

ED CATMULL WITH AMY WALLACE



Summary of "Creativity, Inc." by Ed Catmull with Amy Wallace

Written by Lea Schullery

Discover How to Overcome the Unseen Forces that Stand in the Way of True Inspiration

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Introduction

Every day Ed Catmull walks into Pixar Animation Studios, and each day he is greeted by a twenty-foot-high sculpture of Luxo, Jr. (the desk lamp mascot) and full-sized Lego sculptures of their iconic characters, Buzz Lightyear and Woody. For Ed, the site never gets old and he is reminded of the unique culture of his job at Pixar. A site of fifteen acres complete with well-thought-out patterns of walkways that encourage people to mingle, meet, and communicate with one another. Outside, the campus includes a soccer field, volleyball court, a swimming pool, and a six-hundred-seat amphitheater. However, this awe-inspiring building isn't just fancy for fancy's sake; it's not about luxury but community. The building, designed by Steve Jobs, aims to fulfill Steve's vision of creating a building that supported their work by enhancing their opportunity for collaboration. Even more, animators are encouraged to design their space however they want. They work inside pink dollhouses, tiki huts, and even castles. In other words, Pixar values self-expression. Each day at work, Ed feels palpable energy, a feeling of collaboration and creativity, a sense of possibility. You see, after the release of *Toy Story*, Pixar experienced unbelievable success and Ed had accomplished his decades-long dream of creating a fully animated film, but now he was unsure of what came next. During this time, Ed had seen countless start-ups rise and fall, bursting like bubbles at the height of their success. Was Pixar doomed to a similar fate? Why was it that smart people were making decisions that sent their companies on downward spirals?

In the year following *Toy Story's* debut, Ed devoted himself to solving this mystery. His sole focus was to protect Pixar from the forces that ruin so many businesses. He recognized that he couldn't simply focus on building a successful company but needed to focus on building a sustainable creative culture. Since then, Ed realizes that "his job as a manager is to create a fertile environment, keep it healthy, and watch for things that undermine it." When it comes to companies like Pixar, creativity is essential, and today, there are many ways in which companies stifle their employees and

block their creativity. Luckily, Ed has laid out exactly what it takes to foster a community where creativity thrives and success follows.

The Dangers of Hierarchy

In 2013, Disney and Pixar were experiencing success like no other. They released the film *Frozen* the day before Thanksgiving and it instantly became a worldwide box-office success. This victory was even sweeter because it came directly after the studio's 2012 triumph *Wreck-It Ralph*. Meanwhile, Pixar released *Monsters University* which became the studio's fourteenth number one movie in a row, grossing \$82 million in one weekend and more than \$740 million worldwide. Of course, all this success made the company grow quickly.

As the company grew, they took on quite a mix of people. They had employees that had been with the company from the beginning and newbies who were either quickly rising the ranks or simply still in awe of the place - respectful of the history to a fault. After all, the company had been experiencing widespread success, who were they to raise concerns and suggest a change? According to Ed, this type of thinking can be detrimental to a company. Many successful companies have this problem. Employees see success and begin holding back, unwilling to offer differing ideas. As Ed and his team began to pay attention and notice the reluctancy, they knew they had to make a change.

Therefore, the company implemented Notes Day and it became an incredible example of how to foster creativity. On this day, the company stopped its operations and had the entire staff spend the day together giving each other feedback about the company. You see, managers must always be questioning, "How do we tap into the brainpower of our people?" Throughout Notes Day, employees talked with candor about what they felt needed to be improved upon. But perhaps the biggest accomplishment was that each department listened to and understood the struggles of other departments. The discussions raised awareness within the company and the employees grew closer as a result.

Furthermore, Pixar didn't rely on hierarchies that day. Everyone was equal and able to share their ideas freely without fear of judgment or repercussions. In fact, Ed learned about the importance of equality and fostering creativity through none other than a Japanese assembling company. You may be thinking, "What do assembling and manufacturing have to do with creativity?" Well, you'd be surprised. In the aftermath of World War II, Japan struggled to rebuild its infrastructure. They focused on a flowing assembly line and the mantra of mass production was simply: Keep the assembly line going, no matter what. Lost time meant lost money. In this case, hierarchy prevailed, only upper managers had the authority to halt the line.

But in 1947, American W. Edwards Deming traveled to Japan and completely changed the way the hierarchy worked. He believed the responsibility of finding and fixing problems should be the responsibility of *every* employee, not just the higher-ups. So they installed a pull cord that would immediately halt production and that cord could be pulled by anyone who found a problem. As a result, the company didn't lose money from losing time; instead, the cord brought a sense of ownership and responsibility for the product's quality to the people working the line. Now, employees could do more than simply repeat an action, they could suggest changes, call out problems, and feel pride in fixing something that they knew was broken. Improvement became an ongoing process, and soon, Japan began producing high-quality products and became the leaders in transforming manufacturing around the world.

Fear of Failure and Risk-Taking

When production began for *Toy Story 3*, the team had no idea where to start. Why do a third movie? What do viewers still want to know? Then, someone said something that would turn into a stream of progress, "How would the toys feel if Andy left for college?" From that moment forward, the film simply fell into place. Strangely enough, the team hadn't hit many bumps in the road and things were progressing smoothly. It was on a phone call with Steve Jobs that Ed admitted that not a single problem had occurred yet for the film. Steve responded, "Watch out, that's a dangerous place to be."

While *Toy Story 3* was going smoothly, that doesn't mean every project was perfect. In fact, over the next two years, the company shut down the production of an entire project after three years in development. So while this may have been costly for the team, the company treated these failures as learning experiences. In other words, failure is not always a bad thing. From a young age, we are taught that failure is a punishment for not studying, not preparing, or not being smart enough. We hold onto this idea in adulthood but it's time to change our perspective. Unfortunately, many people believe mistakes are a necessary evil, but this is not the case. Mistakes aren't evil at all. They are an inevitable consequence of doing something new.

Therefore, Andrew Stanton repeats the phrases "fail early and fail fast" and "be wrong as fast as you can." He treats failure like riding a bike or learning to play the guitar. For instance, you wouldn't simply expect to strum the guitar once and expect to hit the correct cords. And while people hear Andrew say these mantras over and over again, they still believe it means to accept failure with dignity, but it means something much more powerful. "If you aren't experiencing failure, then you are making a far worse mistake: You are being driven by the desire to avoid it." This thinking only dooms you to failure because you will either consciously or unconsciously avoid risk and innovation. So how do you make people face failure without fear? Begin as a leader by talking about and owning up to your mistakes. When a leader discusses his or her failures then it creates a safe environment for others to make mistakes as well. For this reason, Ed makes it a point to be open about the meltdowns inside Pixar because they teach others a valuable lesson. However, instead of driving out fear completely, Ed simply aims to make fear loosen its grip on his employees and perceive failures as an investment in the future.

For example, when it came to the movie *Monsters, Inc,* Pete Doctor imagined an entirely different story. Those who know the movie today know it as the funny tale of a shaggy behemoth (Sulley) and his unlikely friendship with a little girl he was supposed to scare (Boo). Before this final storyline, the story revolved around a thirty-year-old man who was coping with his childhood monsters as they followed him throughout his adult life. He eventually befriends the monsters, and as he conquers each fear, the monsters slowly begin to disappear. Fortunately, Pete understood that developing a story requires constant discovery, and each change wasn't a failure, it was simply an idea that led them closer to the final, better option.

"When experimentation is seen as necessary and productive, not as a frustrating waste of time, people will enjoy their work - even when it is confounding them."

The Importance of Being Open to New Perspectives and Opinions

In Ancient Greek mythology, the god of poetry and prophecy, Apollo, falls in love with the beautiful daughter of the king and queen of Troy, Cassandra. He bestows upon her the gift of seeing the future; however, she later betrays him and he curses her with a kiss, breathing words into her mouth that forever take away her powers of persuasion. From that day on, Cassandra is doomed to scream into the wind, yet no one will believe the truths she speaks. She even warns Troy that the Greek army will sneak into the city inside a wooden horse, yet no one takes her warning seriously.

When people hear the story of Cassandra, they take it as a lesson about the consequences of ignoring valid warnings; however, Ed takes on a new perspective. He believes that Cassandra is not the cursed one. The real curse seems to afflict everyone else who is unable to perceive the truth she speaks. He wonders how he limits his own perception, questioning how much (or how little) he can see as a leader. Is he cursed as well? Are we all cursed? When it comes to being a leader of a company, perhaps the reason many of them fail is that the leaders were not aware of the blind spots, or of the problems that existed. According to Ed, "If you don't try to uncover what is unseen and understand its nature, you will be ill-prepared to lead."

Unfortunately, many of us tend to automatically believe that our perspective is the best, mainly because we don't know how to think otherwise. As a result, we become blind to alternative opinions and perspectives. In fact, when humans see things that challenge our mental models, we ignore them and we become more likely to make mistakes. This fact was proven in the 1960s by Peter Wason, a British psychologist who famously explored how people give less weight to ideas and data that contradict what they think is true. This phenomenon is called *confirmation bias*, which means we perceive our reality from the conclusions we draw which can likely lead to error. For instance, we may interpret not being invited to a meeting as a threat; however, no threat may be intended at all. Pixar learned their lesson about confirmation bias the hard way. They once hired outside writers to help with a film but they were unhappy with their work, so they brought in someone else who did a terrific job. Unfortunately, they made the mistake of leaving the original writers' names on the next draft so when the film was released, they had to give credit to the original, failed writers, due to the rules of the industry. This mistake led Pixar's directors to decide that, in the future, they would write the first drafts of their movies and be credited as writers. The problem was that this simple mistake shaped the model of how they worked in the studio; in other words, they made all the wrong conclusions based on a single bad experience.

This decision led to even more problems considering directors didn't quite know how to write and so they were wasting time when they could've been doing something more productive elsewhere. Luckily, they learned their lesson about implementing a flawed mental model after a single event. It's important to note, however, that once you have a model of how work should be done, it's difficult to change. Therefore, it's important to remember that our mental models are not reality. They are simply tools, similar to the tools weather forecasters use to predict the weather. Sure, rain may be in the forecast, but the sun still shines. Therefore, the tools are not reality, and we should be aware and open to other ideas and perspectives.

People Are the Most Important Part of Any Company

When you think about *Toy Story 2*, you might think about a widely successful movie; in fact, the movie grossed over \$500 million at the box office. But what you may not know is the struggles the team at Pixar went through to make it such a success. During the production of *Toy Story 2*, the original animators for *Toy Story* were working on *A Bug's Life*, so the team for *Toy Story 2* was largely inexperienced. This didn't worry them and the storyline was set.

However, a year into production, trouble arose. Ed began to notice the directors increase in requests for meeting with John Lasseter, signaling to Ed that the *Toy Story 2* directors, while talented individually, lacked confidence and were unable to work as a team. Even worse, over time, the rough screen reels of the film weren't getting any better. Finally, *A Bug's Life* opened on Thanksgiving weekend in 1998 and John now had the time to look over what *Toy Story 2* producers had created up to that point. It was a disaster.

Starting January 2, the team was going to be giving the entire movie a complete rehaul. Pixar had nine months until the movie was set to premiere, so the next few months were going to be grueling and busy; however, the alternative was accepting mediocrity, and that was simply unacceptable. Employees never saw their families, they were exhausted and they were beginning to fray. In fact, one morning in June an overtired artist drove to work with his infant child in the backseat, intending to drop the child off at daycare. After a few hours, his wife (also a Pixar employee) asked how drop-off had gone. He suddenly realized he left the child in the broiling hot car and they rushed out to find the baby unconscious. They immediately poured cold water over him and, thankfully, the baby was okay. However, the trauma of the moment - of what could have been - has left a deep impression on Ed.

The team was falling apart, and Ed realized asking this much work from his team was unacceptable. Sure, they pulled it off, but at what cost? The point is that having the right team is a crucial precursor to getting the right ideas. For instance, the most talented and brilliant team can be given a mediocre idea and either fix it or throw it away to come up with something better. However, it's not just about getting the most talented team, it's about getting the *right* team. It's more important to focus on how a team is performing versus the individual talents within it. Throughout the years, Ed has learned that getting the right people and the right chemistry is far more important than getting the right idea. Since the grave mistake of *Toy Story 2*, Pixar has been implementing and changing their model; however, the underlying goals remain the same: "Find, develop, and support good people, and they, in turn, will find, develop, and own good ideas."

What is Braintrust?

We've all heard the adage, "Honesty is the best policy" and when it comes to business, it's true. However, how often do you hold your tongue for fear of offending or saying too much? It's normal to be reserved; in fact, being reserved is healthy and even necessary for survival. For example, politicians can pay a fairly big price if they speak too bluntly; similarly, CEOs must navigate how honest to be with the press or shareholders. Ed himself will be less than candid if it means avoiding embarrassing or offending someone else. In the end, however, candor is the key to a successful business.

According to Ed, "A hallmark of a healthy creative culture is that its people feel free to share ideas, opinions, and criticisms." So how does a company go about embracing candor? At Pixar, they utilize a system they call *Braintrust*. With Braintrust, the company can push themselves toward excellence and root out mediocrity. So what is it? Braintrust is a group of long-term Pixar employees and film-production experts who meet every few months or so to assess each movie the company is making. Within the group, you'll find a variety of experts; however, Braintrust would not work without the key ingredient of candor: trust. Without trust, creative collaboration is not possible.

The reason Braintrust works is that the people within it trust one another to put excellence first. They understand that at the beginning stages of every movie, it sucks. Their job is to make it not suck and make it the best, and to do that, they rely on feedback. Another reason it works is that Braintrust has no authority. You see, the director doesn't have to take every suggestion given. After the meeting, it's up to the director to figure out how to address the feedback. "Braintrust meetings are not top-down, do-this-or-else affairs. By removing from the Braintrust the power to mandate solutions, we affect the dynamics of the group in ways that are essential."

For example, during a Braintrust meeting for *The Incredibles*, the group agreed that in the scene where Mr. Incredible and Elastigirl are arguing,

Mr. Incredible is not likable, he's a bully. Something was off and they all agreed the scene needed a rewrite. When Brad Bird went to sit down and rewrite the scene, he couldn't. It just didn't seem right, the dialogue between the two is exactly what they would say. The problem was that physically, Mr. Incredible was huge and Elastigirl was tiny. On-screen, the dynamic looks threatening. So Brad simply changed the drawing to make her body bigger. When Elastigirl says, "This is not about you," she stretches her body to become equal to Mr. Incredible, as if to say, "I'm a match for you." When Brad played the revised scene, everyone agreed it was *much* better. In the end, the Braintrust identified something wrong, they just didn't have a solution yet (even if they thought they did). The meeting allowed Brad to look deep into the scene and ask, "If the dialogue isn't wrong, what is?" And then he saw it: "Oh, *that.*"

Any company can implement Braintrust. To create one, you must choose people who make you think smarter and can put lots of solutions on the table in a short amount of time. "I don't care who it is, the janitor or the intern or one of your most trusted lieutenants: If they can help you do that, they should be at the table."

The Work Environment Should Foster Creativity

When Steve said, "I'm thinking about selling Pixar to Disney," everyone was shocked. How could he sell Pixar after the famous falling out between the two companies? Well, Disney was under new management and Steve believed merging the two would take Pixar "from a yacht to a giant ocean liner, where big waves and poor weather won't affect us much. We'll be protected." As many people know, merging two companies is not just about the logistics, it's about people too. Steve Jobs and Ed Catmull planned to make everyone, at both Pixar and Disney, feel safe.

One of the ways they ensured this is through allowing Pixar employees to remain free to exercise their creative freedom with their titles and names on their business cards; additionally, they ensured that Pixar's people could continue to exert "personal cube/office/space decorating to reflect the person's individuality." In fact, Ed believes the work environment is one of the most important aspects of fostering creativity. When arriving at Disney Animation, Ed met with Disney's facilities manager, Chris Hibler, for a tour. The first thing Ed noticed was the lack of personal items on employees' desks. They looked sterile, cookie-cutter, with no personality.

Additionally, the layout of the building reflected a sense of alienation which, unlike Pixar, didn't exactly foster collaboration and the exchange of ideas. Instead, employees were spread out over four floors, making it difficult to simply drop in on one another. Even worse, the bottom two floors lacked natural lighting and felt very dungeon-like. It wasn't exactly a place that fostered creativity. Finally, the top floor was utilized as an executive suite but created a "gated community" kind of vibe. Overall, the entire place seemed like a lousy work environment.

Most office buildings today are similar. You're surrounded by dull, gray cubicles that aren't exactly exciting or inviting. Instead, they are incredibly off-putting and downright depressing. How can anyone be creative in that kind of environment? The first order of business was a basic remodel of the building. For example, instead of separating executives from employees and creating an "us" versus "them" mentality, they installed a carpet with brightly colored panels that acted like lanes of a road that guided people toward their offices, not away from them. Additionally, they tore down walls and created a central gathering space right outside their doors, complete with a coffee and snack bar. These changes may seem superficial but they convey an important message: your work environment and collaboration is key.

Final Summary

Many companies rely on the creativity of their employees for success. Unfortunately, these same companies fail to foster that creativity by doing business the way it has always been done. They create a hierarchical structure where top executives are on the top floor behind closed doors, creating an intimidating and unwelcoming environment. Additionally, they might even make their employees work behind bland, gray cubicles, separating one another and cutting off opportunities for collaboration. As I said before, business has always been done this way and people fear change because they are scared to take risks. What if they fail? Unfortunately, taking risks is key to success. That's why Ed Catmull prides himself on successfully fostering a work environment where employees feel comfortable voicing their opinions and feel valued. He understands that the people who work at the company are the most important aspect and ensures they feel comfortable, valued, and free to speak honestly and with candor. You too can create this type of environment, all it takes is some flexibility and individuality. Once your employees feel trusted and valued, they'll soon begin letting the ideas and creativity flow.



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