open, collaborative environment.
This is Jason and Matt.
Jason is a designer and Matt is lead dev on Enterprise.
We mix our people together to increase serendipitous connections.

We had them knock down a bunch of offices up front
and we’re filling it with interactive technology
to foster playful collaboration

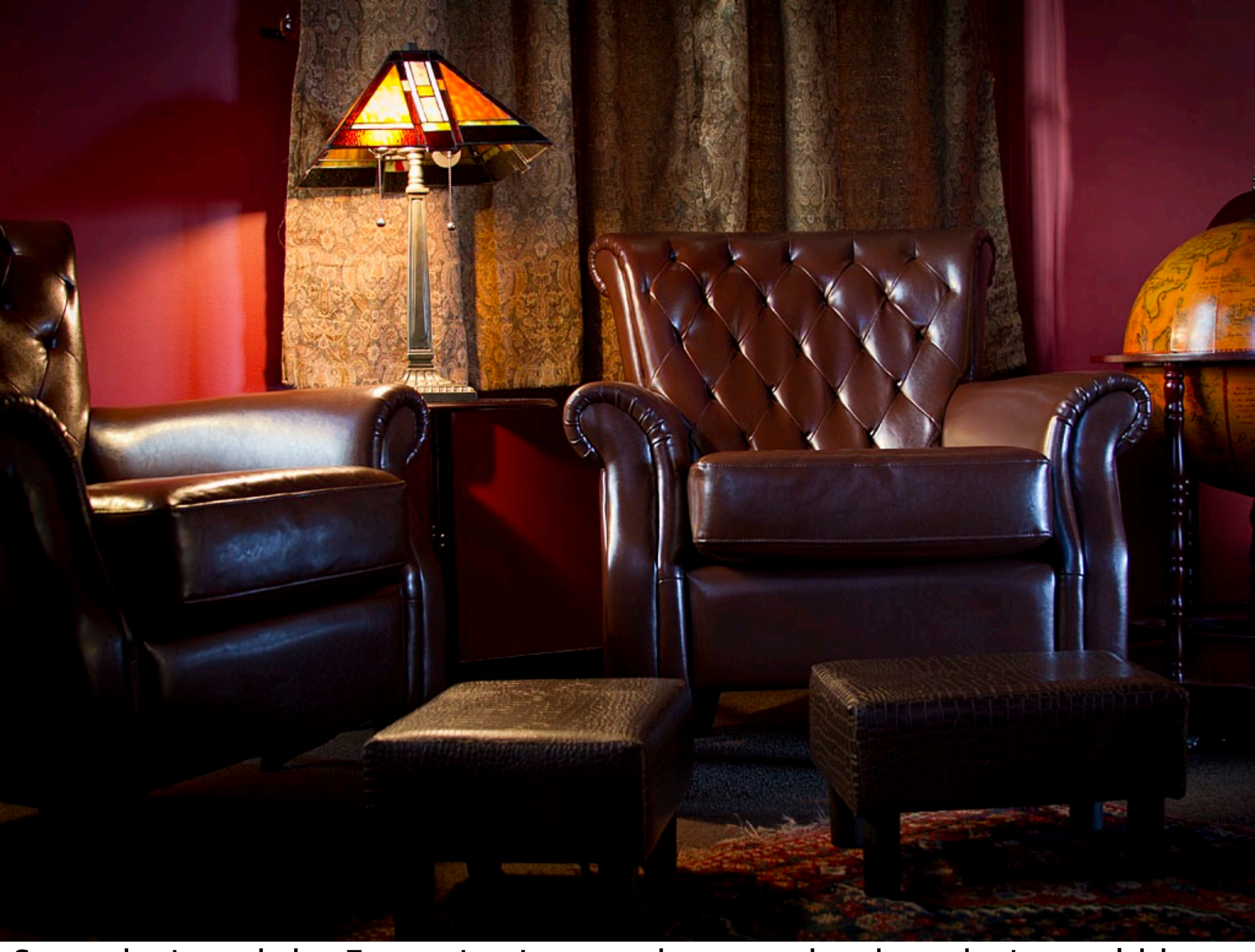
We’re very flexible about how the space works.
Things move around a lot from day to day.

We like to fill the space with artifacts that enhance our culture.
Here are some stickygrams.



We work really hard. We play hard too.
Taking breaks is a sure way to solve a hard problem faster than being stubborn.

SEÑOR SCOTT CHACON



Scott designed the Executive Lounge because he thought it would be awesome.
It cost a little more than a standard meeting room, but makes us proud to work here.

Welcome to the situation room.
It’s modeled after the situation room at the white house.
We needed a proper conference room for larger meetings.
This is where we make shit happen.

And what company that is optimized for happiness can be complete without a custom kegerator?
Fosters casual chats and creative thinking.
Experiment and adapt.

And how could you optimize for happiness better than having fine whiskies on premise for all those important decisions to be made in the executive lounge?

YOU CAN DO THIS TOO

Now you've heard how we approach business.
The great news is that you can do this too.

- Write down everything that pisses you off
- Fix it with technology
- Optimize for happiness

OPTIMIZING FOR HAPPINESS

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INVESTING IN HUMANS

To summarize, let me demonstrate a proof of why I’m right.

PROOF

INVESTING IN HUMANS

=

A HAPPY TEAM

A HAPPY TEAM

=

A GREAT PRODUCT

A GREAT PRODUCT

=

HAPPY USERS

HAPPY USERS

=

PAYING CUSTOMERS

PAYING CUSTOMERS

=

MORE MONEY

MORE MONEY

=

A BETTER ABILITY

TO OPTIMIZE FOR HAPPINESS

GRACIAS

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