Inc.

3 Secrets Behind Turning a Great Idea Into a Big Business

BY PETER COHANBY

Hint: It starts with culture

How do you take a great idea and turn it into a big company? The answer to that question is likely on the minds of most early-stage entrepreneurs.

One person with the experience to provide useful insights is South Africa native Barry Morris -- an Oxford graduate who has "over 25 years of experience running private and public companies ranging in scale from early startup phase to over 1,000 employees."

To wit, Morris turned publicly traded Irish software company IONA Technologies into a dominant player with "10,000 customers, 270 technology partners, $180 million in revenues, and 70% market share."

As he explained in a July 10 interview from a restaurant in France, "I was pulled out of retirement to run database startup NuoDB, in 2010 because I was so impressed by the solution that database architect Jim Starkey had developed in 2008. He solved a difficult problem with groundbreaking intellectual property."

The Cambridge, Mass.-based startup now has about 50 employees and Morris is hiring fast-- expecting that NuoDB will end 2014 with about 75 people.

While declining to provide statistics on growth in revenues or the number of customers, he did say that NuoDB has attracted interest from some very large companies because its technology allows it to keep its databases running nonstop and expand and contract its processing capabilities very flexibly and at a much lower cost than products from rivals such as Oracle, IBM, and Microsoft.

Morris argues that turning a great idea into a successful company hinges on three things: culture, people, and product. These three are tightly interrelated since a groundbreaking product can help attract great people--including a CEO who can create a strong culture in which the people can excel.

1. Actually care about culture.

Everybody talks about company culture, but few do anything about it. Morris believes that success depends on building a strong culture and using it to manage the company.

Said Morris: "Culture answers questions about who we are, how we think, what we believe, what kind of people we hire and don't hire. This comes down to defining values and running the company according to those values."

"At NuoDB, our values are driving innovation and transparency. We expect every person we hire to come up with new ideas and we make key statistics about our business--such as the number of users, the number of customer calls, the number of closed deals--available to all our people."

2. Better culture equals better people.

Culture can help a startup to hire a great team with energy and potential to expand with the company.

Quoth Morris: "When it comes to building a great team, I try to think like New England Patriots coach Bill Belichick. I want to hire people who have the greatest potential. I get resumes from recruiters that are full of experience at the right names, but I want to hire people with high energy, tremendous creativity, and drive."

"When we do hire a person, we have a contract with them. We tell them: 'You are the best and we are committing to you. If you create value, you will be on a winning team and have fun. If not, you will be gone,'" he said.

For sales people it's all about performance. As Morris explained, "if candidates don't tell me about their sales track record within the first minute of our conversation, they will not get further in the interview process."

3. Better opportunity equals better people.
The best people will not join your startup unless you offer them a tremendous business opportunity.

To lure Morris out of retirement, it took a ground-breaking product idea in need of a CEO to turn it into a company. Not only did NuoDB lure Morris, it also attracted investment from three of the leading luminaries in the industry.

"Jim Starkey solved a problem that has eluded the database industry for 30 years that's targeting a $35 billion market opportunity. He convinced me to go make it happen. And three of the biggest names in the industry invested--Ingres' Gary Morgenthaler, Sybase's Mitchell Kertzman, and Informix's Roger Sippl," said Morris.

A breakthrough product is a critical starting point for building a big company. Argued Morris, "If you build a product that's 10% better, it's about execution. But to create enormous long-term value, you need a fundamental innovation backed by significant intellectual property."