The Culture Book for Leaders and Team Members

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Let's start with "why"

Back in 2012, we wrote the Small Book of the Few Big Rules, where we distilled into 7 rules what we thought best represented the OutSystems culture. We did not invent those rules. We just summarized what we were already practicing.

Fast forward to 2023, and we feel the need to readjust. We are bigger, global and no longer in need of evangelizing customers about how low-code is a good thing. The market has caught up with us and people now recognize that what we sell actually makes a ton of sense. Meanwhile, the world has started to embrace GenAI, and the demand for automation exploded in the IT industry. The market has become bigger and the future has become fuzzier, all at the same time.

This is why we created this new book: to infuse an extra dosage of **agility, fast reaction, and proactivity** into a company that needs to operate with a **high drive** at a **very large scale**. In short, we want **startup attributes** at **scale**.

To get this done in the simplest way we searched inside our own organization where we were seeing these attributes and why. So after a fair amount of discussion and alignment, we started from two fundamental concepts and began to build a set of processes, tools, tenets, and behavioral guidance:

1. The Team.

Teams group a small (1 to 12) number of highly motivated **individuals** working together to deliver outputs that make a sizable impact.

2. The Leader.

Leaders help teams move as fast as possible and help coordinate work between teams so everyone is rowing in the same direction.

We see these teams work as coordinated "startups" and leaders as "owners". However, these "startups" need to operate in an integrated, collaborative way and with strict alignment to benefit the whole. We were so impressed with ourselves that we even came up with a fancy name for it! We call it a **federation of teams**. In a federation of teams culture, a large number of teams work together, led by highly collaborative leaders.

A companion document to this digs into more detail on how these teams operate and what processes and tools we are putting in place to help teams and leaders do this at the highest efficiency. For now, we will present a series of rules to guide behavioral change and focus on both leaders and team members.

In this document, we describe the collection of behaviors that we agreed on as necessary to make this work. And we start from the base rules that we want everyone, including leaders, to work on – team members should focus on them. They are:

1. Collaborate	2. Focus on results	3. Act fast and with a sense of urgency	4. Understand our business	5. Reinvent yourself

And we would like leaders to work on the following: →	1. Align	2. Deliver fast toward the long term vision	3. Measure results constantly
	4. Build lean teams	5. Grow people	6. Have good judgment

Team
Members

1. Collaborate

Driven by the previous ˙small crisis˙ and ˙be helpful˙ rules, OutSystems has been a pretty collaborative company. But at scale, with hundreds of teams having a fair amount of autonomy, it is easier to forget that we have hundreds of colleagues around us and miss the big picture. Make your success a product of your work and the work of many: expand your circle by gathering and sharing information outside of your team so you are working cross-functionally, understanding more points of view and insights from around the business, and providing your point of view and insights more broadly as well. Being **reciprocal** is about listening and sharing information frequently. As you offer your understanding of the outcomes of others and align yourself, keep the big picture in mind so that your work makes both your team and other teams more successful. That will energize you and your team.

This is the first rule in this new chapter of OutSystems, and if we had to pick only one, this would be it.

- **Be reciprocal and share** information to make sure everyone is on the same page.

- **Listen** respectfully to diverse perspectives during team discussions.

- **Help** others achieve success – step up to help them if needed

- Candidly **contribute to the best solution for OutSystems**, as one big team (even if sometimes that's not the solution you brought to the table).

2. Focus on Results

As much as thinking and planning help – and it is crucial that you work on the highest impact to a well-defined **outcome** – it is delivering stuff that actually makes a difference. And never work on something that can't be measured and scalable. Remembering our earlier ˙ask why˙ rule will help you focus on your well-defined activities and outputs. While keeping a close eye on your team's dashboards allows you to measure what you are delivering. At the end of each week, you'll be able to see all those deliverables lined up – and this is a great feeling! Even better is when you have the opportunity to course correct to increase the positive impact you bring to your team, your colleagues, and the overall company.

- **Measure** your activities to make sure they are contributing to the team's goals.

- Do it at a weekly cadence and try to **shorten the measurement cycle**.

- Our industry is so fast-paced that constantly measuring allows us to **course correct** as soon as possible, if needed.

3. Act fast and have a sense of urgency

This rule is all about accountability and how you **think about time**. You need to think in terms of minutes and hours, less in days, and never in weeks or months. As an example, think of the time it takes you to reply back to someone. Be thoughtful about what is the maximum acceptable waiting time. Don't let anyone delay work because they depend on you. In the face of a crisis, jump on it immediately to fix it before it grows into a major problem - considering how fast change happens today, our previous ˙small crisis˙ rule makes more sense than ever. And demand the same sense of urgency from your colleagues. If the work is too much, if you are overworking and things keep on piling up and taking forever, remember the ˙80/20˙ rule: serialize and concentrate on the things with the highest impact – reach out to your leaders, if needed.

Leaders are also resourceful allies to whom we sometimes need to escalate things that are out of our reach.

- **Respond fast to others** so their work is not delayed because they are depending on you.

- **Adapt quickly** to change and act fast.

- **Serialize** and concentrate on the things with the highest impact.

- **In the face of a small crisis,** act fast to solve it and engage with your leader if needed.

4. Understand our business

This rule might seem like a 'nice to have'. Well, it is not. And the reason is that without profoundly understanding what we do and why we do it (the true impact we have in the world), it is difficult for many of us to feel motivated at a visceral level. And we owe it to ourselves that we work on things that motivate us. I once worked with an amazing colleague that left, stating, 'I love this company but I can't get excited about this *innovation through software* thing.' Maybe you can't get excited about what we do. Still, you must keep digging, **understanding our product and customers**, how we change lives, and why we are successful. If you understand our true potential and why customers love us, you will do everything in your power to enhance that love. You will work on customer service, interactions, product, messaging, etc, to ensure we keep our vision intact. And that, my friend, is impact.

- Understanding our business is about **understanding the impact we have** in the world.

- Start by **learning what we do** - our product and GTM strategy.

- Listen to customer stories to understand **why we are successful.**

5. Reinvent yourself

There are a lot of reasons why you need to be good at this. First, this is the only sure thing that will allow you to tackle the future as we experience it now: very blurred and very quick. It is crucial that you exercise the muscle of change and be comfortable with it. Not only change, you need to be comfortable with failure: **be coachable** and use feedback to improve and grow. In a fast-changing world, we all struggle to decide the next right thing to do. We can have good judgment. We can strategize with our teams and peers. But to really excel, we will need to 'challenge the status quo', be creative and not afraid to try something new – these are Small Book concepts that we're familiar with. Be curious and have fun while being open to external ideas and willing to try new things. Have the grit to experiment, accept failure, and not give up on the company. Rather, learn from mistakes, dust failure off your shoulders, and be better next time.

- **Adopt a growth mindset –** remember success comes from progress, not perfection.

- **Be coachable** as you listen intentionally and use feedback and challenges to reflect on how you can grow and do things better.

- **Be curious:** learn new skills and try new things (which means accepting failure will be there sometimes).

Great
Leaders

As you become a manager, our attributes should come naturally to you. You will become their guardian and protector, advocating for them whenever necessary and raising red flags if they are being ignored.

But there is an incremental set of attributes that you'll also have to display to succeed as a leader. There are various leadership best practices we could approach in this book. But after some debate, we prioritized what we believe to be better suited for leaders at this particular time for OutSystems.

OutSystems team leaders should continuously develop these attributes and remember the attributes of team members. Keeping those on the back of your mind will help you move forward in your leadership journey – evolve, learn, and strive to be a better leader every day.

1. Align

At scale and working remotely from different time zones, getting everyone to row in the same direction can be a challenge. That is why a fundamental role of leaders is to **constantly align everyone**. Remember the 'communicate to be understood' from the Small Book and the "Collaborate" attribute for team members? It's all about amplifying that.
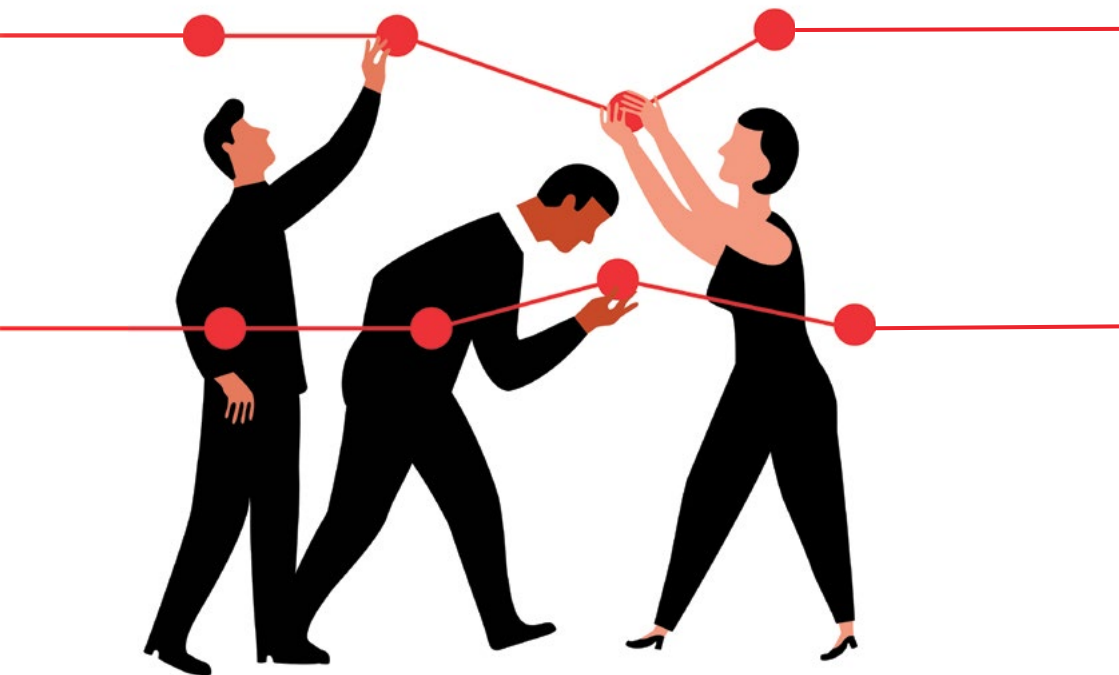
As you work with other leaders, try to get into their shoes – align your team charters and help people understand how they can complement each other. Contribute to the discussion by bringing to the table as much knowledge as possible of reality and data. If you experience friction between teams or misalignment with the strategy, it's time to ask your own leader for help.

Within your team, make sure people have a shared understanding of what you want to achieve together and why you are doing certain activities.

- **Align with your leader and peers** on the vision and high-level execution.

- Make sure **your team has a clear understanding of your team's north star** (what you want to achieve together) **and outcomes** (why you are doing things).

It's great if you help peer teams, even beyond your organization, understand each other and share a consistent vision. This is breaking silos and sometimes that can be hard. But it's all of us working together that makes OutSystems great. The alignment work done by leaders stitches the fabric of a federation of teams working autonomously towards that common goal.

- **Leadership is a shared exercise:** it's about connecting and working across teams to get north stars and outcomes aligned, removing obstacles and constantly iterating.

2. Deliver fast toward the long term vision

Strategy is useless without execution. And as a leader, your role is to get things done through others. To define your team's strategy and get to results with a sense of urgency, you'll need to understand what are **the 20% of actions that result in 80% of the impact**. Remember the ˙80/20˙ rule?

- Identify the **small set of activities that will bring you fast results without compromising the long-term direction.** These are your 80/20.

- **Be courageous enough to say no** and stop some existing activities.

Seasoned leaders and well-oiled teams go further into defining the smallest next action that delivers the greatest results. They balance fast delivery with the long-term vision for the team and the company, without compromising it. Picking that 20% is all about thoughtful impact. But even more important than defining what to do next is to define what not to do. This means being courageous enough to say no and get rid of some workload so that your team can focus on what matters the most. They'll thank you in the end! Just make sure you continue to 'ask why' and remain data-driven – measuring your team's results and activities will help you select what works and zero in on your outcomes.

- Once you **set the direction** for your team **and prioritize** activities, you are paving the way for your team to execute well.

- Always **use facts and data to decide what to prioritize** (this will also help you measure results, later on).

3. Measure results constantly

A great tool for alignment today at OutSystems is the increasing scope of our data platform to collect and report on activities and impact. It gives you the capacity to measure not only the outcomes you are impacting (what we call output metrics) but also the activities your team is doing (what we call input metrics). Establishing **a connection between activities and results is the hallmark of great execution**. Maintaining a collection of these metrics in shared dashboards gives you a better foundation for alignment discussions and for communicating clearly with everyone.

Great leaders start and end with metrics. At the team level, you should establish a cadence to evaluate and discuss your metrics. As a team leader, establish at least a Weekly Business Review around metrics enriched with anecdotes and facts. Having that data to foster communication removes a lot of the frustration that comes from guessing and not knowing. And makes your team work better.

- **Great leaders start and end with metrics:** measure the activities your team is doing and the outcomes impacted.

- **Set a cadence** that allows you to be constantly discussing metrics with your team (weekly or in shorter cycles) and be **data-driven** in your discussions.

4. Build lean teams

A basic rule of User Interface design is 'less is more'. The same goes for teams. Great leaders know that when you gather **a small group of high-performing individuals** who share the right attributes and set clear goals for them, success is nearly inevitable. So you should work to have the leanest, most effective team possible and make sure you help them excel. Coach your people, foster that growth mindset that makes people want to improve themselves for each other's benefit. Also, look for ways to automate

- Great leaders work to have the **leanest, most effective, smallest team**.

- **They coach** high-potential people, with a growth mindset and make them grow.

repetitive tasks so people can do more meaningful, high-value work. And if you notice you are missing a particular type of skill or asset, be sure to staff your team with the capabilities they need. Going back to the 'excel' rule of the Small Book: whatever you do, do it well. Don't bite off more than you can chew! If you're just dabbling in different things and not delivering great results, simplify what your team is doing - never compromise on the quality of your work.

- **They staff** the team with capabilities (people, assets) that are missing from the outside.

- They use automation so people can do more **meaningful, high-value work**.

5. Grow people

As a leader, create an **environment where people grow fast**, master what they do and quickly become more autonomous. In short, be a great coach and look at your team as a small nest for the next generation of OutSystems leaders – value high performers, offer them guidance/ training, and help them prepare for new challenges. Then, remember to publicly show appreciation for the impact each person has generated and celebrate success or even be happy for them if you see them moving to other teams – this means you've done a great job!

Also, be courageous about making hard decisions and in case of underperformance, don't avoid difficult conversations – they are a gift that will help your team get to a better place. Evaluate these situations as fast as possible and remember the 'small crisis" rule in the Small Book – offer candid feedback that helps people course-correct quickly and succeed. If there is no fit, find an alternative path for them to grow. This does not have to be a negative emotional process.

- Create an **environment where people grow fast** (coach and care) and surround everyone with great colleagues.

- **Publicly show appreciation!**

- **Be vulnerable** - acknowledging your mistakes inspires people to acknowledge theirs more easily.

- Be respectful of people and **don't avoid difficult conversations**.

When necessary, be ready to show some vulnerability, too – acknowledge your mistakes and people will acknowledge theirs more easily.
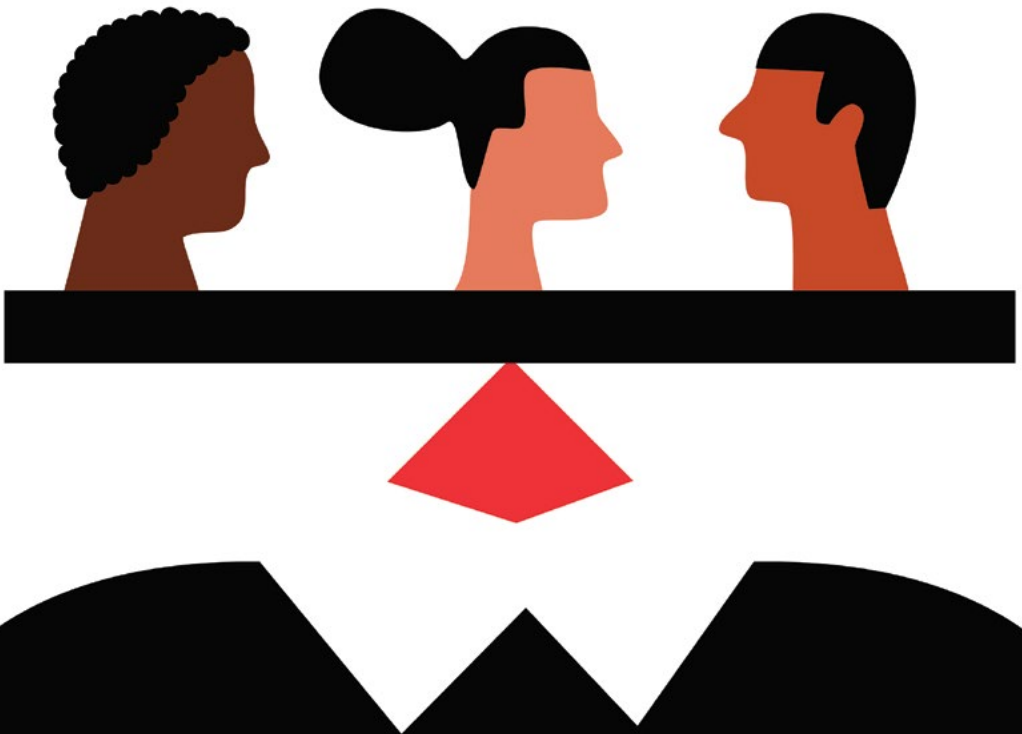
6. Have good judgment

Good judgment seems to be kind of a fuzzy attribute, but somehow we all know when a colleague exhibits it. These colleagues have a reputation for high credibility that usually comes from being grounded in reality, having a clear thinking process, being able to absorb multiple points of view, and learning fast from failure. They are trusted to select the best thing to focus on.

The foundation of good judgment is high self-awareness. As a great leader, intentionally reflect on your experiences to understand your strengths and use them to leverage success or recognize where you need help.
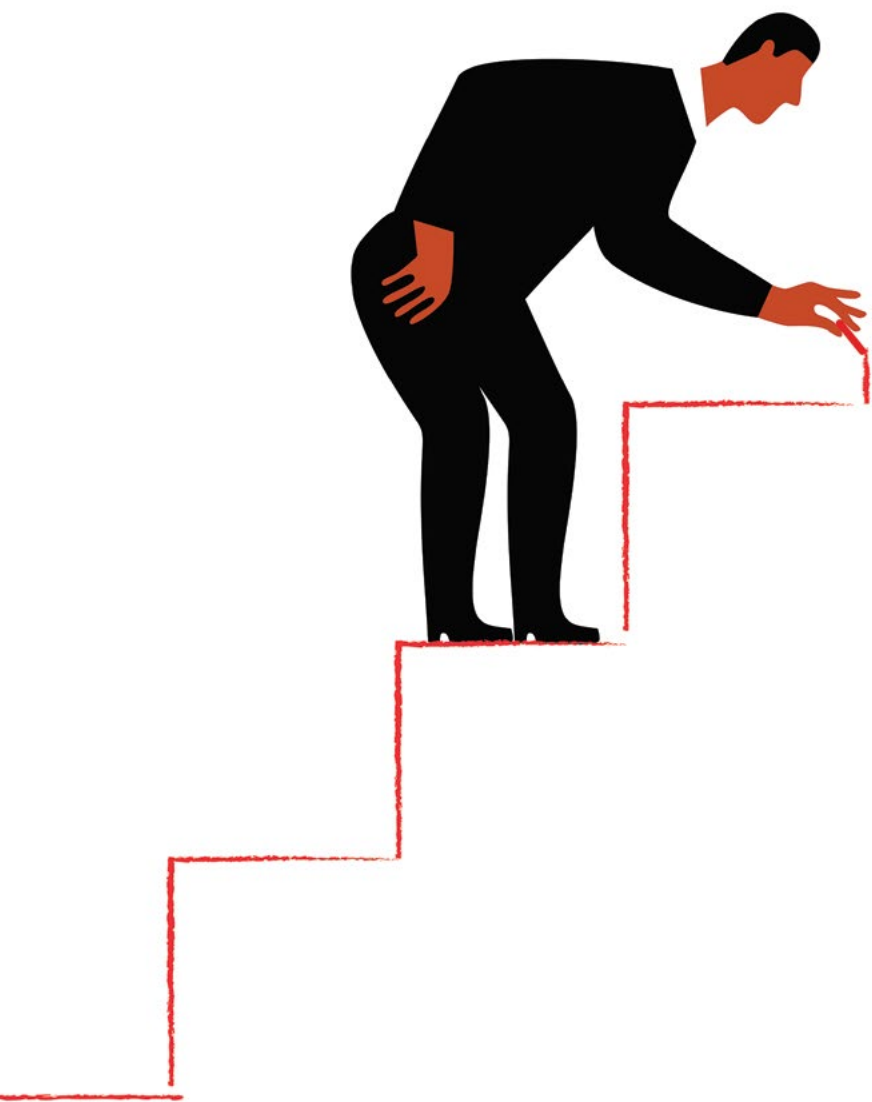
We need to apply it as a means to act fast and make fast decisions. At the core of good judgment is the ability to zoom in and zoom out on a situation: distill what's critical for decision-making, anticipate the impact of your decisions, and persevere with focus. This is what credibility is made of.

- Good judgment contributes to **high credibility.**

- The foundation of good judgment is **high self-awareness**. You know what triggers most of your behaviors and emotions and prepare for that.

- You can see this as **the ultimate goal for a leader at OutSystems**. Having good judgment is a journey of service and growth. You are going to make mistakes, but as you grow, you will make fewer of them.

Much like becoming a Jedi, having good judgment is a journey of service and growth. You are going to make mistakes, but as you grow, you'll start predicting future crises, moving fast when opportunities arise, and increasing your positive impact on the organization.

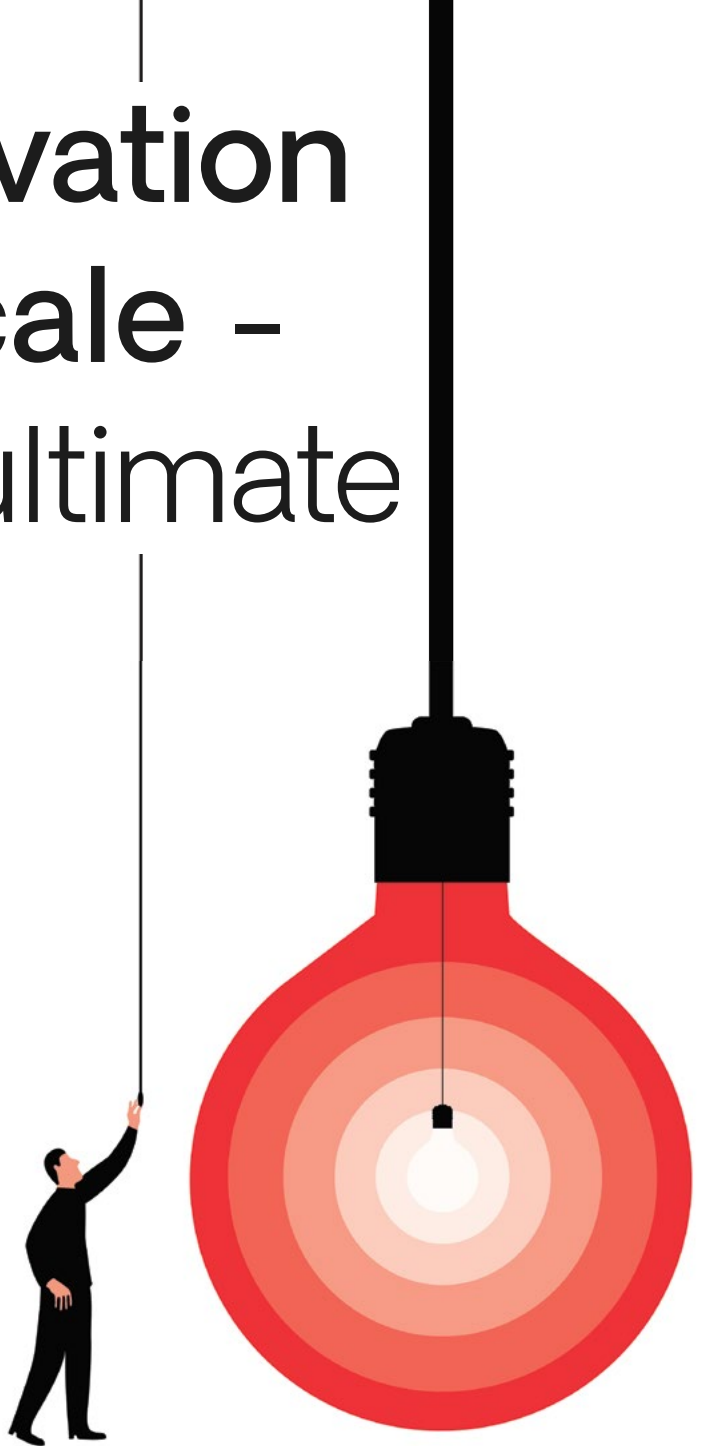# **Incremental mastery:** what's expected at each level of leadership

Leadership is a great journey. It's often a challenging one. The traits we have selected for OutSystems leaders will come more naturally for some people than others. No one is proficient in all the attributes, all the time.

The fundamental success criteria here is your ability to keep on learning and improving on your behaviors – as a junior leader or as a CxO. It's about failing fast and learning from it – constantly doing it to improve and develop.

Autonomy is a fundamental driver in a federation of teams culture. You have the freedom to decide on what skill to invest in at any given moment, just as teams can tackle their problems as they see fit. As long as the final destination (our North Star) is clear and we're all moving in the same direction.

Innovation at scale – our ultimate goal

Ultimately, learning these rules and putting them into practice will help reinforce a great way of working and a great culture across our organization. Your behaviors will set an example for your colleagues and you will start to see these attributes more and more frequently in your daily interactions.

Looking back at the Small Book, even though the context has changed, our goals remain the same: making OutSystems a place for bright, happy, and motivated people who share a common purpose and take pride in doing excellent work towards our vision.

Having every team operating like a startup will only make work more exciting because, truly, anything becomes possible. You can have a crazy idea, share it with your team, and the next thing you know, you've come up with the latest market disruption. Also, we learn and grow a lot in the process.

We believe these rules and attributes will equip all of us to handle the future as it keeps developing and changing before us. Parts of this future are beyond our control. But a lot of it will be the product of our stamina and grit, our proactivity and teamwork. And that, my fellow OutSystemer, is the magic of having innovation at scale in a federation of teams.