



Jeff Lawson, co-founder and CEO of Twilio



Art of Leading

Powerful insights from top leaders.

If Your Cultural Values Need a Refresh, Here's the Playbook You Should Follow

Published on March 3, 2020



Adam Bryant [in](#)

Managing Director at The ExCo Group (formerly Merryck & Co. Americas)

*Many companies develop lists of values and then never revisit them, even if they grow stale. But **Jeff Lawson**, co-founder and CEO of Twilio, used a big acquisition as a reason to refresh his company's values to ensure they were still meaningful. You'll find powerful insights throughout this interview on culture, strategy and hiring.*

Q. Tell me about the culture refresh at Twilio. How did that come about?

A. We had our original values of the company — our “nine things,” as we called them — that we articulated back in 2011, and we later added eight leadership principles. So we had seventeen things. But the question was always whether you’d rather have fewer of these things, because the fewer words you use, the more impactful they each are, because every word you add dilutes all of them. Or do you want to have a list of principles, which can be a longer list because you can decide which principle is most relevant at a particular moment in time?

Then we acquired SendGrid in 2018. It was a large acquisition, and we added about a third more people to the company overnight. They had their four values and we have our seventeen things, so we had 21 in all. That’s a lot, obviously. It seemed like the perfect time to say, let us take this moment to re-articulate our values. And I always am cautious to use the word "articulation." You can’t make up values, but what you can do is capture what binds us together and how we approach work and life, and put words to them.

Your culture is what people feel every day when they come to work, and that feeling exists whether you put words to it or not. But when you put words to it and those are your values, now you have a handle on your culture and you can guide it and you can talk about it. You can build it into how you make decisions and how you operate and how you act when you have those words. Because without words, it's just an amorphous feeling and it can go in any direction. But we decided we can do a better job of articulating our values in a more condensed way so that every person can be clearer about what the values of Twilio are and how we describe that culture.

"We decided we can do a better job of articulating our values."

So we did a global tour, visiting almost all the Twilio offices, and we did an exercise with each of the teams. We took our 17 things and we made them into notecards to put on a whiteboard, and we gave everybody stickers — three red and three blue. We told them to put a red sticker on the values that resonated most with them, and put a blue sticker on the ones that resonated the least with them. Time and again, we saw a clustering of dots on certain values. There was a clear pattern of which ones they liked and didn't like, and many of them had no stickers. People just didn't care about them.

"Draw the owl" was a favorite. It's based on the Internet meme of how to draw an owl. It says: "Step 1, draw some circles. Step 2, draw the rest of the owl." That's what it takes to be an entrepreneur — you have

to put aside all the reasons you think you can't do something or figure it out. Our job is to come in every day and take a vague problem that we don't know how to solve and figure out the solution.

The most interesting ones were half red, half blue. Some people loved them, some people said get rid of them, and those are the ones we spent time discussing as a group. We found a few things. A lot of the values meant different things to different people based on when they joined and based on the quality of how we evangelized the values at various points.

Some people had joined the company a while ago, back when I was personally giving an hour-long talk to new hires about the values. There was a period when someone else did it, so people walked away with very different ideas about what these values meant. Based on that, we went through an exercise of saying, how do we take the essence of what we want the values to represent in our culture and how do we get them into a set of words that get closer to how we can describe it?

The second lens we put on that was to make sure the values are memorable and unique and usable in an everyday setting. The measure we used for whether the values were doing their job is whether people invoke them every day in conversation while they're collaborating. So we literally asked ourselves, could these be hashtags? Think about the defining attribute of hashtags. They're memorable, they're usable, you can throw them out in conversation, and everyone knows what they mean.

We came up with ten:

- Be an owner
- Empower others
- No shenanigans
- Wear the customer's shoes
- Write it down
- Ruthlessly prioritize
- Be bold
- Be inclusive
- Draw the owl
- Don't settle

Another filter we applied was that, for values to work, they need to be human in scale. They need to be accessible. A lot of companies have words like integrity and excellence. Some people just roll their eyes about those words as corporate-speak, and the reason they ignore them is because these are not words that we use in everyday language. They wouldn't naturally come out of someone's mouth unless they were written in the notes of your slide deck. What we wanted to do is have words that would naturally come out of people's mouths, so that they

would be accessible and they would be memorable and they'd be understandable.

*"I don't walk around saying,
'Do I have integrity right
now?'"*

So instead of integrity, we have “no shenanigans.” You can imagine using it and you know what shenanigans are and what they aren't. I know what the word integrity means, but I don't walk around saying, “Do I have integrity right now?” Integrity doesn't tell me how to act. It just says a thing as opposed to helping me make a decision. But when you are engaging in shenanigans or when you see shenanigans, you know it. You can call it out and people understand that, and that's where I think creating words that are accessible to people, understandable in everyday life and that could be used in everyday conversation allows your values to be adopted by people as opposed to them feeling like, “Of course they had to put them on the wall, because that's what companies do, but I go about my day doing something else.”

Q. One of your values is "ruthlessly prioritize." That's a big challenge for a lot of leadership teams.

A. We struggled with it for a long time until we realized that it is one of the most important things a company does. So we created our management system that we call BPMs, which is “big picture,

priorities, measures.” It’s got bits and pieces of OKRs and Marc Benioff’s V2MOM framework at Salesforce and the Amazon six-page exercise. There are a bunch of things we’ve taken from various other systems and created our own. The real meat of this system is prioritization. The big picture part is two or three sentences about what you want to accomplish over a five-year horizon. Priorities are the things we need to accomplish in order to achieve that long-term vision. Then we need a way to measure our work so that we know we’re making progress.

Q. That’s a more tangible framework than an amorphous word like “strategy.”

A. I think the word strategy should be excised from the world of business. It means something different to everybody, because it’s a vague, non-specific word. The crux of the question that gets answered by the BPMs is, “What do we really want to happen?” I find that whenever we get deep in the weeds and we’ve been arguing for 20 minutes about something and we’re kind of stuck, you take that step back and you say, “Hold on, what do we really want to happen?” When you ask that very simple question, usually you have this instinctive reaction. And that instinctive reaction is probably what you should put down on paper. If you say, “We want to grow the customer base,” then put it down on paper. Just say what you want so the company understands.

Q. What are the key qualities you’re looking for in new hires these days?

A. One of the things I'm always looking for is someone who's going to be a builder. We make a big point of saying that we're building this company together, and especially as you start to get bigger, there may be a sense that the company is already built. If at any point you lose that builder mindset, the company is kind of done.

So when I'm hiring executives, I'm looking for people who exhibit that builder mentality, people who recognize that this is Day One of what we're doing and that we're not here to just turn the crank. So how do you assess that in a person? I ask, "Tell me about something you've invented. It could be in your professional or personal life." If they can't answer that question, they don't think of themselves as a builder, because people who think of themselves as a builder have pride in things they have invented.

I also look for people who can take ideas and turn them into mechanisms, as in, how do you operationalize something and build a system to make it happen? I'll ask people to walk me through a time in their career when they've done that. If they've never done that before, they're not a builder, because builders have to systematically do that. Those are some of the things I look for to get a sense of whether this person is a builder at heart, or is this a person who essentially is most content with something that's already built?