

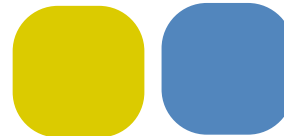
Semco: Work + Space = Freedom



"The road is open; you make the rules."



By Roberto Guimaraes and John Southerst



Roberto Guimaraes lives in San Paulo, Brazil. He went to school in Canada and English is his second language. He has written for several newspapers and magazines in Brazil and currently runs his own visual communications – marketing and outdoor media business.

John Southerst is a Toronto-area writer who believes the everyday stories of business hold a fascinating cultural record. He started his career as a teacher in West Africa and a reporter in India. He now writes for major business publications and acts as a consultant and wordsmith to manufacturing, financial services and high-tech clients. His other passions are his family, his vegetable garden, cooking (eating it) and squash (playing it).

Imagine how you would work if you could do it any way you wished.

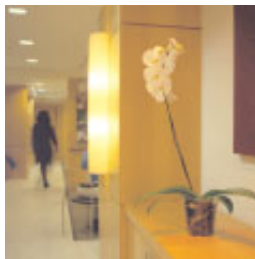
You come in when you need to, or sometimes you work from home or go to a satellite office nearby. You set your own hours and salary, and share in company profits. You work on a team that evaluates the performance of its leader. You vote on all major corporate decisions. You know how the company is performing, because you can see the corporate books anytime. You are, in the words of your company's owner, a responsible adult.

Unleashing Hidden Creativity, continued



Wk

Work



Now, what does your office look like? Just as important, how does it work?

The answers, it may surprise you, can be found in Sao Paulo, Brazil. Entrepreneur Ricardo Semler has run the family company, Semco SA, in exactly this manner for about 22 years. When the former rock-and-roll guitarist took Semco over from his father, its 100 employees manufactured hydraulic pumps for ships. Now, with 2,200 employees and annual growth of more than 20 percent, it is a \$100-million-a-year conglomerate that does most

of its business in real estate management, environmental consulting and industrial information technology, although it continues to manufacture industrial and refrigeration equipment.

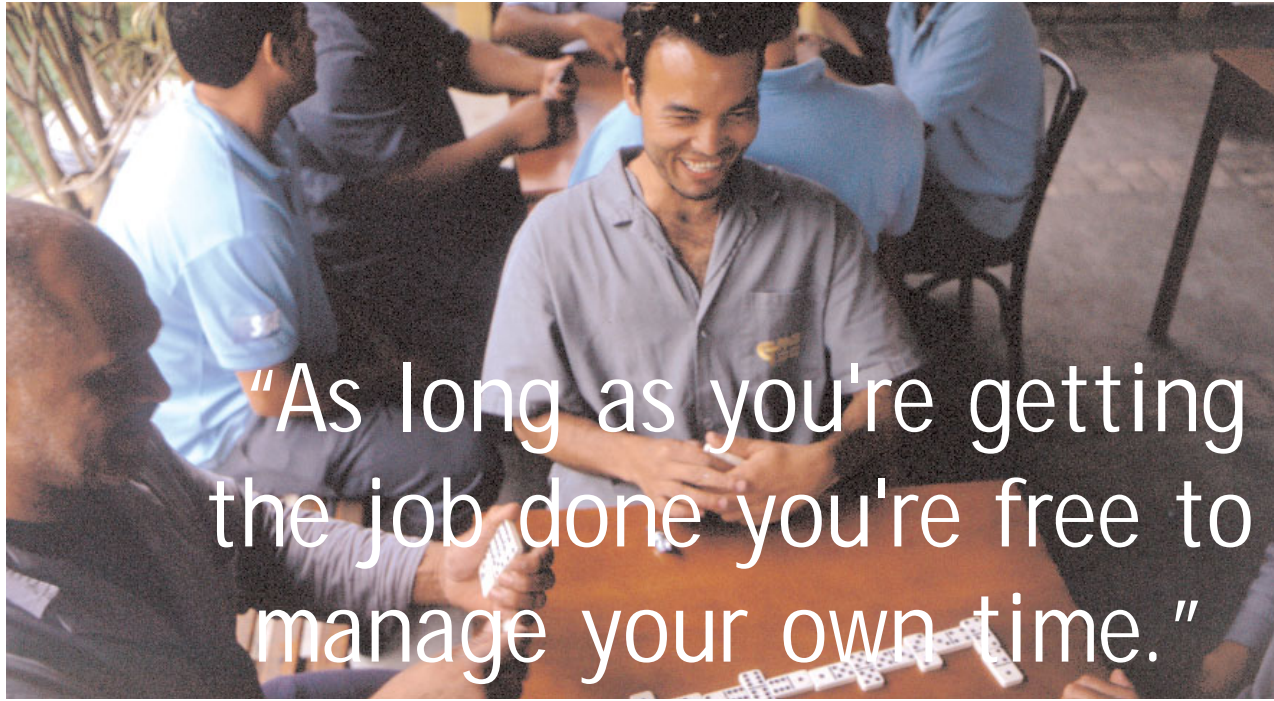
But Semco's distinguishing feature is the utter liberation of its employees from the control of hierarchies and the rigidity of uniform rules. In fact, Semler has made something of a career espousing the virtues of giving employees the freedom to control, not just their jobs, but also the definition and fate of the company itself. His ideas

first came widely to light in a 1989 article in the *Harvard Business Review*, "Managing Without Managers," which is one of the most widely read articles in the publication's history. He also wrote a worldwide best-selling management book, *Virando a Própria Mesa* – or *Turning Your Own Tables* – renamed *Maverick* when published in 1993 in the United States.

At the four-story company offices in an industrial neighborhood of Jardim Marajoara, on the outskirts of Sao Paulo, Semler's vision materializes not just in the success of the organization, but in the joyful freedom of a place where people choose to work – or not.

Although different organizations in the Semco empire nominally occupy each floor, it's a young and diverse workforce, and

Semco: Work + Space = Freedom, continued



F

Freedom



companies, occupations and nationalities mix and mingle in a casual but purposeful flow. Few people “own” their workstations – instead, they reserve their space for the day as they pass reception, then roll their personal file and storage drawer to their chosen dock, perhaps to one of the workstations, or to a glass-walled meeting room.

The fluidity of their style of work translates into a kind of physical transparency in the space. The scarcity of walls, the glass dividers and the open vistas let employees come together as

necessary, but the symbolic statement is: “The road is open; you make the rules.”

Within the office, natural wood on the walls and floors of the reception area and on the mobile storage lockers contributes to the aura of unaffected simplicity. Otherwise, no color scheme or design style governs. It’s all about ease of function. People gather for chats in groups of two or three, roll their chairs together for impromptu meetings or sit alone at a workstation. Individuals or small groups labor quietly in two glassed-in enclaves at one

side, while larger groups gather in two meeting rooms at the other end.

Steps away, a lounge and an adjacent café with small tables, a cappuccino machine and a microwave attract steady use, the natural and controlled conversation leaving the impression that families and friends are somehow running a company from their kitchen and living areas.

Outside, workers play dominos in a tropical garden or, in a scene decidedly not from the first industrial revolution, remove their shoes and nap in a hammock under an Asian-style pagoda. Groups gather at several barbecue grills, sometimes for lunch meetings, sometimes just for lunch.

Semco: Work + Space = Freedom, continued

Semler himself believes most employees still work more than they should. "Our employees work less than people at other companies," he says, "but still more than they really have to." Not that anyone is really sure. "We don't know how many hours any of our employees work weekly. Not even if they work at all," says Clovis Bojikian, the 66-year-old director of human resources, who caresses his long, cultivated white mustache as he speaks. Bojikian has been instrumental in setting the tone at Semco and worked closely with architect Pierina Piemonte of Piemonte Architettura in designing the Sao Paulo workplace. "As long as you're getting the job done for yourself and the company," says Bojikian, "you're free to manage your own time."

Semco citizens do better than that, actually. They manage their space, too, when they reserve an office, table or computer for the day. And, since there is no hierarchical pecking order at Semco, a senior executive may find himself sitting side by side with a trainee. It's all the same – or nearly so – because from executive to the greenest recruit, there are only three levels. And, incidentally, there's no hourly labor: Everyone is paid by the month.

It's a quiet oasis, a restorative place in a congested city of about 15 million, where a commute of two hours isn't uncommon. It was designed to bring together Semco's diverse corporate groups, which previously were scattered among various buildings. For Semler, a passionate integrator

She has since designed smaller but similar satellite offices – one in downtown Sao Paulo and another 600 kilometers to the east in Rio de Janeiro. One or two more are still to come. "The concept," she says, "is that people don't have to go to their main offices. They can go wherever they want to go."

"People talk more to each other, and movement around the office is easy."

From the standpoint of business traditionalists who believe – often from experience – that good results come from hard work and sacrifice, Semler is a revolutionary. But he simply answers that people need free time to think. And that the balance between work and leisure is essential to a longer, happier and more productive life.

if ever there was one, their new home is his way of integrating the means and the end – the way people work and the place where they work.

After all, if work is going to be a part – perhaps a major part – of your life, why shouldn't it be a high-quality experience?

"People talk more to each other, and movement around the office is easy," says Piemonte, who worked for five months on the project before the move-in date in October 2000. "People from every company [within Semco] can choose where they want to work, even which floor. Every time, in every space, you see different people, even the top executives."