Scandio in Change

The Path to Self-Organization

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Scandio and self-organized teams

In 2014, Scandio increased its revenue „accidentally" by 56%. Since Scandio is a technology and service-oriented company, this automatically implies a significant growth in employees. Due to these circumstances, we started adapting structures and processes appropriate to growth and size of the company at the beginning of 2015.
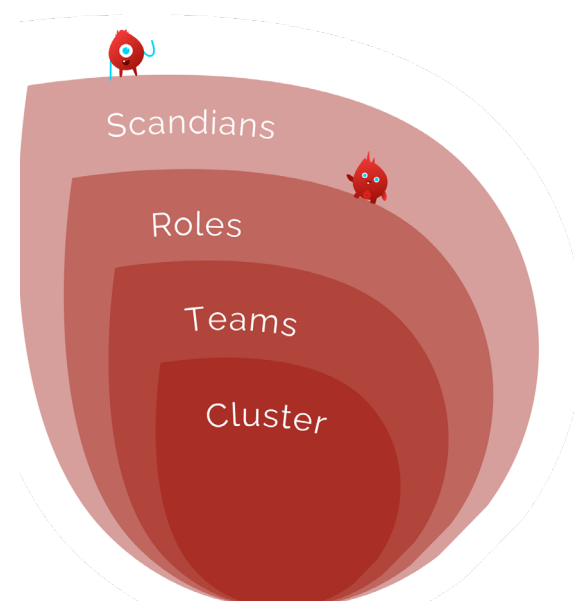
The first thought was to create management positions in order to relieve the founders on the one hand and to introduce suppler decision-making structures on the other - after all, the company wants to grow further. However, discussions between the founders, Christoph Köberle and Christian Koch, and the employees quickly made it clear that classic „Command & Control" structures would not promise success. Scandio's employees attach great importance to working independently - positive authority is created naturally and not through classic hierarchies.

By mid-2015, the first steps were taken to set the course. First of all, the challenges of the future were analyzed internally and worked out within the team by answering the following questions:

- What added value does the staffing of management positions bring about?
- Which are the most important individual accomplishments that are expected and hopefully provided by management positions in classic corporate structures?
- What does responsibility look like in such structures and how is the issue of responsibility solved at Scandio?

In particular, the analysis of important individual accomplishments, which was simplified by the question „What is a good manager?", furthered Scandio's development. The following tasks were identified as in-dispensable:

- Participation in recruiting new employees
- Giving direct feedback and conducting feedback interviews
- Support with acquisition of new projects and customers
- Communication within the company and other teams
- Taking over of project responsibility
- Execution of administrative tasks
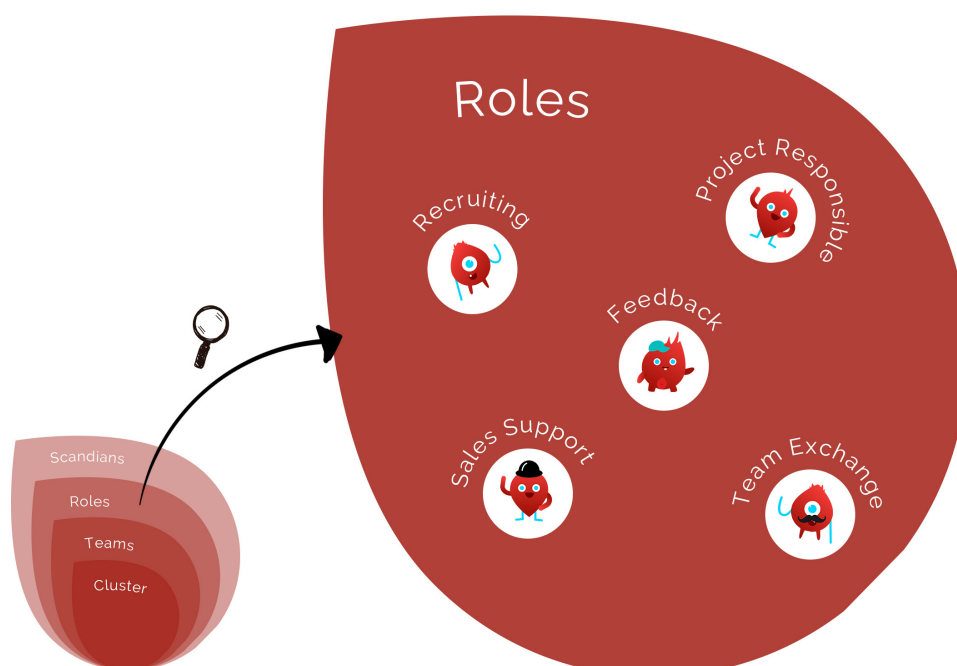- Assistance with education and training as well as know-how transfer

Teams

In order to comprehend the development towards self-organization and the significance of individual tasks, it is necessary to define how the teams are built and how they work together. The teams are formed on the basis of task areas such as software development or IT consulting and comprise between 3 and 15 people each. There are teams that work solely on one project, but also teams that are involved in many different projects simultaneously. In the latter case, a clearly defined distribution of tasks is important. Who ultimately works in which team often only becomes apparent during the work on a project itself. Active cooperation and the selection of the team members are an essential part of the team-building process. In general, every team structure at Scandio is subject to constant change, which is a welcome process. The idea behind this is: each team should be able to organize itself in the best way possible with regard to the team's respective needs and thus be able to do its work in an optimal manner.

Roles

The founders' idea was to actively demand output from within the teams from the very beginning. Classical hierarchies were to be abolished and the personal responsibility of the individual team members strengthened. In the long run, this was supposed to increase motivation and provide more space for personal development within the team. For this reason, the first step was to define roles to be assumed by members of the teams:

- Recruiting
- Project Responsibility
- Feedback
- Sales Support
- Team Exchange

These roles are of varying complexity and are also generally interpreted differently. Nevertheless, the founders were able to define the general requirements for the roles together with the teams.

Recruiting

Scandio wants to grow continuously, therefore a healthy and organic growth of about 25% has been targeted in recent years. A doubling of staff within one year is not the goal. The impact on culture, performance, and quality would be tremendous. In order to find the right people for Scandio, many discussions must be held and decisions be made. The initial analysis and pre-selection of applications is currently carried out by three experienced people in the back office team and will be expanded from 2021. Depending on their size, the teams at Scandio should appoint at least one team member who will be responsible for job interviews by videocall or in person and, along with the founders, will also be able to make the final decision on hiring new employees. Every team member can hold this position, which carries quite a bit of responsibility.

Project Responsible

The role of Project Responsible is equivalent to that of the classic Project Manager, with the subtle difference that any person with the necessary knowledge can take on the role. This is very easy in development teams, because these teams usually work on one project at a time and have many in maintenance. In IT consulting, teams may have to manage up to twenty projects that run parallel. Therefore, the role of Project Responsible is not limited... but what is it all about?

Employees taking on this role assume responsibility for the successful completion of the project in the interests of the customer and in the interests of Scandio. A division of responsibility was briefly attempted, but quickly discarded. In this case the Highlander principle applies: „There can only be one." This responsibility includes:

- Assistance with project staffing
- Contact person for all customer concerns
- Project planning and implementation (within the team)
- Project accounting and administration

As mentioned above, there is no technical limitation at Scandio as to which person can assume this role. Nevertheless, there is a natural obstacle: the employee taking on this role must be able to perform all of the above tasks. If this is not possible, the person cannot assume the role of Project Responsible.

Feedback

Scandio's goal for every employee is to be able to conduct at least two feedback interviews per year, during which they have the opportunity to give and receive feedback. The mathematics behind this is quite simple. With currently more than 80 permanent employees, that would be more than 160 appointments. Since Scandio is constantly growing, it is foreseeable that this task can no longer be performed by the managing directors alone. It was therefore decided in 2017 that the feedback meetings would be organized by the teams themselves. A new employee-driven process was introduced for this purpose. The founders use the time gained in this way to conduct 1:1 discussions and staff meetings on demand.
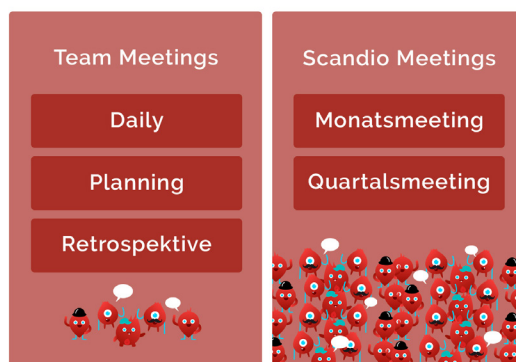
Sales Support

„Tell a technical consultant to do sales - they might run away screaming." Scandio does not yet have a strong sales force and the teams are very interested in knowing which projects are pending and, if necessary, in being involved in the decision making process as to which project is accepted or rejected. Furthermore, it is important to involve the teams in the quoting process at an early stage, otherwise a complete transfer of responsibility is difficult to implement. The teams are therefore requested to name at least one contact person for sales-related tasks. This person should be available with a short lead time of a maximum of one working day for estimates, discussions and even presentations. This role is also involved in the delivery of a project won.

Team Exchange

The role of Team Exchange had been created in order to coordinate with other teams, to support each other and to compensate for capacity bottlenecks, but this did not work very well at Scandio. More on this in the Cluster chapter.

Meetings

In self-organization, continuous and regular coordination within the team and across team boundaries is necessary. For this reason, Scandio began early on to introduce a meeting structure that is flexible, but one that is still based on the standard meetings known from the Scrum methodology. Scandio distinguishes between the following: Team Meetings and Scandio Meetings.

These are currently lived and implemented as follows:

Scandio Meetings

There are regular monthly and quarterly meetings which are fixed meetings for the whole company. Both dates are considered important and participation of all employees is mandatory. This means: „I don't have time for this, I'll be at a customer's" is not a welcome excuse. As of right now, between 90 and 95% of all employees participate in these meetings, either in person or remotely.

Monthly meeting

The monthly meeting is currently held eight times a year. It focuses on the current situation of the teams. Each team is given seven minutes to report on current events. There are no specifications regarding the structure and everything from slapstick with a certain theatrical quality to a simple report from the projects has happened during these meetings. Roughly speaking, the contents of the monthly meeting can be described as follows:

- What are we doing right now?
- Are there changes in the team?
- Which technology is currently interesting?
- What's bothering us right now?
- Where do we need support from other teams?

The goal of the monthly meeting is to let the other teams know what one's own team is currently doing and what they can basically do. It is therefore an important component of the knowledge distribution within Scandio. This is where the foundation stones of comprehensive team cooperation are laid.

Quarterly Meeting

The quarterly meeting is an informational event which presents the companies view and is currently being held primarily by the founders with increasing support from the still quite new cluster managers. Since Scandio attaches great importance to transparency, reports are presented at each quarterly meeting, including but not limited to:

- Facts and figures from the past quarter and goal achievements
- Display of key figures such as workload and hourly rate
- Comparison to the previous year and the initial planning
- What happens within the backoffice and the Cluster?
- How are the activities in recruiting and employer branding developing?
- What happens in business development/sales and marketing?
- Where do founders and Cluster Responsibles see future challenges?

Usually, the information is transmitted to the employees in lecture format. After the approximately one-hour presentation, a half-hour to one-hour discussion on Scandio's status quo takes place, resulting in tasks for the next iteration.

The first quarterly meeting of the year is often referred to as the kick-off meeting, as this is where the previous year is briefly reviewed and the planning for the current year is discussed.

Team Meetings

Meetings with a large number of participants are important for the distribution of information. However, efficient and productive meetings require a different framework. Therefore, teams take the time to coordinate internally on a regular basis. There are currently three formats:

- Planning
- Daily
- Retrospective

but not every team sees the need to use every single meeting format.

Planning

Depending on the team, the planning is a weekly or bi-weekly coordination round in which the project(s) of the team are being discussed and adapted to the ever-changing overall conditions. Since this planning takes place within the team, team tasks are also being discussed and distributed. These are, for example, the onboarding of new employees* in the team, upcoming team changes, capacity issues, but also the planning of team events and topics of knowledge building and transfer.

Daily

At Scandio, there are certain teams that usually only work on one single project. These projects last between 3 months and several years. Scrum is used here as a method for agile teamwork. Since a daily is a fixed component of Scrum, these teams do without an additional team daily. Conversely, Scandio also has teams of five consultants working on up to 15 projects simultaneously. These teams attach great importance to the execution of daily short rounds, which are often attended remotely. As in the Scrum environment, this is all about mutual information, such as:

- What did I do yesterday?
- What will I do today?
- Where do I need support?

These daily meetings are limited to 15 to 20 minutes. Currently about 40% of the teams conduct such daily meetings.

Retrospective

Scandio has long relied on agile project management. So it is only logical that teams want to test themselves after a phase of work. Through a Scrum Master at Scandio, who is not part of the team, the team retrospectives are currently conducted once every quarter. These meetings are scheduled for two hours. As in Scrum, the focus is on the following issues:

- What have we done well?
- Where do we have to practice self-criticism?
- How healthy is the team?
- Is there a need for communication with other stakeholders?
- What do we want to do differently in the future?

In our opinion, the answers to these questions have to be moderated by an external person. This external person is there for the „stupid" questions, which often lead to a real improvement in cooperation. The results of the retrospectives will not be discussed outside the team unless the team explicitly requests it. The teams give themselves tasks that are followed up by the supervising Scrum Master.
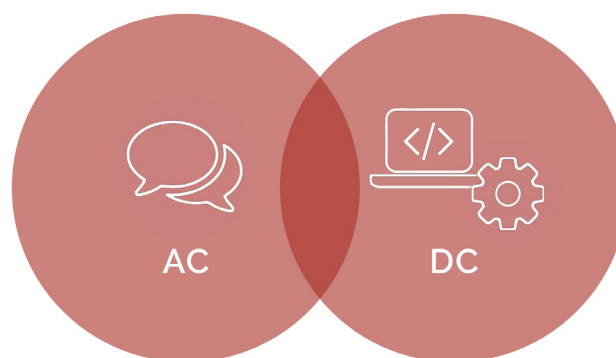
Cluster

Due to Scandio's further continuous growth, an open space event, i.e. an open workshop, was held in 2018 on the topic „Scandio 100." 100 stood for the growth at the time. The questions were: What do we do when there are 100 employees, when we carry out 100 projects, when 100 customers use our services simultaneously? One of the results was that teams wish to have a common „port" and that people with the much praised helicopter view are deployed there to support the teams in their further development.

After long and careful consideration, two clusters were introduced. The idea behind them is theme-oriented:

- Cluster 1 is primarily concerned with consulting services and resulting projects.
- Cluster 2 is mainly concerned with technology and development projects.

To spice things up a little bit, the clusters were called AC/DC:

- AC – Awesome Consulting
- DC – Development Centric

So now the right people are still missing to enable the Clusters to perform their tasks. In the first step, these were more or less named by the founders. In the long term, a better solution is to be desired here, e.g. a determination by the team members themselves.

The position was named Cluster Responsible to emphasize that these people must also take responsibility. Personnel responsibility, budget responsibility or other hierarchical issues are explicitly excluded here.

Scandio currently has five Cluster Responsibles, who perform some of their tasks jointly and some within their own Cluster. These tasks are to be understood as follows:

Recruiting

Currently, the founders are involved in all job applications and fully involved in the application process itself. Since there is a lack of scalability, first improvements had to be solved by the teams themselves. Since 2020, video interviews and personal job interviews on site have been conducted by contact persons for applications in the teams. It is not relevant whether the applicant fits into the team, but whether they would be a good fit for Scandio in general and if so, for which Cluster. In the long term, the Cluster aims to reduce the participation of the founders. This means that the Cluster Responsibles are able to conduct the recruiting process independently in coordination with the teams.

Feedback

Feedback from the teams is extremely important - in both directions. So far, the founders have been providing the team-independent part, but this does not scale well in the long run. The Cluster Responsibles are required to fill this gap and take over an active part in the feedback loop. Even a „critical" view from outside helps the teams in their own development. Colleagues from within the same Cluster are usually more helpful with this than the founders.

Capacity

As with all service companies, the workload of our IT consultants is the main focus, as this key figure - in connection with the actual hourly rate achieved - is the backbone of our success. Nowadays it is no longer enough to look at this solely on the team level. Many projects can only be staffed across teams and prioritization (what do we postpone, which requests do we refuse, what has the greatest added value) is becoming increasingly difficult. The Cluster Responsibles should play a decisive role in staffing and reshuffling new projects and keep a close eye on the workload. It is not only about the Cluster Responsibles' presence, though, but also about recognizing new needs early on.

Technology

Scandio has not only changed in size and culture over the past five years. As an internally networked company, we are able to implement far more complex and larger projects using modern technologies. To keep it that way and to even improve the status quo, the Clusters should also be harbors of technology development and further education. This starts with the responsibility of continuously organizing workshops and ultimately leads to becoming a contact person for continuous education and promotion of innovation.

Processes

We do not want to over-regulate ourselves, but Scandio has to permanently ensure that processes are inspected, adapted, and perhaps even abolished. Standstill in our processes leads to creeping bureaucracy. Those responsible for Clusters have the right and duty to question processes and behavior and to actively participate in change. Unnecessary, recurring task blocks should be automated or eliminated whenever possible.

Prospects

After our last virtual Open Space, during which lively discussions on the topic of „Teams at Scandio" were being held, we were able to take away a lot of new food for thought and action points, which show us that we have already achieved a lot in the last five years, but are still far from reaching the end of our journey. The goal is to create a corporate structure in which the founders merely act as supporters of the teams and no longer have to make any specifications. In order to realize this, mutual trust is needed, as well as motivated and self-reliant employees. Scandio has all of the above, which is why we are convinced that we will take great strides along the path to self-organization in the coming years.

Contact

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