the 1933 SEC legislation, “The bar has essentially created language and sets of understandings around transparency and reporting that are so misleading they are Orwellian.” Pointing to the disclosure of Jack Welch’s elaborate compensation plan, revealed only through his divorce proceedings, Monks says, “Everybody runs around nodding their heads and saying my God isn’t it wonderful that we have all of this disclosure and then we find out that, hey, we don’t know anything.” This has created a “vast world of apparent transparency” for shareholders that is misleading and dangerous. (Monks quips that if all CEOs were forced to go through a divorce proceeding, shareholders might find out the truth about their compensation.)

The most provocative statement in that paragraph is Monks’ “quip.” So much for privacy in this brave new world of transparency. This does beg the question of whether shareholder activists and champions of corporate social responsibility should be subject to comparable levels of personal exposure. Indeed, less than 1 percent of The Naked Corporation deals with the intersection of personal privacy and corporate transparency, which is bizarre precisely because organizations and enterprises are nothing but people. The most gutless aspect of this book is that its authors conceal—the downside of transparency reveals what the authors conceal—the downside and dark side of transparency. Truly naked corporations mean truly naked individuals. Maybe CEOs and board members must accept that as a cost of doing business, but should the rest of the people in the organization?

I’d like to read some good answers to that question. I wish I had found some of them in this book.

More Than a Mogul

By Susan Webber

Softwar
An Intimate Portrait of Larry Ellison and Oracle
By Matthew Symonds
With Commentary by Larry Ellison
Simon & Schuster, $28.00

Everyone Else Must Fail
The Unvarnished Truth About Oracle and Larry Ellison
By Karen Southwick
Crown Business, $27.50

Litany creations need to be consistent, or else they aren’t believable. Larry Ellison—founder, chairman, and CEO of Oracle Systems, the database and business-applications company—would strain credulity if he were depicted in a novel. Raised in lower-middle-class Chicago by adoptive parents, Ellison, a college dropout, became a software developer, liking the meritocracy and the flexible hours.

Ellison’s ambition developed late. At 34, he started Software Development Laboratories with two partners and modest objectives. But he saw the potential in a relational-database technology widely considered to be too difficult to commercialize. His venture, later named Oracle, doubled in revenue every year in the 1980s, survived a near-death experience in the early 1990s, and is now the second-largest independent software company. His 24 percent stake briefly made him the world’s richest man; he currently ranks ninth on the Forbes 400 list.

But Ellison is more than a mogul. He is a Promethean figure: charismatic, controversial, prone to shameless hyperbole, with a keen eye for talent and an unerring sense for when that talent has outlived its usefulness; a pilot, America’s Cup competitor, and a connoisseur of things Japanese. An engineer to his core, he remains intimately involved in product conceptualization and design. He can pummel subordinates for bad ideas, yet he is so comfortable with conflict that he makes firings a...
drawn-out, torturous process.

Two books—Softwar, by Economist editor Matthew Symonds, and Everyone Else Must Fail, by Karen Southwick, a former editor of Forbes ASAP and Upside—seek to portray the real Ellison. Yet a reporter is only as good as his sources, and what sources say about Ellison can be so divergent that the books at times occupy weird parallel universes.

Southwick’s Everyone Else relies on ex-Oracle employees and competitors. While it offers some insights, its gossipy, backbiting tone, cheap shots, and uneven fact-finding raise serious doubts about its objectivity.

The author’s tendency is to start a section with an unflattering tidbit—for example, that Oracle has repeatedly released barely workable products, pushed customers hard to buy them, and then blamed the victim. Though she usually reaches a judicious conclusion (in this case, that premature launches were the best route to competitive success), the first impression, the frontal attack, lingers. Everyone Else charges that Oracle’s aggressiveness and arrogance have left it with few friends.

Symonds fails to recognize how completely he has fallen into Ellison’s orbit.

It holds Ellison accountable for Oracle’s highly competitive, arguably dysfunctional culture and lambastes him for pushing out executives, asserting that he sacrificed not just experience but a badly needed customer perspective.

The book falters as the story progresses. For example, Southwick misreads a wrongful-termination suit against Oracle by a woman Ellison once dated. Oracle settled the case, but a later criminal trial against the plaintiff exposed her plan to extort Ellison, found her guilty of perjury, and forced her to refund the settlement. Similarly, Southwick depicts a 2002 scandal involving the state of California as evidence of Oracle’s overly aggressive sales culture, when Logicon, an Oracle partner, negotiated the contract. In addition, she bases her critique of Oracle’s latest products on the words of a Microsoft representative who cannot explain its own Web-services strategy!

While Southwick concentrates on Ellison’s dark side and paints an Oracle in decline, Symonds basks in Ellison’s limelight. Symonds tagged along for weeks at a time over two years during the campaign for Oracle’s latest database and new applications package, the E-Business Suite. Symonds intersperses chapters on Oracle history, Ellison’s upbringing, his romantic life, and his personal projects.

The strongest proof of Ellison’s intelligence and powers of persuasion is that Symonds, a seasoned journalist, fails to recognize how completely he has fallen into Ellison’s orbit. A collaboration agreement gave Ellison the right to add comments, which appear as footnotes, without changing Symonds’ words. In a literary manifestation of the Heisenberg uncertainty principle, the prospect of having Ellison review the text undoubtedly had an impact on Symonds’ writing. Indeed, Softwar sometimes crosses the line from biography into hagiography.

In fairness, Symonds witnessed difficult moments in Ellison’s personal and professional life, and his subject retained his composure and perspective. However, the author steers clear of Ellison’s reputation for outbursts and Oracle’s bare-knuckled politics, although the CEO volunteers that he has renounced “management by ridicule.”

Though Softwar is polished and astute, Symonds’ decision to recount his travels at length makes for a meandering, sometimes flabby, tale. Ellison’s penetrating observations about the software industry and the development process get lost in the narrative. Symonds can get bogged down—for example, trying to reconcile the divergent views of Ellison and former president Ray Lane about Lane’s ouster. The final chapter pulls the key threads together, but the author would have done better to organize his material more tightly.

The real meat of Softwar explores Oracle’s crusade to sell new technology. The E-Business Suite is not merely a new product but a key element in a radical new paradigm. Ellison has long
inveighed against the needless complexity of software, the seemingly endless corporate-development projects that, even when they deploy off-the-shelf software, greatly exceed their time and cost allotments.

In Ellison’s view, the Internet really does change everything. Like the power grid or the municipal water system, it is the architecture of the mature information network. And mature networks feature large central capacity and infrastructure and limited local functionality.

Just as Bill Gates must have realized one day what controlling an operating system, once regarded as a decidedly unsexy utility, actually meant, so too has Ellison recognized that having the leading database makes the world his oyster. Businesses will migrate to fewer and bigger databases, and manipulating that data will be the focus of applications.

The current norm of fragmentation of data across multiple databases is incredibly costly, and not just in computing terms. Incomplete automation of business processes leads to duplicated effort, errors, and an inability to measure and control operations.

Ellison has a clear vision of the future: a single database for the corporation, with integrated suites of applications from ERM and CRP to integrated messaging, voice mail, and calendars. And implementing this vision more than pays for itself. Oracle first ate its own cooking, restructuring its business processes so that its decentralized operations moved to centralized information-management systems. The savings, touted in Oracle ads, were $1 billion. And Oracle can lower costs even further by, for example, enabling customers to run databases and applications on clusters of low-cost computers rather than expensive mainframes.

As elegant as this sounds, it flies in the face of computer industry practice. The client/server model is ascendant, though any top-drawer systems architect will vouch that it is rife with problems. Large corporations would rather computerize existing processes than use new software as a vehicle to stream-
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By attacking software’s fundamental shortcomings, Ellison has raised the bar for his competitors.