Careem Owner’s Handbook

Careem OS - Release 2.0

January 2018

Reading time: 25 minutes
We think of Careem as a Rocketship

Mission: simplify lives and inspire
Destination: moon and beyond
Navigation system: our values
Speed: really, really fast
Crew: hungry and humble tigers
In 2012,
the ship launched with crazy pilots in the driver seats, and an ambition to build something big and meaningful in the cargo load.

And it took off.

We’ve made it to parts of the galaxy we never could imagine, and picked up awesome co-pilots along the way.

The farther we have come, the smaller we have felt. There is so much to explore!
But there are a lot of variables in space flight. As our journey continues, and our organisation is growing, complexity is increasing too.

Decisions that were once made over coffee between two colleagues have become long discussions among many teams.

Colleagues trying to drive impact feel bogged down by process.

We are not alone. Others have faced these challenges before us...
Daniel McCallum, general superintendent of the New York and Erie Railroad, noticed that as fast as the railroad grew, operating costs grew faster.

Where the company should have seen productivity improve, it saw the opposite. Communication, coordination, operations, sales — all became more difficult, not less so.

McCallum had to define an organisational structure that would manage the problems of scaling rapidly.

- Based on a letter to management, 1855
Just like the dudes who were building railroads, we also need to keep evolving to scale sustainably.

It takes awesome people, an insane amount of effort, and endless collaboration to keep growing.

We’ve done really well so far, but there is one thing that must keep evolving.

The way we operate.
Welcome

Careem OS 2.0
The Careem Operating System (OS) defines the way we work together and how all the moving parts of the rocketship fit together to fly.

From the way
We talk to each other,
to how we allocate resources,
To our processes (or not),
To how we hire, and
What we prioritise.

It’s the essence of what we want to establish as
The Careem Way!
This owner’s handbook outlines a set of principles on how this OS must be built and evolved.

It is not a blueprint, but guidelines that capture our core beliefs, guide how we work, and what makes us different.

Colleagues are empowered to build their parts of the rocketship with these principles.

So, read carefully, take it all in. This is our ticket to the moon!
Careem OS 2.0 has eight principles*:

1. We are guided by purpose and values
2. We are owners, not employees
3. We reward performance with opportunities
4. We launch quickly and iterate
5. We work in autonomous teams with tech everywhere
6. We invest in experiences to drive growth
7. We empower the front-line
8. We hold leaders to the highest bar

* These principles apply to all permanent colleagues, but some examples may not apply to all job types.
We are guided by purpose and values
Get this one right, and the rest will come easy.

Our purpose is why we are doing it. It’s what gets us out of bed every morning, what gives us meaning, and what makes all the struggles and hard-work worth it.

Our values are the compass that guide our behavior. They keep us on the right path, and we expect all colleagues to share them.
Our purpose is:

To simplify and improve the lives of people and build an awesome organisation that inspires.
People of our region have tremendous potential.

Sadly, most of it is not realised because basic life is not seamless, not simple enough. Arranging transport used to be a challenging task, many people have to work hard to even get clean water.

Hence, the aspiration to simplify and improve the lives of people, so they can free up their time and minds to realise their full potential.
But we don’t want to stop at simplifying lives.

We also want to give people hope, confidence, skills and inspiration to realise their full potential.

Hence the aspiration to build an awesome organisation that inspires.
Our purpose guides our strategic decisions.

If it won’t help us achieve our purpose, we ask ourselves “what’s the point?”

If a candidate is not excited about our purpose, we struggle to get excited about them.

Our purpose is why we are doing it!
Our values, on the other hand, are our license to lasting a long time.

Just like the values that our parents instilled in us, the values that we give Careem through our behavior will determine its long-term success.

Shared values build trust and enable productive collaboration.

Since we deeply care about Careem, we will always prioritise values over short-term performance.
Our values are

To the moon & beyond

Think and act BIG; we have unlimited potential!

Keep raising the bar; there is always a more awesome version

Do it today, not tomorrow; speed is our advantage

Stay humble; we have much to learn and grow

Be of service

Be reliable; trust has to be continuously earned

WOW Captains and Customers; great experiences build loyalty

Gift Colleagues with recognition and constructive feedback let’s grow each other

Drive progress in our Communities; we are blessed to have the opportunity

Be an owner

Speak up and take initiative; Careem needs our leadership

Own it to the finish line; impact is what matters

Be frugal, be efficient; our resources are a trust

Collaborate as one team we are stronger united!
To the moon and beyond keeps us ambitious, agile, innovative, and yet, humble.

Be of service keeps us focused on Captains, Customers, Colleagues and our communities.

Be an owner ensures we always look out for Careem, take initiative, stay responsible and stand together.
Values are at the heart of every people decision we make.

Hiring, advancement, reward and recognition can only happen with strong alignment on values.

We expect all colleagues to live our values everyday.

Given how important values are for keeping us on course, there is no space on this rocketship for people who are not aligned with our values.
If you’re at Careem only because you need a job, we strongly urge you to reconsider. There are easier ways to earn a salary.

If you’re looking to grow, that’s better. Careem is growing like crazy, and you’ll grow with it. You will learn more and faster here than you have ever done in your life.

Our intention is for you to feel connected to Careem’s purpose. When you find a way to channel your personal purpose through Careem, magic happens, this becomes a calling and we’d be honored to be your co-pilots on this journey.
Principle 2: We are owners, not employees.
During a visit to NASA in 1962, President John F. Kennedy noticed a janitor carrying a broom. He walked over to the man and said, "Hi, I'm Jack Kennedy. What are you doing?"

“Well, Mr. President," the janitor responded, "I'm helping put a man on the moon."
The janitor got it. He understood the vision, and his part in it. He had purpose, and he owned it.

No matter what your role is at Careem, you are an owner with a shared purpose, and you’re playing a part in taking this baby to the moon, and beyond!
Owners think about the company differently.

Owners put company interests ahead of their own.

Employees talk about what a company owes them, while owners talk about what they can give the company.

In fact, owners don’t just talk, they do.
An Owner:

- is selfless
- can be trusted
- shares in success
- steps up or steps aside
An owner is selfless

With owners, it is *never about them.*

They work hard, smart, and fast because they know that’s what it takes to win in a competitive market. They also know it can get a little uncomfortable at times.

They genuinely care about our Captains, Customers and Colleagues.

They do whatever it takes.
An owner can be trusted

Owners can be trusted with:

resources, transparency, and freedom.
Controls slow down an organisation, breed an employee-mindset, and start the decline.

We want to minimize controls, entrust our fellow owners with company resources, and coach them to use these resources responsibly.

Some mistakes will happen but the speed and ownership-mindset dividend is worth some losses.
An owner can be trusted with transparency

Transparency breeds trust and ownership. It also improves the quality of decision-making.

Therefore, our default is open,

to the point that it starts to feel uncomfortable.

The only exception is when being open can harm an individual or Careem.
An owner can be trusted with freedom

As an owner, we trust that you know what’s needed from you, where you can contribute, and what makes you tick.

You’re free to work as you like, and take vacations when you want.

Yes, unlimited vacations, no dress code, no office timings.

You are the boss of your time.

* This level of freedom may not be feasible for all roles, especially those facing customers and captains. Also, we expect owners to align their work preferences with their teams and other collaboration partners.
With trust comes responsibility.

When our trust is violated, we do not react by limiting access to resources, transparency or freedom. That would be punishing everyone and our culture for the wrongs of a few.

Instead, we take strict action against the violators. We ask them to leave the rocketship. Jetpack not included.
An owner shares in success

By definition, an owner does well when Careem does well.

Personal success accrues through learning, new internal (and external) opportunities, a strong professional network, and last but not least, valuable stock options.

At last share price, ~50 colleagues and counting are sitting on stock options worth more than a million dollars. Just saying.
An owner steps up…

For Careem to keep on growing, we all need to keep stepping up, by continuing to learn and play our roles in ways that drive and support Careem's growth.

… or steps aside

If we are not able to step up, it’s in our best interest as owners of Careem to step aside, by giving someone more capable the opportunity to play that role.
An owner steps up or steps aside

Stepping up requires continuous learning.

Do new things, seek feedback, hire badass colleagues better than ourselves, read books, listen to podcasts.

Most successful people take ownership of their own learning. If you are not spending 10-20% of your time learning, you may struggle to keep playing your role at the required level.
“(In a startup) every six months is a completely different job. That’s why it’s hard to be the right person to start a company and then manage it when there are 1,000 employees. You have to be adaptable.”

– Brian Chesky, AirBnB CEO
Principle 3:

We reward performance with opportunities
“I have the utmost reverence for entrepreneurs. I’m an inveterate techie who worships at the altar of innovation. But I’d also watched too many start-ups struggle with growth and scale and getting the right things done. So I’d come to a philosophy, my mantra:

**Ideas are easy. Execution is everything.**”

– John Doerr, early investor in Google and Amazon
To realise our purpose, we need **disciplined execution**.

Disciplined execution requires setting clear objectives, measuring colleagues against those objectives, and rewarding them based on their performance.

It means differentiating colleagues based on performance.

This is what will make us a **performance-driven organisation**.
It’s important to distinguish top-performance from top-performers.

**Top-performance** in a given period is the successful delivery of objectives in a way that’s consistent with our values.

**Top-performers** are colleagues who have a tendency to stay at top-performance. They may struggle to perform temporarily when they take on a bigger role or when the role scope increases, but they will catch up to top-performance.
Top-performers create unbelievable value. They also attract awesome people and inspire others to perform.

Similarly, average or low-performers breed mediocrity, which starts the decline of an organisation.

For us, it’s critical to differentiate top-performers from others.
Our reward philosophy has long-term orientation.

We reward top-performers with high-value opportunities that lead to learning and greater equity ownership of Careem over time.

It aligns all of us behind Careem’s long-term success, and allows us to earn growth and outsized financial gains.

We do not do high cash salaries and short-term cash bonuses.
What about colleagues who are not performing?

First, we give them a chance with constructive feedback.

If they fail to recover, we prefer a quick and caring exit that includes generous severance, gratitude for their contributions, and respect for their reputation.

As much as we care about them, keeping them onboard has a high cost. They pull down leaders and others around them.
Ursula Burns began her journey at Xerox as an intern. This did not stop her from consistently delivering her best work, and it didn’t go unnoticed. One manager offered her a job as an executive assistant. While this is not what she had in mind - she did earn a Master’s degree in mechanical engineering from Columbia University, after all - she took the opportunity.

That role allowed her to obtain valuable business and leadership skills from the company’s most respected executives. She ultimately rose through the ranks, and became the first black woman to lead a Fortune 500 company and the second female CEO in the history of Xerox.

- Forbes
We launch quickly and iterate

Principle 4:
On July 22, 2012 (day 1 of Careem), we made a list of features that had to be in our MVP*. One of the features was to allow corporate administrators to manage users in their company.

Six weeks later, our launch date had arrived but the above feature was not ready. Reluctantly, we went ahead with the launch.

Today, six years since then, we still do not have that feature!

Why? Because users did not ask for it; when a few did, we helped them manually. But there were many other features that more users asked for, so this feature could never be prioritised.

* MVP stands for Minimal Viable Product and is the smallest product scope that adds some value to someone
This proves that we don’t know what users want, or what will work for them. We can only hypothesise.

Launching quickly and iterating allows us to test our hypotheses with real user input, and build the right solution incrementally.
Not Like this

Like this

- Henrik Knilberg
The best way to understand if we are building something that our Customers will love, is to get it into their hands as quickly as possible.

It’s better to start with a fast, small & focused MVP, than to spend a long time building all the bells and whistles on things that may or may not satisfy our Customers’ wants and needs.
After launching quickly, the work is not done.

Iteration includes a series of quick, deliberate steps to discover what experience our users really need.

Iteration needs learning. It also means learning when we’re wrong. We need to be comfortable to fail fast, iterate rapidly, and experiment endlessly.
“There is no innovation and creativity without failure. Period.”

- Brene Brown, Professor
Launching quickly and iterating can feel uncomfortable and may compete with short term objectives,

but is the fastest way to learn and wow our Customers.

Getting it right requires an open attitude towards experimentation and empowering our teams to move quickly.
While this iterative approach may have originated in product development, we use it in everything we build at Careem.

Finance and people processes, sure.

New market launches, of course.

Careem OS, hell yeah!
“Starting a company is like throwing yourself off the cliff and assembling an airplane on the way down.”

- Reid Hoffman, Founder of LinkedIn
Principle 5:

We work in autonomous teams with tech everywhere
Two things have changed as we have grown:

First, making an impact on the lives of Captains and Customers requires collaboration across many teams. This collaboration is costly, requiring lots of time for context sharing, aligning objectives and making decisions.

Second, at our new scale, we can no longer operate any part of our business without tech. Tech needs to be embedded in everything we do at Careem.

How should we evolve to address these challenges?
The answer is

autonomous teams with tech everywhere...
Autonomous teams are small and cross-functional. They are dedicated to an objective with all the expertise and resources needed, making collaboration easier.

Team members share objectives and make quick decisions.

**Autonomous team test:** If you constantly need to bring colleagues from various teams to share updates or make a decision, it’s a sign that you should consider regrouping as a cross-functional autonomous team for that topic.
Amazon’s two pizza rule:

Every internal team should be small enough that it can be fed with two pizzas. The goal is focused on two aims: efficiency and scalability. A smaller team spends less time managing timetables and keeping people up to date, and more time doing what needs to be done.
The best example of an autonomous team is a city team,

which includes colleagues looking after growth, supply, marketing, sales, etc.

Barring special requests, the team can run a city without anyone else and they share a common objective to grow their city.
But at our scale, it is difficult to be fully autonomous without tech.

Tasks that could be done manually yesterday need tech-enablement today, will need automation tomorrow, and artificial intelligence the day after tomorrow.

This means tech everywhere, embedded in every autonomous team. This is the only way we’ll build the infrastructure to scale to our ambition level.
Tech everywhere brings tech closer to the Customer’s needs, and will improve the quality and speed of our solutions.

Imagine data scientists and engineers in our cities, in our call center, in our supply centers.

This is going to be game-changing. #letscrackit
"Our first phase was using agile within engineering to allow them to manage their work in progress and to plan their work. The second big phase was scaling our tech team. And for this, we created radical agility, embracing purpose, autonomy, and mastery, and sacrificing our architecture [IT infrastructure and processes] in order to build for the future and a much larger team. The third transition was rolling these ideas out to the entire company, which involved embedding engineering teams all over the company (“tech everywhere”) and establishing the principle of dedicated ownership.”

- Eric Bowman, VP Engineering at Zalando
Principle 6:

We invest in experiences to drive growth
Growth is critically important.

It enables us to attract the capital and talent required to realise our purpose.

It will allow us to survive for hundreds of years.
From 1983 to 2013, 60% of the non-financial companies in the S&P 500 were acquired. It’s grow or go, and they have gone.

- McKinsey Quarterly
There are two high-level ways to grow:

Option 1. Invest in creating brand awareness and trial, subsidise usage where necessary.

Option 2. Invest in experiences, let these experiences bring Customers back and make them advocates of it.

Both options can lead to short-term growth. Experience-led growth may be a bit slow but drives sustainable differentiation and growth.
“It takes 12 happy experiences to make up for one unhappy one.”

- Ruby Newell, Customer Experience Consultant
So, when we need crazy growth, we find ways to **double-down on experiences**, not incentive spend.

Many startups, after they raise funding and have investors pushing for growth, lose their initial focus on experience and succumb to buying growth. This creates an **experience debt** that catches up to them at scale and, ironically, stalls growth.

We should resist the temptation to buy growth.
Doubling-down on experience requires extreme Customer obsession*

- listen to them continuously,
- evolve experiences based on Customer feedback,
- always try to wow them, and
- treat any negative experiences with utmost urgency.

* Customers, in our case, means both passengers and captains.
This isn’t new...

Early in our journey, we created a learning report for every failed Customer experience and we sent it to the impacted Customer promising them that what failed them, will never fail anyone else ever again.

This is our legacy.
“It’s better to build something that a small number of users absolutely love than a larger number of users like.”

- Sam Altman, President Y Combinator
Institutionalizing focus on experience requires a few things:

👉 Measure and track experiences as primary metrics.
👉 Integrate experience targets in performance reviews.
👉 Promote a culture of experimenting with experiences.
👉 Deliver great Colleague experiences (show them the bar).

Sustainable growth is an output of wow experiences.
“There are many ways to center a business. You can be competitor focused, product focused, technology focused, or business model focused. But in my view, obsessive customer focus is by far the most protective of long-term success.

Customers are always beautifully, wonderfully dissatisfied, even when they report being happy and business is great. Even when they don’t yet know it, customers want something better, and your desire to delight customers will drive you to invent on their behalf.

It requires you to experiment patiently, accept failures, plant seeds, protect saplings, and double down when you see customer delight. A customer-obsessed culture best creates the conditions where all of that can happen.”

- Jeff Bezos, Founder of Amazon.com
Principle 7:
We empower the front-line
We are a regional player competing against global giants with deep pockets and solid tech.

We will win against them by:

by being more local,
by being faster,
by having stronger people.
To deliver on our winning advantage, we empower the front-line;

it makes us more local,
it makes us faster, and
it attracts stronger colleagues.

Front-line does not just mean our cities. We empower all relevant front-lines, e.g., care agents for customer service, engineers for technical challenges.
What does it mean to empower the front-line?

Our front-line colleagues are the ones steering this rocketship. They have maximum context, build things and make most decisions with minimal approvals. The rest of the organisation supports them.

Where feasible, we move people to the front-line.

When in doubt, ask “who is closest to the Customer?”
When a topic that could have been resolved at the front-lines is escalated to a central team for resolution, we ask ourselves how to better empower people, to avoid escalation in the future.
Empowering the front-line requires:

- safeguards
- knowledge
- support systems
- training on skills and values
Empowering the front-line needs safeguards.

Some things can cause big damage, e.g., bad code that brings down our systems, or an incentive scheme that incorrectly spends millions of dollars.

Instead of requiring slow approvals, we prefer safeguards that define a large boundary around what the front-line can do. This allows them to run fast while protecting us against big damage.
Empowering the front-line needs knowledge sharing.

To avoid repeating mistakes and to build on each other’s success, we expect the front-lines to proactively document and share knowledge.
Empowering the front-line needs support systems.

It’s not feasible to put everything on the front-line, especially as the business grows and we need deep expertise on topics.

Therefore, we provide the front-line with teams and systems that support them with recommendations and execution on actions that need deeper involvement.
Empowering the front-line needs training on skills and values

With power comes responsibility.

Given the power rested in the front-line, it is critical to ensure that the front-line is well-equipped, well-trained and aligned with our values.
An example of empowering the front-line: how we run our cities.

Context

- every city has a different local reality.
- city is the true front-line; not country, not region.
- city is led by a local GM.
The GM of a city **owns** the city’s strategy, plan, team, Customers, Captains and P&L.

GMs are **empowered and supported** to win their cities. They have a cross-functional team in the city, and support functions in their country and in Dubai* to help them. They own the final decision in most cases, and are **accountable** for their city’s results.

* Dubai refers to central functions which can include Berlin and other locations where central roles are played.
How is a city supported?

A city should try to be self-sufficient. That means all required roles are played by people in the city. If there is a compelling reason, a role can be played at the country-level. And only if there is a very compelling reason, a role can be played in Dubai.

If roles are played outside the city, their default role should be to simply advise the city with recommendations. If there is a compelling reason, the role could be that of a service provider but with committed SLAs to the city. Other roles like tech, finance and people need service orientation to cities but define the framework of our business.
But as discussed, we need safeguards for this model.

The safeguards exist to protect and empower our teams, not to control them.

Examples:
City team must spend within the budget.

City team must adhere to the policies and systems for people and finance.

City team must use the global brand pillars.
We also need to train the city teams and encourage knowledge sharing.

Forums like the GM Summit focus on training the GMs, and provide a platform for city teams to share knowledge.
“Across industries, barely half of the top performers sustain their leadership position over the course of a decade.

We’re struck by a commonality among those who get it right: they create adaptive, fast-moving organisations that can respond quickly and flexibly to new opportunities and challenges as they arise. In doing so, they’re moving intelligent decision making to the front lines. That’s in sharp contrast to the standard, “safer” modus operandi of capturing data, sending it up a hierarchal chain, centrally analyzing it, and sending guidance back. Several of these forward-thinking organisations now starkly describe their decision making as being pushed to the “edges”—to and beyond employees, past the organisation’s four walls, and out to consumers and partners.”

- McKinsey Quarterly
We hold leaders to the highest bar

Principle 8:
“Leaders don't create followers. They create more leaders.”

- Tom Peters, Author
People are the biggest drivers of success for Careem. It has been proven time and again.

Great leaders attract great people, great people build great teams, and great teams deliver great results.

Let’s be honest – you won’t follow just anyone to the moon.
Our leaders have a huge influence on who is here, and whether they operate at their full potential every day.

Through the people they attract and their own behaviors, they are also multipliers of our culture, in both good ways and bad.

That’s why the bar is the highest for them.
We expect our leaders to demonstrate the absolute highest standards of being a colleague.

We should treat a leader issue as a P0 – the same urgency as a system outage.
What do we expect from our leaders?

- Live and breathe our values.
- Build exceptional teams which are aligned with our values.
- Set a vision and inspire their teams behind it.
- Serve their teams, empower and develop them.
- Deliver results through their teams.
Shared and servant leadership serves the people in the organization, empowering and developing them.

Rather than planners, directors, and controllers, they become visionaries, architects, and coaches that empower the people with the most relevant competencies so these can lead, collaborate, and deliver exceptional results.

Such leaders are catalysts that motivate people to act in team-oriented ways, and to become involved in making the strategic and organizational decisions that will affect them and their work.

- McKinsey Quarterly
What does it mean for you?

As owners, it is your responsibility to call out leaders that are not aligned with our values or our leadership model.

And if you aspire to be a leader at Careem, start shooting for that higher bar, and practice shared and servant leadership in your teams.

You can do it.
If we want to build an organisation that will deliver on our purpose of simplifying and improving the lives of people and building an awesome organisation that inspires, we need awesome leaders who are driven by this purpose, who have the ambition of taking us to the moon and beyond, who prioritize customers, captains, colleagues and communities above themselves, and who passionately believe that Careem is their baby.
Mabrook! You’ve made it this far.

Remember that going into unknown territories is no small mission.

It’s huge.

It’ll be challenging. Sometimes scary. Mostly awesome.

But always, always worth it.
We’re getting ready to close the hatch.

And are ready to pilot this thing...
If we work together, keep our purpose at heart, and use this handbook as a guide, the moon is closer than we think.
In the spirit of iteration, we encourage you to give us your generous feedback on this version of the Careem OS. We’re keen to hear your thoughts!

e: OS@careem.com
s: #careem-os-feedback