

# The Partnership as a Retailer



The futuristic angular aspect of John Lewis Cardiff, opened in 2009, and the 'Georgian' Waitrose built in Bath.

The Partnership aims to make sufficient profit from its trading operations to sustain its commercial vitality, to finance its continued development, to distribute a share of those profits each year to its members, and to enable it to undertake other activities consistent with its ultimate purpose.

The Partnership aims to deal honestly with its customers and secure their loyalty and trust by providing outstanding choice, value and service.

EXTRACT FROM THE 2009 REVISED  
JOHN LEWIS PARTNERSHIP CONSTITUTION

What distinguishes the Partnership in the minds of many is the unique structure and ‘democratic’ character. Two retail businesses dating from 1864 and 1904 have been brought together into this peculiar organisation. The vast majority of retailers from that period have become extinct, evolved into something very different, or have been swallowed up into a conglomerate bearing neither their name, nor indeed much relationship to the original business. Why has the John Lewis Partnership survived? In essence it’s because of Spedan Lewis’s three big ideas, though the first one was originally his father’s:

- 1 The principles of genuine customer **service**, excellent **value** for the customer, scrupulous **honesty**, and a wide **assortment**. Four highly effective principles in combination, but by the time Spedan got inside the workings of his father’s shop in Oxford Street he decided that they could be made to operate far better. He improved the way they functioned, gradually put detailed arrangements in place to ensure they did, but he didn’t alter the principles themselves. A tinkerer by inclination, these he left well alone.
- 2 The conviction that his employees would be more productive if they owned a stake in the business, and his consequent single-minded drive to make it happen. This did indeed create a shop culture where his father’s trading principles could flourish. What’s more, he managed to evolve a method of running a retail enterprise by and for its employees that survived into the twenty-first century, much against the odds. It survived his own tendency to profligacy – both of ideas and of money – and came through the inevitable repeated market turbulence. That was exemplified most starkly by the war: its destruction, and the long-drawn-out aftermath.
- 3 His appreciation early on that a retail business should be run by intelligent, educated people. He inspired the best to join, and stay, and in the end to bring his vision into reality. (Indeed often better than he had managed to do himself.) Daily contact with strong minds, amid a system of checks and balances, prevented him from being too over-ambitious. Spedan presented an authoritarian figure, but he was a curious mixture of intellectual arrogance and humility. Many dominating personalities in positions of power fail because they instinctively surround themselves with pliant subordinates: yes-men. Spedan succeeded because he didn’t. They were in awe of the man, certainly, but that didn’t stop them disagreeing with him forcefully when they had to. They were not yes-men, but yes-Spedan-but-men.