

Leadership Moments: Shawn Layden of Sony on "Best, First and Must."

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Over his long career at Sony in top leadership positions — and now in his current role as chairman of Sony Interactive Entertainment Worldwide Studios — Shawn Layden has learned a thing or two about the art of navigating fast-moving industry disruptions. David Reimer, the CEO of The ExCo Group, and I recently sat down with Layden for a wide-ranging discussion about creating a clear roadmap for decision-making, the importance of repeating simple leadership messages, and the best advice he gives to new college grads. Our conversation with Layden was edited for space and clarity.

Q. You've navigated some significant disruptions in your industry. What are some of the broader lessons you've learned?

A. I took over as chairman of our studios two years ago, and wanted to quickly establish my vision for WWS. When I got in front of the teams, they asked me, "What's your plan?" Because we have studios in Europe, Japan and on the West Coast, I had to find a rubric that they could all understand very easily.

I said, "I'm going to make it super simple. When you guys come up with game ideas

and you want to propose something, just think of three things: first, best and must." "First" means, are you going to create a new game that has never been seen before, something completely innovative? "Best" means, is the game you're proposing going to be the best in class? Are you going to create "Horizon Zero Dawn" or "Uncharted," an adventure game that sets a standard for that genre? For example, if you tell me, "I have a game idea that I want to bring out, and it's going to be the third best racing game in the market," it doesn't do me any favors to do that, since we are a first party studio.

And "must" means something we should do. For example, we created virtual reality headsets last year and when you create a new technology like that, it's very difficult for a third-party publisher to create content for that new platform. But as a first party, we have an obligation to support the platform.

So if you have a game idea and it's not the first or it's not the best or it's not a must-do, then we're not going to do that game. I could have said something else instead, but "first, best, and must" translates into all languages.

Q. Once you come up with that simple framework and you have simplified complexity to some degree, how do you communicate it? Did you find yourself having to repeat it?

A. It's what you have to do as a leader. I learned that in the late 1980s, when we purchased CBS Records, and then we bought Columbia Pictures, and I got plucked out of the corporate communications department and was assigned to Akio Morita, the cofounder of Sony. I was his secretary and speech writer, and I would travel with him a lot.

There was one month when we did something like 21 speeches in 15 days, and you had to continue to repeat themes throughout those presentations. But I saw the power of repetition, because people were parroting his themes years later. My five years with Akio Morita was essentially my MBA.

Q. Other key lessons for you?

I also remember traveling with Morita-san to San Antonio, and he was asked to give a talk to the employees at a semiconductor assembly plant that we had just bought. I said, "Morita-san, I don't have a speech prepared for this, I didn't know we were going to do this one." And he looked at me and said, "Shawn, if you're the leader and you need a piece of paper to talk to your own employees, you're doing it wrong."

Q. What have been some important insights in your own leadership development?

A. Hiring people who somewhat challenge you is usually a good thing. I've seen people intentionally get people who have less candle watt power than they do so they can be the brightest bulb in the room, which is a terrible way to run a business.

I've also grown more aware of the dangers of setting precedents, and that certain decisions are like a ratchet that only goes one way. An idea may seem fine in and of itself, but if you start pushing the logic out to the extremes, then you start seeing bad outcomes. I have a lot of conversations about that.

Q. What lesson have you learned about leadership in the last couple of years?

A. I've thought about this more lately -- the best time to make change is when you're winning but it's also the hardest time to make change because you get weird sort of pushback from people -- "We're making all this money, why do I have to shrink my department or why are we getting out of this line of business now?" When you're in crisis, it's easier to make those decisions because you have fewer choices.

I've also learned to trust people more now, and it's partly because I'm seeing them playing out the scenarios that I've worked with them over the years. And it can be simple things. When you make a presentation, you should already know the questions you're going to be asked and then you should reverse-engineer your presentation to answer those questions up front.

And just get to the point. I remember being in one meeting and saying, "Is there a part in this presentation that tells me how fun the game is? Is that going to be part of this presentation or are we going to hear more about your demographic research? I trust you did your homework, now tell me what's fun about the game." Obviously, I'd missed my coffee that morning.

I also learned an important lesson from my original mentor in the games business -- always be the last one to speak, because once the leader speaks, then the decision is

made. And he was a man of few words when he did speak. When producers would present game ideas for "greenlight," the best reaction you could get from him was "mmmm." The other two possible outcomes were not as supportive. After you explained your entire game, he might say, "What's the fun part?" The other one was equally cutting. He might say, "It doesn't smell like money."

Q. What have you learned about leading a business that has very different life-cycles for different products?

A. Letting people be the architects of their own solutions is probably one of the best insights. I finally got to the point where I realized that I can't solve everyone's problems, and that they need to solve it for themselves. All they need is air cover. All they need from me is to sometimes jump in and say, "Yeah, I see what you're thinking there but did you play that logic out?"

Q. What advice do you give to new college grads?

A. I spoke to a group of students, and one of them asked me, "When you graduated from university, what was your five-year plan?" I said, "Your professor is probably not going to like this answer but I barely had a five-week plan when I graduated college."

And I think those kinds of plans probably bracket you off from opportunity rather than focus you on opportunity. How do you know when you're 21 years old what you're going to be doing for the next five years? I was just happy to be employed. It's important for young people to still dream a bit. I also like giving talks to English, philosophy and humanities majors and let them know there is work for them out there. The ability to deconstruct issues to their component parts and be able to understand them, and the ability to express yourself verbally and in writing in a way that conveys your message to convince people, are so important. So many people have such bad communication skills and it drives me nuts.

I also tell them that when you start writing business letters, spelling and grammar counts. And for anybody who writes, a final point: the bullet point is your friend. If I have to scroll more than one page on my phone, I'm not reading your memo.