

TRIED AND TESTED PRINCIPLES FOR BUILDING, MANAGING, AND LEADING HIGH-PERFORMING TEAMS THROUGH CHALLENGING INITIATIVES

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ABSTRACT

Building and running high-performing teams to handle demanding initiatives requires good strategy, leadership, and operational discipline. This paper sets out proven principles and firsthand experience for overcoming common team challenges around personalities, deadlines, and workloads. It aims to provide practical guidance on structuring and maintaining teams for success, applying agile methodologies to motivate and empower, and implementing clear processes to manage demands effectively. Leadership strategies are explored across team sizes, emphasizing shift in approach required for scaling. The power of so-called servant leadership is discussed as a method to build trust, inspire excellence, foster loyalty and aid retention. These principles are intended to help existing and aspiring leaders cultivate and manage resilient, productive, high-functioning teams, even in the most challenging and uncertain environments, to ensure sustainable momentum and workplace satisfaction. We test the hypothesis that a happy, talented team is an effective team.

INTRODUCTION

There are many factors that influence the effectiveness of a team.

Multiple studies have concluded that happy workers are productive. A study conducted by the University of Warwick found that “happiness made people around 12% more productive.”¹ Similarly, an Oxford University study found that “workers are 13% more productive when happy.”² Additional studies have found that talent is a significant multiplier in productivity. McKinsey & Company found that “superior talent is up to eight times more productive” than average performers, particularly in roles involving complexity and judgment.³ In short, for organisations to maximize productivity, a happy, talented workforce is crucial. This paper examines three real-world case studies to find common tried and tested practices company leaders have used to grow and maintain an engaged, high-performing workforce through various stages of organisational evolution.

The leaders of three companies at various stages of growth were interviewed about their practices and philosophies, challenges, and successes. Each leader was interviewed about their experience as CEO of their respective company. They were asked the following:

- How did your company get started and how did you go about becoming CEO?
- What are the challenges of taking a company through a period of growth?
- What are the differences in leading small versus large teams?
- How do you keep your workforce motivated?
- What is important in optimising operations?
- How do you manage personnel retention and turnover?
- How do you help your organization manage periods of heavy workloads and tight timelines?

From their unique experiences, common themes emerged related to keeping a talented workforce happy, engaged, and productive through change, growth, tight timelines and heavy workloads.

THREE CASE STUDIES

Posit PBC

Posit (formerly RStudio) is a public benefit corporation and software company founded in 2009. Posit is a software company that contributes heavily to open-source. According to its website, Posit’s software “empowers data scientists to use the open-source tools they know and love with the centralized management, security, and support they need at work.” Tareef Kawaf is Posit’s CEO who has led the company since 2013. Posit has approximately 450 employees.

Veramed

Veramed is a global CRO and certified B Corp, founded in 2012 that provides professional services in data analytics to the life sciences industry. According to its website, the company employs over 500 statisticians, data managers,

and programmers across the globe, with 90% staff retention. Boasting 100% on-time service delivery and 0 critical FDA findings, Veramed prides itself on the quality of its workforce. Matt Jones is Veramed's co-founder and former CEO, having recently stepped away from the role to focus on driving innovation and technical strategy.

Appsilon

Appsilon is a software engineering and data science solutions company founded in 2013 by four university friends who had worked in the technology industry. Appsilon focuses on helping pharmaceutical companies modernise their statistical computing ecosystems. Appsilon has approximately 70 fully remote employees distributed globally, in Europe, Latin America and Asia, with plans to grow into the US. Olga Mierzwa-Sulima joined Appsilon two years after its founding as the first employee and became CEO about a year and a half ago, following a structured succession process as the founders moved to non-executive roles. Over the past 2.5 years, Appsilon underwent a leadership transition, with the original founders stepping back from operational roles to join the supervisory board, culminating in Olga's appointment as CEO.

VALUES AND HIGHER PURPOSE

Each of the three interviewees stressed the importance of their company's values as essential to worker happiness and company success. For all three companies, a sense of purpose and giving back to community is a foundational element of company culture.

Tareef asserted that happy people are people who feel like they have a purpose and are using their skills toward that purpose. In other words, the pursuit of meaning is as great a motivating factor as monetary compensation. In his words, "one of the things that makes [Posit] so different is that there is a mission that is larger than just making money." From the start, Posit set out to be a public benefit corporation, which means that it is legally mandated to pursue a specific public benefit in addition to profit. Posit contributes a significant percentage of its revenue directly into the open-source community. Being a part of the Posit workforce, employees feel respected for their skills and are given agency, and in addition, they know that they are working toward a higher purpose, impacting the community in lasting and transformative ways.

Matt Jones described the inspiration behind founding Veramed, highlighting the importance of values in shaping the business from its inception to its current global scale. He explained that the idea for Veramed was inspired by personal experiences in previous workplaces, where toxic cultures and poor quality motivated him and his co-founders to create a company focused on valuing people and delivering quality work. The founding principle was to build a business where both staff and customers felt respected and valued. Veramed is also a certified B Corporation, which means the company is measured on social and environmental performance and is required to operate to high standards in order to maintain that certification. This makes Veramed's founding values integral to its operations.

During the investment phase, Matt and his cofounders rigorously evaluated potential investors to ensure alignment with Veramed's culture and values. The chosen investors explicitly recognized the value of the company's people-based approach and committed to helping protect it. Matt admitted that sometimes there is tension between maintaining a values-driven culture and meeting investor expectations focused on financial performance. The leadership team has held firm on core values during negotiations and decision-making, even when perspectives diverged. Since investment enabled Veramed to undertake significant expansion, such as entering the US market, which required substantial financial resources and expertise, the partnership with investors has facilitated growth while also testing the resilience of the company's culture.

Like Veramed and Posit, Olga Mierzwa-Sulima described how Appsilon has a culture of giving back to the community. Appsilon contributes to the open-source community and participates in industry working groups such as the R Validation Hub and PHUSE. Additionally, the company invests in the community by providing lectures to technical universities in Warsaw and also undertakes low bono and pro bono projects for NGOs and universities, supporting broader causes beyond commercial interests.

HIRING THE RIGHT PEOPLE AND GIVING THEM AN ENVIRONMENT TO THRIVE AND GROW

HIRING PRACTICES

A major theme that emerged from the interviews was that a happy, productive workforce begins with deciding on who to hire. At each company, the vetting process is deliberate and hiring decisions are not made lightly. The aim is to ensure that not only will the new hire have the appropriate skill set for the work they are expected to perform, but that they would be happy working at the company over the long term. This reduces the turnover risk and optimises the odds that the new hire will be productive in the company ecosystem.

All three companies practice values-base vetting and hiring. For example, Appsilon has a multi-step hiring process where the final stage is a culture fit interview conducted by those who would be the teammates of the prospective hire. Olga mentioned that candidates sometimes are rejected at this stage despite strong technical qualifications. Matt described a rigorous hiring process at Veramed that prioritizes cultural fit alongside technical skills, including HR interviews focused on behaviors and values. Candidates that do not align with Veramed's values are not hired,

regardless of their qualifications. Post-hire, Olga relies on observing new hires' contributions and engagement within the first three months to determine long-term fit, especially in sales and strategy roles.

At all three companies, extra care is taken when hiring leaders. For example, Tareef has specific qualities he looks for in potential leaders. According to Tareef, Posit is a company fueled by the ability to innovate, and to be successful in today's technology industry requires fast-paced innovation. For this reason, intellectual curiosity and horsepower are important qualities that Tareef looks for in a potential leader. In Tareef's view, Leaders solve most problems through raw talent. Tareef also looks for honesty, transparency, and self-awareness, as well as coachability and the ability to acquire new skills. Change is inevitable and the ability to adapt especially as technology progresses is essential. Tareef described some of the challenges in hiring the right people. For example, budget constraints force "best person for price point" decisions. In these situations, he prefers hiring fewer, better people over larger teams. This introduces a risk with single points of failure, but in Tareef's view, these exist no matter the size of a company.

RETENTION STRATEGIES

All three companies aim to maximize employee retention after thorough vetting and hiring processes. Olga reported that Appsilon aims to keep overall turnover below 15%, with voluntary turnover tracked separately. Most involuntary terminations at Appsilon are due to performance issues, following feedback and performance improvement plans, with some cases of over-investment in teams requiring corrective action. According to Matt, Veramed maintains a high retention rate by hiring carefully, providing opportunities for growth, and fostering a supportive environment. Veramed tracks regretted and non-regretted leavers and encourages employees to return if they leave to explore other opportunities.

To maximize retention, awareness of employee satisfaction is necessary. Olga described how Appsilon conducts ongoing surveys, monitors net promoter scores, and holds regular one-on-ones and stay interviews to address feedback and maintain engagement. Olga mentioned that Appsilon keeps employees happy by ensuring they work on interesting projects, are surrounded by talented peers, and are aligned with the company's mission to improve human life through technology, particularly in clinical development. This is similar to Tareef's philosophy that, "happy people are people who feel like they have a purpose and are using their skills." This is why he has tried to make Posit "an environment for people who are makers to come and stay."

Appsilon's retention strategy is multi-dimensional and takes into consideration the fully remote nature of the workforce. Olga discussed the challenges and practices of managing a fully remote, globally distributed team, including maintaining engagement, organizing in-person and online meetings, and addressing regional differences. Appsilon maintains engagement through annual company-wide retreats, monthly on-site management workshops, and regular online meetings for project teams. Olga noted that while in-person contact is particularly valued in Latin America, overall, geographic location has not posed significant challenges to company culture or operations. Olga highlighted that the level of industry engagement is a key motivator for Appsilon's technical workforce, especially regarding open-source contributions. This is one benefit of Appsilon's investments in conference participation. Another aspect of Appsilon's culture aimed at retaining quality talent is to celebrate small and large wins publicly via a dedicated Slack channel and monthly all-hands meetings, fostering a culture of recognition and shared success.

Both Tareef and Olga mentioned the importance of getting together as a company, especially for remote workers. Appsilon organizes an annual retreat where all employees gather for workshops and team-building activities, which Olga notes significantly boosts morale and motivation. Similarly, the Posit::conf annual gathering has an enormously positive effect on employee motivation and satisfaction. In Tareef's words, "when people go to the conference, they feel the love of the community coming back at them, which then reinforces the decision they made to be in this line of work in the first place."

When it comes to creating a work environment where employees can thrive, Matt and Tareef both referred to work as an integral part of life. They both asserted that finding purpose and enjoyment in work is essential for long-term motivation and satisfaction. At Posit, strategic work often happens outside office hours, such as on flights, weekends, or walks. Additionally, Posit provides employees flexibility for family events. Conversely, Posit has welcomed employees' families into the Posit family, such as inviting employees to bring their babies to Posit::conf in order to reduce the burden on new parents traveling to the conference. Tareef stressed that at Posit employees are treated as people, as opposed to human resources.

PERFORMANCE AND FEEDBACK

When asked about how to most effectively manage employees to maximize productivity, Tareef stressed that the right operational design is crucial. He asserted that systems can be design such that they make productive people look incompetent, and that needs to be acknowledged. When asked about how the system at Posit was designed, he described how performance issues are handled differently based on hierarchy level. For direct reports, straightforward feedback and action are given by the manager. If there are skip-level issues, pressure is applied through the manager. Tareef indicated that feedback delivery varies by person. In his experience, he has learned to

ask his direct reports how they like to receive feedback. In Tareef's view, people stop being productive for different reasons: they are unwilling to acquire next skill set, they disagree they need to operate at higher level, they have a loss of will or interest. At this point, each situation is managed differently.

Both Matt and Olga explained that performance is measured through clear objectives and detailed job descriptions, especially for senior hires. Olga highlighted the importance of a feedback-oriented culture, with regular performance reviews, self-assessments, and manager feedback, as well as monthly KPI-based feedback for leadership. In discussing employee performance and feedback, Matt detailed Veramed's emphasis on conflict management, and the cultivation of a positive, collaborative environment supported by tools and clear expectations. Veramed addresses interpersonal conflicts openly, leveraging the strengths of leadership team members. Tools such as the 'I am' personality assessment and the Johari window are used to foster self-awareness and facilitate constructive feedback.

ADAPTING TO MAXIMIZE PERFORMANCE

When asked about optimizing operations and the challenges of growth, Tareef spoke about team size and impact on organizational performance. In his view, the optimal team size is 3 people, and like CPU scaling, adding on results in diminishing returns. Conversely, he warned that there are downsides to smaller teams, like single points of failure. There is a trade-off between speed and resilience in team structure. However, he also admitted that single points of failure will exist even in very large companies. Tareef asserted that as a company grows complexity increases at team size milestones. For example, in his experience, growing an organization from 3 to 200, there are milestones of 10, 20, 50, 100, 150, and 200 team members that each require different management. One adaptation is to create functions, such as, marketing, sales, customer success, etc. This creates a communication challenge. Processes then become necessary, but these can kill productivity if poorly designed. In Tareef's words, "interruptions in the flow state because of process kills creativity, especially for engineers".

The idea that caution must be taken when introducing processes was shared by Olga and Matt as well. Veramed developed comprehensive processes, including ISO accreditation and B Corp certification, particularly for biometrics operations, with documented and tracked procedures to ensure quality and compliance. However, Matt noted the tension between process and creativity, explaining that while processes are necessary, over-reliance can lead to a risk-averse and unambitious culture. Veramed strives to maintain a balance that allows for both operational excellence and innovative thinking. Similarly, Appsilon made it a point to standardize only essential processes to avoid stifling innovation.

At 70 employees, Olga described how for now, Appsilon maintains a flat structure with Olga as CEO, a chief of staff, department heads, and technical mentors who support skills development among team members. Olga detailed the challenges of transitioning from founder-led to team-based leadership, the importance of forming an effective leadership team, and their approach to management, including delegation, and outcome-based accountability. She emphasized the difficulty of building a cohesive leadership team after years of founder-led decision-making, noting that the process is ongoing and critical for company success. As Appsilon grew, Olga shifted from direct involvement to delegating work and focusing on metrics and KPIs for performance assessment. She stressed the importance of developing and communicating strategy, aligning teams with new goals, and making difficult decisions. A crucial decision she had to make was narrowing the company's focus to the pharma sector. She acknowledged that not all employees agree with strategic shifts but emphasized the need for alignment and ongoing communication to ensure organizational focus.

When asked about his experience growing Veramed from a three-person company to a globally distributed organization of ~700 employees, Matt described their strategy as "evolutionary," reviewing progress annually and planning for the following year. The strategy was focused on delivering quality projects, retaining staff, and growing incrementally. He stressed the need for leaders to evolve as the company grows, something that aligns with the qualities that Tareef looks for when hiring leaders. Matt emphasized the importance of letting go of control, delegating responsibilities, and strategically hiring for new roles as the business expanded. He also highlighted the importance of adapting the company's culture and employee value proposition to local norms, shifting from a 'family' to a 'community' model and creating regional channels for social interaction, as the company expanded into multiple countries. When it came to measuring performance and accountability, formal processes had to be implemented to ensure fair and transparent assessment of employee contributions.

As both Appsilon and Veramed grew, changes to executive leadership were made. For example, Olga stepped into the CEO role. By contrast, Matt stepped down as CEO. Matt explained the rationale behind this decision which was related to the evolving needs of the company, and their intention to focus on technological transformation, particularly in AI, to safeguard and advance Veramed's future. He decided to step down as CEO after 12 years, recognizing that the company's future growth required different leadership skills and that their personal interests were shifting away from routine executive tasks toward more innovative and technical challenges. The board and chairman supported Matt's decision, agreeing that bringing in a new CEO with experience in scaling large organizations was the right

move for Veramed's next phase of growth. Matt is now concentrating on AI and technological transformation within Veramed, aiming to enhance operational efficiency and prepare the company for industry changes.

SERVANT LEADERSHIP

"Servant Leadership" was a term first coined by Robert K. Greenleaf in an essay he published in 1970. According to the Robert K. Greenleaf Center for Servant Leadership website, <http://greenleaf.org>:

"A servant-leader focuses primarily on the growth and well-being of people and the communities to which they belong. While traditional leadership generally involves the accumulation and exercise of power by one at the "top of the pyramid," servant leadership is different. The servant-leader shares power, puts the needs of others first and helps people develop and perform as highly as possible."

When discussing how to manage an organisation through times of heavy workloads and tight timelines, several themes emerged: prioritization and reprioritization, continuous feedback, and servant leadership. These are common practices within teams using agile methodology. When applied to managing work, they are also effective. When Tareef was asked how he and his teams manage high workloads, he replied, "I have become ruthless at prioritising." He indicated that at Posit the backlog is infinite.

Tareef, Olga, and Matt all indicated they all practice servant leadership, and they each provided examples during periods of heavy workload when their staff was under strain. Olga practices servant leadership by being hands-on in strategic projects, admitting mistakes publicly, empowering team members to make decisions, and providing timely, honest feedback. Matt recounted an incident when a key member of the team had been working "really hard" and was "quite stressed." They had given that team member a Friday off, and on that Friday a request from the FDA came in requiring weekend work from this particular individual. Matt stepped in and worked the weekend himself instead of asking the individual in order to protect their much-needed rest time and help the team meet the deadline. Similarly, Tareef recalls, "sometimes just jumping in to do the thing that nobody wants to do." All three leaders indicated that this sets an example for behavior across the organisation. Tareef added that this practice also engenders loyalty amongst employees.

CONCLUSION

Although Posit, Appsilon, and Veramed have different purposes and growth stories, their leaders share common philosophies and practices for keeping their workforce happy and productive. Four key themes emerged from the interviews conducted:

1. The importance of company values and having a higher purpose
2. The importance of hiring the right people and giving them an environment to thrive and grow
3. The importance adapting to change in order to maximize performance
4. Service Leadership as a means to help teams manage pressure and build loyalty

These lessons can serve as a toolkit for current and aspiring leaders to effectively lead their teams and organisations through periods of growth and beyond.

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