



# Management Development Through Live Cases Today: Collaborative Entrepreneurship. The Challenges of 10Pines

What are the main challenges that our generation managers, trained in business schools, confront? It's a large list, but we can mention the following items: lay the foundations, the structures, to escape from the recurrent global economic crisis (2000, 2004, 2008), reduce extreme poverty (approximately 50% of the world population live with less than USD 2 per day), stop global warming in order to avoid reaching the point of no return and lay the foundations for integral development (human, economic, ecological and social)1.

Why does a company manager have to think about these challenges? The reason is the link between business and integral sustainable development. It's a reality fact, shown by the magnitude of the corporations (several of them in the list of the largest economies in the world according to the World Bank) and the need for private initiative to achieve compliance of the 2030 Agenda for Sustainable Development2.

These challenges and the intrinsic link between business and integral development require an improvement in managers and the way they make decisions. And for this, we need both innovative and updated approaches and permanent criteria. The permanent criteria are key to discover from the experience (history), and the nature of things (philosophy and theories) the constants in the decision making process.

These criteria guide the points of view and updated approaches used for managerial development. There are two types of criteria: content and training. The first ones are essential to the managerial area. Examples of these criteria are the nature of the

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<sup>&</sup>lt;sup>1</sup> See Agenda 2030 for Sustainable Development; UN Global Compact www.unglobalcompact.org; Datar et al. (2010) "Rethinking the MBA, Business Education at the Crossroads, Harvard Business Press".

<sup>&</sup>lt;sup>2</sup> See, also, business initiatives such as the B Corporations, which demonstrate the transformative potential of the private initiative for development.

Prof. Héctor Rocha prepared this case in Pilar, Buenos Aires, Argentina, in October 2019. Edited under Creative Commons license to serve solely as the basis for class discussion. Cases are not intended to serve as endorsements, sources of primary data, or illustrations of effective or ineffective management.



theory and practice of management, the mission of the company, the managerial function and decision making. The second ones, that is to say the criteria of formation, are guiding criteria for the directive formation, which occurs in three simultaneous levels: knowledge, capacities, and attitudes. That is, it is not just about knowing more (knowledge), but about being able to make better decisions and improve, in short, as a manager and as a person.

Regarding novel approaches, there is agreement among academics and executives that active methodologies are the most appropriate for managerial training, since they allow the necessary combination of experience and criteria for the development of key virtues, such as justice and prudence.

These methodologies range from the traditional method of the case inside the classroom to out of it (outdoors), through distance education or e-learning through virtual forums. All of them are based on motivating the participants to discover relevant criteria for decision making directives and apply them to real situations. It is about discovering managerial challenges and developing decision-making skills to face them. The ultimate goal is the personal, professional, organizational and social development of those involved in the decision; as much as who makes the decision as of those who participate and / or are influenced by it.

# Management Development through Live Cases

Within the active methodologies, the case method is traditionally considered as one of the best for the training of managers, since it is adapted to the nature of the management function. A case is a description of a situation faced by a manager at a given time and space, and its purpose is to serve as a test for decision making.

Although the case method is the one that currently dominates the field of active methodologies, different variants and even other methodologies are being developed in which there are no cases to discuss. These variants arise from limitations inherent to written cases. In fact, in written cases the temporal and space scopes are limited both by the information contained in the case and by the criterion of placing oneself in the place of a decision maker who is not present at the session. In addition, except in cases in which the protagonist participates in the session, either in person or virtually through videoconferences, there is no way to identify challenges and propose solutions dynamically with him.

To overcome these limitations, live cases are an alternative to satisfy the need to have information not only updated, but also new, generated from the exchange of ideas with the protagonist of the case, present in the classroom or virtually.

A "live" case consists of the presence of the manager in a session during which he describes, exchanges experiences and, according to the methodology, analyzes and decides together with the participants on a given situation of his managerial experience. As in written cases, they are not examples of success stories that are exposed as models



but as cases that present a challenge to solve and, if solutions are included, these will be subject to the criteria of the participants and the facilitator.

There are different approaches to the development of "live" cases, which are not yet systematized in the literature. Among those approaches we point out the physical or virtual presence of the protagonist of the case, after delivering the relevant and synthetic information about the case to the participants; the invitation of a manager to expose his experience to the participants on the topic to be developed, and similar modalities.

In the present case, the stages and steps for the development of live open cases are followed according to the methodology synthesized in **Appendix I**. The information necessary for the development of the session is detailed below.

# Today: Collaborative Entrepreneurship. The 10Pines Challenge

This case will be used to reflect and motivate action on a topic that is gaining relevance in recent years: the creation of organizations that join people's motivations with business objectives, and that allow them to maximize the potential of all members of the organization.

The goal of the case is to reflect and decide on the following topics:

- Paradigms and criteria in the process of undertaking and creating collaborative and self-organized organizations.
- Identification of challenges during the creation of the business until the moment of the live case, and proposals for a sustainable alignment that allow to resolve the tension between business growth objectives on one hand, and to maintain the collaborative model and the organizational culture on the other.
- Analysis of the viability of this model in other organizations and what would be the process of transformation in them.
- Discussion of the impact that collaborative organizations can have on the rest of society.

For the scope of the proposed goals, the following is a brief description of 10Pines, the key challenges and milestones during its development up to the moment of the presentation of the live case, with links to sources of information where you can deepen the topic.



# The Company

10Pines is a company that offers custom software development services for the local and international market. Its three pillars are: building sustainable and long-term relationships with its customers; the technical excellence reflected through the technology, methodology and the results of the projects carried out; human quality based on the opening of internal management, equality of possibilities and strong focus on group unity.

The company was founded 10 years ago by Emilio Gutter, Hernán Wilkinson, Alejandra Alfonso and Jorge Silva. It specializes in the creative and agile development of high-quality software with cutting-edge technologies, as well as offering training and consulting services related to the development and management of software projects. In its history it has more than 100 projects carried out all over the world, including countries such as Argentina, Chile, Colombia, Mexico, the United States, England, France, Germany, Romania, Bulgaria and Singapore. Some of its most recognized clients are Meetup (a WeWork subsidiary), Turner, Claro, Supervielle and Alsea (group that manages the franchises of Burger King, Starbucks and P.F. Changs, among others).

# The Origin of 10Pines Collaborative Model Explained by one of its Founders (Emilio Gutter)

The four founders were always interested by the same topics. When we got to think together about the possibility of starting our own business, in our previous experiences we noticed that the poor quality of the software was a constant in the industry. We felt that, for most companies, the design and code of the programs was a mean to achieve a business, but not a goal in itself. This was intimately related to the importance given to the people who were responsible for developing software. All the companies had the same speech: "The most important thing is the people", but in fact reality showed very different things. A very visible indicator of this reality is the high turnover rate of the industry and the constant feeling that people are unmotivated and change their jobs several times a year, most of the time looking for new challenges or for just one small salary difference. How to break with this vicious circle and achieve that "people are most important" at the same time as "quality comes first" are not just phrases posted on the wall of the office, but how it really feels every day, was the first challenge that motivated us to start.

Two of the founders were involved with a new project management trend named "Agile Methodology". An interesting point of this methodology compared to traditional methods like those proposed by PMI<sup>3</sup> is that its main contribution wasn't a set of rules, practices or processes, but that their roots are based on a set of values and principles that guide every project. This radical philosophy was summarized as "Agile

<sup>&</sup>lt;sup>3</sup> https://www.pmi.org/



Manifesto<sup>4</sup>. Within these values and principles stood out: collaboration and trust in people; sustainable work; self-organization of work teams; transparency of information; and the constant search for excellence.

Inspired by this methodology we asked ourselves: If the best way to manage a project is guided by these principles and values, could they not be extrapolated to organize an entire company? When we started with this venture, despite having other models from similar companies, we were not very sure of how things would evolve, but step by step the different practices that consolidated the current model emerged: horizontal structure without hierarchies; collaborative decision making process; transparent information and open numbers.

Today, although we consider that we have matured and gained experience, there are still many things ahead to learn and improve. Context and reality are constantly changing, as is our organization that tries to grow and face new challenges. We are convinced that complex problems can only be solved by adaptive models, so that learning and continuous experimentation must be part of the DNA of any organization of the future.

# Key Milestones

- AUGUST 2009 Beginning: 10Pines starts with one clear goal in mind: a company with a high focus on software quality and the people who builds it. In this knowledge-based industry the big challenge is to retain and motivate the people. There is a tough competition for talent in a market with low supply of qualified engineers and global demand growing constantly.
- NOVEMBER 2014 & JULY 2015 ISO appraisal and inclusion in the Argentinean software promotion law. The ISO 9001-2008 certification is approved for all internal processes, required to access on the following year to the benefits of the Argentinean software promotion law N° 26692.
- **JULY 2016 New partners.** Two new partners are included in the company board. Federico Zuppa and Darío García are the oldest collaborators in the company; given their contribution through all these years they are included as minority partners, opening the possibility of new partners to be added in the future.
- AUGUST 2016 & APRIL 2017 Growth stage: The company moves to a new office of 415 square meters with an investment of 600,000 argentinian pesos and the number of employees grows beyond 50.
- APRIL & AUGUST 2017 More local awareness: Starbucks Rewards is launched in Argentina. 10Pines developed the back-end software, being this a high-profile project for the local market. In August an article is published in *La Nación* newspaper explaining 10Pines collaborative management model.

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<sup>4</sup> http://agilemanifesto.org/



- NOVEMBER 2017 Special mention in a local B Corp contest "Protagonists of the new economy" in the medium company category. Link <a href="https://sistemab.org/wp-content/uploads/2018/03/Negocios-Sistema-B-Casos-1.pdf">https://sistemab.org/wp-content/uploads/2018/03/Negocios-Sistema-B-Casos-1.pdf</a>.
- AUGUST 2018 B Corp certification: 10Pines is certified as a B-Corp by "Sistema B" <a href="https://sistemab.org/">https://sistemab.org/</a>.

## Links of Interest

About the Company and its Management Model

- <a href="https://www.10pines.com/">https://www.10pines.com/</a>
- $\underline{ www.lanacion.com.ar/2051208-un-mundo-sin-ceo-como-funciona-la-empresa-argentina-libre-de-jefes} \\$
- <a href="https://www.agilealliance.org/resources/experience-reports/growing-an-open-participative-horizontal-and-based-on-trust-company/">https://www.agilealliance.org/resources/experience-reports/growing-an-open-participative-horizontal-and-based-on-trust-company/</a>

#### Articles in the Local Media

- <a href="https://www.lanacion.com.ar/2051208-un-mundo-sin-ceo-como-funciona-la-empresa-argentina-libre-de-jefes">https://www.lanacion.com.ar/2051208-un-mundo-sin-ceo-como-funciona-la-empresa-argentina-libre-de-jefes</a>
- <a href="https://www.lanacion.com.ar/2142879-asi-trabaja-la-empresa-argentina-que-no-tiene-iefes">https://www.lanacion.com.ar/2142879-asi-trabaja-la-empresa-argentina-que-no-tiene-iefes</a>
- https://www.apertura.com/emprendedores/Como-trabaja-la-empresa-desoftware-que-inspiro-su-filosofia-en-una-cancion-de-Manal-20180206-0008.html
- https://www.lanacion.com.ar/2176703-por-que-nos-enfurece-saber-cuanto-gana
- <a href="https://www.clarin.com/economia/pros-contras-saber-salario-companeros-trabajo\_0\_HyrGfDtOQ.html">https://www.clarin.com/economia/pros-contras-saber-salario-companeros-trabajo\_0\_HyrGfDtOQ.html</a>

# Radio Interviews

- <a href="https://radiocut.fm/audiocut/entrevista-a-emilio-gutter-sobre-10pines-la-empresa-sin-jefes/">https://radiocut.fm/audiocut/entrevista-a-emilio-gutter-sobre-10pines-la-empresa-sin-jefes/</a>
- <a href="https://www.pulxo.com.ar/asi-funciona-una-empresa-argentina-libre-de-jefes">https://www.pulxo.com.ar/asi-funciona-una-empresa-argentina-libre-de-jefes</a>
- <a href="https://radiocut.fm/audiocut/entrevista-a-jorge-silva-y-hernan-wilkinson-de-10pines-programa-proyecto-mendoza-de-radio-nihuil/">https://radiocut.fm/audiocut/entrevista-a-jorge-silva-y-hernan-wilkinson-de-10pines-programa-proyecto-mendoza-de-radio-nihuil/</a>



# Articles and Books from 10Pines Blog

- https://10pines.gitbook.io/desarrollo-de-software-agil-en-10pines/
- <a href="https://www.cutter.com/article/increasing-transparency-existing-organizations-504606">https://www.cutter.com/article/increasing-transparency-existing-organizations-504606</a>
- https://blog.10pines.com/2012/06/11/10-pines-una-empresa-differente/
- https://blog.10pines.com/2017/08/11/que-significa-sin-jefes/
- https://blog.10pines.com/2017/02/20/our-recruiting-process/

## Related Books

• https://www.amazon.com/Maverick-Success-Behind-Unusual-

# Workplace/dp/0446670553

• <a href="https://www.amazon.com/Seven-Day-Weekend-Ricardo-">https://www.amazon.com/Seven-Day-Weekend-Ricardo-</a>

# Semler/dp/0099425238/

- http://www.reinventingorganizations.com/
- https://www.amazon.com/Delivering-Happiness-Profits-Passion-

# Purpose/dp/0446576220/

• https://www.amazon.com/We-People-Consenting-Deeper-

# Democracy/dp/0979282705/

• <a href="https://www.amazon.com/Peopleware-Productive-Projects-Teams-3rd/dp/0321934113/">https://www.amazon.com/Peopleware-Productive-Projects-Teams-3rd/dp/0321934113/</a>

# 10Pines Challenges to Discuss During the Session

- Challenges during the start-up and development process.
- How to grow with a collaborative model maintaining values and culture while facing the challenge of successfully scaling the decision-making process.
- How to make the company more visible to new talents and potential clients, so they can see the same benefits of the company's model that the current employees perceived.
- Encourage and motivate other companies to transform their organizations, specially clients which might have a cultural mismatch with 10Pines.
- Find a sustainable growth of the most senior collaborators both at the professional and economical levels.
- Expand geographically opening new development centers in other places of Argentina or other regions.



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