

Creative CEO: Dan Doctoroff on the New Set of Challenges for Post-Pandemic Cities

Rana Florida

Over the course of his long and accomplished career, Daniel L. Doctoroff has endured more than a few failures. But his ability to learn from his mistakes, take lessons from others, and push ahead has established him as one of the world's leading CEOs. In his current role as chairman and CEO of [Sidewalk Labs](#)—Alphabet Inc.'s pioneering urban innovation company—his goal is to make cities that are more efficient, sustainable, and livable.

As Michael Bloomberg's Deputy Mayor for Economic Development and Rebuilding for the City of New York, Doctoroff led the city's dramatic economic resurgence after the shocks of 9/11—an experience that earned him frequent comparisons to Robert Moses, and which he chronicled in his memoir/manifesto *Greater Than Ever: New York's Big Comeback*. Key to his efforts was [PlaNYC](#), a pathbreaking sustainability plan for all five boroughs. Before joining the Bloomberg administration (and later serving as president and CEO of Bloomberg, LP), he was managing partner of the private equity firm Oak Hill Capital Partners.

A member of the boards of the University of Chicago and Bloomberg Philanthropies, Doctoroff is the founder of [Target ALS](#), which has established a new model of collaboration to advance ALS research, and the founder and chairman of [The Shed](#), an innovative cultural institution that was recently established at Manhattan's Hudson Yards. A graduate of Harvard College and the University of Chicago Law School, Doctoroff has lived in New York for 37 years.

We talked about his life in and out of government and as an entrepreneur, as well as the importance of vision and the long view.

Q. What was your first job and what lessons did you take from it?

After I graduated from Harvard, I was a pollster for Robert Teeter, the leading Republican political consultant of his day. I worked for him in the Detroit office and admired him enormously. He lived his life in a way that struck me as incredibly noble—he and his wife were very close, they traveled everywhere together; in addition to being a very decent human being, he was at the top of his profession.

The most valuable business lesson I ever learned was from him. I'd worked like a dog that year and made very little money, like \$2 an hour. Although I loved the job and learned a lot, I felt very underpaid. On my last day before I left to go to law school, I finally mustered up the courage to tell him that I didn't think I'd been fairly paid. He took off his glasses and looked at me for a long time. Finally, he said, "Well, why didn't you say anything?" I was dumbfounded. He continued, "All you had to do was ask." And with that, he took out his checkbook and wrote

me a check for \$5,000, which was a lot of money at the time. The lesson I learned was, all you have to do is ask.

Q. How has the pandemic affected your business and the way you work?

We've adapted incredibly well to working remotely, but it's a clumsy way to work and I also believe it's been corrosive. It saps your spontaneity and makes it harder to take full advantage of all your resources and skills. Everyone is looking forward to getting back together in person.

The pandemic also led us to withdraw from our [Toronto project](#)—we just didn't think we could make money while creating the most innovative urban district in the world in this environment. As a result, we've refined and rethought our whole strategy. Out of chaos comes opportunity: at some point, we will look back and see how this pivot set us up for success in the future.

In a broader sense, COVID-19 has created a whole new set of challenges for cities. Going forward, cities will have to generate more revenue from smaller tax bases and accommodate a whole new set of needs and desires for their residents and businesses. It will create a wave of innovation, which we expect to be at the center of.

Q. What advice do you have for entrepreneurs starting out today?

Reflecting on my five years with Sidewalk Labs, it's really important to be humble, to recognize that the rules are different in startups than they are in established organizations—that whatever you've done in the past might not apply. At 62, I'm old for an entrepreneur. I wasn't self-aware enough at first to realize how much more agile I had to be—and how much other people had to teach me. Also, you have to have a vision, to believe in a vision, because things seldom go the way you expect. Your vision can help you navigate through hard times.

Q. How can government/cities better support businesses and entrepreneurs?

When I came into government, New York City didn't treat its businesses like customers. If you simply adopt the attitude that businesses are important customers, it can make an enormous difference. So, our first objective was to create conditions in which private markets could flourish. To do that, we listened to them and then worked to get rid of barriers to their success, like unnecessary red tape. We strove to become a customer service liaison for the city's business community, bringing other parts of the government together to solve problems.

Governments can help create a space for entrepreneurship by providing physical meeting spaces in which entrepreneurs can come together to learn from each other. In the case of Cornell Tech, we created a whole university dedicated to technology and entrepreneurship; New York will reap the same benefits from it that Silicon Valley has from Stanford and Berkeley. In very rare cases, targeted investments can make a difference to get things off the ground, though you should always approach those opportunities with skepticism.

Like people, cities each have their own DNA, their own histories. They are led by different people, with different personalities, and they are subject to changing economic conditions. Like

bell curves, they have a wide range of skills and capacities. Detroit in the 1910s, '20s, and '30s had a growing auto industry; it was extremely innovative. But the bigger it got, the more bureaucratic it became, until it eventually entered a state of decline. It took a huge crisis to catalyze its leaders to think differently; now Dan Gilbert, on the business side, and Mayor Duggan are huge champions for the city.

Q. What creative CEO would you love to have drinks with and why?

I've been blessed to have worked with and learned from some of the most incredible entrepreneurs of all time: Larry Page and Sergey Brin for five years; ten years with Michael Bloomberg, both as mayor and at Bloomberg, LP. They are very different people, but one big thing they all have in common is that they are unafraid—they don't listen to the wisdom of the crowd. They have their own visions, which they pursue relentlessly. Q. Is scaling a business necessary for success?

That depends on what your aspirations are. Do you want to make a lot of money, or do you want to have a big impact? It really depends on your definition of success. Take bike sharing, for example. Vélib's success in a highly visible location like Paris made [bike sharing](#) happen all over the world, though Vélib didn't make any money from its legions of imitators. But if its goal was impact, then it's hard not to see that as a huge success.

Q. What traits do you look for in selecting partners, collaborators, or team members?

Most of all, we look for alignment with our culture and values—for people who are not short-term oriented, who are dedicated to mutual benefit, and share our belief in our mission.

Q. Can you share any advice for managing and inspiring team members?

The way you communicate mission is incredibly important, but to keep a team inspired and motivated, they have to experience some success along the way. People always want to be with companies that they feel are winning.

Q. What was your biggest failure, and what did you take away from it?

I spent ten years leading New York City's Olympics bid, and when we lost, the whole world witnessed it. I'd suspected all along that our chances of success were not so good—the wars in Iraq and Afghanistan were huge negatives. But even so, I didn't relish looking like a failure, and when we did lose, the 24-hour flight back from Singapore was miserable.

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— Dan Doctoroff

I dreaded going back into the office, but when I did, I quickly realized that no one cared as much as I did. So, my most valuable lesson, fundamentally, was that no one cares about your losses

other than your close friends and family. And no one thinks about you the way you think about yourself. Once you unburden yourself from worries about what other people think about you, you can be a much smarter and better risk-taker.

Q. What stifles your creativity?

One word: bureaucracy.



[Rana Florida](#) is the CEO of [Creative Class Group](#). An expert on business and leadership, Rana has written for numerous publications and been featured on programs such as The Today Show and MSNBC's The Cycle. She is also the author of [*Upgrade—Taking Your Work and Life From Ordinary to Extraordinary*](#).

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