

Silicon Valley is the sacred place of the high-tech start-up scene, where internet giants such as Facebook, Apple, and Google, shape the future and new designs and innovations appear like mushrooms. However, this wonderful public facade covers some sobering private practices.

In these book chapters, you'll learn about the story of author Dan Lyons who, in his jobless fifties, got into the start-up industry at HubSpot, a company focusing on inbound marketing and sales. While the author was working there, he saw strange business practices and poor working circumstances – and found out the fact behind the hype.

Chapter 1 - Traditional journalists such as the author have been obliged to reinvent themselves in the contemporary media world.

In the year 2012, journalist Dan Lyons, who'd formerly worked at the Newsweek magazine as the technology editor, was in his 50s and badly in search of a job. He'd recently been sacked and was presenting experiencing a completely different job market.

He wasn't the only one. The internet-technology boom of the 2000s was making a lot of older professionals to reevaluate their positions in the media world.

New internet-based tech companies, as well as Google, Facebook, Zynga, and Groupon, were increasing during the early 2000s. Whereas, old media industries like newspapers and magazines, were finding it hard to survive and adjust.

These recently dominant companies were giving products and services that were transforming central human activities – such as how we shop and mingle, how we get our news and detail.

Rather than depending on newspapers and magazines, now readers could the whole detail the needed with just a simple click. Print magazines such as Newsweek were declining as advertisers started changing to online platforms and people started terminating their subscriptions.

This whole thing made Lyons surrender, only after Newsweek – the actual company he was employed in– published an article title “The Beached White Male.” Ironically, it was essentially

about a generation of skilled, older professionals who were abruptly seeing themselves deprived of a job as a result of company drops.

To get a new job, Lyons had to reinvent himself – and his effort at change brought him to the new industry of start-ups.

Lyons was a married man with two young kids and he was the only breadwinner, all of which made a stable job and good health insurance vital.

His first new work made him go to San Francisco, and here, he worked for a tech-news website known as ReadWrite.

The work was okay; however, not perfect because his family was staying on the other part of the country, in Boston. But, while he was in San Francisco, he had a direct look at the thriving start-up businesses of Silicon Valley as well.

This made him think: Perhaps he could reinvent himself as a writer in the marketing division of a start-up?

Chapter 2 - Going into the industry of a start-up as a 50-year-old was a weird new experience for Lyons; however, he was ready to acclimatize.

As a tech writer for Newsweek, Lyons was conversant with companies such as Twitter and Facebook. He had done a lot of interviews with these businesses' CEOs and he was aware that the people who were on the ground floor when these companies started off gained massive financial profits.

However, in spite of his comprehension of their products, Lyons was shocked by the weird business practices of start-ups.

Lyons got an interview for a spot at HubSpot, a software start-up located in Cambridge, Massachusetts after he replied to a post on LinkedIn. The interview went well enough; however,

Lyons was shocked when he was given an offer of the obscure position of “marketing fellow,” which barely look like a job title whatsoever.

This obscure manner of doing things kept on going when he had a discussion with Shah and Halligan, the two creators of HubSpot, about what they’d want him to do.

Although they had a long discussion, it was never made obvious what the precise duty of Lyons would be at HubSpot.

Lyons knew that they loved the notion of employing a journalist who could help in making HubSpot a “thought leader” in the industry of marketing. However, Lyons was never offered any obvious sign of how they imagined him achieving such a work.

They came closest to describing a precise job when Halligan discussed providing “missions” for Lyons to proceed—however, this only seemed as like they needed him to enhance their blog to increase brand awareness.

Although his first meetings at HubSpot were perplexing, Lyons was eager to acclimatize and attempted to stay open to new manners of doing things.

He was really somewhat happy about the chances of this new start-up and felt prepared to learn about marketing, a unit he’d never worked in before.

Also, even though the work came with small pay, he was given stock choices for HubSpot and he understood that these would really profit him if the company succeed.

Chapter 3 - The culture at HubSpot had a lot of weird lingo and odd, cult-like habits.

In April of 2013, Lyons became a formal HubSpot worker, and that was when he was introduced to the company’s strange, cult-like habits, and a new world of missions, culture codes and spiritual leaders.

He immediately realized that HubSpot wasn't only out to earn a profit; it was also on a "mission" to transform the world with exceptional marketing software. Also, he got to know that Dharmesh Shah, HubSpot's co-founder, was being called "spiritual leader" by some workers and customers.

During Lyons's first days at HubSpot, he was emailed a manifesto that had 128 PowerPoint slides and was known as The Hubspot Culture Code: Creating a Company We Love.

The manifesto pitched HubSpot as a utopian community where the team is more significant than the individual and people don't really bother about a work-life balance since work is life.

Although a lot of this looked odd, it wasn't completely alien. A lot of Silicon Valley workers at companies such as Google and Apple are well known for "drinking the Kool-Aid" and changing from a normal worker into an ardent believer of shared values and "world-changing" missions.

At HubSpot, workers were urged to embrace a weird lingo and dress code as a manner to encourage uniform happiness.

This entailed that if a worker was really "HubSpotty" they would use the principles of HEART to "make magic." At HubSpot, HEART represents humble, effective, adaptable, remarkable and transparent.

Also, the majority of the people at HubSpotty usually put on orange and religiously follow fearless Fridays, a ritual that is done every month where workers do something they're scared of, not related to work.

The language at HubSpot is really confusing that the company formed a Wiki page to assist newcomers to interpret the words.

People during meetings might discuss SFTC, obtaining an SLA or inquire about the KPI, instead of talking about solving for the clients, service-level agreements or key performance indicators. Also, workers who are in GSD mode "get shit done." Workers that are not in GSD mode might be heading for "graduation," which occurs when workers leave HubSpot, irrespective of if they're sacked or they quit.

Chapter 4 - The working setting at HubSpot was somewhat a culture shock for an older worker such as Lyons.

Although they might seem strange, the habits at HubSpot were intended to encourage teamwork and unity. But, soon enough Lyons started feeling like a misfit.

As Lyons being an older man, he wasn't conversant with open-plan offices that afforded workers zero privacy.

The long tables filled with workers reminded Lyons of the working circumstances in Bangladeshi sweatshops – only, rather than hunching over sewing machines, the people at HubSpot were hunched over laptops.

However, aside from that, Lyons had never worked at a company where a lot of emphases were made on forcing “fun” upon workers.

This was certainly the situation at HubSpot, which included various parts of the workplace that looked like playgrounds.

The workplace had a “nap room” that had a hammock; a place with musical instruments meant for spontaneous jam sessions, although they never used the instruments; and the conference room doubled as a game room, with ping-pong, foosball, pool tables, and video games.

Lyons was mainly stunned by how proud HubSpot was of its alleged “candy wall” – a whole wall in the cafeteria made of glass cases having different kinds of candy bars and junk food.

However, this maybe wasn't as strange as the time when HubSpot told its workers to have a discussion with a teddy bear.

Lyons was particularly puzzled when his boss asserted to have devised a breakthrough management innovation. Unfortunately, the concept was nothing more than coming with a teddy bear called Molly into meetings to denote the client they were usually doing their best to serve.

For Lyons, this was a little bit disheartening, whose former boss was Jon Meacham, the Pulitzer Prize-winning author. Now he was working for a man who believed that having a conversation with a stuffed animal was an innovation.

Chapter 5 - Lyons began getting into conflict after he suggested changes for development.

Three months after starting his new work, Lyons was still attempting to understand what he was meant to do in his part as a marketing fellow.

Also, when he attempted to bring some new suggestions to the table, he was saddened to know that the company wasn't actually interested in his idea.

Lyons thought that he had been employed to enhance HubSpot's company blog. Therefore, having this in mind, he wrote blog posts that would appeal to venture capitalists, CEOs, as well as people that might be interested in investing in HubSpot.

Unluckily, Lyons immediately discovered that the people his blog posts were meant to appeal to were imaginary characters known as "Mary the Marketer," "Enterprise Erin" and "Ollie the Owner."

These characters were small business owners who were searching for blog posts with useful marketing clues such as "15 Free Stock Photos You Can Use" and "How to Create a Facebook Brand Page." HubSpot needed these people to click on links at the end of the posts that would direct them to an online form that would offer HubSpot their personal details.

Lyons was particularly saddened when he was asked to really dumb-down the blog.

Frustrated at the notion of needing to write a deliberately dumb blog, Lyons suggested the idea of beginning a different blog with high-end content known as Inbound.

The conflict started when Lyons took the idea to the founders of the company after it was originally turned down by middle management.

The founders liked the concept—however, at HubSpot, the approval of the CEO doesn't signify that it will truly happen. Middle management made sure that his idea stayed squashed.

However, Lyons put up a fight and it was ultimately agreed that he could run a small “sub-blog” that would let him write articles that were a little bit more sophisticated.

But, he would need to work in the noisiest room in the company; the feared telemarketing room, which workers named “the spider-monkey room.”

Chapter 6 - In the race to grow fast start-ups can strengthen mediocrity and poor working circumstances.

It ultimately became obvious to Lyons that good management couldn't be seen anywhere at HubSpot. After being moved to the telemarketing room, he discovered how bad the working circumstances could actually get.

Lyons got to know that management problems at start-ups are usually due to a phenomenon that is known as “the bozo explosion.”

Steve Jobs created this term to describe how the first workers at a start-up might not be the sharpest tools in the toolbox; however, they'll still eventually rise through the ranks as a result of their seniority.

Then, these bozos are then in a position to employ other people and they'll have a tendency to employ even more mediocre bozos, people with whom they can feel superior to. This is the way where start-ups such as HubSpot can end up with that kind of very poor management.

Also, when mediocrity is compensated, you can end up in some bleak circumstances. For example, one time Lyons was told to do an all-night “hackathon” so as to form a surplus of deliberately mediocre blog posts.

Mediocre management is one thing; however, when Lyons changed into his new working surroundings in the telemarketing room, his eyes were cleared to an entirely new circumstance.

In the new working environment, Lyons found a lot of numerous recent college graduates, named “spider monkeys,” tightly packed into a big room, making out-of-date cold calls to likely customers. They were working hard since they would be sacked if they didn’t meet the required number of successful sales.

In order to make these stressful situations more bearable, the spider monkeys were provided an infinite supply of free beer.

At that time, these telemarketers were really significant to HubSpot because the company was about to start its first public offering (IPO), at which point it would issue its first shares of stock.

Therefore, HubSpot was desperate to grow as much as they can, as fast as possible, since first buyers don’t really bother about the amount of profit a company has made; they are only bothered about how fast it’s growing.

Chapter 7 - HubSpot workers overlooked the lack of benefits and job security since the HubSpot made them feel special.

The people toiling away in the spider-monkey room, attempting to meet a monthly quota so bad or else they will lose their jobs, weren’t just the only people that Lyons assumed the company was maltreating. Also, Lyons was shocked by the number of people who tolerated these conditions.

However, since the time that Google rewrote the book on how tech companies treat their workers, companies such as HubSpot did the same thing by taking out any sense of job security and treating workers as temporary employees. This entails that a lot of start-ups do not offer long-term contracts, pension schemes or worker union, talking of displaying a bit of loyalty to workers.

This attitude as well also applied to the worker benefits HubSpot provided and the low salaries it paid.

Although HubSpot provided workers the benefit of “unlimited vacation” time, this was only a means for them to twist the reality that they didn’t have any vacation whatsoever. So, if a worker was sacked, HubSpot didn’t have to explain the sacking and didn’t owe the worker any money for accumulated time off.

Lyons knew that these policies were done in an attempt to minimize ahead of the IPO.

Because growth, instead of turning a profit, is the most significant thing leading up to an IPO, it was far more significant to increase sales numbers by making use of a badly paid telemarketing team than to bother about pensions.

Also, Lyons knew that the workers tolerated it since HubSpot made an environment that made them feel special.

He was shocked that workers didn’t give the impression to be bothered about the lack of job security or the low salaries and stressful quotas and that they were fast to mention to him that they were on a mission for HubSpot. Also, the company made them distracted with free games, candy, and beer, and made them feel like part of a team, although a member of the team could get sacked at any point without reason.

Chapter 8 - Even with a bad product and a poor forecast, tech companies such as HubSpot can become successful by making a buzz.

You might be thinking about how a company such as HubSpot can become successful. It’s basically about the buzz, which can be really strong that both workers, as well as the investors, may fall under its spell.

Also, companies that produce a bad product and fail to make a profit can succeed; if they have a positive buzz on their side, then they can get a successful IPO.

Also, HubSpot did actually possess a bad product.

There's an actual irony in the fact that HubSpot was attempting to sell marketing software that could assist small companies. HubSpot definitely didn't utilize it; they depended on old telemarketing and cold-calling methods.

However, none of this counted –provided they made sufficient buzz to attract investors at the public offering.

Making a buzz is compared to “making a movie” in a business.

This entails that they form a mythological story for their business. In HubSpot's situation, it was the revolutionary narrative of transforming people's lives with their software. One of their young co-founders was used in the role of a charming leading man and they made his story into a hero's journey, giving the impression that he was conquering remarkable hindrances.

When the IPO rolled around, investors were lined up as if was opening night for a blockbuster.

Even a poor prospectus won't obstruct a good buzz. It was obvious in HubSpot's IPO prospectus that they had a history of failures and there was a good possibility that the company wouldn't be profitable anytime soon.

However, HubSpot had made such a powerful buzz and made such a convincing narrative, that the IPO was a thriving success and made the co-founders become multi-millionaires.

Chapter 9 - Lyons's success at making buzz assisted him to handle HubSpot's ageist culture and get a new job.

Lyons really played a vital part in assisting HubSpot to make its buzz leading up to the company's IPO.

As the previous tech editor for Newsweek, a lot of tech blogs noticed and assisted make buzz by reporting on his move to work for HubSpot.

Also, while he was working at HubSpot; also, Lyons started working as a writer on HBO's critically acclaimed television series, Silicon Valley, which just contributed to the company's fascinating story.

This was beneficial to Lyons because this added buzz assisted him to retain his work in the face of HubSpot's usual ageist perspective.

The fifty-plus Lyons never actually fit in with the HubSpot team, most of whom were in their twenties and adhering to a frat-culture state of mind. However, he actually needed health insurance.

Therefore, they tolerate each other in spite of HubSpot's ageist attitude, which was well mentioned when the New York Times interviewed one of HubSpot's co-founders: He stated that experience and gray hair was actually overrated in the tech industry and that the company wished to create a culture that was particularly made to attract "Gen Y'ers."

Lyons posted these comments from the interview on his private Facebook account and in reply, got a lot of support from his followers.

Eventually, a lot of people had their own stories to tell. They'd gone through ageism in the tech industry as well and were perplexed that such comments, which would get a CEO into trouble in the majority of other industries, were accepted.

HubSpot and Lyons ultimately went their separate ways when HBO's Silicon Valley was doing really well that he was given a job to write for Gawker Media's Valleywag.

Oddly enough, HubSpot worked really hard to put a negative spin on Lyons's departure, wording the memo that was spread to make it seem as if he sacked.

Stranger, when word of Lyons's book came out, one of the top managers at HubSpot resigned and another one was sacked after an effort at illegally getting the manuscript ended up needing the participation of the FBI Cyber Division.

Disrupted: My Misadventure in the Start-Up Bubble by Dan Lyons

Book Review

The business practices at a tech start-up are not as clear as you might assume. Companies normally drive their company to attain an IPO without concern for earning a return or a good product. Aside from this, just a few investors and founders actually hit the jackpot when the companies really succeed. Whereas, the typical worker received the short end of the stick, with a bit of or no job security and a bad life-work balance.