



Springbok Services, Inc.

Springbok Services is a young, rapidly growing company in a relatively new industry—Visa and MasterCard prepaid cards. An essential element to Springbok Services' growth has been its commitment to providing a workplace environment that fosters creativity, initiative, and agility.

The company has a relatively flat management structure, relying instead on a team-based structure. Leadership at Englewood, Colo.-based Springbok Services believes that a rapidly evolving marketplace requires companies to have a fluid organizational structure that relies on substantial autonomy for employee teams. In addition, management believes in company transparency, involving employees in all of the company's inner workings through extensive internal communications and allowing involvement in key decisions. Employees are encouraged to use initiative. Rather than sitting back and waiting for assignments, they are asked to figure out what projects they can undertake that will help the company grow.

Background

In 1997, the founder of Springbok Services was celebrating Christmas with his family. He received prepaid gift cards, some to stores he liked, some to stores he didn't. Talking to his wife, he complained that there should be prepaid gift cards that were generic so that people could spend money where they wanted to and not at a specific store. His wife dared him to create a company that could provide that service. An idea was born, and a few months later, a company was started. Incorporated in 1999, the company was founded by Dwayne Jones, Taylor Ohlsen, and Christian Steensland as The Best Present Company. It began as a kiosk in the Valley Fair Mall in Santa Clara, Calif. In 2000, the company left retail and began marketing exclusively to business and corporate clients.

In 2006, The Best Present Company changed its name to Springbok Services. A Springbok is a small antelope-like South African animal. They are known for their speed and agility, two characteristics that the company embodies. Springbok Services is now the leading provider of prepaid Visa and MasterCard cards and has grown to a company with nearly 5,000 clients all over the world, four offices, and 78 employees, all of whom are employee owners. Springbok Services plans to increase its revenue by 300% in 2008.

Ownership and Involvement

Employee involvement is important to Springbok Services, which focuses on building a unique work experience where

outstanding performance is both expected and highly rewarded. This is where the employee ownership model fits in. Springbok Services found that the best employees acted like owners of the company. To foster every employee giving their best, it made sense to make them all owners.

In October 2007, Springbok Services instituted an employee ownership program. All permanent employees were given stock options. The amount of options is determined based on an employee's position in the company. Employees can continue to earn stock options through promotion, performance, and meeting company goals. They are fully vested after four years. Employees step vest 25% the first year, and continue to vest 1/36 each month for the remaining three years.

Springbok Services took a unique approach to communicating its plan to employees. A few months before the plan went live, Springbok Services announced its intention to establish the employee ownership plan. Employees reacted with enthusiasm and excitement. As the start date approached, the human resources director established a communication plan in which five employee mentors who were not at the management level were chosen to help their coworkers understand the process and the program. They went through special training to be able to answer questions the company anticipated that employees would ask. Additionally, each employee went through a training class led by the human resources director and the CFO, in which the mentors helped to answer questions. Managers were also trained at a higher level of detail so that they too could explain the program to their employees. When it came time to award the grants, managers were the ones to hand them out, not the corporate office. To show that this was not just a legal exercise, but also symbolized the company's commitment to creating a new culture at Springbok Services, each employee also received a certificate and a pen that helped to proudly establish them as employee owners.

Springbok Services had relatively few challenges setting up the program. A few employees had been a part of stock option programs that didn't perform very well at previous employers. Some employees thought they had to pay for the options at grant. To address these concerns on the simplest of levels, stock option grants became referred to as gifts, and employees were taught that stock options were a good benefit that would grow as the company grew. Most employees, however, thought the program was great. One employee, when given her certificate, called her mother, crying with pride at the thought of being an owner in a company. Others had tears in their eyes when given their certificates. In all the program is shaping up to be a success and productivity is expected to soar. ■