



May 21, 2015, Amsterdam

Thank you, Tracy Metz and Maarten van Essen, for inviting me here tonight to moderate this session with head of Google's People Operations Laszlo Bock.

Ladies and gentlemen, I prepared this evening with mixed feelings. I'll try to explain them.

It is an exciting and disturbing week for an old-fashioned newspaper journalist like me. The publisher/owner of the biggest and most influential Dutch newspaper, *De Telegraaf*, abruptly fired its (very popular amongst his journalists) Editor-in-chief Sjuul Paradijs. We do not know exactly why yet but the story is that Mr. Paradijs's enduring love for and focus on the physical paper frustrated its owners.

Understandably. Circulation has halved in 10 years. In the last 5 years more than 50 percent of advertisers moved online. This hurts. Bottom line results of TMG, the mother company listed on the stock market, are written in red ink. Its share price dropped 80 percent in 2 years.

I am afraid that within 5 years we will have lost most of our daily newspapers as we've known them and loved them.

Why? We all know the answer. Thanks to technology, to the internet. Thanks to the inevitable success of Google (and Facebook, and Twitter, etc.) and the 60.000 Googlers involved. Thanks to Mister Laszlo Bock!

As I explain to my students in the Master in Journalism in Groningen this week: this is the perfect proof of the inevitable impact of disruptive innovation. Technology is killing the beautiful but old industrial mass-media-model, where every 24 hours one paper is made and distributed to hundreds of thousands who are willing to pay the yearly subscription fee upfront.

And now the big, big issue is: we have no clue yet how to build new sustainable business models which will ensure a healthy environment for journalists to do their important work. Searching for truth, organizing checks and balances in societies.

I believe that internet kills the middlemen and therefore, that not publishers but professionals, journalist, need to develop answers: new profitable ways to produce and

distribute online storytelling. Journalist need to behave more like entrepreneurs. Change their way of working. Open up. Lose fear of new technologies and possibilities.

That is a difficult message in times of disruptive innovation. Most people are conservative. If you are used to making a newspaper, have done it for 20-30 years, it is very, very difficult to accept that it is almost over. As Harvard professor Clayton Christensen, expert in the field explains (using the words of management guru Peter Drucker): “culture eats strategy for breakfast.”

Now, I said ‘mixed feelings’.

In his book *Work Rules!*, Laszlo Bock uses the same quote: “culture eats strategy for breakfast.” For him it is proof that the right culture is the key to success. Google has its own chief culture making sure that the company-culture stays close to its roots.

This brings me to the incredible upside this evening might deliver. In order to organize and stimulate the much needed innovation in journalism we need new ways of organizing our work. We need, to some extent a new culture.

By the way: not only journalists need a new culture. Bankers, accountants, retailers, many many managers, marketers: all middle men (most of us) need a new culture.

Is there a better place to find inspiration and experience, than the incredibly successful Google? And then of course the best man to talk to is the man who is, since 2006, responsible for hiring at least 54.000 new employees.

Employees which build the culture and success of Google focusing on organizing all information in the world and making this information accessible for as many people as possible.

Disrupting the old media-institutes by building the biggest information broker of the world.

Can I get a big hand for Mr. Laszlo Bock?

Jeroen Smit