



Background

Founded in 2001, Phocas is an Australian head-quartered privately owned and self-funded team of passionate professionals who are committed to helping people feel good about data. Today it serves over 1,800 companies and roughly 20,000 people, who rely on the software to complement ERP functionality and manage business operations.

Phocas serves both midmarket and enterprise customers, with tailored, industry-focused solutions that simplify data management through powerful analytics and visualization tools, and revolutionize the way people interact with their own information – leading to more confident decision making.

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We're firm believers that the leadership you have drives the culture you get. And the culture that you have, drives the performance you get.”

Co-Founder & Co-CEO - Phocas

Need for Change

The culture at Phocas was evident from the very early days, reflecting the personal values of the founders. Co-CEO and co-founder Myles Glashier's passion for creating innovative solutions to customer problems, and his desire to make work fun and fulfilling for Phocas people, had been pivotal to their growth and success. People loved working at Phocas and customer retention was high. By 2016 the company had 90 people and \$20m in revenue and had moved from the 'start-up' to the 'scale up' phase of growth with big plans. This expansion brought with it some areas for change.

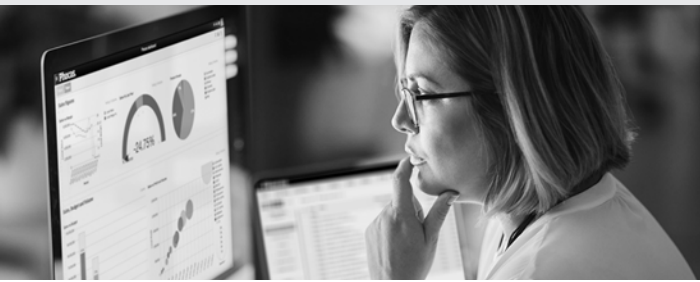
- > Investment in people and culture.**
Scaling up would require a significant investment in people and culture practices.
- > Growing pains.**
Phocas noticed challenges around communication – particularly vision, strategy and planning and the need for more process to support larger operations.
- > Need for product innovation.**
A changing competitor landscape brought pressure to continuously innovate in order to survive and grow.

Challenge

With significant growth on the agenda Myles decided to start by looking at himself and the impact of his leadership on the business. He undertook a 360-feedback process in 2015 and was fascinated by the results. His curiosity about the impact of leadership on culture and performance led to the decision to take a measure of the Phocas culture in early 2016. Big questions included:

- 01 Scaling culture and leadership.** How do we scale a culture initially founded on a person and their values, when the business is experiencing rapid growth across regions?
- 02 Attracting great talent.** How will we compete with larger more established organisations for great talent as a 'bootstrapped' business with smaller budgets and fewer 'perks'?
- 03 Nurturing innovation.** How will we ensure everyone has permission and the skills and environments in which they can be innovative to grow our product set?

Phocas had largely relied to that point on employees referring others in their network to join the company and grow the team, but this was not a strategy that would support growth to double the size by 2019.



Results

Phocas won a culture transformation award, reflecting the investment made in the growth of their people and the high value placed on teamwork and collaboration.

+22% AVERAGE GROWTH IN REVENUE	93% CUSTOMER RETENTION
89% RECURRING REVENUE	+17% AVERAGE GROWTH IN CUSTOMER BASE

Solution

In 2016 Karen Hailwood helped Phocas to understand and begin to nurture the culture through the growth phase. Karen began by measuring the current culture to see what Phocas was doing well, but also to identify areas for development. The 2016 measure showed Phocas already had a constructive culture. Five key levers were agreed to drive culture development and business growth.

- 01 Clarity and simplicity.** Creation of clear and simple vision, values, strategy and plans - to align everyone.
- 02 Start with leaders.** Investment in leadership development – from the board to the team leaders.
- 03 Right organisation and job design.** Simple global structures aligned to customer experience and 'meaty, meaningful' roles for everyone.
- 04 Increased training & growth opportunities.** New programs - technical, professional, product, and sales. Support for tertiary education, book clubs, lunch and learn session and '70-20-10' development plans annually.
- 05 Professional recruitment practices.** Skilled recruiters, market remuneration, valid assessment tools and wider hiring teams - to better assess for capability and cultural fit.

The 2019 culture measure showed improvement in all areas resulting in a highly constructive culture. The values of 'Fun, Fulfilling, Forever' are still at the heart of the Phocas culture and have strengthened through the three years of growth. The values are supported by a clear vision and transparent communications across the strategy, KPI's and financials - helping people to understand where they can make a difference.

