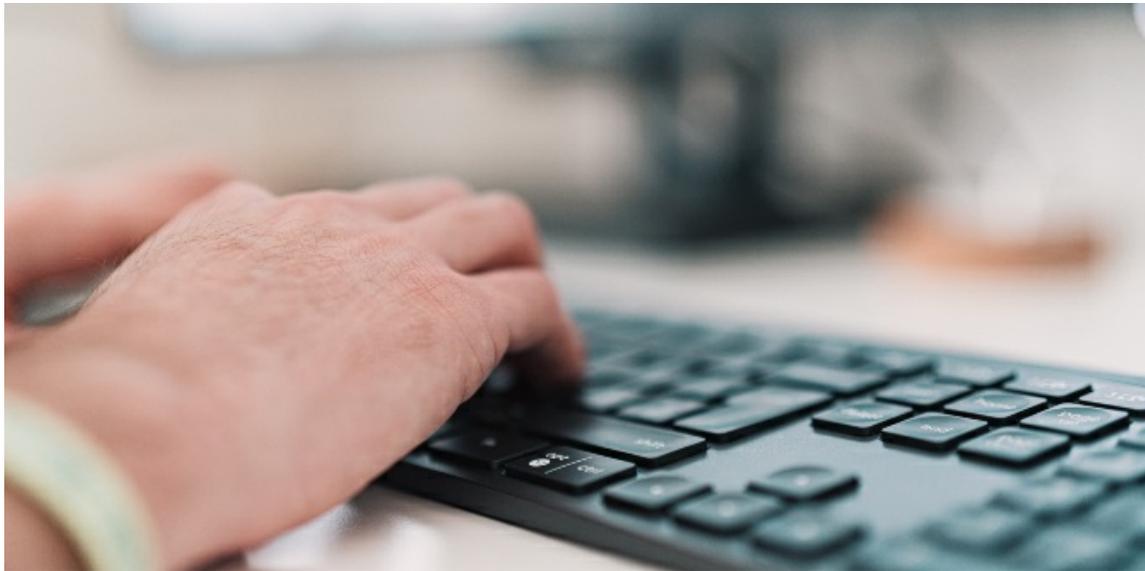


Agile at home: tech startup lessons for making home working a success



As the pandemic continues to disrupt businesses, agile and digital-native organisations are demonstrating the greatest resilience. *Why?* Because in uncertain environments, agile teams can adapt quickly to fast-changing priorities, which translates into a powerful competitive advantage.

To a large extent, agile companies are simply practicing what they preach. The agile approach has proven particularly effective when team members are geographically co-located. The sudden shift to remote working requires companies to adapt their agile practices, work modes, and processes rather than reinvent them. Similarly, agile and digital-native companies are more likely to have the necessary technology infrastructure in place, and functioning. They are likely to have data stored on a single cloud solution, accessible to the entire workforce; to have collaboration tools like Confluence and Jira, version control like GitHub or Bitbucket to enable agile development; and to be already savvy about video conferencing and communication systems like Zoom or MS Teams.

The sweet spot in terms of an agile response to the crisis can be found in mature tech startups. Many of them show great adaptability toward agile remote working. They are adept at recalibrating processes and tools, and tend to share “a people-first approach” to sustain their employees in such difficult times. And this is paying off. Our research on mature tech startups shows a stunning increase in the level of productivity after the lockdown started.

For example, at Navvis, a Munich-based company developing sophisticated 3D in-house maps, the latest employee survey revealed a staggering perceived productivity level of 10/10. Similarly, Reactive Robotics, a medical tech firm founded by one of us, which develops AI-powered robotics for intensive care units, experienced the most productive weeks of the company’s history in April.

Drawing on the experience of mature tech startups, we isolated the distinctive elements of their unique approach. If your organisation is to bring the Agile system home, this is what it needs to understand:

1. Avoiding the psychological debt trap

Tech debt is the “price” companies pay for short-term technological fixes. Similarly, psychological debt describes the inherent costs of exhaustive performance from employees without the chance to rebalance. If not settled in a timely way, it may lead to burnouts or talent leaving the company.

Reactive Robotics has been implementing agile practices, from software to hardware development, since its early days. When the news hit that a lockdown was imminent, the leadership team set up a virtual war room to align business goals, review the most affected processes, and issue new guidelines. Equipped with a digital infrastructure that enables seamless collaboration and even full-on virtual hardware testing in digital environments, the company experienced a frictionless transition to full remote-work mode.

Soon, however, the company's leaders noticed that employees, concerned about the business and personal impact of the disrupted environment, felt increasingly anxious and stressed. To respond, a trusted employee was assigned to collect, understand, and anonymise concerns, and channel them to the leadership team, which were then addressed in regular all-hands calls. While this helped, it was mostly vocal and outgoing employees who made use of the channel. Consequently, leaders started calling up all employees for regular one-to-one check-ins to discuss personal concerns, calling the most introverted people first.

2. Communicating often and in a transparent way

Good crisis communication has three distinctive characteristics: It is frequent, it is candid and therefore credible, and it is empathic.

A factor giving agile companies an edge is that they have a high amount of effective interaction protocols between employees and outside stakeholders institutionalised in their work processes. Think daily 15-minute stand-ups, weekly reviews, and retrospectives. This is an advantage over traditional ways of working. However, a fully remote setup likely requires additional communication.

Tantalus, a startup of smart grid solutions for utilities in North America, introduced daily leadership video stand-ups in which leadership coordinates its short-term responses to developments before taking them into their teams. Many companies introduce company-wide events in which unfiltered questions and concerns are openly answered by leadership.

3. Establishing empathy in virtual meetings

Team work on remote setting requires frequent alignments via digital channels like Zoom or WebEx. Yet, only clear rules allow these to be as effective as physical sessions. It is not only about efficient meetings, but also about building empathy in these conversations.

For example, at Reactive Robotics stand-ups are indeed conducted while standing in front of the camera to resemble the dynamics of physical stand-up meetings. To account for a lack of empathy in crowded yet muted video calls, employees at some startups use reaction signs that can be shown into the camera (e.g. "I agree", "I oppose", "funny!" ...).

4. Installing rules to protect private lives

Remote work carries the danger that borders between work and private life blur, contributing to the load on already stretched employees. Workspace and private space merge into one, with work, home schooling and family time increasingly coinciding. This brings the danger of employees on one hand struggling to concentrate on work when it is due, and on the other hand never being able to fully detach themselves from it, leading to a constant state of elevated stress.

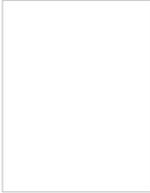
As employees were increasingly caught in back-to-back video calls, Reactive Robotics introduced mandatory lunch hours during which no meetings were to be scheduled, with leadership setting the example. LinkedIn, faced with many employees struggling to manage their children during work hours, encourages its people with families to refrain from a standard 9 – 5 schedule and instead flexibly block their calendar for family time.

Mature tech startups are among the most adaptive and resilient companies in the current crisis. Agile and digitalised tech startups swiftly moved to remote work, with little or no loss in productivity. But they also realised that to sustainably stabilise and grow the organisation, they need to focus on *people first* to thrive not only during this crisis but also in the post-Covid age, because this pandemic is accelerating structural changes to our way of working.



Notes:

- *This blog post expresses the views of its author(s), not the position of LSE Business Review or the London School of Economics.*
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