

Roger and Ann Worthington Essay Contest

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Board of Directors
Mycenae Systems, Inc.
1 Black Ship Dr.
Austin, TX 78705

Dear Mycenae Systems, Inc. Board Members,

I'm sorry for my absence, especially since the stakes in the outcome of our current dilemma are high. CEO Ulysses Cunningham's demand has tied Mycenae Systems' monetary security to its cultural identity, and it seems we must save one at the expense of the other. On the one hand, we owe much of our company's success to Mr. Cunningham's prescience and talent, and it would be folly to mistreat him (not merely because our profit depends on his happiness but because it's appropriate that we reward the man whose talent helped to create our own comfort). But on the other hand, MySy didn't begin as some venture capitalist's caprice — it began as the dream of a small group of brilliant, passionate software designers. That's how the best tech companies in the world began, and I'm proud to count MySy among their number; MySy's employees are our pride. We should cherish this culture — it helps us attract and retain smart employees, eager investors, and loyal customers. A front drive named for software developer Anton Jax would demonstrate our commitment to MySy's special culture — many companies would name their drives for their highest-salaried employees without a second thought, and the fact that we take this dilemma seriously speaks profoundly to our values. Neither 1) christening Ulysses Cunningham Drive, retaining our CEO, and ignoring the employees we cherish, nor 2) christening Anton Jax Boulevard, losing our CEO, but respecting the culture we've spent decades building, is an attractive option. Our dilemma is formidable.

It's thus both bitter and sweet that its solution is clear. When we signed our MySy board member contracts we promised to do our best to ensure MySy's longevity and guarantee its continued success, and our signatures bind us to act in MySy's — and its shareholders' — best interests. We've done our job well; I'm proud of our board and the profit records we broke this year. But we would betray our duty as board members if we ever acted in a way we reasonably thought might endanger the shareholders to whom we're responsible. This is the determinant — the *only* determinant — based on which we must act to keep our promise.

If CEO Ulysses Cunningham leaves, MySy will founder. Our shareholders trust him, our clients love him, and our competitors underperform him; if he goes, our stock price will fall, many clients will leave, and we'll lose our competitive edge. Perhaps we'd eventually recover — there's no way to know for sure — but if we willfully jeopardize MySy's future by allowing Cunningham to leave, we betray the people to whom we're bound: our shareholders.

Furthermore, it's fitting that we name our front drive for our highest-ranked employee. Our CEO is MySy's public face, after all, so a front drive — the road by means of which everyone first experiences the new MySy complex — that bears his name seems appropriate. Indeed, there's something liberating about that; the decision isn't our fault. In fact, it's not anyone's *fault* — we simply have a duty we must do. Mr. Cunningham must stay; our front drive must bear his name.

But I also admit the discomfort of that conclusion. Tyrants have long invoked 'duty' to shirk responsibility, and even as I wrote the paragraph above I got the sense that though it's the decision we *must* make, it fails to represent the entirety of our board's identity. After all, we *do* care about more than dollars and cents, don't we? Indeed, we always have, and that concern for MySy's corporate culture carried us from tinkering with computers in a garage to trading in

billions. Thus it seems that we at MySy have a unique problem: while other companies choose *between* culture and profit, we proudly value both. For decades we've rejected as false the choice between caring for our people and caring for our pocketbooks.

Perhaps we can do it again. The ideal solution would both secure MySy's future and respect its past; it would at once appease Mr. Cunningham and reward Mr. Jax. There's no way to do such a thing with the road's name — Mr. Cunningham's demand prevents us from simply calling it Cunningham-Jax. But we owe this year's performance to the best employees across our entire organization — not just to Mr. Cunningham — and I think that this dilemma is actually a disguised opportunity to reaffirm our support for them.

I propose that we create an award. Each year, we'll reward one outstanding MySy employee's loyalty, diligence, and performance with a combination of salary bonus and stock options; the award will meaningfully and publicly thank the MySy employees who have contributed the most to MySy's success and who most strongly embody MySy's values. Employees will become eligible on their fifth anniversary with MySy; that's long enough to reward loyalty but not so long that it rewards only high-ranking employees. We'll accept nominations from employees' peers and supervisors, and we'll also direct Human Resources to seek candidates using performance reviews and quantitative benchmarks. I suggest we ask Mr. Cunningham to interview the finalists HR selects and choose the winner, but we might change any of these specifics as long as the process is holistic and fair.

This year, Mr. Jax should receive the first award, and we should permanently name it after him. We'll present the first *Anton Jax Outstanding Performance Award* to Mr. Jax at the

Austin complex's ribbon-cutting ceremony. Perhaps Mr. Cunningham himself could be persuaded to present it.

The risks of such an award are that Mr. Jax might view this year's as a mere condolence prize and that future employees might not value it. Indeed, I admit that the process by which we'll adopt this award — rescinding our offer to Mr. Jax and giving him an award instead — *feels* like the process by which we might publicly apologize to an employee we've shortchanged. That's why we'll make the purpose of this award clear and obvious; the amount of money will be significant and we'll ensure the award's prestige by presenting it at a special company-wide annual dinner. The package will include a beautiful physical award its winner can display proudly, and we'll add each winner's name to a plaque in the Austin complex's foyer every year. Employees will covet this award.

We take our finances *and* our employees seriously. This solution proves it. Mr. Cunningham's demand offers us an opportunity we should seize eagerly; our choosing both profit *and* culture demonstrates that while MySy's products evolve constantly, our values don't — and our devotion to all our employees, from software developers to Chief Executives, never will.

Respectfully submitted,

Alexander Fischer