

# 'PRAGMA-TIZING' A SEMCO STYLE TRANSFORMATION

## SEMCO STYLE STORIES

Pragma, the South African engineering and consulting company, takes the stage in the latest episode of Semco Style Stories. This company is known for its enterprise asset management software tools and management practices, which makes day-to-day operations more efficient. However, managing people took a step back, and Pragma had to then start focusing on individual strengths and happiness.

When it was just the four engineers who built the company, managing people and the business was not an issue. As the company grew into a globally-represented organization with close to 500 employees, the dynamics of sustaining this balance became much harder. What became increasingly challenging was staying competitive and making quick decisions from either the office space or from home, when required.

This pushed Pragma to start a cultural transformation with the aim of enhancing performance, impact and happiness.

The person behind this cultural transformation is Stéphan Pieterse, Chief People Officer at Pragma. Stéphan is trained in mechanical engineering, and fully understands the operational requirements of the business. He is also motivated by unlocking human potential, with the intention and determination to bring humanity back to the workplace. As he puts it, "I am a mechanical engineer - machines don't talk back to you, but people do".

In his 15 years at Pragma, he has broadened his horizons by exploring different facets of organizational development. He set his eyes on combining all that makes Pragma authentic: being people-oriented and staying true to their South African origins in today's forward-thinking world.

Diversity lies at the core of all things Pragma – originating in a diverse country like South Africa, covering a range of industries as clients, and employees scattered across the globe. The idea was to tap into mutual interests and values, and then mold those into a model that is able to handle the complex business challenges of today.

### Good, but not great

A company, especially a globalized one like Pragma, has to stay agile in a world filled with turbulence. CEO Adriaan Scheeres, who founded the company in 1990, felt that over time, the organization had scaled down on speed, agility, and responsiveness.

In the early days of the organization, Adriaan estimated their performance level at 90%, but today, he says that this level has dropped to about 80%. This new standard was good, but not great, and this needed to change to stay ahead of the competition. The realization that change has to happen from within was quick, and thus, Pragma decided to embark on a journey of cultural transformation. Pragma's employees started creating blueprints to drive this transformation along with Semco Style Institute - South Africa.

The dawn of the new decade saw Pragma officially initiating their transformation, which they labelled the #OnTheBus movement. This movement reflected the character of this crucial transition period, which involved taking their business to the next level in terms of impact, happiness, and performance. The motto became 'Are you on the bus yet?' – emphasizing that team effort was needed to change the organizational culture. People described the culture of the

company as one driven by trust and engagement and built on a strong foundation of constant growth. However, what needed attention was the freedom to follow new or alternative lanes, and individuals feeling a sense of ownership and autonomy to pursue this creative space.

### Going where the energy flows

A high level of trust and engagement within the organization ensured that the first of seven critical success factors was met. 'Who' and 'how' were the next big hurdles to cross. This turned out to be a pivotal moment in Pragma's transformation.

Identifying the key stakeholders and sponsors that influenced this transformative journey took about six months. It represented the creation of fertile ground for the CEO and supportive sponsors to align on the objectives of the transformation. While *having credible support from outside is vital, involving a strong internal project manager that believes in the journey was even more crucial*. This is when Stéphan, who, as his colleagues say, "creates magic when he sees meaning in something", stepped up and guided the teams in terms of inspiration and determination. In collaboration with 18 changemakers labeled 'drivers', they went on to peel off the layers of the organization in search of renewed energy.

It becomes essential to understand the core strengths of the organization when embarking on a journey. This helps in optimizing the tools and mindsets before taking a deep dive into transforming a company.

## "WE DON'T WANT EXTERNAL PEOPLE TO CHANGE US INTERNALLY".

For Pragma, this meant that the first steps in their road to self-management started with 'Pragma-tizing' the people, technology and even the appearance of the campaign. As Stéphan puts it, "We don't want external people to change us internally". Therefore, the magnifying glass was pointed towards elements, teams or individuals that were already flourishing within the organization. Identifying these, and then amplifying and communicating what they were achieving was the approach to keep the process of experimentation as close to the heart of the organization as possible.

The core of the organization was represented by the *Gemba*, which roughly translates to 'the real place'. *Gemba*, in Lean philosophy, are the *operational teams*. Implementing all learnings into the cornerstones of the organization – the *Gemba* – reflected

the expansion of their knowledge circle that starts at the CEO level, and filters through to the sponsors, 'drivers', and team leaders.

One of the 'drivers' came up with the analogy of climbing Mt. Everest. Three phases were chalked out, representing the three different phases of self-management: preparation for self-management (reaching the Mt. Everest base camp), self-organization (advanced base camp), and eventually, self-direction (summit). The last phase is when teams can direct themselves with minimal input from the top. The initial idea, as Stéphan says, is "the desire to get everyone to basecamp."

He adds that, "not everybody is going to reach the summit, but we want to make sure that there's a good understanding of basic models and principles." **The Heart of the organization** Pragma's transformation was happening when the world came to a

This pivotal point in Pragma's journey towards creating more ownership within the organization became immortalized in the heart of the organization's culture.

### From knowing to applying

The next goal was to encourage a positive atmosphere. This was when all employees agreed on the rule of using three positives and two negatives while giving feedback. The approach to support colleagues was especially helpful in their digitalization strategy. Stéphan, though already versatile, had to diverge from his role as facilitator into his original role of an engineer. This created a platform that enabled positive energy to disperse throughout the organization.

To effectively spread the knowledge of the 'drivers' across multiple teams, selfie videos were introduced into an Isikobeat application. This 'positive' momentum was accelerated when seeing the faces of colleagues in these videos, who shared several practices



standstill. The COVID-19 pandemic saw many organizations put to a test – one that challenged whether a company had built a sustainable business that was resilient enough to cope with such uncertain times. Unlike many others that tried to focus on external parties to keep the business going, Pragma used this period to focus on authenticity. A period of pause and rebuild began, which entailed focusing on an engaged staff core and resilience training. The mission was to showcase how to cope with turbulent times, taking holidays, staying connected, and highlighting the positive instead of the negative.

The switch to digitization and implementing Semco Style led to several significant changes in terms of a code of conduct. The most impactful change was adjusting the manner by which they embraced Semco Style.

## "THERE NEEDS TO BE ENERGY BEHIND IT."

The earlier approach to 'Pragma-tize' things and putting them in the organization's own unique context was critical to making the transformation fully theirs. In the words of Stéphan, "We took ideas from the Semco practices, then 'Pragma-tized' it". The #OnTheBus movement became the 'Isikobeat' movement - a hybrid of 'Isiko' – the Zulu word for culture and heartbeat.

and principles of the Isikobeat movement in an interactive manner. Pragma was thus able to create better awareness of the transformation among its people. This helped the organization evolve its model from solely knowing facts, practices and principles, to actually applying these.

Pragma has made major progress by continuing to apply self-management in the organization, all while staying true to its authentic self. These days, Pragma has started to involve more changemakers and team leaders in its transformation process. Here, passion and authenticity are crucial conditions in the selection, apart from just past records.

The results, till now, have been outstanding. Increased creativity has emerged from the Gemba, which has seen markedly higher levels of ownership and happiness. Monitoring the pulse of the Isikobeat on a monthly basis and communicating the outcomes transparently has driven all employees to explore in-depth the status of the organization. For instance, the 'Principles of the Month' and the 'Value Adding Ambassador' program – that highlights outstanding employees based on certain principles – emphasize the need for creativity and innovation in tough times.

In order to keep momentum alive, Stéphan says, "There needs to be energy behind it, especially in the light of something like the COVID-19 pandemic, otherwise it can quickly die." Involving everyone in this creative process has been vital, both to build an authentic culture and to take back the positive changes in the process. Overall, Pragma continues to show its determination to reach the summit of self-management by taking as many people as possible along and facing any kind of adversity head on.



Watch the full episode of this Semco Style Stories with Pragma here!