

# Coop Interview Notes with Sassafras

## **Background**

Devney has been at Sassafras for over two years. Started out as Bill and Tom looking for ways to fund building software -- they both came out of academia. She started out with freelancing. Wanted to start out doing things at a small scale as an ethos to keep everyone together. The first projects came through with personal projects (from academia, personal, etc...).

It was natural for them to go start freelance > consulting.

## **Membership / Joining**

*What is the process of membership? How do y'all think through bringing people onboard?*

The founders knew each other before so they worked together. When they drew up bylaws the 3 people were the founding members. It initially started as a best guess at what this whole thing might look like. They got consulting from Aorta (another coop), they began setting out evaluations, etc... 1 year for the period and evaluations happen within that for feedback. There's a reading list attached into the membership process. They're working on how the situations of no-fit isn't about termination and rather about them being in the perspective member bucket. Once members are hired -- there is potentially a "tenure" problem for members. There's a process for leaving. They're constantly evaluating oppressions that are affecting their business. C2BE?

*How do you as worker-owners address responsibilities typically to HR/people ops?*

The first couple of years, people just didn't really have what they needed. Some HR things just fell by the wayside. Now their work is trying to set up a committee that is responsible for some of these things. Aorta was a big support. They have a mainstream employee assistance program.

Also thinking about hiring an in-house HR/Accounting/Magical person but not sure if they want to have an outside contractor

*What attracted you to worker-coops? How do you recruit?*

Being an owner is essential, because you take on the responsibility/stresses only because you understand you have the autonomy as an owner. Hiring process is not quite ready, they do rely

on a lot of contractors (not ideal nor sustainable -- because they're often people of privilege and not in need). They're trying to build up their networks w/ other orgs that are of the same tenants.

### **Working together**

There's a lot of time that is needed to be given into building structure / hierarchy / etc... It's rare to find a 6 person company that has deep conflict resolution policies, etc... But that is the way they tie in their work with being a worker-owner.

*Are your bylaws covering how to come to consensus and governance?*

Staff meeting guidelines -- creates a way to get consensus. They want a process committee to get down these types of decision making processes. They run the emerging strategy model straight out of the bag.

### **Getting Paid**

*How do y'all split up the earnings? Is it base salary, split-earnings, or...?*

Flat wage rate. They bill per/hour on their clients. Avg \$125/hr -- very unstructured sliding scale based on client. All members are paid \$55/hr, based on bill to client or internal work.

Internal work and client/billable work used to be paid different, but that exacerbated existing issues around what people were working on.

Making it hard to hire folks at different experience levels. In the process of figuring out how to allow a range of pay depending on experience (with support from aorta). (trying this out for 2020)

*How do you all define "internal work" vs. finding clients? Is there a cap or structure to how much internal billable work?*

Budget annually for internal work and what constitutes that. Weekly check in about internal tasks to collectively decide what to prioritize. Definitely "gray area"s related to relationship building and

BD is kind of a gray area for being billable. They pay themselves for social time (emotional labor). Pay for conflict conversations and mediation time.

Social time budget for talking about technical talks, reminding selves about culture guidelines, and "fun" time.

### **Staying Alive**

The beginnings were much harder when it came to understanding power structures, hierarchies, class/race would show up within the organization rather than business financials. The biggest thing was needing to take care of the relationships with each other.

*What sort of compromises and hardships as mediator / worker-owner have you faced?*

Some early on pain: Underpaid, micromanaged, unhealthy work relationships, overworked.

There was a 16 hour min work/week in the bylaws, but wasn't sustainable -- they're now at at least ~20 hrs/week

Anti-oppressive evaluation process from aorta. Early on diagnosis from aorta in which they recommended having a better evaluation process would give sassafras the most wheels. Spent a year working on it.

### **Costs**

Joe was able to get a loan from family/somewhere with low interest / 0% interest.

Models of financing: Angel (seems incompatible with worker-owner model)

Grants for non-profits. Would help clients get a grant to pay Sassafras.

### **Business/Financials**

Product oriented structure?

- Talk to Staffing Co-Op/Collective

They use AWS, etc for hosting.(Mentioned Gaia as an alternative they don't use)

Taking on new clients is a significant investment. Must be at least \$5000 project.

Bringing on new projects—they do an assessment upfront. Like if there's a codebase they're going to work in that they didn't write, they have been able to bill for technical assessments which have a deliverable the client can use for other potential contractors.

### **Legal/Incorporation**

Currently an LLC

### **Advice**

It's much more in the process and going slow. The process should be made the way you want it to be in the future. Don't take things too personally. Be crazy careful. Take structural oppression very seriously, and doing the work to not exacerbate it.

*Resources:*

The Working World

Design Action Collective

Palante(sp?)