

URL: <https://ecorner.stanford.edu/clips/principles-as-tools/>

Public.com co-founder and co-CEO Jannick Malling explains why the company frames its core principles not as slogans to hang on the wall, but as tools to guide the everyday behavior and the decision-making of employees. When used as tools, he finds, principles allow a team to build a common vocabulary and make consistent decisions as the team scales.



Transcript

- Me and my co-founder, 00:00:04,850 we're huge believers in principles.. I think we see them a little bit differently than others, maybe, in that we actually see them more as tools than values, right? And I think it's easy to dismiss these things as motivational posters that hang around the office, but we've really approached them as tools.. And so we've created a system called Public Principles, which is really a, you can kind of see it as a little bit like rules of engagement of how the company wants people to act.. And I think what's very interesting is that, I think we actually, this is one of the first things we did when we set out to build the company, we were like, hey, I think both being second-time founders here, we had been through some things of just, I think, for the first time, we just jumped both into product, the two of us, and then only later through the journey, you realize, building a product is one 10th of building a company, and there's many other things that go into it.. And so we really wanted to get it right from the outset this time.. And so, really, it was just this notion of, hey, building a company's, at the end of the day, it's the product of making millions of decisions.. The more consistency you can have between those decisions, I think, will correlate to how successful you are.. And so, really, but you don't wanna make all the decisions yourself, you cannot make millions of decisions over a decade, right? It's just not gonna happen.. So the principles were designed to give people a framework for how to make those decisions, and how to operate within the company.. And so, an example, principle one is honesty kills bullshit..

Sorry for, excuse my French, but that's, (laughs) and that's a principle that really comes up every day.. And it's been something that, when you're growing a company really quickly, I mean, to give you an idea, I think we were 20 people when lockdown hit, now we're over 100, so we've definitely had some interesting scaling challenges as well.. But, I think, by and large, the principles have actually helped us get through that, in many ways.. And so, when you're meeting someone that you never met before, and being really honest with people can be kinda difficult.. It's not necessarily something that comes easy to most people.. And so, really, these principles serve to give people the toolkit to just be honest, right? So the way people will say things like, hey, quick principle one, I think X, Y, and Z.. And in that moment, it's a little bit like, you know that I'm not trying to be a jerk right now, I'm actually not trying to, I'm just trying to act in the way the company wants me to act, which, at this moment, means just being honest about something.. A lot of the principles go hand in hand, principle two is, feedback comes from a place of care.. So, I think those two principles, for instance, is an interesting duo, and a very powerful one, I would add.. And that also just serves to keep in mind what feedback actually is..

Because a lot of people, I think, the definition is suggestions for improvement, but a lot of people just take a vague translation to that, and use it as an excuse to say anything, I think.. And so, as you go down the list, there are more and more principles that really are tools that you can drop in conversation on Slack, in meetings, et cetera, that helps you, helps other people on the receiving end as well, really understand where you're coming from when you're saying those things.. And it's a living document.. It's in its third version already, and so we actually have a quarterly review of these things, and try to keep it up to speed as the company grows and evolves..