tales of
cool companies

airbnb

Spotify®

monzo

august

Basecamp

Zappos.com

BUURTZORG

toggl

HOLACRACY®

propellernet
make life better™

GORE
Creative Technologies
Worldwide

AUTOMATTIC

buffer

SWORKIT

tales of cool companies

A collection of little stories about awesome organisations

Hey!

Welcome to another little book from Flux. We've compiled this list of cool companies that inspire us, in the hope that they will inspire you too. We don't think any of them are perfect. We don't think you should just wholesale copy any of them. But we do think they all do some really cool stuff, and our experience tells us that cherry picking cool stuff is a pretty effective way of changing an organisation for the better.

We tell clients all the time: *"Just because things are the way they are, it doesn't mean that's the way they have to be."*

People start companies, and people can change companies. If things are pretty great at the moment, then you don't need to worry and you don't need to change. But if things aren't great and you find yourself complaining all the time, then we reckon you have 4 options:

1. Continue to complain
2. Shut up and accept it
3. Try to change it
4. Quit

Options 1 and 2 aren't great for you or the people around you. So that leaves 3 and 4. Work hard to change the things around you that you can change, or leave to find somewhere else where you can do awesome work and be happy.

In the affluent West, most of us are fortunate to be able to choose where and when we work. Let's not waste our time and energy complaining and being miserable. It's time to take control.

We hope you enjoy this little book. If you want to continue the conversation, you know where to find us.

Jim & Jon
jim@flux.am

flux.am

The *Happiness* Advantage

Before we look at the numerous wonderful examples of organisations who are working differently and achieving amazing results, let's take a quick pause to talk about something incredibly unprofessional: happiness.

For too long, happiness has been seen as something that's done outside of 'work' and certainly not something that is of any relevance to the organisation itself. In fact, there has long been a dangerous belief that if 'I am successful, then I will be happy.' Luckily, thanks to progress in the fields of positive psychology, we now know quite conclusively, that the opposite is true. The reality goes something more like if 'I focus on my happiness, then success will follow.'

American positive psychologist and happiness researcher, Shawn Achor, after working with 1,000s of students and 100s of organisations, *"found that happiness leads to success in nearly every domain of our lives, including marriage, health, friendship, community involvement , creativity, and, in particular, our jobs, careers, and businesses."* He shows examples of it being the cause of longer lives, giving a greater ability to recover from minor and major illnesses, to better memory, to greater divergent thinking. The results are amazing.

For the capitalists amongst us, the results at the organisational level are even greater. Achor speaks of the *"Coors Brewing Company, [...] reported a $6.15 return in profitability for every $1 spent on its corporate fitness program"*, and how *"Toyota saw an instant jump in productivity at its North American Parts Center when it instituted a strength-based training for employees."*

For leaders of organisations, the advice is clear: bring positivity to your team. *"One way to do this is simply to provide frequent recognition and encouragement. As studies have shown, managers who do so see a substantial increase in their employees' productivity. And not just by some small amount; one study found that project teams with encouraging managers performed 31% better than teams whose managers were less positive and less open with praise."*

This mini-book is filled with examples of wonderful places to work, of organisations with smart structures, but there is one thing that is essential to remember: an organisation is a group of human-beings working together, and the quality of their work depends on the quality of their human experience.

Whether you're in it to create a great place for people to work, or simply to make cash, the secret is still the same: build an environment which favours happiness.

Zappos

Delivering Happniess

There are loads of stories of startups with ping-pong and foosball tables, or companies doing lame team building exercises, but less of organisations truly making happiness and culture the key behind their success. One organisation though which stands-out in this regard, is Zappos.

On the surface, you wouldn't necessarily think that an online shoe retailer would be the home of one of the most unusual experiments in corporate happiness the world has seen, but Zappos is filled with stories, tips and hacks all proving that the key to success is making work, work. The internet is filled with amazing stories about Zappos, so here we've compiled some of our favourites.

Get paid to not take the job

Zappos visionary leader Tony Hsieh explains in his book Delivering Happiness that the cost of hiring the wrong people is huge. You have to spend time finding the right person, then you have an interview process, then once they take the job you need to train them, let them bed in, and then if they're the wrong people they can cause a lot damage in the organisation, only to then have to spend resources getting rid of them, to then go through the whole cycle again!

His solution was this. When the candidate is about to be offered the job, you offer them two options: 1/ Take the job, 2/ Or get $1,000 to not take the job. He calculated that $1,000 is far cheaper than the damage caused by the getting somebody who isn't truly passionate about working there.

Annual Culture Book

To hold itself accountable to having an awesome workplace, every year Zappos publishes its Culture Book, a compilation of unedited stories by people who work at the company. The book is filled with mostly amazing and not so amazing stories of what it's like working there and since the book is available for anybody to buy online, the result is that they are highly accountable to ensuring the place just gets better and better.

Pizzas & Parties

Happiness at Zappos isn't just something reserved for employees, it's also something for suppliers and of course customers. The company's customer service teams have long played a really vital role in the company going beyond what would be expected. There is one great story of somebody speaking to a customer service agent in the chat, and letting slip they were hungry, only to find a pizza arrive at the door shortly after! Zappos views happiness as something that must come across everything. Another story goes that they threw such a great party for their suppliers, that one of them explained that not even their own company or their clients do this for them!

propellernet
make life better™

A Dream Machine

We don't always need to look to Google's old 20% time rule, or Facebook's awesome campus to hear examples of companies doing good by their people. Our great friend Jack Hubbard is the Founder & CEO of a small digital marketing agency in Brighton, UK and they are famed for some of the great things they have done for their people.

Dream Machine

A lot of it started when Jack had just gone through some incredibly tough times in his private life. He realised that life was short and his friends and family needed to be taken seriously. So he started asking his employees to write down their dreams on pieces of paper and put them into a little machine he'd made. They would occasionally spin this Dream Machine, pick out the lucky winner's Dream Ball and promise to do their best to help them make it happen. Sometimes it was just good will, sometimes some money went in too. The result is a host of entrepreneurs, a safari park, a tech startup, a pop-up restaurant, a couple renewing their wedding vows in Las Vegas, two lads going to the World Cup, and many many more.

Dream Valley

Jack's own dream was to live in the French Alps with his wife and three kids: so he did it. And then he put on his own Alpine music festival Slope-Off. And then he invited his teams. Now, Dream Valley is where Propellernet runs what they call 'Integration Stations', a space for colleagues from different departments to get to know each other, learn the company philosophy, conquer fears, and have

awesome adventures together. It's also a bit of a destination for many other 'free-range entrepreneurs' wanting a bit of that magic for themselves.
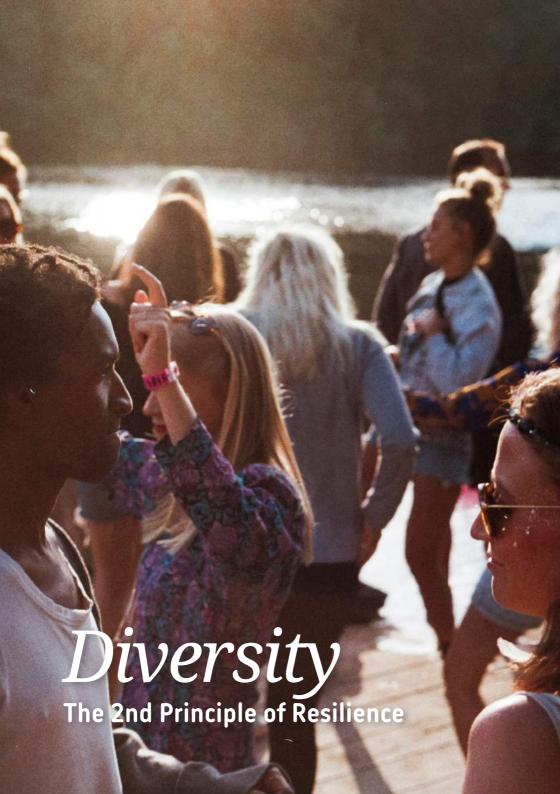
60 People Max

In order to keep the best culture they can, Propellernet has also created a natural limit: their offices only fit 60 people. Rather than getting a bigger office, or getting a second office, they have simply capped the total headcount at 60. The result is that they never mess up the culture, and they are forced to innovate on value instead of volume. They work to figure out how they can increase revenue whilst keeping the headcount the same. It's **revenue per person not revenue per-se.**

Letting New Ideas Happen

Their awesome focus on culture has led to so much creative energy. The trick has been to both use it to help the agency do great work and let some ideas gather their own momentum. This is how they've not only won a whole host of awards, but also built a tech startup called Coverage Book which is now more profitable than the agency (with only 5 staff), created an immersive music events group with their own web series who played at Glastonbury (they're called The Red Stars), started a small craft beer company called Crafted Cans, developed a keyword research tool called Answer the Public (which has over 160,000 unique users per month and was recently used by the Netflix team to launch Stranger Things 2!), and much more.

Let Great People Meet

Propellernet's office is a hive of activity. Their lovely open plan lounge has a little co-working space called The Foundry. It's available to anyone in their network to host their own events. They want to support people who are all about making life better. The spirit is that letting great people connect leads to great stuff and good vibes.

Diversity

The 2nd Principle of Resilience

Much like happiness, the benefits of diversity can often be pigeonholed or misunderstood. The importance of having diverse people in an organisation isn't just some modern liberal belief, it is something with incredibly practical repercussions, amongst them, a far less volatile organisation.

To understand this, let us borrow two principles from the IT world which can in turn help us to have better human networks. When creating a server infrastructure, for example, there are two types of systems: centralised systems and decentralised systems. It is common knowledge that centralised systems have many pitfalls, the main one is fragility and volatility due to the fact they have a single point of failure. If that central server fails, the whole system fails. In a decentralised system however, information is constantly being copied from server to server, meaning that if one server is attacked or fails, the whole system will spread that load across the other servers. The system is resilient. This way of designing the system is called 'distribution.'

But what if all these distributed servers are the same? What if they all run on the same software and hardware? Well, that would mean that whilst the system is decentralised, if a virus manages to damage one server, it will find it equally easy to damage the others. This is where our second principle, 'diversity' comes in. In a distributed system, each server or node must be different or at least diverse, then it is unlikely an attack could damage the whole system. This is why 'diversity' is important.

In society, and indeed in organisations, diversity is the thing that enables us to be resilient particularly from narrow ideologies. It helps counter extremes, acting like a natural thermostat: when the system gets too hot, some parts of the system will work to cool it down. In an organisation, when some parts of the system believe perhaps too strongly in one thing, the other parts can counter it.

So diversity is something not just of trivial human significance, it is something of pragmatic significance, and when building modern organisations, whether for human and/or commercial benefit, diversity is a key ingredient.

august

Tackling Team Diversity

Spearheading a movement of 'org design' agencies doing their bit to make work work, are our colleagues and friends at August, a group of people committed to helping organisations be self-managed, agile, purposeful and perhaps most importantly, diverse.

Diversity isn't easy though. As anybody trying to consider gender diversity in a team of software engineers will attest, it can be tough. This opens philosophical questions, questions of 'positive discrimination' and a whole other minefield of diversity issues. The truth is, this is great, these issues need discussing both for human and commercial reasons, but they rarely are discussed. With the level of transparency that has become their signature, August has discussed these issues, and they put their policies open for us to see online.

As Mike Arauz and his co-founders (3 white men, 2 white women), opened their new innovative consulting practice, they knew they wanted to be diverse, but they quickly felt tested. As Mike wrote *"any entrepreneur will tell you that choosing the right people is one of the most important decisions you make. It's easy, then, to default to the path of least resistance. Call up everyone you know, put the word out, and hopefully hire some people you already know and trust. And for a moment, this is what we did. We felt that it was out of necessity… and we already had some diversity. We thought we'll get to that as soon as we can, we just need to hire one or two people first. Well—just like it always is—hiring was harder than we expected. We made some offers. Some people turned us down. And it turned out to be a blessing in disguise."*

So they spent $9,000 on a recruitment ad on the 'Another Round' podcast. *"The show is incredibly smart and insightful. The two hosts—both Black women—cover a wide range of issues affecting culture and society with infectious curiosity, passion, and joy"* Mike said in his post. With a flood of applications coming through, they then took diversity a step more seriously, by putting an anonymous survey out to measure their diversity in the team and their candidates.

They now have a small but diverse team and their goal is beautiful: *"[…] To make the diversity within our team unremarkable. Meaning that inside our company it will be unremarkable to be a woman, to be a person of color, to be queer, to have a different nationality, to have a disability, to come from an economically disadvantaged background, to have served in the Military, or any number of other things that make us different. Within our team no one will feel more "other" than anyone else. And, certainly, sometimes in some contexts it will still matter a lot—and be valuable—to be able to represent a different and unique perspective. But, the real beauty of making difference unremarkable is that it creates the opportunity for each person to be more than their difference. That each team member can be themselves, their whole selves. And that's when you start to realize the full promise of diversity."*

Hats off to our friends at August!

airbnb

Terms & Conditions Do Not Apply

A few years ago, we were working with a group of Executive MBA students majoring in Digital Transformation. And so what better place to take them, than Silicon Valley? We toured aournd ompanies for two days before working with them to redesign their businesses, but one company in particular stood out for something far more human.

After a tour of the company's amazing offices, we had a meeting with a senior person from Airbnb's HR department. What was amazing is that whatever we talked about, it came back to diversity, and it came from real passion. The person in question knew every stat there was when it came to Airbnb's diversity when it came to gender, sexuality...etc, inside the company.

A year or so later, however, after a load of criticism about how they priced vulnerable people out of various cities around the world, they really took diversity a step further, this time by putting it into their terms & conditions and hiring a 'Director of Diversity'.

In order to be able to host or book through Airbnb, users had to sign a nondiscrimination pledge, which stated the following: *"I agree to treat everyone in the Airbnb community—regardless of their race, religion, national origin, ethnicity, disability, sex, gender identity, sexual orientation, or age—with respect, and without judgment or bias."*

A moving TV ad which aired in the U.S. during the 2016 Presidential Elections, spelled this policy out, then adding the words *"The world is a much more beautiful place when you Accept"* finishing with the 'Accept' button from their Community Commitment.

Of course, there is reason to be cynical, but nonetheless, there are few other companies going to this degree to celebrate diversity and to understand its importance in organisations and society.

Transparency

The Secret Weapon?

A traditional business philosophy was to keep as much information as possible secret. Don't let your customers or employees know the truth. Old-fashioned managers would ensure most of their conversations were 1-2-1 so they could manage the information because *"information is power"*. Well the world has changed a lot since then. The internet has made it difficult to keep secrets, eventually, if you do bad stuff, the world will find out. Furthermore, social media has created a culture where people are far more open (sometimes too much?)

And so in the era we live, transparency has taken a critical role in an organisation's success, but how? Well, for one, when we put all our information online, we make ourselves accountable to high standards, we work harder to maintain high quality and ethical bars. If there's something you need to hide, there's a far bigger problem that needs solving. Being open will ensure that problems rise to the surface all the time, keeping the organisation as best as it can be in every area.

Secondly, when information is open, it becomes possible for everybody in the system to learn. Every PowerPoint presentation stuck on a laptop's local hard drive is an opportunity lost for feedback, for input, or simply for colleagues to 'steal' and improve on the work. A useful metaphor to use in this regard is a network of driverless cars, when one car learns, all cars learn, this is why they're better than us at driving. The Open Source movement is another example of just how effective and efficient open systems are. What if we could design organisations in the same way?

For communication and culture, this is vital too. When there is loads of 1-to-1 chatter by email or in small groups, lots of social information is lost along the way. Things like the tone, the small elements which hint towards the relationships people hold. When this information isn't visible to the rest, it prevents the group's dynamic from evolving because that evolution depends on openness.

Openness is an incredibly powerful thing when connecting to others which

means for an organisation's' culture, it's essential! In her now famous TEDx talk 'researcher-storyteller' Brene Brown shares her research that people who have strong connection, have it *"as a result of authenticity, they are willing to let go of who they thought they should be in order to be who they are, which you have to absolutely do that for connection."*

And think of it, for a brand this is just as important. When brands are open, when they show their vulnerabilities, when they're authentic, they have the opportunity to connect with people, to be trusted and ultimately to be loved.

buffer

Default to Transparency

With so many different social media accounts and profiles, and with brands using it more and more to share their message, people needed an application capable of letting you schedule your tweets and posts: that app was Buffer.

Being a social media company, it makes sense therefore that they were able to adopt some of the most progressive principles of the connected age. And so it's worth saying that few companies have done as much for transparency as Buffer have done.

One of their values 'Default To Transparency', has been copied by organisations around the world and if you visit buffer.com/transparency, you will find an overview of everything they've made transparent with links to the details of each element. So let's start from the top:

The Buffer Salary Calculator

This tool has evolved ever since it started and has been used by many organisations to have a fair and clear remuneration system. On their online calculator you can see how much you would earn if you worked there, but more importantly, it means that employees can understand the mechanics of how their salary is calculated. The calculation is based on a number of variables which other companies have used and adapted to include things like 'years of experience', 'area of expertise', 'number of dependents', 'cost of living', 'where you live', and more. It's easy to make one yourself in a simple spreadsheet, and a sure way to strive for fairness and clarity.

Transparent Salaries

Of course, if there's a calculator, it's not too hard to know how much your colleagues earn and so actually, why not just let everybody see that amount too, which is why Buffer's salaries are visible online! And they are LOVED for it.

Pricing Formula

The rationale behind the pricing is also available online in order for you to see *"What Your Money is Used for When you Purchase a Buffer Subscription"*. That level of transparency can only gain more trust from people as they figure out which online service is best for them.

Product Roadmap

So you can know what more cool features Buffer have in their development pipeline, you can check out their product roadmap online.

Much more...

Because they 'Default To Transparency', this is just the tip of what they share. Colleagues can read each other's emails and much more. Visit buffer.com/transparency for more info.

Customer First

Who Are You Here to Serve?

The expression 'the customer is king' is one of the oldest ones we know. Perhaps it's one of those old pearls of wisdom that we've forgotten over the years. Or perhaps it's something that needs modernising. Less king, more just human or friend or something a bit more post-monarchy!

We see many modern organisations take this very seriously, sometimes going to extreme measures to really understand their customers. Not understand them in terms of putting them in a ridiculous demographic with a weird code like B1s or into a stupid persona like 'Curious Carol the Early Adopter' but actually understand them as people. The word empathy is a word that is a welcome addition to business jargon of the last decade. Although we'd caution about simply empathising with a person, where we understand them and even share their pain, and ask us all to go a step further and nurture genuine compassion where we feel for them and care for them.

Design thinking is probably the philosophy that has done most for our understanding of people in business and there are some organisations that stand out for the awesome job that they do. Actually, they are scattered throughout this mini-book and so whilst in this section we've chosen a couple, it's worth noting there many more including: Buurtzorg, Zappos, and Airbnb.

Understanding customers in 2018 goes beyond sickening slogans of being 'Your Local Bank' or a promising 'Happiness' despite the fact you make a fizzy drink that destroys kids' health. Understanding customers in 2018 means treating people as people, caring about their feelings, organising your people around your customers, sharing information transparently and openly with them, sometimes even involving them in business decisions and treating them with respect.

The internet and the subsequent rise of the 'personal brand' has brought along its own variety of nonsense, but one thing we can be grateful for is that it has also allowed a whole generation to have a far more finely tuned 'bullshit detector' than any generation before.

So gone are the days where you can tell customers to 'Just Do It' and make cash, today, the organisations that are winning our hearts are the ones we feel are human and treat us as such.

So perhaps, in 2018, the Customer is… well… human.

toggl

Remote Customer Culture

Toggl, an app which helps people track their time is a big hit amongst freelancers. They have since founded Teamweek: a diarising app, and Hundred5: a hiring tool to help companies to hire people based on skills tests not CVs. They have all the classic health benefits and much more...

Remote company visiting users in-person

Toggl is a remote company, but they travel to users to have a coffee in real life. Users find this amazing that people will travel from Tallinn to Chicago, for instance, just to listen and help. Not just team leads do this, but everybody, from the CEO to the product team.

'Kitchen Talks': Culture of understanding the customer

After the visits they do 'Kitchen Talks' on Google Hangouts where they interview each other as an interactive way to share knowledge. Some Togglers even create videos to share during 'Kitchen Talks' with footage of the user. This helps creates a customer-focused culture.

'Toggl Consultant'

If you're good at using Toggl, you can take a test, and then use a community platform to help others to use the tool well too. Toggl offers material to support the consultants to do a great job.

2-Week Go Loco Week

In Teamweek, two weeks per year everybody can take one thing they want to improve and if they want, they can work full-time on making that improvement. For example, two people worked together to make a version of Teamweek for color blind users.

Teamweek Transparent Product Roadmap

Teamweek use Teamweek to share their product roadmap publicly. What a great way of gaining trust, involving users and showing people creative ways of using the product.

Autonomy over company culture

If there's anything you want to do within the company that's not directly related to your work, you have the autonomy to do that. For instance, if you're working with users, but you want to work on the company's values and culture, you have the autonomy to figure it out and take action.

Focus on remote team-building

Toggl has a team-building manager, a person who thinks up ways to engage teams in developing the way they work together, always with a remote focus.

#gratitude

There is a Slack channel dedicated to thanking colleagues. How lovely…

monzo

Not All Banks Are Bad

Banking. Probably one of the most hated and least trusted industries in the world. Think of a bank that you 'love', like actually LOVE. Difficult eh? That was until Monzo.

Monzo is a new kind of bank. Their level of transparency and human approach to customer service has created for a bank that is genuinely loved by its community. Here are some examples of things that Monzo do that make us love it so much.

Fluent in Emoji

Banks typically speak in financial jargon so far removed from a normal person's vocabulary that we don't always understand what they mean. At Monzo however, every time you spend money you receive a notification complete with an emoji of the place you went to (e.g. a burger emoji for a burger restaurant). That's how people actually speak now, so why not banks too?!

Personal Chat Support

Rather than waiting on the line with an annoying tune at a call centre for hours, Monzo simply let you use the text chat on your phone to speak directly to a real human, complete with a photo profile, just like you were texting a friend. They're super helpful and pretty down to earth to chat with.

Slack Community

To improve their current product and to innovate into the future, Monzo have a Slack community where customers can join to discuss features, things that work, don't work…etc. The result is a product that constantly gets better.
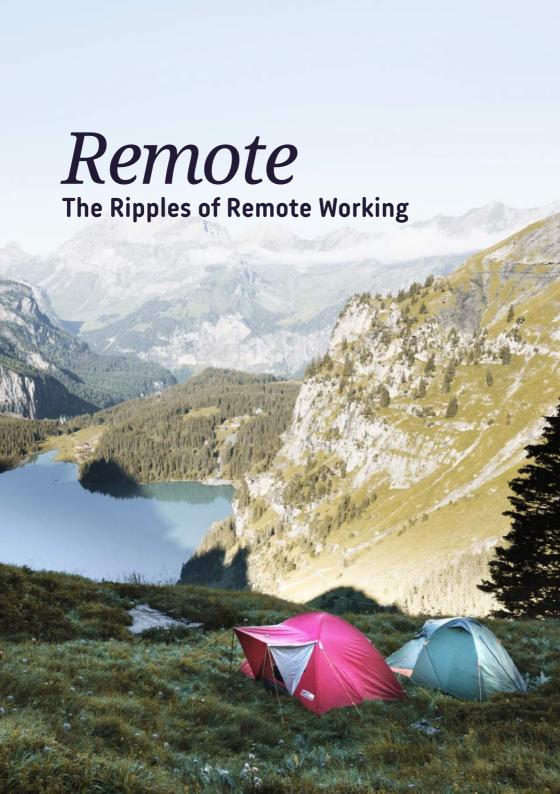
Customer Crowdfunding

Building a bank is expensive, but it'll be better if it's built on real value, than artificially pumped money. Which is why when they went through their recent round of funding, Monzo asked customers if they would like to invest first. What a feeling, to have a stake in your bank.

Vote On The Costs!!

As the business grew, Monzo faced some tricky decisions about rates they would charge customers on ATM withdrawals, particularly since they had been free up to then, even abroad. And so, in a true display of 'digital natives' they put a vote online for their customers to decide which option they would prefer. How cool is that.

"Default To Transparency"

Inspired by Buffer, Monzo also have a monzo.com/transparency where they explain their transparent approach to emails, product roadmaps, investment ethics and more. All showing that even banks don't have to be shit.

Remote

The Ripples of Remote Working

The past years have seen a huge shift towards working from home but some organisations have taken this way further by being totally remote. There is now a workforce of 1000s of 'digital nomads' around the world working from wherever they want.

There are difficulties for sure around building a good culture, ensuring clear communication, ensuring things are organised, but none that haven't been overcome by some amazing companies. Buffer for instance, who you read about earlier, are a remote company and even reward remote working in their salary calculator.

The benefits of remote working are huge. Namely, allowing people to work where they want reduces a load of reasons why somebody might leave your company. If they know that no matter where they live, they can still work for your organisation, what an amazing thing. Furthermore, working from places that bring us true happiness, is a smart way of having teams of people who have the sufficient wellbeing to do an amazing job.

Working remotely can facilitate a lot of other positive ripple effects. For instance, it's trickier to 'man-manage' somebody who chooses where they work, particularly when time zones are involved, so it requires a more facilitative and participative type of leadership, if any. It also forces team members to take responsibility and accountability, which every organisation could really do with more of. That's why self-management makes even more sense for a remote team. Also, to work well remotely, requires everybody in the team to have access to the same information and therefore helps organisations to be radically transparent.

These positive consequences of remote work mean that any remote organisation could often be put into any of the categories in this collection of stories, which is why we've given them a section of their own to be inspired by.

AUTOMATTIC

The Most Awesome Remote Company Going?

Automattic are the people behind Wordpress.com as well as a whole host of other sites. They get more monthly unique visitors than Twitter with 1/5th of the employees!

Impressive stats, but not as impressive as this one: their team has *"683 Automatticians in 63 countries speaking 80 different languages".* In other words, they're a totally remote company. There are many other things that make them amazing, from their strong purpose to make the web a better place, to the number of foundations they support, to their focus on happiness and culture, to their belief in diversity, to their focus on customers, to their internal transparency, to their 'flat structure': but for this story, we're going to focus mostly on the fact they're remote. Here are some stories:

No Office

The teams really do work remotely. Like everywhere in the world. Home offices, cafes or coworking spaces, each team member is encouraged to work in the place that makes them happiest. They even get an allowance for latte at the local coffee shop.

No Email

Commenting on the fact Automattic don't use email, their founder Matt Mullenweg said that *"email is definitely on its way out, between things like P2*

and Slack, which is a workplace chat tool. Email just has so many things wrong with it. I've never heard anyone who've said they love email, they want more of it — have you? Imagine if, in your company, instead of email, everyone could post and comment on a blog. Different groups or teams could have their own space on it, but fundamentally everything was tagged and traceable and transparent."

No Minimum Time or Holiday Allowance

Innovatively, Automattic treats people like grown-ups. They decide how much they work and how much holiday they take it's up to them. The important thing is to do a great job. They even have a widget in their P2 app saying *"Whoops! You have no time-off scheduled!"* to ensure they're reminded of the importance of taking time-off.

In-Person Meetups

Being a remote company has its difficulties, which is why in-person meetups are still important. So once a year, Automattic get the whole company together for a seven day event where all 683 team members can get to know each other and build the culture that will help them perform for the rest of the year. Then, each sub-team meets up three times per year for their own team culture. The combo of this makes for teams which can sustain a great remote culture the rest of the year.

SWORKIT

Family Always Comes First!

Many companies pay lip service to 'valuing family' but few put it at the heart of what they do like fitness app Sworkit. Co-founder Ryan Hanna told us that for 8 full time, 4 part time people at the company *"the thing that is truly "the Sworkit way" is that family always comes first"*.

The app which originally came to fame thanks to a successful pitch on TV show Shark Tank, is living the values a health, fitness & wellbeing organisation should be, and it's doing so with a totally remote team. Here are some of the things that make Sworkit special:

Family first

Let's start with the fact that Sworkit's culture really understands that people have families, and that should be the most important thing in somebody's life. We asked Ryan more about it and this is what he had to say: *"So many times we've had someone just not be able to make a call or even day of work because their family needed them. A few of us very consistently spend certain days with our kids instead of working and just make that work up on other days. There is just never any questioning why someone isn't around if we know it was focused on family."*

Remote Life Culture

This lovely company has all the great benefits that are the hallmark of remote companies: unlimited holidays, coworking & fitness expenses, conference budgets & meetups twice a year.

Work Life Blend (not balance)

For Sworkit, this means that life and work coexist. Being a fitness brand, Sworkit's team challenges itself to maintain consistency in their own healthy lifestyles and to bring those experiences back to the team and what they are building. Having the freedom to flow in and out of a workday also ensures this same focus on employee wellbeing. Timesheets don't exist and they respect that you can learn just as much, if not more, in a conversation at a local startup community as you can sitting in a meeting with your team for hours.

Well Structure Remote Team Meetings

Every Monday, the team has a call for an hour which is incredibly efficient and effective. Each member fills out slides in a Google presentation which keeps them focused and on track. This maintains a consistent flow to meet all objectives of the call in the allotted amount of time.

Good Remote Team Processes

Thanks to a couple of little Slackbots, the team is able to monitor overall team vibe and therefore efficiency. From doing so they've found that for employee satisfaction, motivation, and performance, two things are of absolute importance: 1/ health and 2/ feeling like you have a plan. In Ryan's words *"if you had a sore back or felt that priorities weren't clear, those could ruin your output immensely."* Their regular Slack check-ins allow them to be conscious of how each team member is doing on each of these things so they can support each other.

Basecamp

Quality >> Growth

Basecamp has been doing things awesomely for a long time now. From remote working, to transparent organisational change, to employee wellbeing. They've written some of the most important books in the purposeful business canon: REWORK, REMOTE, and Getting Real.

We find them super inspiring for loads of reasons. Here are a couple that we often share with clients in the hope that it will inspire 'them' to experiment with new ways of working.

Linear Growth (and Profit) not Exponential Growth (and Debt)

The co-founders of Basecamp, DHH and Jason Fried, talk about the obsession with exponential growth and massive disruption that pervades the Silicon Valley business mindset. This culture of insane market domination and total competitor destruction is definitely not the Basecamp vibe.

For 14 years they have pursued and achieved pretty solid linear growth. Through a culture of hard work, sensible office hours, and low advertising spend.

"It's the simplicity of good products sold at reasonable prices that find happy customers. These customers talk to friends and colleagues in other businesses, and over time that word of mouth spreads the good vibes, which turns the business up."

Protecting Time not Stealing Time

It must have been such a wonderful thing to have been in the audience when the co-founder of Basecamp realised that in most companies, people don't really control their own time. Calendars are subject to a constant poaching by other people, stealing precious hours for their meetings and workshops.

"This — THIS — may be the reason so many companies are so fucked up. Why so many people are driven to work late nights, weekends, etc. Why life has to fit into work's leftovers. When people don't control their own time, of course someone else will push you to the limit. It doesn't cost them anything, but it costs you everything."

Not at Basecamp. Nobody gets to see anybody else's calendar. If someone wants you in a meeting, they have to ask you. If you block time out that's just for you, then you can protect it. Your time is your own to do want you want with. You wouldn't want people stealing your money, so why would you let them steal a more finite resource: your time?

It seems pretty simple when you put it like that.

Self-Management & Participative Structures

The Radical & Novel Idea of Trusting People

Crazy right?! Who'd be so mad as to hire a load of skillful, smart and good people to do a job and then actually let them do that job. Well this bonkers concept is something that runs through most of the organisations in this book and which is perhaps one of the most powerful changes in management belief of the recent decades.

When we start going into these 'new' ways of running organisations, people often say to us: 'But isn't it total chaos?' The answer is no. Organisations run by their people are less chaotic because they are full of processes, guidelines and rules for living and working together. The difference is that the rules are set collectively by the people closest to the work and often those closest to the customer, rather than in an ivory tower by the people who know the work and customer least. Furthermore, the guidelines are tweaked and updated regularly in order to keep the organisation running in a way that makes most sense for today, not yesterday.

Old world organisational model

Few uninformed people making infrequent decisions slowly

New world organisational model

Many highly informed people making frequent decisions, fast

1. Organisational Engineers

It's worth knowing that every organisational model we know of was invented by an engineer, e.g. somebody who specialises in machines. Think of it: Taylorism (founded by an industrial engineer), Fordism (founded by a car engineer), Kaizen & Lean Manufacturing (founded by car engineers), Sociocracy (founded by a dutch engineer) Agile (founded by software engineers), Holacracy (a blend of the two previous founded by a software engineer).

All of these models benefit from the expertise of people who understood

increasingly complex systems, and who managed to abstract rules and principles to apply to people. But that is the problem. People aren't machines and by definition, nor are organisations.

2. Organisational Psychologists

In come organisational psychologists, people who view organisations as 'living systems' comprised of a series of messy humans with thoughts and feelings and motivations and all the complexity that brings. They use facilitation, coaching, and a deep understanding of human beings to help teams manage themselves.

The answer is that we need both of course. Structures & processes to create the container within which people can be people, and create all the awesome quirkiness that goes with that.

The Old Kids on the Block

The most radical organisational practices don't necessarily come from groups of millennials in tech startups, and WL Gore is reminder of this. The company behind the awesome Gore Tex fabric that lives inside the products of any good mountain wear company, has had organisational practices just as innovative as their products have been since their founding in 1958. They employ almost 10,000 people around the world, are one of the largest privately held companies in the US, they're a regular *"100 Best Companies to Work For"* as decided by Fortune Magazine, and the full-time voluntary turnover is a very low 3%. The company's innovation goes way beyond their famous fabric, they have a whole host of innovative products that are kind of invisible to the typical consumer including cables, electronics, medical equipment, venting and more. All these products are the result of the way their organised.

The first clue to their success lies in the company's legal name: W. L. Gore & Associates, Inc.

Associates

"All Associates with a year of service become shareholders in Gore through a stock ownership program that contributes the equivalent of 12 percent of pay to each Associate's account each year, reflecting a longstanding Gore commitment to Associates' 'sharing in the success of the Enterprise.'"

Task Force Teams

From its early days, the company organised itself in small teams, with inter-disciplinary skill sets which would be able to focus on solving a problem outside of the company's formal hierarchy. They would work in short bursts (what we now call Sprints).

Accountable to Team Mates

Rather than being accountable to a boss, employees at WL Gore are accountable to other team members. Gore does have leaders, but they emerge based on whether they are actually being followed or not, which they figure out by using peer assessments.

Peer Assessed Compensation

An extension of their philosophy is that compensation is also determined by peer assessment meaning that your colleagues decide what you earn.

These are just some of the practices of a company that has sustained over 60 years of business, and that is kind of the point. They are proof that distributing both freedom and responsibility amongst the people who make up the organisation is a far less volatile far more sustainable way of doing business and of navigating its ups and downs.

Spotify

Smashing Silos

Whilst Spotify isn't a totally self-managed company, one of its departments has developed methods which are being copied around the world. Spotify's engineering department has been the subject of much envy since 2012 when two their team members Henrik Kniberg & Anders Ivarsson published a PDF online entitled *"Scaling Agile @ Spotify with Tribes, Squads, Chapters & Guilds"*. This is a summary of how they did it back then.

Small, Self-Managed, Interdisciplinary Teams

Rather than having one big department, with sub-silos by skill set or area of expertise, in-line with user-centric thinking and the lean approach of working in 'small-batches', Spotify's engineering team is divided by product area (e.g. Discover Playlist, Player, Web App...etc). They are in charge of developing the whole of that sub-product together. Like a startup inside the company.

Cross-Pollinating as much as possible

One of the biggest pitfalls of traditional organisations is silos. To stop that from happening between their small self-managed teams, Spotify's process is to create lots of different groups that cut across expertise, passion, and area in organisation and get them to meet every so often with facilitators for each meeting. The result is that a lot of interdependencies solve themselves and a lot of knowledge gets shared organically without too much need for formal structure. These are easily replicable in any organisational matrix, even the most traditional ones, simply by hosting different types of open forum meetings using Open Space techniques.

Different Groupings

These open forums happen across different types of groupings, which include the following:

- *Squads:* The basic unit of development at Spotify is the Squad.
- *Tribes:* A collection of squads that work in related areas – such as the music player, or backend infrastructure.
- *Chapters:* A small family of people having similar skills and working within the same general competency area, within the same tribe.
- *Guilds:* A more organic and wide-reaching 'community of interest', a group of people that want to share knowledge, tools, code, and practices.

Interdependency Debunking

For teams to be as autonomous as possible, they do their best to limit interdependencies they may form which block or slow them down. To aid in this, they regularly ask all their squads which other squads they depend on, and to what extent those dependencies are blocking or slowing the squad down.

Then they work hard to remove those interdependencies.

HOLACRACY®

An Engineer's Paradise

To those who assume self-management organisations are chaotic, we encourage you to read the Holacracy Constitution for a taste of what thorough governance looks like. It is perhaps the most famous 'template' for self-management. It's the easiest place to go when looking to get very concrete. Whilst often criticised as being oppressively formulaic, it also comes with the benefits of clear instructions and a thousand 'hacks' and 'tools' to implementing self-management in small chunks (something the founder of Holacracy advises against, and we disagree with).

A take on Sociocracy mixed with elements of Agile methodology, Holacracy was founded by software engineer Brian Robertson and is now in place in organisations around the world including Zappos. Now what makes Holacracy so interesting and ripe for copying?

Different types of meetings

'Holarchic' organisations have two types of meetings: governance and tactical. We simplify by explaining by governance meetings are about 'how' we work, and 'who' works. Tactical meetings are about 'what' work we do. Teams hold both regularly in order to constantly update their ways of working and get through sticky bits of work.

'Processing Tensions'

Each meeting in Holacracy has a very clear agenda. Tactical meetings for instance have particularly useful feature which is that they invite each member to come to the table with a list of 'tensions', i.e. stuff they're stuck with. The

person shares their tension and the team helps them solve it. They then go off autonomously and do something with that info. Great teamwork!

Always facilitated

Holarchic companies also understand that whilst most teams, if left totally to their own devices, teams with a facilitator tend to outperform every other type of team. This is why each meeting has a facilitator run the meeting and help the group to make their own decisions.

Roles not Titles

Job Titles are counter productive in a fast moving world. This is for a few reasons: 1. They encourage a 'fixed mindset' where you are your title and that's it, rather than a 'growth mindset' where you constantly evolve and change what is needed and you grow as a human; 2. They are static but the type of work and organisation is not, that's bad.

Instead, Holacracy asks us all to put our fancy singular titles down and replace them for a list of roles which we update week by week so the organisation constantly changes shape.

The Poster Child of Self-Management

The story of neighbourhood nursing company Buurtzorg is something of a magical rainbow coloured unicorn in the world of self-management geekery. A former neighbourhood nurse himself, Buurtzorg founder Jos De Blok got sick of the ridiculous amounts of middle management and bureaucracy that had entered the Dutch neighbourhood nursing organisations. He gradually grew less happy with his job, with the treatment patients were getting and was seeing a total ineffectiveness of the system. So he decided to do something about it.

Last time we checked Buurtzorg had 10,000 people and 9,970 of them are nurses who work directly with patients! Meaning only 30 people were in support functions like HR, Marketing…etc. The company is famous for incredibly happy employees, best patient care, it's cheaper to run… Basically it's awesome compared to the traditional system. Here are some of the specific things that make Buurtzorg special:

Small teams

People are often shocked to hear the such a big organisation can be self-managed. The secret is to see it as 1,000 groups of 10 people. Each team of nurses grows to 10-12 people and then stops growing. This allows that team to be totally self-managed and do things their own way. This actually also meets some group dynamics research which says 'to a be a real team' a group can't really go above 15 people…

Facilitators

We see it again. Facilitation is key! At Buurtzorg, each new team has an external

facilitator and gradually each team member is trained in facilitation until the team can run itself thanks to the help of expert facilitators in the team. The facilitator is there not to discuss the content of any decision, but to guide the process by which the team makes the decision.

Those closest to the customer decides

Perhaps the thing that makes Buurtzorg so special, is that 99.9% of the organisation is comprised of people who work directly to the customer (in this case the patient). This means those who understand the market the most are in charge. Furthermore, nurses typically have an incredible ability to empathise with their patients, meaning that they are able to truly listen to them and their needs. When this essential human skill is spread across a whole organisation, you have a company that understands its customers so well that it can continually create change to support them and their needs. If only more organisations were this human.

One last thing...

Nobody in this collection of stories has nailed it. Nobody has the silver bullet. We never advise clients to attempt to copy/paste an entire organisational operating system from any of these companies. We also never offer to 'redesign' the whole thing.

Rather we like to see change as an emergent thing, it bubbles up from the bottom. Self-management is not something that is to be imposed on everybody, unless you're ok with living in extreme hypocrisy, with causing suffering, or you want a really fast deep cleanse. Not our thing really…

The buzzword 'transformation' is a dangerous one because it creates the illusion that in one instance an old thing can turned into a new thing. From caterpillar to butterfly. Ta daa, we're all good to change the world. Nope. We like to see this as a process not an event, as 1,000 small changes enacted by the organisation as a whole; not 1 big change from the boss.

Our job? Listeners, facilitators and storytellers.

We start off by listening to people in the organisation and helping them to listen to each other. Really, properly listen each other.

Then we help them to have great conversations, to help old stories bubble up. Perhaps stories that they decide aren't useful anymore.

And finally we provide them with new stories. There is an expression that 'Cultures change when stories change' and so perhaps one of the greatest things we can do to create a new generation of human, kind, open, resilient organisations, is to tell new stories.

What story could you tell your colleagues about the future you'd like to see?

Have fun!
Jim & Jon

airbnb

Spotify®

monzo

august

Basecamp

Zappos.com®

BUURTZORG

toggl

HOLACRACY®

propellernet
make life better™

GORE
Creative Technologies
Worldwide

AUTOMATTIC

buffer

SWORKIT

tales of cool companies was brought to you by Jim Ralley & Jon Barnes