

# Is It Time for Facebook's Mark Zuckerberg to Step Aside as CEO?

Mark Zuckerberg may be a visionary, but with Facebook's stock hitting new lows on a daily basis, it may be time for the company to find new leadership.

By [David Futrelle](#) Aug. 01, 2012



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Facebook's boy wonder CEO Mark Zuckerberg has always conveyed a certain disdain for Wall Street, donning his trademark hoodie instead of the traditional suit and tie during the company's pre-IPO road show, and leaving investors wondering if he was even going to make an appearance on the conference call presenting the company's first quarter of earnings as a public company. (He did, reading stiffly from a script and answering only a couple of questions.)

Zuckerberg may be a visionary, but visionaries don't always make great CEOs.

And with Facebook's stock hitting new lows on a daily basis, many Wall Street observers are suggesting that Zuckerberg needs to start acting like a real CEO, and fast — or step aside and leave the job to someone who doesn't mind wearing (and being) a suit.

On Seeking Alpha, Wall Street Strategies head Charles Payne [mocked](#) Zuck's awkward performance on the conference call, which he called "excruciating."

[I]t sounded like he was wearing a shirt and tie and hoodie at the same time. Image isn't important at this point. You can be ordained the next Steve Jobs but at some point you must deliver.

On Forbes, Nathan Vardi echoed this last sentiment, [suggesting](#) that "[s]taying focused on the long-term is a laudable goal, but you need to eat before you can dream."

Other observers aren't willing to give Zuckerberg another chance. Reuters contributor John Abell [is blunt](#): With most of Facebook's public shares held by individual investors, he argues, "[t]he masses need a hero. That hero is not Mark Zuckerberg. He needs to get out of the way."

Abell is cognizant of Zuckerberg's genius in transforming Facebook from a dorm-room project to the massive company and cultural force it is today:

Facebook needs its spiritual leader and chief innovator in a hoodie. But it doesn't need him as CEO, placating investors in a collared shirt. There are plenty of people who could manage the Facebook business. But there's only one Mark, who needs to focus on product strategy, not investor relations. ...

The challenge ... is for Facebook to satisfy the Street as best it can under intense scrutiny, while continuing to innovate so that it extends its

reputation as a game-changer ... Some people can keep these two plates spinning, but that's a rare combination.

It's time for him to step aside as CEO, Abell argues, as Bill Gates so famously did, and as Google's Larry Page did for a time as well. (Though not happily.)

But Zuckerberg has his defenders. On CNet, Charles Cooper [dismisses](#) the recent Facebook stock selloff as a Wall Street "hissy fit," complaining that "Wall Street's obsessed with the next quarter and Facebook's thinking about next year." He compares Zuckerberg to Amazon's Jeff Bezos, who has regularly taken flak for spending so much on infrastructure — all while building his company into an online retailing behemoth.

Cooper suggests that, like Bezos, the embattled Zuckerberg is

a big boy and presumably has grown a thick enough skin to ignore the investing class' periodic tantrums. He's brought Facebook this far. No reason why he can't lead it to bigger things in the future — if he stays true to himself.

On PandoDaily, Sarah Lacy [suggests](#) that all the talk about Zuckerberg's talents as a visionary ignores his accomplishments as a hands-on CEO. "How do you think Facebook got to this size?" Lacy asks.

Eight years of Zuckerberg being "a spiritual leader," riding around Menlo Park on a magic carpet, chanting? No. He was hiring and firing until he found a solid executive team to back up his weaknesses. He was making intense judgment calls in light of multiple user and employee uprisings. He was saying no to \$1 billion acquisitions that would have made him richer than most people could ever imagine. ... Those are things a CEO does. And Zuckerberg did them better than anyone else of this generation.

Moreover, Lacy notes, Facebook already has a Chief Operating Officer, Sheryl Sandberg, who adeptly complements Zuckerberg's various abilities (and lack thereof).

All this may be true, but once a company goes public, the CEO has to at least *pretend* to care about Wall Street. Yes, Facebook should be more concerned about the long term than about daily stock market gyrations. But in the long run, the stock price matters. If Zuckerberg hates dealing with Wall Street, and can't learn to at least feign an interest in what Wall Street cares about, why not give up that particular job to someone else? He's got a controlling interest in the company, so even if he gives up the title he can still make the tough decisions that Lacy lauds him for. And he can keep wearing the hoodie.