

## Part Two: Individual Behavior in Organizations

### 9 Hiring and Individual Differences at Zappos

00:51:53:03 --:--:--:--

- ♪ Customer service ♪

00:51:54:08 --:--:--:--

♪ is what we do ♪

00:51:55:05 --:--:--:--

♪ Come check us out ♪

00:51:56:07 --:--:--:--

♪ We're more than just shoes ♪

00:51:57:20 --:--:--:--

♪ Clothing ♪

00:51:58:14 --:--:--:--

♪ Housewares ♪

00:51:59:11 --:--:--:--

♪ Handbags ♪

00:52:00:07 --:--:--:--

♪ Beauty ♪

00:52:00:28 --:--:--:--

female narrator: To help us  
understand what HR practices

00:52:02:26 --:--:--:--

work best towards creating  
and mainting a culture

00:52:05:06 --:--:--:--

conducive  
to a successful company,

00:52:06:29 --:~:~:~:~:~

we visited a shoe store,

00:52:08:07 --:~:~:~:~:~

but not just any shoe store.

00:52:09:19 --:~:~:~:~:~

If you shop online,

00:52:10:21 --:~:~:~:~:~

then you've probably heard  
of Zappos.com.

00:52:12:22 --:--:--:--  
Since it's start in 1999,

00:52:14:01 --:--:--:--  
Zappos quickly outpaced  
its own expectations

00:52:16:06 --:--:--:--  
and became both the largest  
online shoe store

00:52:18:10 --:--:--:--  
and one of Fortune Magazine's  
top 100 places to work.

00:52:20:22 --:--:--:--  
Its mission?

00:52:21:17 --:--:--:--  
It goes far beyond bringing  
interesting people

00:52:23:24 --:--:--:--  
into the office.

00:52:24:23 --:--:--:--  
In short, it's to provide the  
best customer service possible.

00:52:27:15 --:--:--:--  
And to do this,

00:52:28:12 --:--:--:--  
Zappos has built  
a company culture

00:52:30:05 --:--:--:--  
on the strong foundation  
of its ten core values.

00:52:32:12 --:--:--:--  
- We really live and breathe  
those core values.

00:52:34:17 --:--:--:--  
So unlike a lot of companies  
that I've worked at previously,

00:52:37:08 --:--:--:--  
they're not just on a wall

00:52:38:17 --:--:--:--  
or on a plaque  
or in a handbook.

00:52:40:03 --:--:--:--  
They're in everything  
that we do,

00:52:41:23 --:--:--:--  
and it's in our everyday lives.

00:52:43:09 --:--:--:--  
So you can interpret those

00:52:44:19 --:--:--:--  
and do the things  
that you do

00:52:46:02 --:--:--:--  
as long as its built  
on that foundation

00:52:47:28 --:--:--:--  
the best way that it is  
for you to do it.

00:52:49:22 --:--:--:--  
So there's no prejudgements.

00:52:51:07 --:--:--:--  
There's no, "You have  
to do it my way"--

00:52:53:03 --:--:--:--  
anything like that.

00:52:54:07 --:~:~:~:~:~  
We all want to get  
to the same result,

00:52:56:00 --:~:~:~:~:~  
and each person has their own  
individual way to do that.

00:52:58:14 --:~:~:~:~:~  
narrator: When current CEO

Tony Hsieh joined the company

00:53:01:04 --:--:--:--  
in its early days,  
he was already successful.

00:53:03:08 --:--:--:--  
having sold his previous company  
for over 200 million.

00:53:05:22 --:--:--:--  
But he had a vision  
of something more.

00:53:07:16 --:--:--:--  
He wanted to create  
a company and a culture

00:53:09:16 --:--:--:--  
completely focused  
on happiness and service.

00:53:11:21 --:--:--:--  
So when it comes to the hiring  
of its employees,

00:53:13:26 --:--:--:--  
Zappos isn't intent  
on enforcing its culture

00:53:16:00 --:--:--:--  
and core values upon them.

00:53:17:10 --:--:--:--  
It's focused on  
a thorough hiring process

00:53:19:10 --:--:--:--  
to bring in the best employees

00:53:20:25 --:--:--:--  
who will naturally thrive  
with the company.

00:53:22:28 --:--:--:--  
- It's a long interview process.

00:53:24:15 --:--:--:--  
There are multiple  
phone screens,

00:53:26:07 --:--:--:--  
sometimes Skype interviews,  
with people.

00:53:28:05 --:--:--:--  
when they come on site,

00:53:29:11 --:--:--:--  
it's usually at least  
a full day of interviews

00:53:31:15 --:--:--:--  
where they get a tour.

00:53:32:20 --:--:--:--  
They get to see all  
of the craziness as it happens.

00:53:34:28 --:--:--:--  
[trumpet warbling]

00:53:36:02 --:--:--:--  
If you were a superhero,

00:53:37:10 --:--:--:--  
what superhero would you be  
and why?

00:53:39:03 --:--:--:--  
On a scale of one to ten,  
how lucky are you?

00:53:41:01 --:~:~:~:~:~  
On a scale of one to ten,  
how weird are you?

00:53:42:29 --:~:~:~:~:~  
What coworker behaviors  
drive you crazy?

00:53:44:29 --:~:~:~:~:~  
If you could do anything  
and pay wasn't an option,

00:53:47:07 --:~:~:~:~:~  
what job would you do?

00:53:48:12 --:~:~:~:~:~  
You know, and there's no right

or wrong answer

00:53:50:16 --:--:--:--  
to any of the questions.

00:53:51:24 --:--:--:--  
It's just  
to see how you respond

00:53:53:11 --:--:--:--  
and to see if people  
are down to answer them

00:53:55:11 --:--:--:--  
and talk through them  
or they think they're dumb

00:53:57:18 --:--:--:--  
and they don't want to have  
anything to do with them.

00:53:59:28 --:--:--:--  
That's an indicator for us

00:54:01:04 --:--:--:--  
on whether somebody's gonna like  
working here or not.

00:54:03:18 --:--:--:--  
Narrator: The hiring process  
goes far beyond just interviews.

00:54:06:11 --:--:--:--  
All candidates also complete

00:54:07:26 --:--:--:--  
an intense  
four-week training course,

00:54:09:23 --:--:--:--  
at the end of which Zappos  
extends a unique offer

00:54:12:00 --:--:--:--  
to make sure the candidate  
is enthusiastic

00:54:14:01 --:--:--:--  
about becoming part  
of Zappos culture.

00:54:15:28 --:--:--:--  
Zappos offers \$3,000  
to any candidate

00:54:17:24 --:--:--:--  
who ultimately decides  
Zappos is not for them.

00:54:19:29 --:--:--:--  
- We don't get very many people  
that take the offer,

00:54:22:09 --:--:--:--  
but when people  
do take the offer,

00:54:23:29 --:--:--:--  
it's--they're very happy  
that they have a way out

00:54:26:07 --:--:--:--  
because they do realize  
that this isn't for them.

00:54:28:15 --:--:--:--  
narrator: And Zappos  
would much rather bring on

00:54:30:22 --:--:--:--  
an employee completely committed  
to the company

00:54:33:00 --:--:--:--  
and offer anyone who isn't

00:54:34:10 --:--:--:--  
a little help towards  
their next opportunity.

00:54:36:15 --:--:--:--  
And for the vast majority  
who decide Zappos is for them,

00:54:38:29 --:--:--:--  
they get benefits  
beyond perks and perkiness.

00:54:41:04 --:--:--:--  
Zappos also offers

comprehensive medical,

00:54:43:07 --:--:--:--  
dental, and vision insurance,

00:54:44:23 --:--:--:--  
vacation, company discounts,

00:54:46:09 --:--:--:--  
free breakfasts, lunch,  
snacks,

00:54:47:29 --:--:--:--  
and an abundance  
of other benefits.

00:54:49:22 --:--:--:--  
None of this is done for  
the short-term balance sheet,

00:54:52:04 --:--:--:--  
and all of it is done  
for the long-term happiness

00:54:54:11 --:--:--:--  
of those who decide  
the Zappos culture is for them.

00:54:56:22 --:--:--:--  
And that happiness is more  
than just a benefit in itself.

00:54:59:08 --:--:--:--  
It's a business strategy.

00:55:00:20 --:--:--:--  
With its ten core values,

00:55:01:29 --:--:--:--  
Zappos has learned  
that happy employees

00:55:03:27 --:--:--:--  
equal happy customers,

00:55:05:05 --:--:--:--  
which equal  
a successful company.

00:55:06:27 --:--:--:--



- And the most important part,  
I think,

00:55:08:23 --:--:--:--  
is that you are allowed  
to be yourself.

00:55:10:19 --:--:--:--  
Usually we have  
our work self,

00:55:12:05 --:--:--:--  
and then we have  
our home self.

00:55:13:21 --:--:--:--  
And that doesn't happen here.

00:55:15:06 --:--:--:--  
And that's actually one  
of the advices I give

00:55:17:09 --:--:--:--  
to trainees on day one when  
we do our introductions.

00:55:19:20 --:--:--:--  
I tell them,  
be yourself.

00:55:21:00 --:--:--:--  
And because here everybody  
is so different,

00:55:23:03 --:--:--:--  
you're always going  
to be learning from everybody,

00:55:25:14 --:--:--:--  
which amazes me.

00:55:26:13 --:--:--:--  
Like, I see--every day,  
I learn a new thing.

00:55:28:14 --:--:--:--  
Every day I see things,  
you know, different

00:55:30:15 --:--:--:--

because of the culture.

00:55:31:23 --:--:--  
narrator: But just how  
successful could any company be

00:55:34:07 --:--:--  
that uses no scripts  
for its call center,

00:55:36:05 --:--:--  
provides a nap room  
for employees,

00:55:37:27 --:--:--  
and encourages every employee

00:55:39:13 --:--:--  
to bring a little weirdness  
to the office?

00:55:41:13 --:--:--  
Zappos has outpaced  
its own expectations

00:55:43:13 --:--:--  
and currently does over  
one billion annually

00:55:45:17 --:--:--  
in gross sales.

00:55:46:15 --:--:--  
It was recently purchased  
by online giant Amazon

00:55:48:23 --:--:--  
and has branched out  
to selling handbags,

00:55:50:23 --:--:--  
accessories,  
housewares--

00:55:52:08 --:--:--  
the list grows all the time.

00:55:53:20 --:--:--  
While Zappos' success  
is extraordinary,

00:55:55:20 --:--:--:--  
the secret to that success  
is elementary--

00:55:57:21 --:--:--:--  
delivering happiness,  
or wow, to its customers

00:55:59:28 --:--:--:--  
from its employees.

00:56:01:04 --:--:--:--  
And that all stems  
from making sure

00:56:02:26 --:--:--:--  
the interview process  
is effective

00:56:04:19 --:--:--:--  
in measuring an employee's true  
fit with a company's culture.

00:56:07:12 --:--:--:--  
Adding a little weirdness  
might not hurt either.

00:56:09:20 --:--:--:--  
In the case of Zappos,

00:56:10:26 --:--:--:--  
it's definitely working  
for them.