

CREATING YOUR OWN STYLE

SEMCO STYLE STORIES

Codewave is a design-thinking-led digital innovation company driven by the vision to build scalable, impactful products. Co-founders Abhijith and Vidhya, who proudly refer to themselves as “accidental entrepreneurs,” could hardly have imagined the success they’d achieve when their journey began. Frustrated by corporate hierarchies, politics, and a lack of freedom, they embarked on a new path grounded in freedom, influence, and impact. Staying true to their core beliefs, they built an organization based on self-management principles, eventually discovering and integrating the Semco Style philosophy. This story highlights how the fusion of their beliefs with a proven methodology gained remarkable success.

Faced with the frustrations of the corporate hierarchy, Abhijith and Vidhya began searching for alternatives. Many organizations had the illustrious promise of a flat structure, but they encountered the same behaviors and issues. Pushed to the brink, they realized they should stop searching for perfection and focus on building it themselves. Abhijith recalls that in the early 2010s, the tech environment in India was known for being do-ers and not thinkers. The ideas often came from the West, and with Vidhya, they set out to change that.

With a vision to make creativity and critical thinking a part of everyone’s job, Abhijith and Vidhya founded Codewave. Eleven years later, they employ 150 people across three branches, serving 15 countries, and have completed over 400 projects. Their success has earned them a spot on the international stage and more than 30 prestigious awards.

A joyful foundation

With a strong core drive, Abhijith and Vidhya firmly believe in building a joyful organization characterized by empowerment, freedom, and a culture of questioning.

For them, **Empowerment** is about granting autonomy to make decisions and nurturing people to create meaningful impact. One of their team members, Shilpa, reflects, “With great freedom comes great responsibility! It is great that the company’s owners are willing to trust us with so many things.” Starting as an intern, Shilpa has grown into a critical contributor to the organization and is now a shareholder.

Freedom, as they define it, means actively dismantling traditional hierarchies and distributing autonomy across the entire organization. With freedom, the belief is that natural enthusiasm, ownership, and creativity will flourish. Qualities that emerge daily as teams develop new ideas and innovative solutions for their clients.

“QUESTION OFTEN AND QUESTION EVERYTHING.”

“**Question** often and question everything” is a value at the core of Abhijith and Vidhya’s startup mindset. Without a template to follow, they trusted their own beliefs throughout the years. Their learning mindset took them through various failed experiments, and they allowed the learnings to guide their journey. This continuous questioning became the foundation for creativity, a value they encourage in all their employees as they build the organization together.

Weathering the storm

Their approach and mindset led to rapid growth and early wins, with revenue doubling three times a year for three consecutive years, earning them global recognition. Positioned at the right time in technology development, Codewave was able to meet the complex challenges posed by its customers.

But alas, no journey is without its obstacles. As India’s socio-economic landscape shifted, along with new taxation policies, Codewave experienced a sharp decline in customer demand, leaving them with excess capacity and idle employees. The obvious seemed to be cutting costs and letting people go. Alternatively, they could retain everyone and delay the inevitable. Losses continued to mount, and demand kept dropping, creating an unsettling environment where some employees felt compelled to leave of their own volition.

Amidst the scarcity of work came clarity and valuable lessons:

- **Human behavior.** The “family” concept, where everyone shares the loss, didn’t work as expected. They began sharing information openly – broadcasting project status, profits, and individual capacity. Employees started prioritizing high-need projects and jumped in when they had extra capacity. Incentives were adjusted, rewarding those who completed their projects and helped others.
- **Money.** Sharing profits while you are in a state of loss seemed counterintuitive, but it worked. Employees sought recognition based on their contributions. Despite grappling with debt, the process led to the development of a proper profit-sharing scheme that ensured value for those who stayed with the company.
- **Scaling.** Building operations and systems capable of scaling without excessive hierarchy became critical. As they grew, new approaches to performance management were required. They adopted Peerly for continuous evaluation and growth amongst peers, shifting from management-driven reviews to a bias-free, peer-based system. Vidhya admits it wasn’t easy and required several iterations. Still, they kept learning and experimenting—eventually finding a transparent approach that ensured everyone understood the “why” and the “how” behind their actions.

Scaling up

During the COVID-19 pandemic, Codewave built further resilience. Remote external teams became the norm, and suddenly, the cultural vibe that defined Codewave became invisible. They reunited with Semco Style Institute India at this critical point, finding valuable tools and proven practices to guide them during the storm.

“HAPPY EMPLOYEES LEAD TO HAPPY CUSTOMERS, AND THAT MEANS GROWTH!”

Together with SSI India, Codewave co-created a strategy to scale the organization. With a solid foundation, high resilience, and readiness for the next phase, amongst various other practices, they found these to be the most impactful in their journey to scale:


- **Social contract:** Team members co-created social contracts defining how they could do their best work and setting rhythms for working from home and in the office. Boundaries for action: This approach allowed for clear expectations and deliverables (boundaries) while granting freedom and autonomy in decision-making to meet those goals.
- **Fluid initiative teams:** Instead of fixed teams, members could join initiatives based on their interests and where they could add the most value.
- **Rhythm of governance:** They designed structured meetings for feedback and review regularly, carefully avoiding unnecessary meetings that would complicate workflows.
- **Define the north star:** To ensure alignment, the team identified key performance indicators (KPIs) for the organization, narrowing the focus on revenue over profitability.
- **Balance freedom with accountability:** They clarified role expectations using a RACI approach: Responsibility, Accountability, Consultation and Informed. With RACI explicitly setting expectations, team members battled less ambiguity and pitched in with greater clarity of their roles.
- **Appreciation** (behind the back): A culture of peer-to-peer appreciation was fostered, encouraging teammates to recognize and celebrate each other’s contributions.

SSI India partners Rajesh Navaneetham and Milind Vaidya recall meeting Abhijith and Vidhya in the early days of SSI when they still wondered if they would ever find leaders who truly embodied the principles of Semco Style. They were thrilled to follow Codewave’s journey and contribute to its success. Codewave proved that Semco Style could be applied in a structured manner to scale an organization effectively.

A company of companies

Under the resilient, forward-thinking leadership of Abhijith and Vidhya, Codewave weathered the storms and emerged more robust, thanks to its people – employees who act both as intrapreneurs and entrepreneurs. Today, Codewave is a “company of companies,” creating products and services that bring real value to client’s lives. Employees are treated as co-owners, with many advancing to become shareholders, empowered to take the helm and steer the company as they see fit.

Abhijith and Vidhya are confident in their ability to face any challenge. With their roots as strong as a Banyan tree and armed with a clear purpose and set of values shared across the organization, they believe that Codewave will remain sustainable. Energy flows through the company, and they continue to embrace a culture of experimentation, learning, and constant improvement.

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

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