



Andrew Mason – CEO, Groupon Exit Letter



People of Groupon,

After four and a half intense and wonderful years as CEO of Groupon, I've decided that I'd like to spend more time with my family. Just kidding – I was fired today. If you're wondering why ... you haven't been paying attention. From controversial metrics in our S1 to our material weakness to two quarters of missing our own expectations and a stock price that's hovering around one quarter of our listing price, the events of the last year and a half speak for themselves. As CEO, I am accountable.

You are doing amazing things at Groupon, and you deserve the outside world to give you a second chance. I'm getting in the way of that. A fresh CEO earns you that chance. The board is aligned behind the strategy we've shared over the last few months, and I've never seen you working together more effectively as a global company – it's time to give Groupon a relief valve from the public noise.

For those who are concerned about me, please don't be – I love Groupon, and I'm terribly proud of what we've created. I'm OK with having failed at this part of the journey. If Groupon was

Comment [1]: Great use of humor to signal to employees that he was going to give them the straight story and avoid the typical smokescreen of “spend more time with my family.” Signals the approach he will take in the rest of the memo. Refreshingly honest. Also, he gets to the point and quickly answers “what’s going on” and sets the stage for what’s next.

Comment [2]: Appropriate articulation of specific business shortcomings help employees understand “why.”

Comment [3]: Demonstrates ownership. Avoids the temptation to deflect responsibility to others or “market pressures”.

Comment [4]: Best to avoid empty phrases like “you’re doing amazing things” unless he’s including proof points.

Comment [5]: Taking accountability is the right thing to do. It acknowledges his role and the impact he had on the direction of the company, and it also clears the path for employees to make a fresh(er) start under new leadership.

Comment [6]: It’s smart to address the current strategy and its support by the Board so as not to cause employees to question the company direction. In this way, he’s helping make his departure as minimal a distraction as possible, and will help keep employees focused on the work.

Comment [7]: Too much about the CEO. What’s in it here for the employee? And what if few in the company are really worried about his future? (He was the CEO...) The inside joke / video-game analogy simply makes him sound like an immature teenager and makes it hard to relate to him...don’t give them the opportunity to think, “Maybe that’s why his performance wasn’t up to snuff...?”

HIT or MISS'ive

Battletoads, it would be like I made it all the way to the Terra Tubes without dying on my first ever play through. I am so lucky to have had the opportunity to take the company this far with all of you. I'll now take some time to decompress (FYI I'm looking for a good fat camp to lose my Groupon 40, if anyone has a suggestion), and then maybe I'll figure out how to channel this experience into something productive.

Comment [8]: He's not going to warm to anyone by making references about fat camp.

If there's one piece of wisdom that this simple pilgrim would like to impart upon you: have the courage to start with the customer. My biggest regrets are the moments that I let a lack of data override my intuition on what's best for our customers. This leadership change gives you some breathing room to break bad habits and deliver sustainable customer happiness – don't waste the opportunity!

Comment [9]: Again, too much self-deprecation that's not credible for employees: He's not a simple pilgrim; he was the CEO. Could have been much more straightforward here; "This is what I learned...." That said, the learning is an excellent one, and is valuable for every employee to hear because it's a behavior that's critical to future company success.

Comment [10]: This self-disclosure is credible because others can use this learning to be better themselves, and better on behalf of the customer.

Comment [11]: This is an opportunity to say specifically what behaviors to stop and what to do to deliver customer happiness.

Comment [12]: This call-to-action signals his belief in the future, which employees will want to be a part of, and what needs to happen differently if Groupon is to succeed.

Also, he could have used this opportunity to give employees a reason to believe (and knowing that this memo will go out to the public) to give the public/analysts a reason to believe. Reinforce what IS compelling about the company and what's on the horizon.

I will miss you terribly.

Love,

Andrew