

Building blocks: Mission, Vision, Purpose, Guiding principles

These building blocks should be collectively defined by all Lido's stakeholders. It is not for me, or any single individual, to determine what should or shouldn't go into it. The best I can do is to humbly offer my suggestions and recommendations, and in doing so hopefully pave the way for a more fruitful discussion.

I know we all have our jobs, but that has to come from a deeper sense of purpose. You have to be driven by something. Leadership is not just about giving energy; it's unleashing other people's energy, which comes from buying into that sense of purpose.

– Paul Polman

Call to action

Following multiple discussions with long-time Lido DAO contributors and my own understanding of the landscape, these are the purpose, mission, and vision statements (see [here](#) for definitions) that I feel we have the most consensus on so far:

[Purpose](#) (why): Keep Ethereum decentralized, accessible to all, and resistant to censorship.

[Mission](#) (how): Make staking simple, secure, and decentralized.

[Vision](#) (where): A world in which Ethereum is the co-ordination and value layer of the internet.

Some questions that I think we should continue debating as part of this forum discussion:

- Do these statements ring true to all of us?
- Does it make sense to focus so tightly on Ethereum?
- Are we willing to do the hard work to internalise this purpose and make everything we do feel true to this core?

As I mention [below](#), purpose can be reflexive, in the sense that it can push us, as a DAO, to be better. But there's no free lunch. Doing so takes time. It requires a lot of hard and consistent work (an aspirational purpose needs to be embedded into the culture through consistent and frequent communication). If we aren't prepared to do this, then it will feel shallow and inauthentic.

So the main question in my mind here is not whether or not the DAO's current purpose is bigger than staking, but whether there's an appetite for it to be bigger. And if so, whether we're willing to do the hard work to manifest it. To me it feels like the appetite is there, but this is something that needs group commitment.

How did we get here?

Motivation

Governance arc

The substance of a DAO's constitution (its *raison-d'être*) should ideally come before the governance framework/design (the next port of call).

This is because the right governance framework (e.g. process and tools) is fundamentally dependent on what we plan to govern (and setting bounds on this is essentially the role of a constitution).

Put another way, governance happens primarily within the boundaries that the substance of a constitution gives shape to. But what exactly does the substance mean?

The substance, for the purposes of this document, is the animating purpose coupled with the mission / vision / values / guiding principles that make Lido what it is. You can think of it as a pre-formal social contract of sorts.

Once we have consensus over this foundation, we can start working out a functional architecture for a general governance framework, followed by the process and tools required to fulfil all the required functions in the functional architecture.

Communications / product arc

Today, there is an increasing acknowledgement that purpose defines both the direction of the organisation and its course, rather than simply messaging.

Going forward, we can expect purpose to only increase in importance as people look for greater meaning, greater understanding, and greater clarity on the organisation they work for, the organisations they engage with, and the brands and

services they use.

Rather than fitting a brand around a product, the strongest brands of tomorrow are building capabilities around a brand truth – the overarching promise or positive ideology that the brand has the credibility to enact (a credibility derived from the authentic expression of the organization's purpose).

Under such an approach, the brand effectively acts as a central organizational principle – the truth which brings everything together (therein lies the link between purpose, brand, and organisational design).

In sum, without a deep understanding of the DAO's purpose, as well as how to authentically express it (mission / vision / guiding principles), it is impossible to effectively communicate our brand truth; this in turn compromises our ability to build the most authentic product.

The next port of call on the internal communications front is to build out a brand platform and strategy around the truths contained in this document.

Definitions

Purpose is sometimes used interchangeably with Vision and Mission, which is wrong and can be very confusing. This was perhaps understandable a decade or two ago, as the language reflected an emerging set of thinking, but this should no longer be the case.

The interpretation and inter-relation between these three definitions is now accepted, even though many organisations do not yet fully appreciate it.

Purpose:

WHY the business exists, contributing something positive to people, and/or the planet. This should be short, memorable and aspirational.

Vision:

WHERE the business is heading, with a view of the world envisaged as being created by being successful in its purpose. This can be both a vision of the world and a vision of where the business is within that world.

Mission:

WHAT the business will do to achieve its purpose over a specified period of time. This can be seen as the specific strategy, the actions and operations which the business will conduct over a set period of time.

Purpose

WHY Lido exists (what is our animating purpose?)

...

Synthesis: Keep Ethereum decentralized, accessible to all, and resistant to censorship.

...

The above purpose is intimately tied to our [vision](#) of Ethereum as the economic and co-ordination layer of the internet. It focuses on the properties that are necessary to bring this vision to life.

Since culture necessarily emanates from initial visionaries (for better or worse), the first challenge here was coming up with a synthesis between Konstantin and Vasiliy's views of the world. Something which would feel meaningful to both of them.

Here are some relevant notes from those discussions:

K's Why

A world of equal opportunity, freer and fairer systems, an incorruptible currency for all humans.

Current state of things is not fair.

V's Why

Co-ordination without violence, credible neutrality, a global mechanism for credible pre-commitments.

Current state of things means no good way of enforcing agreements without violence. Need the digital equivalent of laws of nature.

For the first time we can have regulation by technology which enables software to be a protector and democratizer

Lido as protector

This beautiful line came out of a discussion with V:

Lido has a duty to keep the lights on for everyone.

V views Lido functionality as very much a protector/guardian of credible neutrality. A credibly neutral co-ordination layer is important because it gives birth to the digital equivalent of natural laws. This is such a fragile and difficult thing to achieve, that we have a duty to protect it.

In a sense this at the heart of Lido's story so far, starting with protecting Ethereum against CEX capture (while counterfactuals are always difficult, in the absence of Lido launching when it did it's not hard to imagine a present in which Ethereum's security layer has been [captured by](#) centralized exchanges).

Lido as democratizer

While this notion of democratization ("accessible to all") felt like an emergent property to some, an important number of people didn't feel that way. So it was important to make this property explicit.

Mission

WHAT Lido will do to achieve its purpose over a specified period of time (specific strategy)

...

Synthesis: Make staking simple, secure, and decentralized.

...

Some relevant notes:

- Lido DAO is committed to liquid staking first and foremost; this is the current focus and where the main strength lies.
- There was a long discussion on whether or not to include the word "secure". The rationale for including it is explained [here](#).
- There is a tradeoff between repetitiveness and simplicity. Both the Purpose and Mission statements have the word decentralized in them. That's ok.
- It's definitely ok for a mission statement to be more specific than a purpose statement. For comparison, Tesla's [mission statement](#) last decade was : Bring compelling mass market electric cars to market as soon as possible.
- If we dig down, our current mission actually has three parts: Make staking simple, deliver the best validator set, and reduce protocol governance risk.

Importantly, mission statements are not necessarily set in stone. They are expected to evolve as an organisation grows (note that this is in contrast to Purpose). For example, Patagonia recently updated it's mission statement

from:

Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.

to:

We're in business to save our home planet.

After having been led by the original statement for over 45 years, it made sense for them to do this in order to reflect the fact that the company had grown into a more integrated firm with a larger vision (a world in which nature prospers).

Inspiration:

Google:

to organize the world's information and make it universally accessible and useful

Patagonia (see above)

Apple:

To bring the best user experience to its customers through its innovative hardware, software, and services.

Vision

WHERE Lido DAO? is heading (can be both a vision of the world and a vision of where Lido sits within that world)

...

Synthesis: A world in which Ethereum is the co-ordination and value layer of the internet.

...

The words co-ordination

and value

surfaced as particularly important. As summarised by these complementary comments from two long-time contributors:

Contributor: value is the source from which everything else springs; without co-ordination there is no value.

Contributor: we choose to co-ordinate around things that are valuable.

One question that has come up after settling on this synthesis is whether the vision should be augmented to describe what such a world looks like. In other words, what has improved concretely if this vision comes to fruition? One angle could be greater economic freedom ("raising economic freedom everywhere"). My concern is that it might prove impossible to get consensus on a concise statement here, since Ethereum means a slightly different thing to each one of us.

Another question that's come up is whether or not we should include a vision of where Lido DAO sits within this world.

Inspiration:

Apple:

To make the best products on earth and to leave the world better than we found it.

Google:

To provide access to the world's information in one click.

Guiding questions

The first discussion with contributors brought to the surface the following questions:

- Is it ok for a Purpose statement to be general?
- Is our Purpose statement meaningful enough?
- Is it ok for the Purpose to be larger than what's been driving us so far?
- Should we express our commitment to security in the mission statement?

Is it ok for a Purpose statement to be general?

The short answer here is, yes.

A great example of a "general purpose" company is Microsoft. Their purpose after the arrival of CEO Satya Nadella was defined as follows:

To empower every person and organization on this planet to achieve more

Some more examples:

Ikea: To create a better everyday life for the many people

BlackRock: To help more and more people experience financial well-being

Telsa: We exist to accelerate the planet's transition to sustainable energy

Lego: To inspire and develop the builders of tomorrow

Airbnb: We help people to belong anywhere

The most important thing here is that it feels authentic. Do the words resonate? Does it allow room for an organization to grow?

A good purpose statement needs to feel at the same time lofty but meaningful. It's a very hard balance to strike.

A good purpose statement needs to be aspirational but not vague. It needs to be precise but not limiting, allowing room for a company to grow.

Is the Purpose statement meaningful enough?

Some contributors felt that there was something missing from the statement. Something that's specific to the DAO's soul.

Some relevant comments from contributors:

"One thing I love about the Lido protocol is that it enables ANYONE regardless of economic status to participate in securing the Ethereum network. That in and of itself is very democratic, fair and a reason I sense many small Eth holders really appreciate the protocol."

"It's really about democratising access and participation in the system of Ethereum, which is a system that is meant to be decentralized and censorship-resistant."

"Yeah I dig the democratizing angle. It's emergent for me personally (it's democratic because it has to be to work). But it can be core."

Interestingly, this concern was also mirrored in the discussion on Mission.

Summary of comments:

Democratisation is an important property of what we are doing.

Simple is not enough because it doesn't necessarily imply open.

Simple does not necessarily mean it's accessible.

Democratisation = Simplicity + Accessibility

It's clear there was something missing here.

Taking all the above into account, my recommendation was that we update our Purpose to reflect this commitment to democracy and accessibility, while keeping mission the same.

Can the Purpose be larger than the activities to date?

The short answer is yes. It's not necessary, but it's ok.

One of the most remarkable examples of completely transforming around a higher purpose is the story of Microsoft.

Upon becoming CEO, Satya spent the better part of the first five months with his direct reports asking some pretty fundamental questions about what the purpose of the company should be. They landed on [these words](#):

To empower every person and organization on this planet to achieve more

In the words of Chris Capossela (Microsoft's CMO):

I think that was the starting gun for a lot of change at the company. Over the past five years, we haven't changed the words. All we've done is to try to dig deeper into an understanding of what the words mean and how to bring it to life for our employees and for our customers.

The next phase involved embedding it into the culture through consistent communication, reflecting the time it takes to become a living, breathing part of the organization.

We've repeated it at every speech Satya has given, you hear people talk about it all the time in the halls. I don't think that gets done in a week. I think it takes a long time to really own every word, and I'm glad we took the time to make that.

What this shows is that purpose can be reflexive, in the sense that it can push you, as an organisation, to be better.

But this doesn't happen without considerable work.

Manifestation of Purpose takes time.

To ground this back to our reality, the first discussion with long-time contributors brought up a disagreement as to whether or not Lido's purpose is bigger than staking.

Contributor: It's too premature to say it's bigger. Staking is at the core of Lido, because that is the way it wants to democratise participation to this ecosystem... if we want to morph into an org that has a more abstract purpose, then we need to make this philosophy part of our day to day. Right now we don't think or act in those terms.

Contributor: That's largely but not entirely true - we float ideas... [along those lines] pretty regularly. It never makes it into concrete plans but it's there.

To re-iterate, purpose can be reflexive, in the sense that it can push us, as an organisation, to be better. But there's no free lunch. Doing so takes time. It requires a lot of hard and consistent work (an aspirational purpose needs to be embedded into the culture through consistent and frequent communication). If we aren't prepared to do this, then it will feel shallow and inauthentic.

So the question in my mind here is not whether or not Lido DAO's current purpose is bigger than staking, but whether there's an appetite for it to be bigger. And if so, whether we're willing to do the work to manifest it. It feels like there is, but this is something we all need to commit to.

Should we express our commitment to security in the mission statement?

Contributor: a commitment to security is obvious to us, but it's not necessarily obvious to everyone.

It's part of our DNA that we prefer doing 5 audits over a couple more integrations (or launching earlier for Shapella).

While there was general agreement that security is part of our DNA, the disagreement hinged on whether or not it should be expressed implicitly or explicitly.

There was a notable difference in approach here.

Contributor: You can show security without necessarily saying it.

Contributor: Why do folks choose Lido? because of security.

Since many people choose Volvo because of their commitment to safety, much of the discussion involved understanding how Volvo communicates this commitment (is it implicit or explicit?).

It turns out that [Volvo cars](#) (a subsidiary of Volvo group) does communicate it explicitly.

In particular, their mission is to make life easier, better and safer for everyone.

We have made it our mission to make life easier, better and safer for everyone.

For a better future. We want to provide you with the freedom to move in a personal, sustainable and safe way.

Safe is one of their three key words : Personal, sustainable, safe.

Safe

We make cars for people who care about other people. So when it comes to safety, we think just as much about your surroundings as we do about you and your passengers.

Many of the key phrases they use throughout their [initiative](#) re-iterate this:

Cars should protect everyone.

Some people are less safe on the road than others. That's why it's time to share more than 40 years of safety research – to make cars safer for everyone. Not just the average male.

The seat that reduces whiplash risk by half

The most effective lifesaver in traffic.

Volvo's co-founder, Gustaf Larson considers safety to be the guiding principle:

Cars are driven by people. The guiding principle behind everything we make at Volvo therefore is, and must remain, safety.

Volvo has even taken the time to articulate a specific [safety vision](#).

Aiming for zero

Our Safety Vision is one of the most ambitious safety visions in the automotive industry. It is rooted in our leadership in safety and the fact that everything we do starts with protecting the people inside and around our cars. Our aim is that no one should be killed or seriously injured in a new Volvo. While we are proud of what we have achieved so far, we are not satisfied yet.

It's important to note that putting emphasis on safety in the mission statement, does not mean Volvo considers its safety to be perfect. It does not mean nobody dies in a Volvo car.

Volvo specifically articulates "Three gaps to zero" in their safety vision: speeding, intoxication, distraction.

While we have come a long way, there are still a few obstacles on the road to zero fatalities in our cars. More specifically, our safety experts have identified three 'gaps to zero' that we will address striving for our Safety Vision

What it does mean is that they consider improving car safety to be a core part of their mission. Zero fatalities in Volvo cars is a North star.

Taking all this into account, my recommendation is that we keep the emphasis on security in our mission statement.

Lido DAO takes tail-risks seriously and puts security first. That doesn't mean it's perfect, but a commitment to always putting security first is a core part of its DNA.

Next steps

The hope is that posting this on the forum opens up the door to a fruitful long-form discussion around the call to action listed at the start of this [post](#). After a period of time has elapsed, these thoughts will then be synthesized into a follow-up post which will mark the beginning of a DAO vote on the matter.

Addendum: Guiding principles (WIP)

N.B. These principles aren't within the scope of the debate at this stage. I've included them here to offer a glimpse into the direction we're heading in.

Mental model: a new contributor should feel free to do what they think is best for the DAO, subject to these principles.

It's important to note that these are guiding principles, not operating principles. Some are abstract and hard to operationally pin down – and that's ok. A great Constitution will always contain both – in fact, social schelling points which are impossible to turn into operating rules are of particular importance (but that is the subject for another post).

Below is an attempt to distil Lido DAO's essence into a set of guiding principles. These principles have so far primarily come out of discussions with K, V, and H.

A contributor has voiced a valid concern that "Treat others how you would like to be treated (with respect)" feels out of place, since it's the only principle that is centered around the human aspect. A question worth reflecting on: Is this the only principle that matters on this front? Or should we spin this out into a separate set of human-centric principles?

While some of these may feel abstract at the moment, the plan is to flesh them out with concrete examples from the DAO's past. In particular, the examples should give us a feel for what the outcomes have looked like when we've violated these principles vs what have the outcomes looked like when we've adhered to them.

- Self-regulate through technology and incentives, not laws and promises.
- Minimise root-level governance, and favour solutions which push power and complexity to the edges.
- Favour long-term over short-term games.
- Increase Ethereum's technical, geographical, and jurisdictional resilience.
- Don't detract from Ethereum's ability to resist or recover from an attack.
- Build products that are simple, composable, and mistake-proof.
- Only do things that have a reasonable chance of being best-in-class.
- Embrace radical transparency and seek-out constructive feedback from believable people.
- Be scrupulously truthful even if the truth is inconvenient.
- Don't shy away from touching meatspace.
- Favour pragmatic activism over dogmatic idealism.
- Treat others how you would like to be treated (with respect).
- Abide by a philosophy of subtraction (less is more).
- Think big, for thinking small is often a self-fulfilling prophecy.

- Bias towards measurable actions, for if it can't be measured, it can't be improved.

Inspiration:

- [Principles / Oxide](#)
- [Amazon leadership principles](#)
- [Bill Ackman's 8 principles](#)
- [Bertrand Russell's 10 commandments](#)