

'We Do Not Allow Lazy Money to Have Control': How This Company Unlocked Creativity for Its Team Members



Originally founded in 2009 with Pharrell Williams, Hans Zimmer, and VC investors, UJAM has become the owner-operated go-to creative platform for musicians. "Our customers are a global audience of musicians, composers, and producers – from teenagers in their bedrooms to accomplished professionals in multi-million dollar studios," says CEO and co-founder Axel Hensen. "We also license a technology platform called Gorilla Engine to other manufacturers, comparable to a game engine for game studios. Everything we do follows our maxim 'inspire to dare and defy limits.'"

Hensen and UJAM COO Wolfram Knelangen told *Entrepreneur* how

they launched and grew a business dedicated to “removing limitations so that creativity can be the focus.”

How do you see your company's place in the history of music creation?

Wolfram Knelangen: We live and breathe music! Ever since mankind started banging on a piece of wood to a beat there have been musical instruments. As technology evolved, so did the tools, and we are building them now as software. We see ourselves in a long tradition of instrument inventors. Throughout history there has been a very special relationship between the people playing the instruments and those building them. So, for example, without Leo Fender's electric guitar and amp there wouldn't be rock 'n' roll as we know it. There would be no Beethoven sonatas without the invention of piano forte and its range from very quiet to very loud.

Related: Why Post Malone's Personal Brand Pivot is a Masterclass in Brand Reinvention

How is UJAM different from other music creation platforms?

WK: Our calling card and best-selling product is called Virtual Guitarist – imagine it as a complete guitar production platform. The guitar is a very complex instrument. It takes time, skill, money, and equipment to record and produce guitars in the real world. With Virtual Guitarist, we not only emulate the instrument but also the player and studio gear. On top of that, we pre-mix the signals so they immediately sound great in your production. A composer can get to a result much quicker that way. Pretty much all of our products take this approach – that's our specialty. Besides that, we distribute a B2B product called Gorilla Engine. This is a technology platform for other audio and music companies that accelerates their product development.

You are a privately held company – how does that play into your ability to innovate?

Axel Hensen: Our culture is, in a very German way, heavily

engineering-oriented. Most of our team members come from music production, DJ-ing, and so on. As a team, they are very savvy about what they build and how to build it. That means we as a company trust individuals and teams with their gut feel. They can try things out quickly and independently without having to get board approval first from a bunch of suits. Being independent is maybe our highest value; in fact, some ten years ago as part of an existential crisis of sorts, we separated from our original institutional investors. We do not allow lazy money to have control in the company. Our experience has taught us that lazy money can lead to a lot of bad decisions. For example, users might love a certain product but it might be cancelled or diminished in quality because it doesn't meet extreme profitability expectations. This phenomenon of "Enshittification," as Cory Doctorow calls it, is a direct result of too much lazy money calling the shots. Today, there are only owner-operators in UJAM – plus Hans Zimmer, who is not involved in operating the company but is a staunch supporter of our product philosophy and our values-based approach.

Related: A 74-Year-Old Musician Makes a Million a Year From an Unpopular Song Written Nearly 50 Years Ago. Here's How.

What would you advise other entrepreneurs about running a company without a hierarchical management structure?

WK: Our idea is that there is a hierarchy of work, but not a hierarchy of people. Work that needs doing is structured by so-called roles and those roles should be filled by the person with the highest competency. Whoever fills a role has absolute authority and autonomy over how to do that work. So let's say there is someone named Nora who is amazing at interface design. As long as Nora is assigned to the role, she has authority and autonomy over how to design the user interface. So, no matter whether you're the owner of the company or whether you carry an MD title, you cannot tell Nora how to do her job, e.g. that the interface should be blue instead of

green. You might give your opinion, you could support her with advice, but you cannot and must not overrule her. That is a tough thing for many traditional managers to accept, because they are used to having that power to interfere. It can also be hard for Nora to adjust to this higher level of personal responsibility. This is because she cannot hide behind “But my boss told me to...!” and must take full responsibility. This requires some unlearning and a willingness for personal growth from everyone involved.

What advice would you give to business owners about adopting a similar structure?

AH: First of all, deeply reflect within yourself: Is this really what I/we want? To give up control and truly empower your employees is not just a rewrite of the org chart. It’s a steep learning curve and deep transformation for everybody involved. If you really want to pursue this path, then the second part of our best advice is to find the right consultants early. We had some slow and painful years of experimenting with this model on our own before we found Vienna-based consultants, dwarfs and Giants, who helped us to kickstart our successful transformation.

Related: How Do You Compete With the 400-Pound Gorillas In Your Industry? ‘Be In Love With Your Products’ Says This Startup CEO.

<https://www.entrepreneur.com/starting-a-business/how-ujam-became-a-music-creation-powerhouse/489181>