

URL: <https://ecorner.stanford.edu/clips/how-to-lead-as-co-ceos/>

Patrick Schmitt and Jenny Xia Spradling, co-founders and co-CEOs of FreeWill, observe that effective co-CEOs clearly determine their respective roles and decide who makes which decisions.



Transcript

- It's such a joy, and sometimes, 00:00:04,140 I wonder how people do it alone.. I mean, I think that leadership can be quite lonely, and having a co-CEO has been the best.. It started out, a lot of people end up co-CEOs 'cause they can't figure it out at the beginning.. And that's usually a mistake.. We actually didn't start as co-CEOs.. So originally, I'd come to Jenny, the idea I ended up of being CEO, Jenny was among other things, sort of chief product officer CFO, all these other things.. And about, gosh, eight months in, we looked up and said, "You know, it's not really reflecting how the company's actually running." We're really splitting things down the middle.. We make a lot of decisions together.. Jenny owns a whole big portion of the company, and Patrick owns a like portion of the company from a decision-making standpoint.. And also, I think we both are invested in the idea of having more female CEOs in the world, but really, it was more the case that this was just how we were operating, and it was worth recognizing that..

Now what you can end up is people ask dad something, and dad says, no, so you go ask mom, right? What it benefited from, historically, and continues to do so is just hyper-clarity of decision-making and roles.. So we are co-CEOs.. We do not have the same role.. Jenny oversees a whole bunch of finance and tech and our people team.. I oversee a whole bunch of our sales and marketing, our partner success, and some other things.. And there aren't decisions where we can either one can make it.. And then when we're going to the decision together, the first question is always, "Okay, whose decision is this?" Before we get into negotiating it, or talking about it.. And because what you don't wanna do is sort of like split the baby and end up with a compromise.. That's not really good, but it's sort of between what you think, saying, okay, well this, this one's Jenny's decision means I can say, okay, here are all the things I know.. And I trust that you're a brilliant person who is kind and thoughtful and believes in free will, and you'll make the best decision..

And so you end up with like shared discovery, as opposed to negotiation.. And we end up in much better outcomes.. Jenny, what did we miss? - Yeah, I mean, I think Patrick mentioned this a bit, 00:02:05,813 but being a CEO is really lonely, and having someone just to celebrate the highs with, but also to go through the lows with.. I mean, I remember in the early days, the California Bar Association reached out and was like, "We are going to shut you down." And Patrick and I are still students at this point.. We're like, "Oh my gosh, this is never gonna work." We are like dead in the water, month three.. And just to be able to take a step back, and really brainstorm together, what are we gonna do about this, and not have egos or titles or

things kind of in the way, I think that was really helpful...