



WHAT HAPPENS AT 1 INFINITE LOOP



Apple's headquarters in Cupertino, Calif., consist of six buildings on its main campus. Its iTunes business operates out of multiple buildings nearby.

Building 1

Executive team

Building 2

Software engineering

Building 3

Marketing and communications

Building 4

Town Hall auditorium and cafeteria

Building 5

Sales

Building 6

Hardware engineering

together. Yet his methods have produced an organization that mirrors his thoughts when—and this is important—Jobs isn't specifically involved. Says one former insider: "You can ask anyone in the company what Steve wants and you'll get an answer, even if 90% of them have never met Steve."



HERE IS A SMALL GROUP at Apple that most certainly has met Steve Jobs. It's called the Top 100, and every year or so Jobs gathers these select few for an intense three-day strategy session at a proverbially secure, undisclosed location. Everything about this Top 100 meeting is shrouded in secrecy, starting with its very existence. Those tapped to attend are encouraged not to put the meeting on their calendars. Discussing their participation is a no-no, even internally. Attendees aren't allowed to drive themselves to the gathering. Instead they ride buses that depart from Apple's Cupertino, Calif., headquarters to places like the sumptuous Chaminade Resort & Spa in Santa Cruz, Calif., which satisfies two Jobs requirements: good food and no golf course. Apple goes so far as to have the meeting rooms swept for electronic bugs to stymie snooping competitors.

The Top 100 meeting is an important managerial tool for Jobs. He and his chief lieutenants use it to inform a supremely influential group about where Apple is headed. The elaborately staged event also gives Jobs an opportunity to share his grand vision with Apple's next generation of

leaders. The Top 100 meeting is part strategic offsite, part legacy-building exercise.

Jobs generally kicks things off personally. Each session is as well crafted as the public product debuts for which the CEO is so famous. For presenters the career stakes are high, and the pressure is nerve-racking. "The Top 100 was a horrifying experience for 10 or so people," recalls one former vice president, who took the stage some years ago. "For the other 90 it's the best few days of their life." Jobs sometimes uses the occasion to unveil important initiatives. "I was at a Top 100 when Steve showed us the iPod," says Mike Janes, who worked at Apple from 1998 to 2003 and remains close to Apple executives. "Apart from a tiny group, no one knew anything about it."

To be selected for the Top 100 is to be anointed by Jobs, an honor not necessarily based on rank. Jobs referred to the group, but not the conclave, in an interview several years ago with *Fortune*. "My job is to work with sort of the Top 100 people," he said. "That doesn't mean they're all vice presidents. Some of them are just key individual contributors. So when a good idea comes ... part of my job is to move it around [and] ... get ideas moving among that group of 100 people." Privately Jobs has spoken even more strongly about the Top 100's importance. "If he had to recreate the company, these are the 100 people he'd bring along" is how



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one former Apple executive describes Jobs’ characterization.

Though its name isn’t to be uttered, the blessed nature of the gathering creates a caste system at Apple. Inclusion is by no means permanent. According to Jobs’ whims, attendees can be bumped from one year to the next, and being kicked out of this exclusive club is humiliating. For those left behind in Cupertino, chattering begins as soon as the chosen few have departed. “We’d tongue-and-cheek have a Bottom 100 lunch after we were done preparing the people who’d left,” recalls one nonparticipant. Says another: “We weren’t supposed to know where they were. But we all knew.”

APPLE IS NOW 35 YEARS OLD, an extremely mature company by Silicon Valley standards, and there’s a grownup atmosphere at headquarters: You won’t find a lot of people dressed in board shorts and flip-flops, or zany decorated cubicles. The vibe is the opposite of the jocularly that Google—with its wear-your-pajamas-to-work day and all-you-can-eat cafeterias—has fostered. There literally is no free lunch at Apple—though meals are subsidized and generally quite good.

Yet Apple also consciously tries to behave like a startup, most notably by putting small teams on crucial projects. To wit: Just two engineers wrote the code for converting Apple’s Safari browser for the iPad, a massive undertaking. In a 2010 interview at a technology conference, Jobs verbalized Apple’s do-more-with-less mentality. “Apple is a company that doesn’t have the most resources,” he said, referring to Apple’s

response to a technical debate raging at the time. “And the way we’ve succeeded is by choosing which horses to ride very carefully.” On the face of it, the statement is absurd. Times certainly once were tough at Apple, breeding an underdog culture. Today, with \$66 billion in the bank, nothing could be further from the truth, yet Apple continues to behave like a scrappy upstart. “We’ve always fought for resources,” says a former executive. “Steve and Tim in general want to be sure you need what you’re asking for.”

Apple insiders say the notion of scarce resources has less to do with money than it does with finding enough people to perform critical tasks. Once Apple moves, though, it spends whatever it takes. It contracted the London Symphony Orchestra to record trailer soundtracks for its latest iMovie software. Years ago it sent a camera crew to Hawaii to film a wedding for a demo video; then, to get a different take, it staged fake nuptials in a San Francisco church, with Apple employees playing both guests and the betrothed.

Learning to work at Apple takes time. To echo its own famous ad campaign, Apple thinks differently about business. Often as not it simply ignores traditional notions of business opportunities. An executive who has worked at Apple and Microsoft describes the differences this way: “Microsoft tries to find pockets of unrealized revenue and then figures out what to make. Apple is just the opposite: It thinks of great products, then sells them. Prototypes and demos always come before spreadsheets.”

Specialization is the norm at Apple, and as a result, Apple employees aren’t exposed to functions outside their area of expertise. Jennifer Bailey, the executive who runs Apple’s online store, for example, has no authority over the photographs on the site. Photographic images are handled companywide by Apple’s graphic arts department. Apple’s powerful retail chief, Ron Johnson, doesn’t control the inventory in his stores. Tim Cook, whose background is in supply-chain management, handles inventory across the company. (Johnson has plenty left to do, including site selection, in-store service, and store layout.)

Jobs sees such specialization as a process of having best-in-class employees in every role, and he has no patience for building managers for the sake of managing. “Steve would say the general manager structure is bullshit,” says Mike Janes, the former Apple executive. “It creates fiefdoms.” Instead, rising stars are invited to attend executive team meetings as guests to expose them to the decision-making process. It is the polar opposite of the General Electric-like notion of creating well-rounded executives.