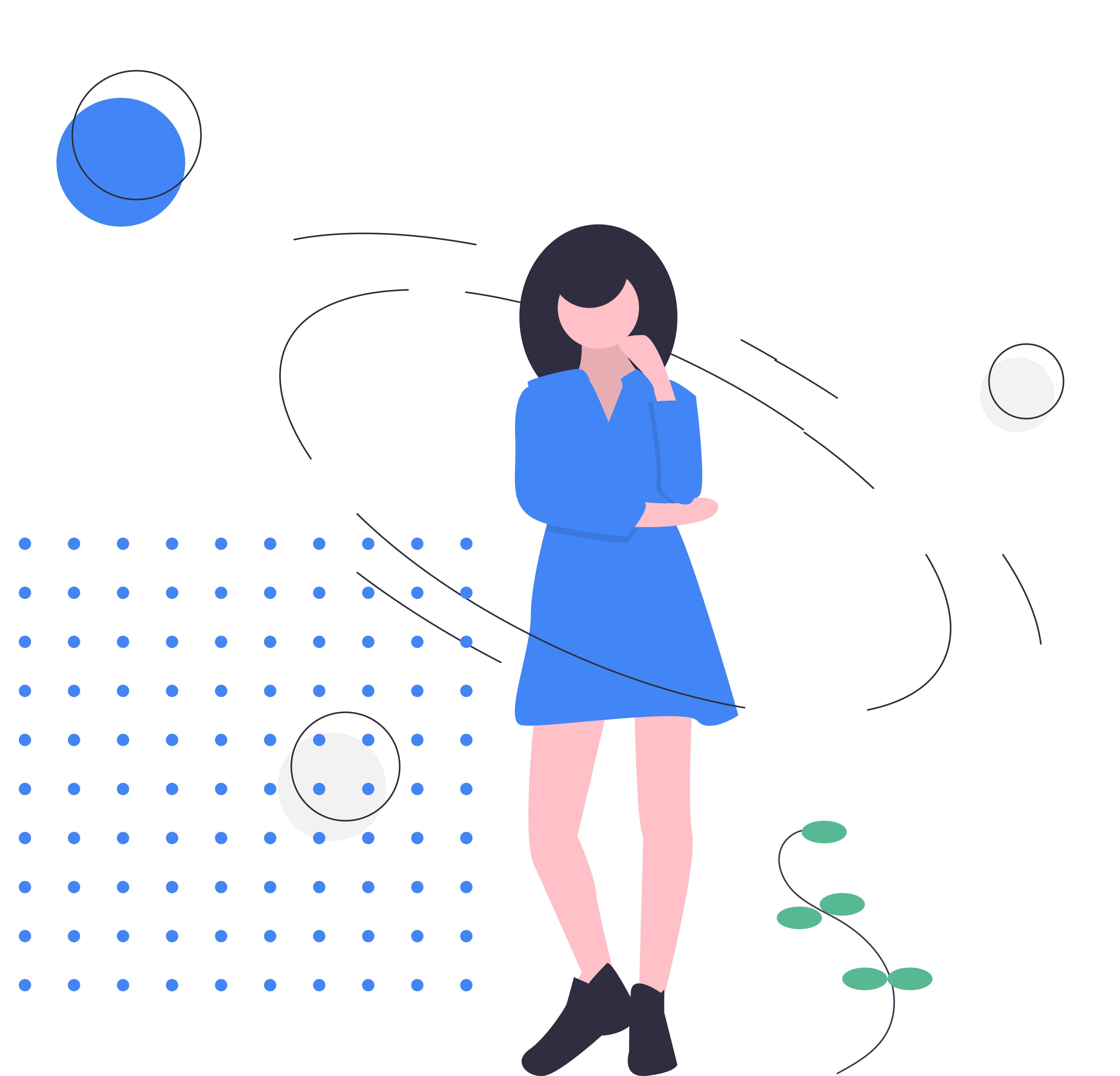
# codewave

# Handbook for employees

A fearless adventure in knowing what to do when no one's there telling you what to do



Dedicated to the families of all Codewave employees.

Thank you for helping us make such an incredible place.

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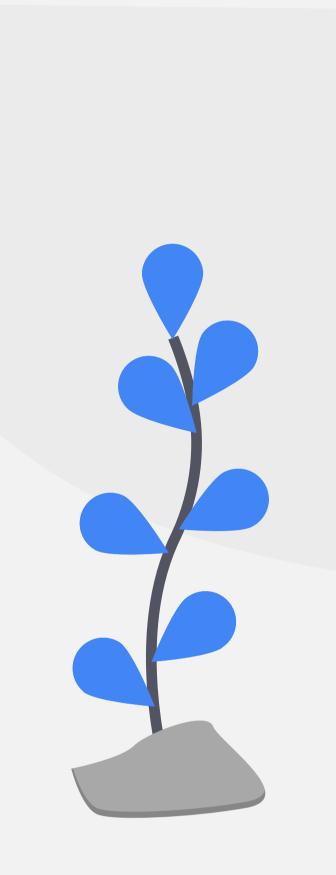
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#### 1. Introduction

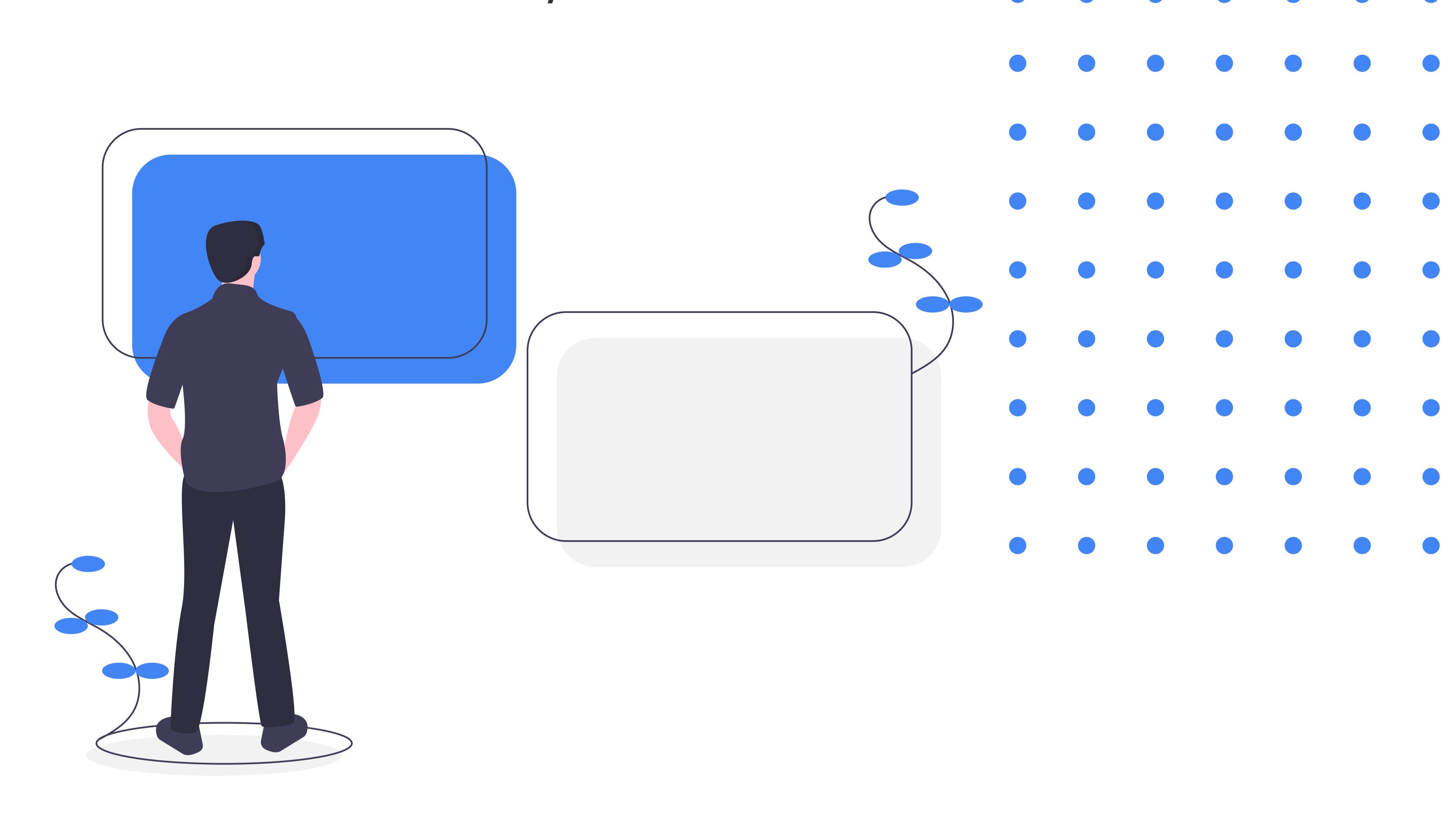
In 2013, we set out to bring 'design thinking' to India, which was then a land of outsourced IT & BPO. But we knew that we had to first create a place that was designed to foster human greatness. A place where individuals are allowed to be who they want to be & are empowered to put their best work.

This book is an abbreviated encapsulation of our guiding principles. As Codewave continues to grow, we hope that these principles will serve each new person joining our community. If you are new to Codewave, welcome. Although the goals in this book are important, it's really your ideas, talent, and energy that will keep Codewave shining in the years ahead. Thanks for being here. Let's make great things.

### 2. How to view this book

This book isn't about perks & benefits or how to set up your workstation or where to find source code. Codewave works in ways that might seem counter-intuitive at first. This handbook is about the choices you're going to be making and how to think about them.

### 3. Your first day



So you've gone through the interview process, you've signed the contracts, and you're finally here at Codewave. Congratulations, and welcome.

Codewave has an incredibly unique way of doing things that will make this the greatest work experience of your life, but it can take some getting used to. This book was written by people who've been where you are now, and who want to make your first few months here as easy as possible.

Once you've read it, help us make it better for other new people. Suggest new sections, or change the existing ones. We'll collectively review the changes and make future revisions.

### 4. Facts that matter

#### Codewave is self-funded.

We haven't ever brought in outside venture capitalists or investors. Since our earliest days this has been incredibly important in providing freedom to shape the company and its business practices.

#### Codewave is a social network.

When we started Codewave, we wanted it to be the grandest social experiment ever done to accelerate self awareness & transformation.

We think the ultimate purpose of work, is to take you home to your greatest self. And our greatest disruption so far, has been in the way we looked at people.

We are an environment where people are free to be their authentic selves, candidly influencing the "why" — be it any role they're on. With enough autonomy to unleash creativity and enough structure to eliminate needless chaos, we want to grow organically at every moment of opportunity.

# ... things that matter

#### Codewave is flat.

We do have founders/directors, but even they aren't your managers. Codewave is yours to steer—toward opportunities & away from risks. Everyone knows how much money the business is making. You have the power to lead projects. You have the power to ship deliverables. You don't have a fixed seat — you'd move around to help others or be helped.

#### Customer isn't the king.

Every company will tell you that "the customer is king", but here we believe customer is a peer. There's no red tape stopping you from figuring out for yourself what our customers need, and then giving it to them.

If you're thinking to yourself, "Wow, that sounds like a lot of responsibility," you're right. And that's why hiring is an important thing you will do at Codewave.

Any time you interview a potential candidate, you need to ask yourself not only if they're talented or collaborative but also if they're capable of literally running this company, because they will be.

### 5. Settling down



So you've decided where you sit. You know where the meeting room is. You're even pretty sure you know what that one guy's name is. You're not freaking out anymore. You'll learn about how people work & how projects get delivered.

# 6. Why pick your own project?

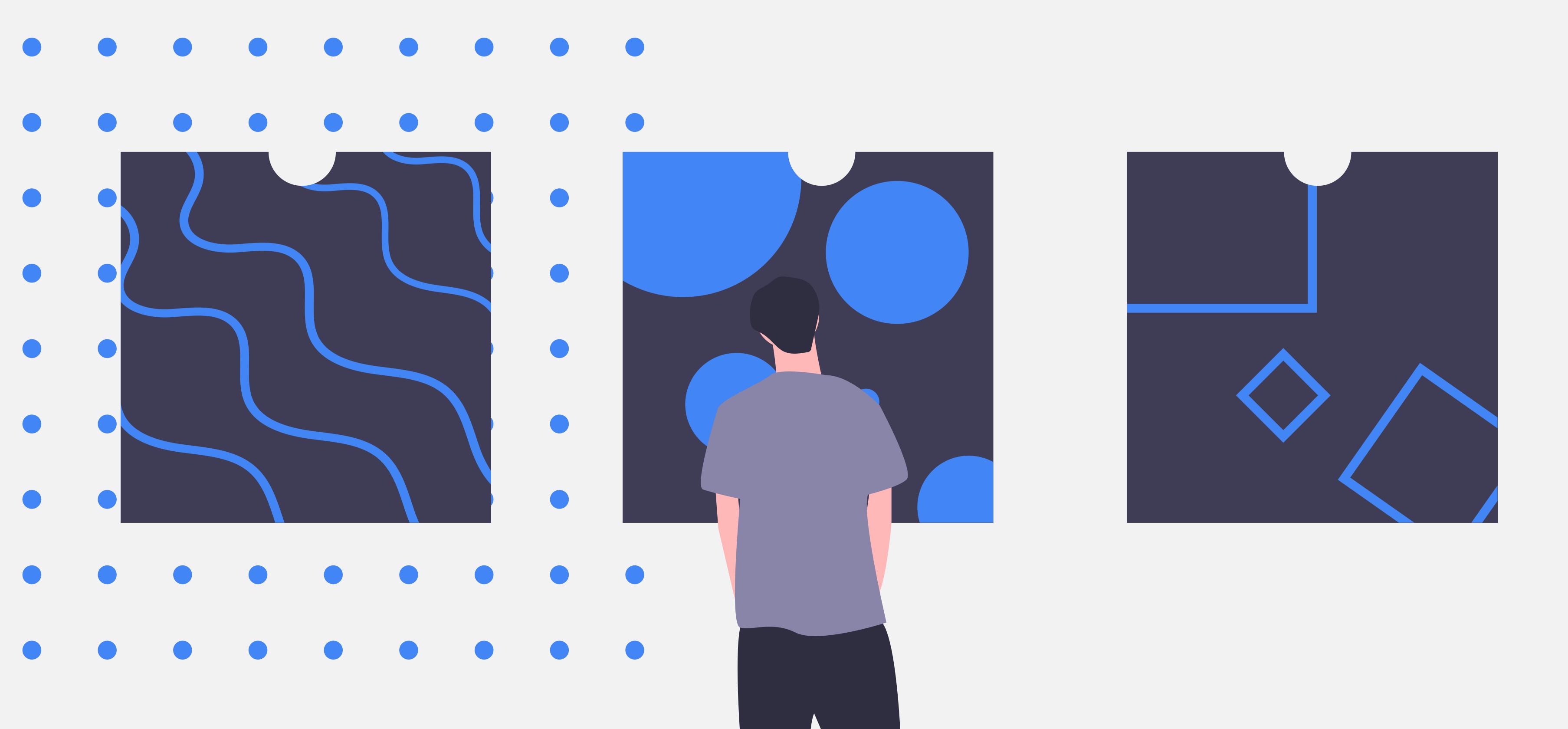
Since Codewave is flat, people don't join projects because they're told to. Instead, you'll decide what to work on after asking yourself the right questions.

### ...pick your projects

If you're working here, that means you value giving your best & being vulnerable. People are going to want you to work with them on their projects, and they'll try hard to get you to do so. But the decision is going to be up to you. (In fact, at times you're going to wish for the luxury of having just one person telling you what they think you should do, rather than many).

#### But how do you decide what to work on?

Deciding what to work on can be the hardest part of your job at Codewave. This is because, as you've found out by now, you were not hired to fill a specific job description. You were hired to constantly be looking around for the most valuable work you could be doing. At the end of a project, you may end up well outside what you thought was your core area of expertise.

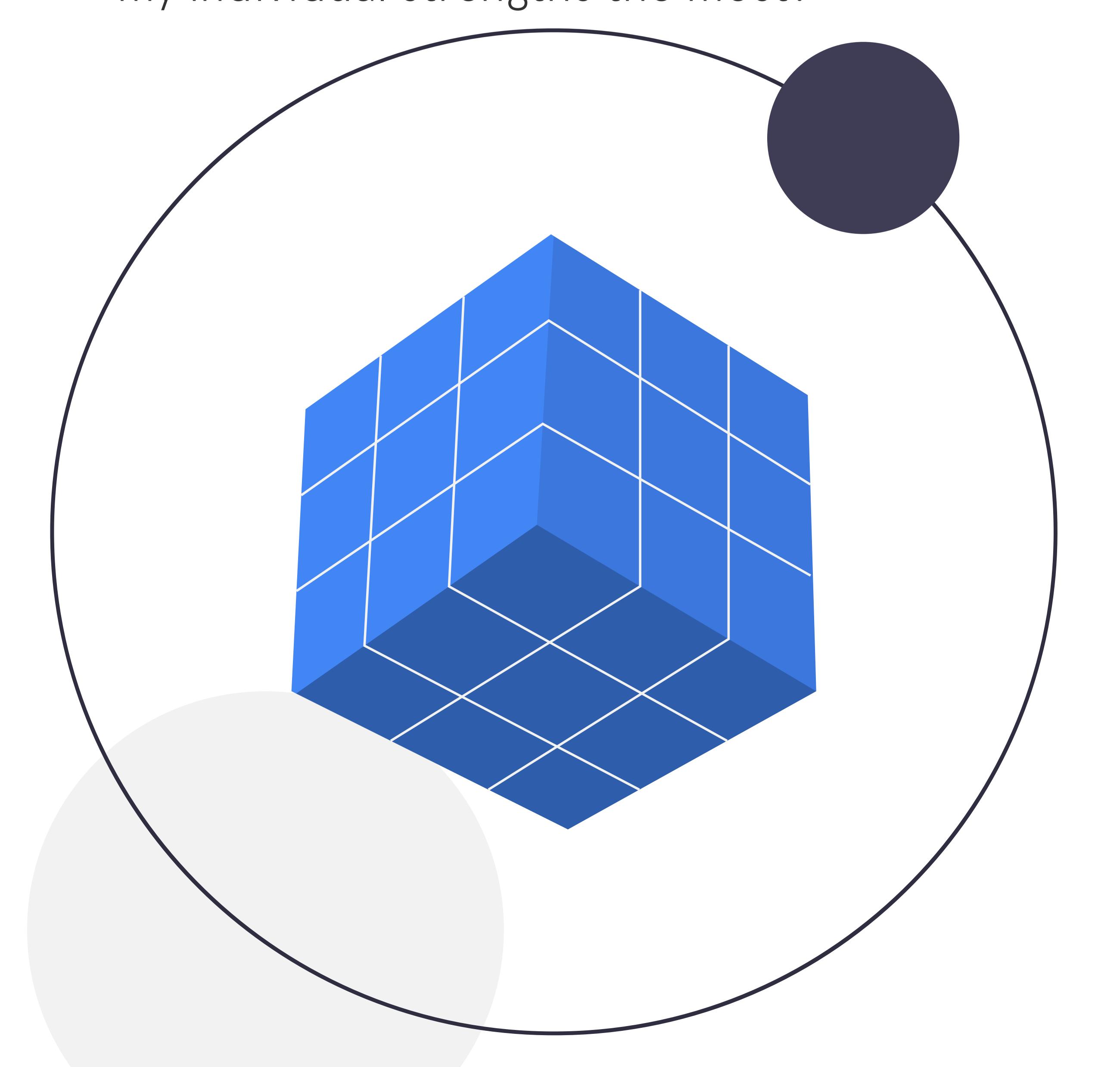


### ...there's no rule book

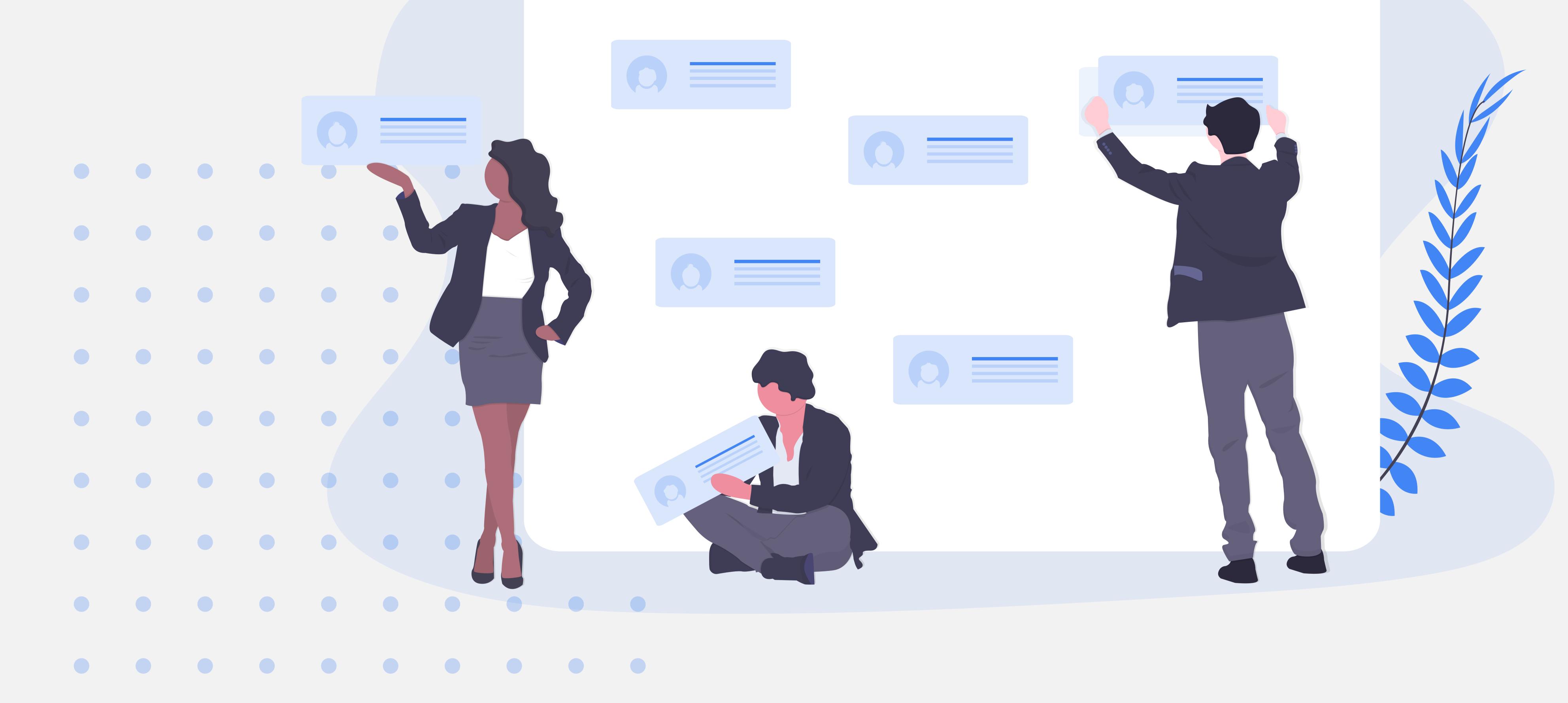
There's no rule book for choosing a project or task at Codewave.

But it's useful to answer questions like these:

- · Of all the projects currently under way, what's the most valuable thing I can be working on?
- · Which project will have the highest direct impact on our customers? How much will the work I do could benefit them?
- · Is Codewave not doing something that it should be doing?
- · What's interesting? What's rewarding? What leverages my individual strengths the most?







# How do you know what projects are underway?

There's a live TV broadcast of current projects, but by far the best way to find out is to ask people. Anyone, really. When you do, you'll find out what's going on around the company and your peers will also find out about you. People at Codewave want and need to know what you care about, what you're good at, what you're worried about, what you've got experience with. And the way to get the word out is to start telling people all of those things.

So, while you learn about projects, you're also broadcasting your own status to a relevant group of people. Got an idea for how Codewave could change how we internally broadcast project/company status? Great. Do it.

In the meantime, the chair next to anyone's desk is always open, so plant yourself in it often.

# Short term vs long term

Because we all are responsible for prioritizing our own work, and because we are conscientious and anxious to be valuable, as individuals we tend to gravitate toward projects that have a high, measurable, and predictable ROI for the company.

So when there's an opportunity on the table to achieve a profit goal, we all want to take it. And, when we're faced with a threat that challenges the very purpose of why Codewave exists, it's hard to delay responding to it.

This sounds like a 'normal' thing in business and it often is, but it's an important responsibility to balance short term & long term gains. It's up to all of us to spend effort focusing on what we think the long-term goals of the company should be.





# Someone told me to (or not to) work on X. And they've been here a long time!

Well, the correct response to this is to keep thinking about whether or not your colleagues are right. Broaden the conversation. Hold on to your goals if you're convinced they're correct. Check your assumptions.

Pull more people in. Listen. Don't believe that anyone holds authority over the decision you're trying to make. They don't, but they may have valuable experience to draw from, or information/data that you don't have, or insight that's new.

When considering the outcome, don't believe that anyone but you is the "stakeholder". You're it. And Codewave's customers are who you're serving. Do what you think is right for Codewave to do for them.

# What about all the other things. I don't get done?

It's natural in this kind of environment to constantly feel
like you're not doing enough because for every one task you decide
to work on, there will be dozens that aren't getting your attention.

Trust us, this is normal. Nobody expects you to devote time to
every opportunity that comes your way. Instead, we want you to
learn how to choose the most important work to do.

# How does Codewave decide what to work on?

The same way we make other decisions: by waiting for someone to decide that it's the right thing to do, and then letting them recruit other people to work on it with them. We believe in each other to make these decisions, and this faith has proven to be well-founded over and over again. But rather than simply trusting each other to just be smart, we also constantly test our own decisions.

Whenever we move into unknown territory, our findings defy our own predictions far more often than we would like to admit.

We've found it vitally important to, whenever possible, not operate by using assumptions, unproven theories, or folk wisdom.



# Can I be included the next time Codewave is deciding X?

Yes. There's no secret decision-making cluster. No matter what project, you're already invited. All you have to do is either

- (1) Start working on it, or
- (2) Start talking to all the people who you think might be working on it already and find out how to best be valuable.

You will be welcomed—there is no approval process or red tape involved. Quite the opposite—it's your job to insert yourself wherever you think you should be.

### Self-organized project clusters

Like any other group or effort at the company, they form organically. People decide to join the group based on their own belief that the group's work is important enough for them to work on.

#### Team leads emerge

Often, someone will emerge as the "lead" for a project.

This person's role is not a traditional managerial one. Most often, they're primarily 'clarity' drivers. They worry about the whole project so people can use them to check decisions against. The leads serve the team, while acting as centers for the teams.

#### Structure happens

Project teams often have an internal structure that forms temporarily to suit the group's needs. Although people at Codewave don't have fixed job descriptions or limitations on the scope of their responsibility, they can and often do have clarity around the definition of their "job" on any given day. They create a job role that fits the group's goals.

Codewave is not against 'structure' – we're against structures that begin to serve their own needs rather than those of Codewave.

### Team, office, hours & risks.

While people occasionally choose to push themselves to work some extra hours at times when something big is going out the door, for the most part working overtime for extended periods indicates a fundamental failure in planning or communication.

If this happens at Codewave, <u>it's a sign that something needs to be</u> <u>reevaluated and corrected</u>. If you're looking around wondering why people aren't in "crunch mode," the answer's pretty simple.

The thing we work hardest at is hiring the right people, so we want them to be with the community and have a good balance between work and family and the rest of the important stuff in life.

If you find yourself working long hours, or just generally feel like that balance is out of whack, be sure to raise the issue with whomever you feel would help.

Office is a second home for Codewavers. If you find people coming in their sweats, or lazing around, don't be surprised. Great ideas come into action only when we're free from boundaries set in our environments. If you want to spend idle time or play a game you like, relax. And do it!

No one's going to judge or take advantage of that.



# What if I screw up?

Nobody has ever been fired at Codewave for making a mistake. Providing the freedom to do mistakes is an important trait of the company—we couldn't expect so much of individuals if we also penalized people for errors. Even expensive mistakes, or ones which result in a very public failure, are genuinely looked at as opportunities to learn. We can always repair the mistake or make up for it.

Screwing up is a great way to find out that your assumptions were wrong. As long as you're open to change & are moving forward with a larger perspective, you're doing it right.

There are some bad ways to fail. Repeating the same mistake over and over is one. Not listening to customers or peers before or after a failure is another. Never ignore anything; particularly when it says you're wrong.

# What if we all screw up?

So if every employee is autonomously making his or her own decisions, how is that not chaos? How does Codewave make sure that the company is heading in the right direction? When everyone is sharing the steering wheel, it seems natural to fear that one of us is going to steer Codewave's car off the road.

Over time, we have learned that our collective ability to meet challenges, take advantage of opportunity, and respond to threats is far greater when the responsibility is distributed as widely as possible. Namely, to every individual at the company.

We are all stewards of our long-term relationship with our customers. Sometimes they get angry with us. But because we always have their best interests at heart, there's faith that we're going to make things better, and that if we've screwed up today, it wasn't because we were trying to take advantage of anyone.



# Peers, performance reviews & hikes.

We all need feedback about our performance—in order to improve & know we're succeeding. Twice a year we give each other feedback about our work. Outside of these formalized peer reviews, the expectation is that we'll just pull feedback from those around us whenever we need to.

There is a framework for how we give this feedback to each other. A set of people (the set changes each time) interviews everyone in the whole company, asking who each person has worked with since the last round of peer reviews and how the experience of working with each person was in terms of - Dependability, Competence, Ownership, Teamplay & Impact. The purpose of the feedback is to provide people with information that will help them grow. That means that the best quality feedback is directive and prescriptive, and designed to simplify implementing it.



### 

The feedback is then gathered, collated and delivered to each reviewee. Making the feedback anonymous has pros and cons, but we think it's a good way to get the most useful information to each person. There's no reason to keep your feedback about someone to yourself until peer review time if you'd like to deliver it sooner. In fact, it's much better if you do so often, and outside the constraints of official peer reviews.

#### How hikes are decided?

Pay discussions are separated from feedback discussions (for effectiveness), and distribution of funds allocated for pay upgrades is decided by the peerly panel, for the season.

Panel members are chosen on basis of their overall social empathy skills, not necessarily number of years of work experience (members are changed to avoid bias).

We want our incentives to drive greater social behaviors. People in a cluster earn equal variable pay, when their project succeeds irrespective of their function or role. People are incentivized to jump into struggling projects & transform them.

# What does Codewave do with profits?

Profit is shared on the go, rather than accumulated.

Each project cluster is responsible for making their project profitable. A part of the profit from each cluster, goes into the "project kitty" which is then equally distributed among the cluster members as "monthly project bonus". Remaining part of the profit goes into the "company kitty" which creates a company bonus component for everyone in the company, including the contributing cluster. This means, higher the company bonus for an individual, healthier the business.

By continuously evolving our performance nudging practices and design of incentives, we've learnt invaluable lessons in behavioral economics and human capital leadership, that can be of service to other communities and organizations.





# What roles do you play at Codewave?

By now it's obvious that <u>roles at Codewave are fluid</u>.

Traditionally at Codewave, nobody has an actual title. This is by design, to remove organizational constraints. Instead we have things we call ourselves, for convenience.

In particular, people who interact with others outside the company call themselves by various titles because doing so makes it easier to get their jobs done.

Inside the company, though, we all take on the role that suits the work in front of us. Everyone is a designer. Everyone can question each other's work. Anyone can recruit someone onto his or her project. Everyone has to function as a "strategist," which really means figuring out how to do what's right for our customers. We all engage in analysis, measurement, predictions, evaluations.

### Designing your own growth

Because Codewave doesn't have a traditional hierarchical structure, it can be confusing to figure out how Codewave fits into your career plans.

"Before Codewave, I was a Level 1 software engineer in X. I had planned to be a Team lead in 5 years. How am I supposed to keep moving forward here?"

Working at Codewave provides an opportunity for extremely efficient and, in many cases, very accelerated, career growth. In particular, it provides an opportunity to broaden one's skill set well outside of the narrow constraints that careers can have at most other companies. So the "growth ladder" is tailored to you. It operates exactly as fast as you can manage to grow.

You're in charge of your track, and you can elicit help with it anytime from those around you. FYI, we usually don't do any formalized employee "development" (course work, mentor assignment), because it's mostly not effective. We believe that <a href="https://doi.org/10.1001/journal.org/">https://doi.org/10.1001/journal.org/</a>

Most people who fit well at Codewave will be better positioned after their time spent here than they could have been if they'd spent their time pretty much anywhere else.

### Does all this stuff scale?

Concepts discussed in this book sound like they might work well at a tiny start-up, but not at a hundreds-of-people-plus billions-in-revenue company. The big question is: Does all this stuff scale?

Well, so far, yes. And we believe that <u>if we're careful, it</u> will work better and better the larger we get. This might seem counterintuitive, but it's a direct consequence of hiring great, humble, capable people.

Getting this to scale right is a tricky proposition, though, and depends highly on our continued vigilance in recruiting/hiring. If we start adding people to the company who aren't as capable as we are at operating as high-powered, selfdirected, decision makers, then lots of the stuff discussed in this book will stop working.

We do not have a growth goal. We intend to continue hiring the best people as fast as we can, and to continue scaling up our business as fast as we can, given our existing staff.



# Hiring is the most important thing in the universe.

Hiring is fundamentally the same across all disciplines. There are not different sets of rules or criteria for engineers, designers, project managers and marketers. Some details are different—like, designers show us some of their work before coming in for an interview. But the actual interview process is fundamentally the same no matter who we're talking to.

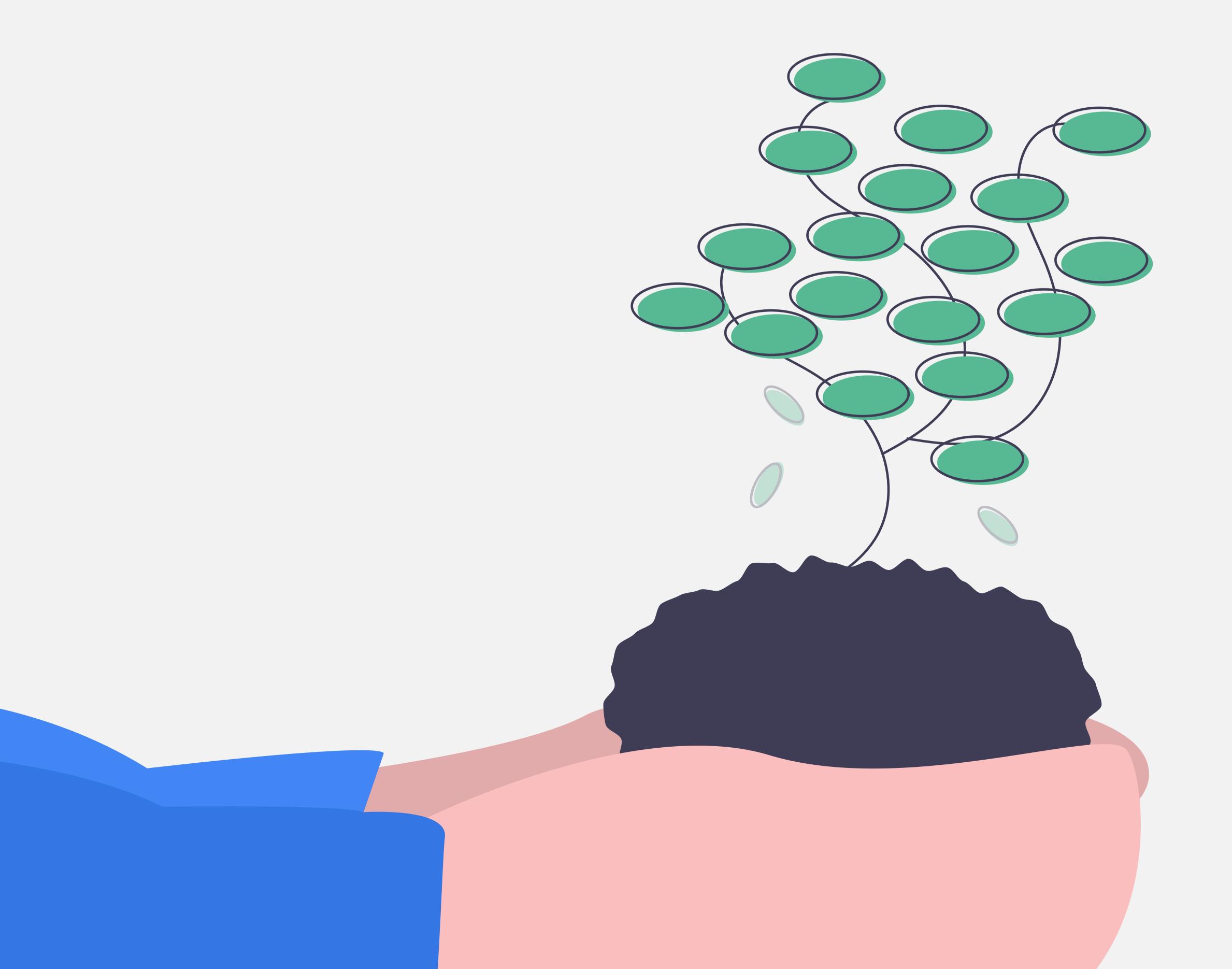
We value people who are both generalists (highly skilled at a broad set of valuable things) and also experts (among the best in their field within a narrow discipline). More importantly, people who can <u>deconstruct problems on the fly</u>, and talk to others as they do so, simultaneously being proactive, creative, iterative, assertive and humble.

# Why doesn't every company work this way?

If all this stuff has worked well for us, why doesn't every company work this way?

Well, it's really hard. Mainly because, from day one, it requires a commitment to hiring in a way that's very different from the way most companies hire. It also requires the <u>discipline to make the</u> <u>design of the company more important than any one short-term</u> <u>business goal</u>. And it requires a great deal of freedom from outside pressure—being self-funded was key. Plus having founders who believed in building this kind of a place.

Another reason that it's hard to run a company this way is that it requires vigilance. Maintaining the core values from Day 1, requires the full commitment of everyone—especially those who've been here the longest.



# What is Codewave not good at?

The design of the company has some downsides.

We usually think they're worth the cost, but it's worth noting that there are a number of things we wish we were better at.

- · Helping new people find their way. We wrote this book to help, but as we said above, a book can only go so far.
- · Mentoring people. Not just helping new people figure things out, but proactively helping people to grow in areas where they need help is something we're organizationally not great at. Peer reviews help, but they can only go so far. Self assessment & growth planning work best.
- · Making predictions longer than a few months out.
- · We may miss out on hiring talented people who prefer to work within a more traditional structure. Again, this comes with the territory and isn't something we should change, but it's worth recognizing as a self-imposed limitation.

Sometimes, the philosophy and methods outlined in this book don't match perfectly with how things are going day to day. But we're confident that <u>even when problems persist</u> for a while, Codewave roots them out.



# Be an agent of change and help the community thrive

Codewave will be a different company a few years from now because you are going to change it for the better. We can't wait to see where you take us. The design & programming services and experiences that you decide to create for our customers are the things that will define us.

It's tempting to question why Codewave has set out to be what it is and why can't we operate just like other businesses do—focus on things like team size and revenue. 'Coz we believe at some point everyone would see why it's important to make work suck less and why it's worth the experiment now.

We can't wait to see the future you'd create at Codewave.

# codewave

Design thinking & Digital transformation