

I got fired from my own startup – lessons from the other side

For many founders, the dream is to exit, but no one tells you how things may take a turn for the worse when you're no longer in the driver's seat. After selling my startup to Private Equity (PE) in an earn out agreement that involved its own challenges, I found myself being made redundant. This also came with the news that I would not receive the previously agreed upon performance bonus, nor over a million pounds worth of company shares which were set to vest the week after my redundancy.

Temps de lecture : minute

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To me these actions felt intentionally unfair and designed to highlight the fact that I held less power than my buyers. Unwilling to be the victim of corporate bullying, I decided to fight back. Despite hiring an expensive lawyer and offering a settlement agreement, the settlement was refused. This left me with no recourse other than to take the case to the employment tribunal.

People often shy away from this sort of experience as it's time-consuming and stressful, but above all, they fear they will be held financially responsible for not just their own court fees, but also those incurred by the former employer. But this is not true. Not only can you represent yourself in employment tribunals, you also cannot legally be held responsible for the court fees of the opposing party.

So, in my fight for something akin to justice (and the financial compensation I was owed), I learned a lot about myself, the court system, and what not just founders, but any employee should do to protect

themselves in the event of an unjustified dismissal.



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Follow the protocols to a T

Being made redundant from the company I built from the ground up was crushing for my ego. I had stayed on after the acquisition for a reason - I believed in the product and wanted to see what the future held. So after I was fired, though I could have appealed the decision, I didn't. Firstly, because I didn't think the effort was worth my time as I would have been appealing to the same people who fired me. But also because I didn't fancy getting my ego crushed again.

I later learned this step would have been the key to winning my entire tribunal case.

It turns out that when an employment decision like mine is appealed, different personnel have to be brought in to run the appeals process. The company would have been breaking the law had my case been handled

by the same people who fired me (which is what they had done!).

It's important to know there are legal structures in place to protect employees from this kind of bullying, and small actions employees can take throughout their tenure to protect themselves. For example, any and all communications in regards to your employment agreement or work performance should be done over your personal email - not your work account. This is a small detail that may seem unnecessary, but after I was made redundant, I had no access to the digital paper trail my old inbox would have provided me.

Additionally, you are well within your rights to record any conversations that are directly related to your employment status, whether that be hiring negotiations, performance reviews, or conversations about termination. Don't allow anyone to make you feel uncomfortable for exercising your rights, you never know when you might need those conversations later on in court!

Know your rights and understand the legal process

Directly following my redundancy, I spent a lot of money on an expensive lawyer hoping to reach a fair and trial-free settlement. When that settlement was rejected, my lawyer warned that her fees would far exceed any compensation I might receive if I took the case to the tribunal with her as my representative. Though it didn't make sense to keep her on, I was also unwilling to back down.

As mentioned previously, it's a common misconception that going to an employment tribunal is risking massive legal fees. In fact, these tribunals are designed to offer employees safety nets - one of which is the ability to represent yourself.

So I took the DIY-approach. There are a lot of free resources available to support you when you choose to represent yourself in an employment tribunal. For example, there is a video course online that takes you through all the need-to-know basics. What I benefited most from, however, was using AI. Through ChatGPT I was able to upskill myself on relevant case law and it even helped me with formulating legal documents.

Ultimately, this was a successful process as in the end I won part of my case and was awarded my previously-denied performance bonus. But in other ways my inexperience cost me. More specifically, the email chain made available through discovery that essentially proved I was owed over a million in shares was denied by the judge because I did not fill out the appropriate special claim form online. Just another reminder of the importance of using your personal email account for all employment-related matters, and leaving no stone unturned when it comes to learning the necessary protocols.

Don't underestimate the potential to abuse power

All told, the process from receiving the news of being made redundant to the end of the employment tribunal lasted about two years. Looking back at the whole experience, what is truly remarkable to me is knowing that my former employers spent far more money fighting me in court during that time than they would have had they just paid me what I was owed. To me, that illustrates that this was far more about power and pride than it was about money.

It was shocking for me to see the ways in which people I once considered trusted colleagues were willing to abuse their power. Despite all the procedural movies and television shows that depict characters fearing the consequences of perjury, I saw first hand that some people really aren't

that afraid to state they simply can't remember in court, or downright lie. I watched a man take the stand and say he didn't remember if I had attended a board meeting where we sat at the same table and spoke face to face.

What is most frustrating is that none of this was necessary. I genuinely believe that if I had been pulled aside and told with good intention that it was best that I resign, I would have. I hope that the time and money that was lost over this served as a lesson for my former employers that abusing power does indeed have consequences.

If you're similarly in a situation where you're debating whether or not to engage in an employment tribunal case, it is very reasonable to weigh up the costs in terms of your time and potential investment if you choose to hire representation. For me personally, even though I knew I could have just let it go and taken the loss, it was more important to me that I stand up for myself and fight against what I felt was an injustice.

As I move forward, once again at the head of my own company, I'm taking this experience with me, always keeping in mind that true leadership is about way more than just the bottom line.

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