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Designing and Leading the Entrepreneurial Organization

MIT Sloan School of Management
Cypress Semiconductor

- Evaluate Cypress’s performance. What are their strengths and weaknesses?
- How well is Cypress managing innovation?
- How is the culture at Cypress being developed and maintained?
- At the end of the case (1994), what problems or issues would you raise with Rodgers? What are your recommendations?
Cypress Mission Statement

“Cypress is smart, tough people who work hard, thrive on competition, demand victory, and will not tolerate defeat. We exist to invent, make, and sell the world’s best semiconductor products.”
Cypress: Core Values

- Cypress is about winning
- Cypress people are “only the best”
- We do what’s right for Cypress
- We make our numbers
- We invent and make state-of-the-art products
“To win, people need clear and quantifiable goals, the resources to achieve these goals, and confidence that their goals matter to the larger corporate purpose.”

T.J. Rodgers
What are the strengths and weaknesses of Cypress’s policies and practices?
By 1997, Rodgers had done away with the “killer software” and made use of the goals system voluntary (~1/2 Cypress managers use it).

Rodgers acknowledged that HR had a critical role to play and hired seasoned professionals to help enhance individual development.

In September, Cypress stock reached 24, a fourfold increase since April.
“Most companies don’t fail for a lack of talent or strategic vision. They fail for lack of execution -- the routine blocking and tackling that great companies consistently do well and always strive to do better.”

T. J. Rodgers
CEO
Cypress Semiconductor