

Jack Dorsey's public resignation announcement hits all the right marks

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Twitter and Square CEO Jack Dorsey.

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- Twitter CEO Jack Dorsey announced his departure in a staff memo later shared to his Twitter account.

- In the memo, Dorsey expressed skepticism about the founder-led model.
- Dorsey endorsed Parag Agrawal as his successor, writing, "My trust in him as our CEO is bone deep."

On Monday, 15 years after the company's launch, Twitter founder and CEO Jack Dorsey [announced his resignation](#) in a companywide memo, later posted on Twitter.

[In the memo](#), Dorsey expressed confidence in his successor, Parag Agrawal; announced the appointment of Bret Taylor to board chair; and criticized the founder-led model, calling it "severely limiting."

Twitter, like Facebook and Google, is reckoning with [growing pressure](#) to combat disinformation and hate speech online, and Dorsey himself has faced mounting criticism over Twitter's handling of behavior that seems to violate its policies. After rioters supporting President Donald Trump stormed the US capitol earlier this year, Twitter moved to [ban Trump](#) from the platform.

Insider spoke with the Fortune 500 CEO communications consultant [Eric Yaverbaum](#), and [Richard Levick](#), chairman and CEO of crisis public relations firm Levick, about Dorsey's resignation announcement. Yaverbaum said the memo both fosters confidence in the future of the company and sets up his successor for success. But he also believes it leaves out crucial details about what comes next for the founder, who will remain CEO of the digital-payments company Square

payments company square.

"It's very strong," Yaverbaum said. "It hits all the marks and makes it crystal clear that his continued presence isn't necessary for the company to continue growing in the future."

Leaving the business in capable hands

Dorsey begins the memo by owning the resignation as his decision, laying to rest assumptions of his ousting.

"I decided it's finally time for me to leave," Dorsey wrote, later adding, "I want you all to know that this was my decision and I own it."

Dorsey wants to alleviate any concerns about his abrupt resignation from Twitter, Yaverbaum said. Dorsey reminded readers that his successor, chief technology officer Parag Agrawal, has his full confidence.

"He's been my choice for some time given how deeply he understands the company and its needs," Dorsey wrote. "Parag has been behind every critical decision that helped turn this company around."

Dispelling myths that founder-led companies are more successful

Dorsey went on to suggest that the company has matured beyond its founder-led model.

"There's a lot of talk about the importance of a company being 'founder-led,'" Dorsey wrote. "Ultimately I believe that's severely limiting and a single point of failure."

Here again, Dorsey is reminding readers that the company will carry on without him.

"He definitely did that on purpose," Yaverbaum said. "The letter argues for why it's a plus that the company founders don't need to be involved for the company to do well. Which, to me, is Jack clearly trying to alleviate concerns about the future of the company."

Evidence on the success of founder-led companies is mixed. On the one hand, founder-led tech firms outperformed tech firms led by hired CEOs in 2020, according to an October 2020 report [in Reuters](#).

On the other hand, [some research](#) suggests that founding CEOs are often replaced even when they perform well because the challenge of building a company from scratch requires different skills than the challenge of leading a large company. Indeed, top tech founders like [Jeff Bezos](#) at Amazon and [Larry Page](#) at Google have stepped down from their CEO positions in the last few years.

Toward the memo's conclusion, Dorsey wrote that "there aren't many founders that choose their company over their own ego." Levick said he buys that logic. "Unless someone's been CEO of a company," he said, "it's hard to understand how much the ego plays into it," he said. "Not only is he writing humility, but he's showing humility."

But the line struck Yaverbaum as "a little passive." Because Dorsey is suggesting he's among the most selfless entrepreneurs in the business world, it comes off as a humblebrag, Yaverbaum said.

Emphasizing transparency

By publishing his resignation memo on Twitter, Dorsey "brings the public into what would typically be a more private sphere," Yaverbaum said. "It makes the public feel like they're part of the Twitter family" when they're privy to the same information as Twitter staff.

The "Hi mom!" addition is also an effective way for Dorsey to "humanize" himself, Yaverbaum said.

The only details Yaverbaum sees as missing are what led to Dorsey's departure and what he'll do next. "It raises questions about what really ultimately led him to decide it was time to step down," Yaverbaum said. "People are smart enough to know there are always things going on behind the curtain."

Levick pointed out what Dorsey is *not* doing as he transitions out of the CEO role. [Even though 85% of his wealth comes from Square](#), "he's not reforming the company as a holding company, putting Square and Twitter under one company," Levick said. "The next stories that are going to be coming out are, 'Why is [CEO Mark] Zuckerberg still at Facebook?'" he added. "You look at the founder CEOs who have left — we're now moving into a second generation in Silicon Valley."

Ultimately, Yaverbaum said Dorsey is leaving a positive impression on employees and on the general public with this letter.

"I do think that there's more to the story," he said, referring to the reasons for Dorsey's resignation. "But he did a great job."

Here's the full memo from Dorsey announcing his resignation from Twitter:

Hello team.

After almost 16 years of having a role at our company...from co-founder to CEO to Chair to Exec Chair to interim-CEO to CEO...I decided it's finally time for me to leave. Why?

There's a lot of talk about the importance of a company being "founder-led." Ultimately I believe that's severely limiting and a single point of failure. I've

worked hard to ensure this company can break away from its founding and founders. There are 3 reasons I believe now is the right time.

The first is Parag becoming our CEO. The board ran a rigorous process considering all options and unanimously appointed Parag. He's been my choice for some time given how deeply he understands the company and its needs. Parag has been behind every critical decision that helped turn this company around. He's curious, probing, rational, creative, demanding, self-aware, and humble. He leads with heart and soul, and is someone I learn from daily. My trust in him as our CEO is bone deep.

The second is Bret Taylor agreeing to become our board chair, I asked Bret to join our board when I became CEO, and he's been excellent in every way. He understands entrepreneurship, taking risks, companies at massive scale, technology, product, and he's an engineer. All of the things the board and the company deserve right now. Having Bret in this leadership role gives me a lot of confidence in the strength of our board going forward. You have no idea how happy this makes me!

The third is all of you. We have a lot of ambition and potential on this team. Consider this: Parag started here as an engineer who cared deeply about our work and now he's our CEO (I also had a similar path...he did it better!). This alone makes me proud. I know that Parag will be able to channel this energy best because he's lived it and knows what it takes. All of you have the potential to change the course of this company for the better. I believe this with all my heart!

Parag is CEO starting today. I'm going to serve on the board through my term (May-ish) to help Parag and Bret with the transition. And after that...I'll leave the board. Why not stay or become chair? I believe it's really important to give Parag the space he needs to lead. And back to my previous point, I believe it's critical a company can stand on its own, free of its founder's influence or direction.

I want you all to know that this was my decision and I own it. It was a tough one for me, of course. I love this service and company...and all of you so much. I'm really sad.....yet really happy. There aren't many companies that get to this level. And there aren't many founders that choose their company over their own ego. I know we'll prove this was the right move.

We'll have an all-hands meeting tomorrow at 9:05 AM Pacific to discuss it all. Until then, thank you all for the trust you've placed in me, and for the openness to build that trust in Parag and yourselves. I love you all.

jack

PS I'm tweeting this email. My one wish is for Twitter Inc to be the most transparent company in the world. Hi mom!

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