

years. As the world's largest producer of PC software, with approximately 20,500 employees, 250 products, and annual revenues of \$8.7 billion (fiscal year ending June 1996), Microsoft has probably tackled more PC software projects than any other company in the

ceed by
finding
ways that
structure
and coordinate what the
individual members do
while allowing them
enough flexibility to be
creative and evolve the

products together (usually not daily, but often on a biweekly or monthly basis). Frequent integrations help determine what does and does not work without waiting until the end of the pro-

strategy we describe as “focus creativity by evolving features and ‘fixing’ resources.” Teams implement this strategy through five specific principles:

- Speak a “common language” on a single development site.

Microsoft's daily build process has several steps. First, in order to develop a feature for a product, developers can check out private copies of source code files from a centralized master version of the source code. They implement their features by making changes to their private copies of the source code files. The developers then create a private build of the product containing the new feature and test it.

and the need for continual innovation.

No company has taken advantage of the exploding demand for PC software better than Microsoft. Similarly, no PC software company has done a better job of keeping some basic elements of the hacker culture

culture aligns with this approach. As we have sug-