

Steve:

Andre, it's been a few years since we've connected for a chat. I think slowed down by COVID and a few other challenges along the way. And I've got a chance to chat with you briefly at the latest Identiverse and also at the RSA. And first and foremost, thank you so much for agreeing to take a few minutes to chat with me about entrepreneurship and innovation on what I call the Nonconformist Innovation Podcast.

Andre:

Steve, it's a pleasure to be here. It's good to see you.

Steve:

Thank you. Likewise. Before I dive into some of the bigger questions, I thought we'd lighten it up a little bit and have a little fun. What MP3 or playlist last played in your car or your iPhone?

Andre:

Oh, man. So I've got two playlists on Spotify, one called Road Trip and the other called I'm So 2000, which is a throwback on my daughters, who think I haven't listened to a new song in 20 years. And they're actually, if you listen to Road Trip, you're probably right. So no, I'm thoroughly kind of stuck, honestly, probably in the eighties and nineties. Just music I listened to as I grew up and I'm not so good at listening to the new music, unless my daughters are showing off.

Steve:

You and me both. I think, during the summer months I listened and watch a lot of concerts on DVD. So Foreigner's in the mix.

Andre:

There you go.

Steve:

Genesis. And a few of those kinds of bands. Love the eighties rock. What is the last concert you went to? And who did you go with?

Andre:

Oh, the last concert. Well, I'm going to have to think about that one, because it's been a little while. But I can tell you the one I'm going to hit.

Steve:

And you can't use one that was at an Identiverse or a [inaudible 00:01:43].

Andre:

I actually don't do a lot of concerts. I am going to go see Mötley Crüe here at the end of the month. So again, I'm stuck thoroughly in the eighties.

Steve:

Very much so. That's going to be a good one and you'll have to follow up and let me know how that goes. Let's kind of dive into this. At RSA, we chatted very briefly. I was lamenting a little bit about how hard entrepreneurship was and you had a few thoughts in mind, but we couldn't go into them. So let's start there if we can. And first and foremost, a little bit about your story with entrepreneurship and building companies. So the question is, when did you decide that you wanted to become an entrepreneur? Was this somewhat of an accident? Or was it more intentional? And what motivated you to do it, to start launching and building companies?

Andre:

Well, I think my entrepreneurial journey kind of began as a kid honestly. I used to scrounge dumpsters behind bike stores for frames that they throw away, bring them home, paint them up, fix them up and then, take them to the swap meet. And I've got a lot of stories of buying and selling things at the swap meet. One that comes to mind is, I remember walking into a toy store. Gosh, I must have been maybe 16, 17 at the time, cause I knew I was driving. And it was just before Christmas. And I remember seeing a gigantic wall, hundreds of games of, I think the company was called Toys of Wonder Laser Tag. And at the time, laser tag was \$49 for a set of laser tag and they were selling them for 9.99 a piece.

Andre:

And I remember thinking to myself, "Gosh, it's three months before Christmas. The company's gone out of business. Clearly, they bought their whole inventory and they're just getting rid of the entire inventory. So I'll buy the whole store." And so, I did. I bought all of the games. It was like 1,500 bucks or something like that. They had 150 of them and it was like seven carloads home. And I put them all in my room to the point to where, if you walked in my door, there was a path to get to my bed. But short of that, it was a seven foot wall of laser tag games. I remember telling all my friends, "Hey, I have all these laser tag games. If you come over and we're really careful, we can play laser tag, just don't scratch them. Cause I'll put them back in the box and I'm going to sell them at the swap meets."

Andre:

So we did that. And of course, a couple of the games, couple of the laser tags weren't working. So I remember, the next weekend, going back to the store with a few boxes thinking "I'll figure off I can exchange these or get my money back." And I walked in and right as you entered, there was a wall of laser tag games, even taller than the one I had just bought. And I thought, "Oh my gosh, I'm so screwed." I thought I was going to corner the market in Santa Barbara before Christmas on laser tag games and sell them at the swap meet.

Steve:

A great age to learn about supply and demand.

Andre:

It was a great age to learn about. And about having a conversation like I just assumed I had bought them all. Well, no, the warehouse had lots more. They figured if Santa Barbara sold out, something must be going on. We'll just ship you more. So then, I had to borrow \$1,500 from a friend, buy all those laser tag games and tell them "You will not ship anymore games to this store." I ended up spending the next couple of years, Sunday morning, thinking to myself, "Why the hell did I do that?" Getting up at four in the morning with a car full of laser tag games. And then, you'd have people walk by and go, "Oh, there's the kid with laser tag."

Steve:

And you were 16, you said?

Andre:

I was 16. So I had always been... Yeah, I would say, the entrepreneurial gene was always there. I was always looking for something new to build and sell.

Steve:

I'm curious, knowing you have two daughters, what lessons did they learn from you growing up in an entrepreneurial household about business? And what do you think it's important for young entrepreneurs to know?

Andre:

I think maybe the biggest characteristic I've observed is that we definitely don't overthink things in the beginning. So the first step is always the most important step. And oftentimes, the first step is just you telling yourself you're going to do it. The next step is telling others that you're going to do it. So now, something is at risk. Your word and your reputation is at risk and then, actually doing it. But the first step is never any bigger than just taking the first step. On the first day I started Ping, I knew nothing about identity or security or frankly, enterprise for that matter. Prior company was Jabber. We sold to Telcos and it was messaging related. So communication's not security related.

Steve:

So wait, you didn't know anything about identity or security or the enterprise, which is three things Ping Identity is known for today. You're one of the top three companies in the world that do this.

Andre:

Zero. Zero. I just had an intuition that what could be more important than your identity. Your digital identity in a digital world. But I remember thinking, okay, it was 11 o'clock in the morning. I just got emails set up and I had no emails. And I was like, "Well, I need a logo." And so, I got out Photoshop and did a logo. And for jokes, I added Worldwide Headquarters to it. Of course, it was just myself and one other person on that day, on that first day. This was back in 2002. And then, I finished about two o'clock, took a photo and said, "That's a good day's work." And I went home. So the first step wasn't that big when you really think about it.

Andre:

It was make a logo, tape it to the door. And then, the next day we'll figure out what I should be working on. But I guess my point is that there's a certain confidence and a certain risk appetite that goes along with entrepreneurship. And I've seen really people much more intelligent than myself, essentially, want to analyze every risk before they take the first step. And invariably, they talk themselves out of ever taking the first step. So and by other terms, you would call that analysis paralysis.

Andre:

And entrepreneurship, there is a bit of, especially in the beginning, unless you truly know your market and you've been doing something in that market for a long time. And now, all of a sudden, you're going to break out. But oftentimes, in entrepreneurship, you don't find that's the case. You find people

stepping into markets that they don't know or necessarily come from. And they're willing to take that risk and they have... Yeah, I'd say that's probably one of the biggest things that I've seen and learned. So really, I've just encouraged my girls to not be afraid of taking that step, even if they don't know everything.

Steve:

Yeah. When you're looking at the odds that are stacked against you from day one, which is somewhere between eight or nine and a half out of 10 companies will fail. Startups will fail that you don't have very good odds at the onset. So maybe the fact that you didn't know a lot about identity at the beginning means you didn't psych yourself out about getting started.

Andre:

That's exactly what I'm describing. And I think the stat is 95% of all companies within five years don't exist. So yeah, the odds are against you. I actually looked up, when we crossed 50 million, I looked up the number of companies that ever get to 50 million. And at the time, it was one in 10,000. One in 10,000 companies will ever get to 50 million. I recently looked up the statistics for companies that achieve a billion. It's one in 1.5 million companies ever get to a billion. Yeah. The odds are not with you, but that doesn't mean that you shouldn't try.

Steve:

And you must have had a pretty good co-founder, I hope, who knew a little bit more about identity than you did.

Andre:

My co-founder, as it turns out, knew nothing about identity either, but was super smart. And look, if you're inventing in an industry, you're doing just that. You're inventing. You're not satisfied with what is. The presumption is it can be done better. It can be done faster or easier or cheaper. And I think that opportunity does exist in every market. And so, you walk in with that mindset, just knowing "There is a better way. I just haven't discovered it. I can do it better, faster, or easier." And you go in with an open mind and with a growth and a learning mindset, and it might take you a little while to get your feet underneath you. But eventually, you'll discover that. So my partner here at Ping was a gentleman named Bryan Field-Elliott. He and I had... He was also my co-founder of my first software company, which goes back to 1993. So we'd had a lot of time together. And I knew that, together, we would figure it out.

Steve:

That's really rich, because I think a lot of people are just going to psych themselves out before they even get started. So after getting started, you're into this a few years, or maybe you've had a couple of companies under your belt, I think what you and I both know and what anyone who's ever tried this has learned that being an entrepreneur is really fricking hard. So you're just now celebrating the 20 year anniversary of Ping Identity. What have you learned or found that helps to ease the pain to get through some of the early crux moves or strategic milestones that you need to hit in the early days of a new venture?

Andre:

Well, even small mistakes can kill you early. And so, you're kind of rightfully on edge and always feeling like you're a dollar away from not existing, so to speak. And the truth is, in a lot of early companies that

aren't well capitalized, you probably are a day or a month away from not existing. I think, as I reflect a little bit, they always say that persistence and grit, determination are really one of the primary inputs to success over the long haul. And I certainly have found that to be true. I'll add that there's a mindset that goes along with it as well. And the mindset is, you got to believe. There's a certain level of optimism that says "You will survive. You will get through it." I was fortunate that I always had that.

Andre:

So would accompanied the grit and the determination underneath it was actually a belief that I was going to be successful, whether the belief was founded or not. I always like to say entrepreneurs have an unfounded confidence. That's not necessarily becoming of the real situation and the circumstance, and you can see it. And sometimes that unfounded confidence gets met in the market and is proven to be somewhat true, but you wouldn't do it at all if you didn't have that confidence that everything is going to turn out. And by and large, through three companies and roughly 35 years now, it has turned out that optimism was not unfounded.

Andre:

Now it was never necessarily as easy as I might have thought originally. Everything takes longer and is harder. And like to say the world, the world filters out the uncommitted. And so, and certainly I've observed that, but where you are committed, you can also bend reality. And I've seen that one too. So as much as everyone around you in the world is really kind of throwing obstacles in your way, largely, to determine whether or not you're committed and they should believe you. The second you start to demonstrate an unreasonable amount of will to overcome those obstacles, everyone that was throwing those obstacles at you start putting their back behind you. And then, the tide turns and you experience something very, very different. And that's what I mean by willpower bending reality,

Steve:

Very powerful. I'd like to dive into that with you in just a second. We're going to spend a few minutes talking about innovation. One more note about entrepreneurship, which I've been in this role, I've seen others in this role. Maybe you know it because in hindsight is 2020, how you've had some behaviors or habits or just things that were sabotaging your own success or that you can now, with 35 years experience, more easily see it in others. Congratulations, by the way, Ping Identity just launched a adventures effort. So I think you might have a lot more coaching and mentoring in your future of young entrepreneurs or early companies. But for their benefit and for other entrepreneurs benefits, how do you see them sabotaging themselves that maybe are easy midcourse corrections or easy correctable things that they can do to make themselves and their companies better?

Andre:

Boy, maybe the biggest thing that I've observed is that there's a certain amount of... Oh, what's the right word for this? Conviction. That entrepreneurs, many of them have, and the conviction can either serve or hinder you. Almost kind of think of this as like a dog on a bone. So I think what I've observed is that if you know, roughly, where you want to go compass wise, like we're heading north, what I've found is that there's many paths to success heading north. There's not one path to success, but maybe one of the places I've seen the most sabotaging is where founders or entrepreneurs believe that there is one and only one way in which to get there. And so, they become very rigid in how they pursue their goals or their future. And they don't realize that there's always a wandering in the desert phase of any new company.

Andre:

You could come with your best guess at the way in which you think the world will unfold. Somehow you're going to meet it there. And then, there's reality. And reality, oftentimes, is messier and requires more detours, but they're just unwilling to take any detours. So they're so impatient to get to the perfect world that they envision that they just miss the opportunity to be agile in how they approach moving north, so to speak. Maybe you need to move south or west, or even backwards at times, in the short term, but you're still moving forward or north in the long term. That rigidity really can work against you.

Steve:

The rigidity comes from, at least for me, I had spent 15 years in the identity and access management space. So I had a pretty solid conviction about some things. And maybe that was to my own detriment, because I felt maybe I had preconceived notions about how things should be versus really talking less and listening to customers or advisors or the market and letting them help you inform your strategy.

Andre:

I think you've pretty much nailed it. And the world is always messier than we would like it to be. Let's just acknowledge that. Entropy does ultimately take us all. We battle against entropy, but ultimately, we will all lose the battle of entropy.

Steve:

Let's shift from focus on self sabotage to actual problem solving. When you personally get stuck on a problem that you're struggling to solve, how do you think objectively about problem solving? Where do you go? Who do you talk to?

Andre:

That's a great question. So first of all, at any moment in time, there are a number of what I call burning questions. And I actually have, for years, maintained a list of my burning questions. Typically, a burning question is something that is really important and the answer is not obvious. And it requires a lot of both knowledge, a lot of context, and a lot of analysis, essentially, to come to the right conclusion. Hopefully the burning question is not urgent. Many of my burning questions are important, but not urgent. And so, you like to sit on those questions for a while and not rush to answer them. I always seek advice on my burning questions. So when I have a very important burning question and I don't have an answer to it, typically, I don't have an answer to it, because I don't have enough knowledge or data to have an opinion on the particular question.

Andre:

So then, I, essentially, go into opinion seeking mode and listening mode and attempting to find an individual or a customer or an advisor or a board member who has expertise in that area. And I, essentially, ask a lot of questions and listen intently. And over time, when you do that, you will start to gain a sense for the problem in a more mature way, shall I say, by all of those conversations. And at one point, you'll probably have an answer. It's not necessarily the right answer, but at least you'll have a point of view and you could make a decision and begin heading in that direction.

Steve:

How do you prioritize your list of burning questions? Do you have a time horizon for them, maybe, relative to cost or complexity?

Andre:

Most of my burning questions have not been up against the backstop of a deadline per se. And so, and most of them eventually get resolved in the normal course of business. Cause your mind is always subconsciously working on burning questions. At any moment in time, I might have a dozen that are super important, but not urgent. And you will pick up tidbits through conversations that will add to the knowledge base that will eventually lead you to a conclusion and lead you to a decision and an opinion on the matter. So it's almost like they say, go to sleep and ask your subconscious a question and let it solve it in your sleep. In some senses, what I'm describing is similar to that.

Steve:

I've heard that before. And I haven't talked a lot about it with other people, but I feel like that has been a really interesting source of breakthrough ideas, if not in the shower.

Andre:

There's actually been a lot of science on that recently. I wish I could remember the book or article that I was reading, but they were describing your mind's ability to problem solve and recognize patterns is immense, vast, as they said. So if your frontal lobe and your conscious mind was, say, the size of a bread box, your mind's ability to solve deep problems in creative ways is the size of the Milky Way. And the way in which you both enable and tap into that, they said, your mind is at its best in solving deep, hard problems when it's calm and when it's rested. So it's the reason why in the shower, in the morning, you tend to solve a lot of problems at those moments. Because your mind is rested and the busyness of the day hasn't essentially taken over, if you will. And that vast Milky Way of neuronal connections can work in very mysterious ways to essentially connect the dots and solve problems.

Steve:

If I'm connecting the dots from everything I've learned from following you over the years, Andre, you were on a boat in the Caribbean when you came up with the ideas for Ping Identity. You were on vacation when you thought of Identiverse and came up with the logo. Is that evidence of how you need to calm your mind to make and allow breakthrough ideas and to solve hard problems?

Andre:

A hundred percent. Or at least make observations about the way the future could be. So on the boat, back in summer, late summer, early fall of 2001, it was really the first time I'd had in several years where I had taken a little bit of break. It was a sabbatical and my mind was calm and rested. And in the vastness of that rested state, my mind was able to observe certain things about the nature of technology and computing, which eventually led me to the A-ha moment that your digital identity was going to become exceptionally important in a digital world that we needed to trust and transact with.

Andre:

And as a matter of fact, I've kind of learned having an itchy brain and lots of ideas can be destructive to an org or at least can feel very frenetic. So over the years, I've actually had to learn to calm that. There's only so many ideas that a company can absorb. And so, over time, you have to learn how to focus your creativity and focus on the problems at hand, not solving new problems, which are not in line with your

business. But no, you're absolutely right. A calm, rested mind is in the best position to solve the deepest, hardest challenges.

Steve:

So 20 years later, you're a public company now. Let's talk about this problem, how you have solved it, or how you think about solving politics, turf wars, and personal priorities that can derail your vision or your company's best innovations. What approaches worked for you to harness the power of innovation while minimizing those risks that come up? And like you said, the dysfunction, the lack of alignment, et cetera.

Andre:

It's such a deep question. I think I will start with, there are different skills that different individuals possess. Some that make them optimized to create some semblance of order out of either nothingness or, call it, a blank whiteboard. Some people really, if you said solve a problem and then you drew how to solve it on the whiteboard and said, "Go, do this." They would say, "Why did you solve that for me?" I really like tackling and solving the problem and there might be other ways to solve it. And I want the freedom to... And I love the ambiguity and the nonprescriptive nature in which I get to operate. And so, some people are really, really good at that. And those are the types of personalities that you like to put on hard, new innovations. You don't want to be prescriptive or tell them how to do it.

Andre:

You want to present a challenge or a problem or an observation that you think you can improve and ask them how they would solve it. And don't tell them how you would solve it. So I do think that there's a personality and a DNA that goes along with the ideation of problem solving. And they're important. But for long term success, you need at least two other types of individuals. Those people tend to get bored the second they've solved the problem. And I haven't implemented the solution to the problem, but they've conceptually solved it. But they're not interested in building the machinery that would take the answer and scale the answer. So there's a different type of personality that you would put on taking the initial ideas from one or more of those individuals, those kind of more innovative mindsets, and applying it to building a product and then, staying with that for many years.

Andre:

So I do think that winning holistically in innovation is a matter of constructing a team. One that can ideate. One that can activate. And one that can execute over a long period of time and making sure they're all in the right seat on the bus that is appropriate for their skills and capabilities. But I think once you recognize the skill sets of folks and you can, and by the way, people aren't neatly in any one of these categories. You find people that span categories. Some people can ideate and activate, meaning get everyone excited about it, marshal resources at the same time. But I think, largely, once you identify the skills that you have and you get the right people on the bus and the people into the right seats, then things can naturally, in a very fluid manner, begin to work and innovation.

Andre:

You can start to become successful with innovation. I think the bigger challenge is, once you have something that does work and you're scaling and building the processes and the procedures and the machinery to truly scale it, adding innovation into that existing structure can be extremely disruptive. So I think the bigger challenge for companies is maybe they've innovated once, once they've experienced a certain amount of success, and now, they're scaling that early innovation. And you ask them to innovate

again and do that within the same company, it becomes organizationally extremely challenging to do that. And a lot of companies fail at that.

Steve:

I don't know if you saw this, it must have just been a couple of weeks ago. I saw Marc Andreessen give the advice to find the most technical person in the company and make them the CEO. Did you see or hear that? And that sounds...

Andre:

No, I didn't.

Steve:

It sounds counter to what you are saying. I was fairly technical before I became a startup CEO. And I think one of the mistakes I made, in retrospect, is that I didn't spend nearly enough time thinking about building a team versus how much time I spent about building a product and a platform and going to market. And based on what you just described, I think that really hinders a company to go from zero to 10 or the first 30 dozen in customers or definitely going from the first 10 customers to the next 100.

Andre:

Well, I've got to reflect on his comment. I'm sure there's something he's a very thoughtful individual. So I'm sure there's some observation or some belief that is kind of deeply embedded in the trade offs of what type of personality do you put at the top. And like everything, there's always pros and cons. Some personalities tend to optimize more on near term execution. Some can optimize better over long term strategic moves. I'm sure there's people in the middle, but that entire notion that Jim Collins described, get the right people on the bus and then, get them in the right seats really does resonate with me. And my observation is anything that achieves a certain amount of success must be scaled. And the only way to scale is to recognize all the different skill sets required, ultimately, to make up the fabric of a company. And it really is a fabric. Winning is a team sport. Moving big rocks is a team sport. So getting the team right and getting all the right people on the bus and in the right seats is just incredibly important.

Steve:

And still, even if... This was in... I just looked it up really quick. If you're curious, it's a June 22 article on McKinsey & Co "find the smartest technologists in the company and make them the CEO." But even if that resulted in the best technology, that still doesn't guarantee success. Let me share this quote. And I know you're familiar with it. The famous Peter Drucker quote that says "Culture eats strategy for breakfast." This implies the culture of your company always determines success regardless of how effective your strategy or your technology may be. How do you spend and allocate time on company culture now? And what do you find that's hard about building and maintaining the culture?

Andre:

Well, one of my mantras is that culture is not a spectator sport. And one of the questions I ask and one of the things I look for in new employees is why are they joining Ping? Are they joining because we've received the best place to work many times over and they've heard it's a great culture and they want to join the company that they believe is a great company? And joiners, to me, are spectators. It's not to say it is bad.

Andre:

I'm certainly flattered when someone says that they want to join the company, because they've heard it's a great company. But what I really look for is think of a company as a blank canvas. I want people to view Ping as a vessel in which they believe that they can achieve their best self or their best work. And those are builders, not joiners. And so, I do think that paying attention to the types of individuals and the motivation as to why they want to join the company really matters in the culture. And that beyond that then, I have simplified what we strive for here at Ping down to really kind of a one liner.

Andre:

And I refer to this as 10,10. So if you think of an X and Y axis. On one axis is your performance. And on the other axis is your attitude. So said one, said another way. One is the results. And the other is the how. 10,10 is in the upper right hand quadrant where the performance and the results were there, but the how was not sacrificed. So you didn't sacrifice how you got the job done. There are ways to get the job done that sacrifice our humanity or sacrifice the way in which we treat people on the way to the result. To me, that would be a lesser win. You could perform at a 10, but have a toxic culture and be at a zero on that dimension. And that would be a single dimensional or what I refer to as a shallow win.

Andre:

So I like people to focus on and appreciate that a job must get done and the job needs to be done on time, needs to be done well with high quality, but don't sacrifice how you get the job done and how you treat people in the process of getting to the number. We're people, not spreadsheets, at the end of the day. And as we said, well, we'll remember how others made us feel, not what was said. To me, the essence of a healthy culture is embodied almost in a single feeling. And that is the feeling that everyone around you at that company wants you to be successful. That's it. Healthy culture is one where everyone around you feel wants you to be successful. And the way that I instill that right from day one is... Well, there's two things that I do.

Andre:

Number one is we publish a red book, which is a statement, an explicit statement of how we expect addentions to play the game. So it's really our cultural values kind of encoded in a number of statements, which capture everything I just described. That's point number one. And then, number two, especially through COVID, I do an addention connection with all newbies within the first couple of months of them joining. And it really is a Q and A session and opportunity for us to introduce one another. But invariably, I always have an opportunity to describe 10, 10 and distill the essence of the great culture which they've heard and read about, now are experiencing, down to its core point, which is when someone joins Ping, they've got a million questions. This is a very deep, complicated space. And they're probably going to be learning for 10 years straight, if they're growth minded and curious.

Andre:

This is a very, very deep space, which means everyone around them probably has an answer to some question. If so, when a newbie asks a question of somebody and the answer is, "Hey, I'm not your boss. Why don't you go talk to your supervisor? I don't have time for you." The second that's the answer. You do not have a collaborative culture where newbies feel as if everyone is vested in their success. If the converse happens, which no matter who they ask, they say, "Hold on for a second. I'm going to help you." And they take time to pause and answer the question for you. And it doesn't matter if they're in

your department or what title they have. All of a sudden, the culture becomes what I call a very constructive, healthy culture.

Steve:

I haven't worked for Ping Identity, but I have attended quite a few cloud identity summits. And just by observing your approach and style, your approachability and your openness at the community types of events is something I'm not surprised or at least what would be surprised if you didn't model those same kinds of behaviors and values in your organization. We talked a little bit about this at the beginning. If the CEO or the leadership staff are neurotic, their organization's going to be a bit disorganized or in disarray. So you really have to embody your values and walk the talk.

Andre:

Well, thank you for that. You're right. The way that I show up to a Identiverse on behalf or a steward of facilitating the community of the identity industry is identical to how I show up at Ping. And the mystery of success, maybe, isn't that much of a mystery. Show up, have a good attitude, work hard. And if you do that repeatedly day in and day out, you're going to be successful. I would say that I had very humble beginnings. It wasn't easy in the beginning. It was very hard. I was tested in many ways where my resolve and commitment was. And those days are not that long ago that I've forgotten them. It was hard starting Ping in the early years and for many years, and in different ways, continues to be hard and challenging. And so, I do think that if you've... And life has a way of sufficiently humbling people over time. And certainly, I've been sufficiently humbled, but I think in a positive way. I try to show up and be open-minded to what I don't know and receptive to what others do.

Andre:

And as I say, be kind, because life is short and people can get awfully focused on a single dimensional win and give up things of high value in pursuit of things that, frankly, at the end of the day have less value. And so, I just always try to remember that.

Steve:

You can't force people to care about their job, but I think what is interesting, I think what's very powerful for your company and your culture is that you are the founder. You've been there for 20 years. You've hung in there. Things might change after you leave the company, but for right now, things are working out really well for you it looks like. We once had a conversation at a Ping Identity partner event. You explained to me that you were working on avoiding your own entropy. That was a partner event. I think San Francisco 2018 was what I put down in my notes here. What have you learned about avoiding entropy and improving business performance? What did you discover since that conversation, over the past three to four years?

Andre:

Well, if I actually said "avoiding entropy," then I'll start with saying, there's no avoiding entropy to begin with. At the end of the day, life, as we know it, and all order will, ultimately, come to entropy in the grand scheme of the universe and the physics of the universe were but a blip or a blink of order amongst, essentially, the physics of entropy. So maybe say it another way, entropy happens. I don't know that you can avoid it, but you can develop skills and techniques and ways in which to respond to the inevitability that everything is becoming unraveled when you're not paying attention.

Andre:

And environmental conditions are changing, whether you like it or not. And in some ways, that represents an unraveling or an entropy of things that you're trying to keep in order. So maybe the first step is to simply acknowledge that it happens and that it's natural and that our jobs are to create order out of chaos and then, to sustain that order in the face of chaos. And for that, it requires incredible skills and energy and persistence and acknowledgement, like I said, that things are always changing and our jobs are to respond to those changes and do so in an orderly fashion.

Steve:

Or maybe you said something like "fighting your entropy," but your point is well taken. I guess, so shortly after that, you took your company public, and I guess, in retrospect, there was a lot going on in your mind at that time. How has your approach to leadership evolved since going public? And as you say, it's just about constantly adapting. Has anything changed in this new world of Ping being a public company?

Andre:

Well, maybe the biggest thing to kind of appreciate is that the formula happiness equals reality minus expectations. So you have to think about that one for a second, if you haven't heard that. And I wish I could credit the... I'm sure that formula has been around for a long time and repeated over many times over, but boy, there's just a lot of truth in it. Happiness equals reality minus our expectations. What you discover in that formula is that you have the opportunity to manage or, in some ways, control the emotional state, not only of yourself, but of those around you. And so, as a public company, you set expectations with guidance and then, you either meet, exceed, or do not meet that expectation that you've set for the market. And the happiness of the market lies in the balance of that equation.

Andre:

So if you've set expectations too high and reality proves to be something different than that, then you're going to disappoint. And if you set the expectations reasonably, and then you overachieve, the reality is greater than the expectations. Well then, everyone around you is happy. So I think, being in the public markets, now you're not just doing that for your employees, but now you're doing it for an investor that doesn't have all day to just sit and ponder and think about the performance of your company. Many of these investors have, especially institutional investors, have many places in which they can choose to place bets. And they can click a button and bet on one company and click a different button and bet on a different company. So the market is very fluid in that respect. It's not like a private company where you make a bet and you're forced to hold onto that bet until some transaction happens here. The liquidity in the markets moving in and out of investments is both wonderful, but also a big challenge.

Steve:

Your pool of stakeholders hasn't dramatically increased.

Andre:

It's increased in the variability of how they view the world and what they believe to be success or failure. Also, the variability is quite a bit wider, so it just requires more thoughtfulness on the future and your ability to forecast and predict the future needs to be done with more precision than otherwise. So I would say, probably, that's the biggest thing. This changes you. The forecast ability of your business, the maturity of your business to forecast obviously has to come quite a ways, but then, just

acknowledgement that you're in control of the formula. Happiness equals reality minus expectations. And there are significant consequences for not meeting those expectations. You just have a real appreciation for that.

Steve:

Without a doubt. I can wrap this up in two more questions, if you got the time, one about your legacy and one about community building, if it's fair to ask this of a public CEO. You can plead the fifth or strike the question. But I think, as I look at your history, I also think about the future. How do you think about the future at Ping Identity maybe at a time when you're no longer there? Or put another way, what do you see as your legacy that will be important for future generations to know either within your family or your team or future leaders?

Andre:

I would hope that the legacy that endures is not the what, but the how. The what will change. There was a period of time we solved authentication and single sign-on challenges for large enterprises. And then, we expanded into a whole slew of other mechanisms, which on their own right are important. Keeping the digital world secure and trustworthy is vital to a functioning digital economy and, frankly, to a society. So it's not a trivial pursuit what it is we do for the companies and banks and airlines and hospitals that we serve. If Ping doesn't work, planes don't fly and banks don't transact. So it's incredibly, incredibly important, but the nature in which those problems get solved will change over time. What I hope people would appreciate is that every company has really multiple layers, if you will, of responsibilities.

Andre:

One of those responsibilities is, I believe, a responsibility in society to treat employees well and treat customers well. The values matter, the how matters, in the pursuit of the what. And a functioning society that enables and provides the opportunity for companies like ours to thrive is a real gift and one not to be taken for granted. So said another way, I think the 10, 10 value system, getting the job done, but getting the job done the right way in the balance of how we treat one another, how our company shows up to our customers, and how it shows up to the broader constituents in which we operate, the countries that we operate, the communities that we operate.

Andre:

I would hope that that is enduring and that the employees and the shareholders that have backed Ping and the customers that have entrusted us with their security can see and experience a company that thinks long term is always thinking in the balance of how to create a win, win, win, and not a win lose. I feel as if any company that manifests those behaviors, I would hope that they endure and succeed along all the traditional ways in which investors and others believe success is accomplished, but also recognize it was done responsibly.

Steve:

I like that. And I know your company has an interest in ESG and stakeholder interests and achieving going towards net zero and carbon emissions. And I'll save that for another conversation. A lot of great information about it is on your website. Final question. And I wanted to get to this. Just with a reflection on cloud identity summit and Identiverse over the years, a few of us identerati compared notes at RSA, just a couple of weeks ago at your event. And in one conversation, it was interesting. There was a

comment made that this individual I was talking to felt like cloud identity summit in 2013, in Napa, was a pinnacle of our career and our success. And he said he's been chasing that high ever since. As you reflect on CIS over the years and now Identiverse, what has been a key insight or lesson learned for you? And are the best of times for our industry behind us? Or are they still ahead?

Andre:

Well, I'm an entrepreneur and an optimist. And so, I always want to believe that something better is in front of us, not behind us, and that we control whether or not that's a true statement or not. I've had a number of people through the years say, "Hey, Ping at 80 people. When we're a hundred, we're going to lose our culture, or at 300, we're going to lose our culture. Or a thousand." Or now, we're approaching 1500 and that's not been the case. Culture is as strong now as it ever was. And I've heard a lot of people say, "Hey, when the industry conference is 10,000 people, it won't feel the same and it won't be as good." And the truth is, it won't feel the same. It will be different, but that doesn't mean that it can't be good in a different way. And so, while I really appreciate that the view at Napa was, maybe, the pinnacle for that individual in this industry.

Andre:

I look at this last year, and I think we're truly at the starting lines of the identity industry garnering the centrality and the respect that it probably has deserved for a lot longer than in recent years, where all of a sudden, people have discovered it's the center of security and not on the outside or an afterthought of security. You can't secure what you can't identify. It starts with identity. And so, it's moving from the outside to the center, and that's a super exciting time.

Andre:

And for those who have been involved in helping build the industry and the standards and supporting the companies that have initiatives that are now centered on identity, it's a super exciting time and a rewarding time to see things that we've talked about for years now come true. And for a broader group of individuals to join, if you will, the cause of helping make identity secure, helping secure our internet, helping secure our companies, helping secure our employees and customers, it's an incredibly important task. And keep in mind, we're only trying to connect everyone to everything digitally. It's no small task. It's going to take a village to do that. And a lot more smart people to enroll them, if you will, in the goals of the identifierati and others that have worked over the course of the last couple of decades to get here.

Steve:

For all stakeholders and all humanity. I shared a video clip with you just prior to our call. And I think I've showed this to you before. That was a clip from San Diego, maybe. And I'd want to personally thank you, Andre, and on behalf of my family that attending these family friendly events over the years has been a source of building a lot of great memories for us. And on a personal and professional level, I have a lot of gratitude and have a lot of pictures and memories from those events. So thank you for your vision and putting forth your effort and your optimism to make those happen, especially because you didn't have to look beyond Ping Identity. Although I think there's some wisdom or strategy in terms of seeing the whole ecosystem versus just your own company's interests. So thank you for that.

Andre:

Well, Steve, I really appreciate it. Look, it's been my honor. Totally, my honor. And in the end, we'll leave with our memories. So the fact that you've had some great memories and we didn't miss the moment to

integrate our families into our nine to five life, pretty special moments. I wish we would do more of that, frankly, as a society, but I'm glad to have had that opportunity to do that. I know my wife and my kids had a lot of fun running that family program for a number of years, and now, they're essentially young adults and that time has passed. But the pictures and the memories are awesome. So I appreciate that.

Steve:

And thank you, also, for taking the time today. I know it was a little bit of a rocky start for us, but we've been able to get through almost an hour of content, maybe a little bit more, to reflect on a lot of things that we've worked on and been a part of, not in the same company, but in the same industry. So I'm grateful for that, Andre. I hope it's not too long before we can connect again and compare notes again and do something creative.

Andre:

My pleasure, Steve. Thank you.