

A fair organizational model

LUOTO
COMPANY



Why?

The great success stories of humankind, from the moon landing to electric vehicles, have always been the result of committed teamwork.

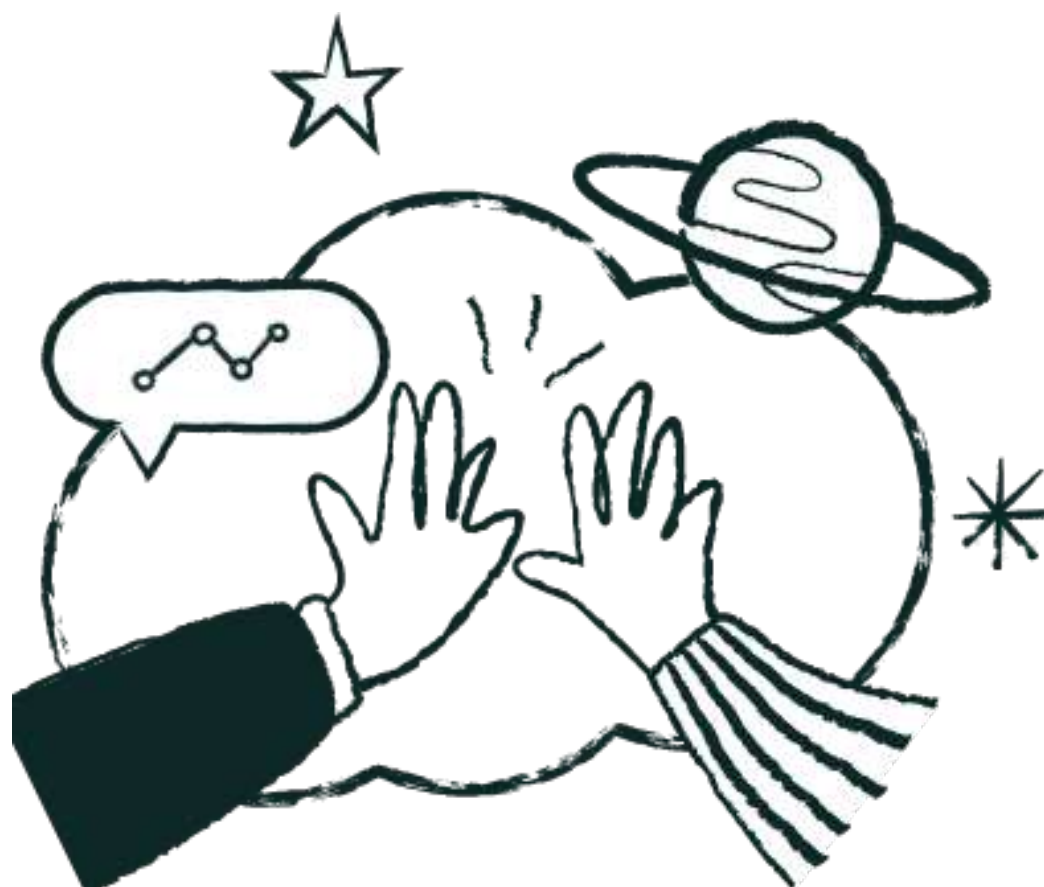
Despite that, we continue working within structures that mainly emphasize individuals. As a result of several years of development, we know that a team's commitment and motivation can be significantly improved with fairness. We also want to help other companies adopt fair values, since the success stories of the future will increasingly be the work of self-managed teams.

What?

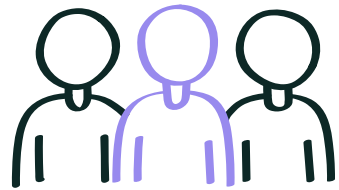
For several years now, Luoto Company has been developing a fair self-organizational model, and we believe that the same values can be promoted in any company. This guide is a summary of what we have learned. We believe that the model can be applied and that each cohesive factor is a step in the right direction, towards a committed team, success and fairer growth.

How?

When we are talking about a team, we mean a tribe or some other limited group of people with a clear, common business goal. It is essential for a fair structure that the people know each other.

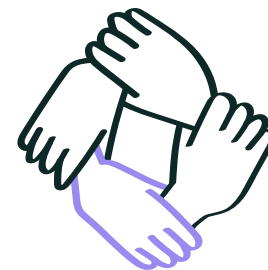


Key cohesive factors for a fair self-organized structure



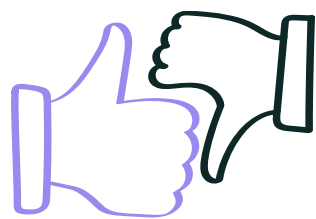
Team

Fairness, the same way as business goals, always has to do with relationships between people, so the unit must be a limited team.



Equality

The team's roles, competences, rewarding and experience assessment should be clear and equal.



Decision-making

The team members must have control over their own affairs and be able to influence common matters through a clear voting mechanism.



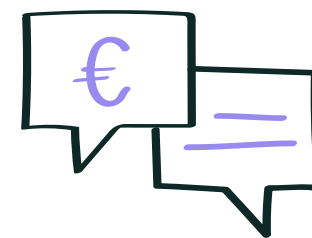
100% transparency

Information is power. Without completely transparent information, participation in decision-making is not possible and mutual trust between the team members cannot be formed.



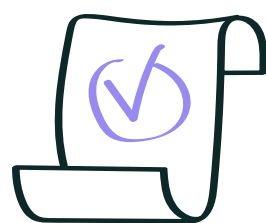
Rewarding based on company profits

All the individuals in the team must have a key incentive to build shared success, as well as an understanding of the shared responsibility at difficult times.



Budgeting

The team must be able to influence financial decisions. Without that ability, no real decisions can be made.



Shared rules

Each individual in the team must be aware what the team members are responsible for and within which limits they may operate.

At Luoto Company, the fair, self-organizational structure has been implemented organically through ownership. We do not, however, believe that to be the only way to promote fairness in organizations.

