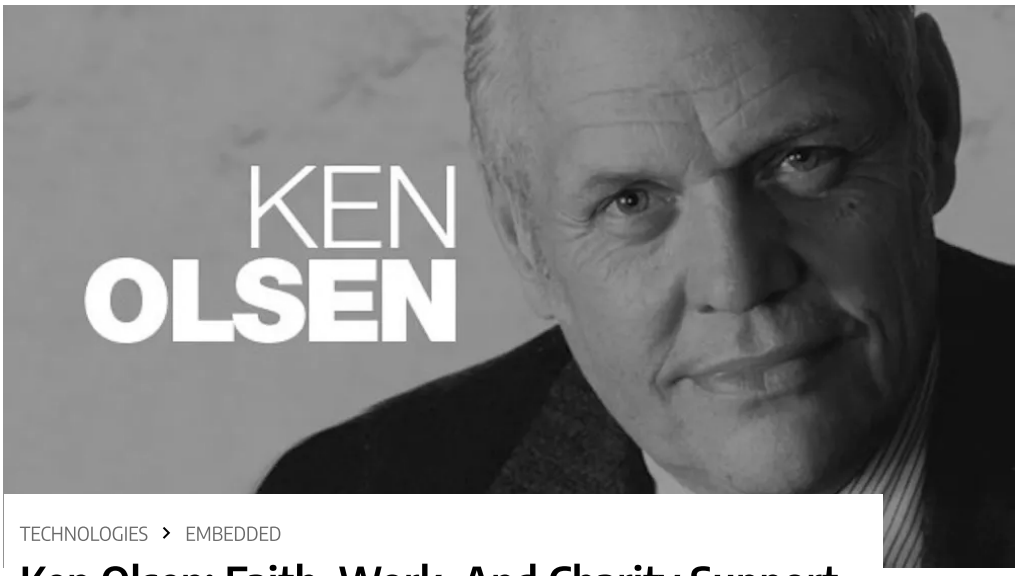


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# Ken Olsen: Faith, Work, And Charity Support A Computing Career

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Olsen (2011)

Doris Kilbane

Ken Olsen, founder of Digital Equipment Corp. (DEC), engineer, scientist, entrepreneur, and philanthropist, led the drive to smaller computers and to a management style rare in the 1950s and 1960s.

DEC produced a new size of computers, the PDP minicomputer series that allowed users to get instant feedback instead of handing a deck of punch cards off to someone else to put into the computer and then waiting a day or so for the results.

As the line of computers expanded over many years, DEC built the VAX series using 32 bit technology, which competed very successfully with the IBM mainframes, especially networking.

With the success of these new minicomputers, DEC was the second largest computer manufacturer after IBM, with 120,000 employees in 95 countries. In the 1980s, it had $14 billion in sales.

**A New Way To Manage**

Olsen accomplished this charge into the information technology age by being one of the first to use a management system where everyone had a line boss as well as a functional boss. It organized business horizontally by project and vertically by expertise or skill.



While it gave employees two bosses, it also empowered them to get a better product to market faster. Such a management style also suited Olsen's personality. He was frustrated by "too many rules, too many people who could say no to something," said Win Hindle, who'd been senior vice president of DEC's corporate operations.

"He was frustrated by layers of management. He would communicate directly with whomever he needed to talk with about a project. He did not like hierarchy," Hindle said.

But Olsen promoted more than this organizational structure. He also changed the organizational culture, which to this day, 13 years after the sale of DEC to Compaq, finds former employees recalling it with applause, excitement, and admiration.



### Culture Based On Christian Values

Many coworkers cited Olsen's strong Christian values and the freedom to experiment t he had enjoyed as a student at the Massachusetts Institute of Technology as the basis f how his then rare corporate culture developed. They became embodied in the Digital Equipment Philosophy, authored by Olsen and others.

"A lot of his deep religious values came out in that," said Hindle.

The Digital Equipment Philosophy advised employees to "treat customers, vendors, an employees with great respect. They are the people that make our life possible as a

company. And, if you are unsure of what to do in a difficult in situation, just do what you think is the right thing."

"Being a business executive in the technology field, I understand the strong stand one needs to take to battle the pressures there are in big business to not always have integrity, to cut some corners," said Dan Tymann, who worked at AT&T and Lucent for 18 years and Cisco Systems for five years.



"When you manage with integrity and believe that the people who work for you and your customers are what really matter, it makes all the difference in the company," Tymann added. "The result was a great example to hundreds of employees in multimillion-dollar companies. The culture he established at DEC is what the best companies in this country now model. They were fairly new to industry then."

Olsen even took his management style to his recreational activities, usually in the outdoors.

"He really enjoyed nature and science itself. He was a real outdoorsman, who loved walking in the woods, fishing, and canoeing. It was how he could wind down and relax," said Tymann.

"He took many memorable canoe trips, with family and other times with people from work to very remote areas. He would plan canoe trips like planning a business venture where all had a role and were expected to execute it well," Tymann said.

Olsen was also a leader in the support of women and minorities. He was among the first to name women to vice president positions and to offer scholarships and internships to minorities and those in underserved areas. "He understood the real importance in giving back and philanthropy long before it was in fashion to do so," noted Tymann.





**Science And God**

In his retirement, Olsen focused on philanthropy, especially with Gordon College in Wenham, Mass. He was first introduced to this Christian school as a student at MIT. He then attended Park Street Church and participated in its youth group, which often went to Gordon College for retreats. Its pastor, Harold J. Ockenga, also president of Gordon College, was impressed by the young engineer and eventually invited him to serve on its board from 1961 to 1993.

“It is unique that a scientist and engineer believed very strongly that those fields were compatible with faith in God,” Tymann said. “Olsen believed that science revealed the creator and revealed the genius of God, as opposed to being in conflict. He felt the study of science would bring us closer to God and our faith rather than pull us away.”

As a result of his beliefs, Olsen funded a science center at the school, subsequently named after him—one of the rare times this humble man allowed his name to be thus used.

At the dedication of that science building, Olsen said, “Science is more than a study of molecules and calculations. It is the love of knowledge and the continued search for truth. The study of the sciences promotes humility, leaving us with a clear sense that we will never understand all there is to know. At the same time, science provides a defense for truth, authenticates Christianity, and stems from the nature of God.”



Yes, Olsen was quite well known for his humbleness. Despite his many rewards—Fortune magazine named him the most successful entrepreneur in 1986—and the success of DEC, he maintained an average, non-lavish lifestyle.

He drove a 1963 Ford Pinto to work when he was worth millions and often had coffee with his employees. On his IRS form, he didn’t write CEO. Instead, he put “engineer.” There were no special parking places at DEC for executives either. He believed in employee recognition, customer focus, and balance of work and family.

When he was fired from DEC in 1992, he didn’t want it glossed over by saying he retire He wanted it accurately stated to the employees. When his retirement came, he chose a party with cake in the cafeteria with his employees rather than a lavish celebration.

**Working Environment**

So, what was it like to work at DEC?

“He created an environment where very good people could work and do what they think is right. It was an environment where bright, energetic people liked to work,” said Hindle.



“He believed in giving people a lot of freedom like he had at MIT. So, he didn’t want anyone to be over-controlled. He wanted to bring in very bright people who were experimental, who liked the idea of innovation. He remembered how that worked at MIT and made his environment like that—a more experimental environment,” Hindle said.

“He really believed in ownership of a project,” added Tymann, recalling that Olsen often said, “He who proposes, does.”

Olsen had high expectations of his employees, always strived for perfection, and loved to see a team succeed. “He strongly believed that if you committed to a project, you would own it and follow through. He didn’t expect to hear excuses. He expected to see results. He would also recognize that he needed to provide the resources you needed to get the results,” said Tymann.

“He was understanding when you had established a schedule and then when it took longer to accomplish a project. But, he was frustrated when he thought someone was arguing in the wrong direction,” Hindle said. “He didn’t suffer fools.”

While Olsen always strived for perfection, noted Hindle, he treated people with respect. “He cared about people. For example, when a brilliant engineer died in an auto crash, Olsen continued to pay his salary long afterward. He was a very caring person.”



What also made Olsen stand out was his ability to look at problems from a different angle. “I remember when I had an issue bothering me and I would talk with him about it, he would always come up with a different way of working on it. He was very creative,”

said Hindle. “He was brilliant in analyzing difficult situations and coming at them from a new point of view that you had not thought of.”

Nevertheless, he most notably failed to see the all-consuming role computers would play in our lives. DEC thrived because it was able to produce smaller, cheaper, but still powerful computers usable in all areas of business and industry. But Olsen didn’t believe they’d become all pervasive in our homes, so he failed to catch up when that parade started down Main Street.



**A Model To Follow**

Still, he leaves a legacy of computer and management innovation, as well as a philanthropic model others follow today. Olsen, who died on Feb. 6, 2011, will be remembered “for running a magnificent, innovative, fun company that was successful for 30 years,” said Hindle *(see “Giants May Pass, But Their Computing Legacy Lives On”)*.

“We had a very good product,” Hindle said.

Olsen, though, probably was most grateful for the opportunity to serve young scientists and engineers to be. While the students at the Olsen Science Center at Gordon College may or may not know whom their building is named after, that probably wouldn’t bother Olsen. What would matter is that they have the opportunity to explore new ideas in science and analyze various viewpoints in the context of the Christian faith and principles Olsen so strongly believed.

**Honors**

Ken Olson received several distinguished honors during his career:

- Vermilye Medal (1980)
- IEEE Engineering Leadership Recognition Award (1986)
- National Inventors Hall of Fame (1990)
- National Medal of Technology (1993)
- Computer History Museum (1996)
- Computer Science and Engineering Board of the National Academy of Sciences, Washington, D.C.
- President’s Science Advisory Committee.

Olson also received patents for electronic components that became the basis of future hardware innovation, including the saturable switch, diode transformer, gate circuit, magnetic core memory (update), and line printer buffer.

**Who Needs A Home Computer?**

Ken Olsen is known for saying, “There is no reason for any individual to have a computer in his home.” He made the statement in 1977 at a meeting of the World Future Society in Boston.

“Ken did not believe that people needed the computing power in their home, but rather access to computing power through a terminal that was tied to a remote computer. This was interpreted as not supporting the need for a PC in every home,” said Dan Tymann, executive vice president and chief of staff at Gordon College, Wenham, Mass.

The irony is that today the successful model is “computing in the cloud,” where we all have personal access to the games, external programs, storage, applications, and connectivity through cell phones, droids, laptops, and other devices connected to external computing power on the Internet with companies like Google, Microsoft, Yahoo, and Facebook. There is very little computing power in the home.

“Ken was such a visionary that he saw this model long before others,” said Tymann.


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