

December 2009

Open Letter from the Founder

Congratulations on taking the first step in exploring how you might become involved with JC&A. Please be aware that I am under no illusions as to the challenges we will face as we progress along this journey.

I have mulled over this transition for the best part of three years and many times have pulled back from the brink. During that time I have been involved in discussions with potential partners, I have employed assistants, I have engaged other consultants on contract and I have worked alone. Now I have reached a point where I know what I believe in.

For many years I have been influenced by Ricardo Semler's transformation of Semco Corporation in Brazil and have always believed that were I to move from a sole trader to an organisation with employees then that was a model I would like to implement. More recently while discussing leadership models with those in my workshops I have become increasingly aware of the benefits of collaborative and collective leadership.

I am also aware of my strengths and weaknesses. I have no desire to be the 'heroic' CEO building an entrepreneurial business from scratch to greatness. I have no wish to be the individual everyone turns to for a decision. In my work as a management coach I have witnessed many instances of managers engaging with their workgroup and achieving outstanding results. This is how I would like to lead.

To allow your business to grow organically and to leave that growth to the collective decisions of those working in the business is not a process to be undertaken lightly. Once embarked upon this journey there is no turning back. Whilst I recognise that as founder I have the 'silver bullet' and could overrule a collective decision; I also recognise that such an action would never be in the best interests of me or those working in the business.

Why have I chosen this way of growing the business? Firstly, to employ people requires considerable capital and risk. While I have the personal assets to guarantee the capital I have no desire to incur debt or take the risk. Instead I prefer to leverage the strengths and energy of employees and in return share the reward with them. Secondly, if I employ you as just an employee then you are working for wages. Where is your incentive to build the business? By enabling you to vote on how things are done and by sharing the reward with you then I provide that incentive.

You could argue that you could do as well by setting up your own business. For some that would be the best option. Others do not wish to take those risks or invest their money and time in a venture



where the failure rate can be as high as 80% in formative years. I believe that by working with JC&A you get all the benefits of being self employed with the additional advantage of the organisation paying the costs of marketing, administration, operational expenses, superannuation and holiday pay!

Yes, those 'early adaptors' that join us in 2010 will be paid commission only initially. This means you get paid 65% of your billable hours up to a total of \$33000 gross including superannuation. Once this level of remuneration has been achieved you switch to a salary of \$66,000pa plus profit share. From this point all future remuneration is negotiated between you and your workgroup.

I would like to close this letter by restating my commitment to the process of building this business through transparent, collaborative and empowered employees. I urge you to read our information kit titled *Who We Are* and I urge you to call me anytime to share your perspectives and ideas. In the spirit of the process I have embarked upon, nothing outside of the cornerstone practices, is cast in stone, therefore I am open to working through ideas on how this model may become reality.

I look forward to hearing from you and I look forward to working with you.

John Coxon
Founder