Remote-Work: The Poison for Agility?

Agile community in shock: Has VW rightly massively cut the home office regulation?

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After Amazon's bombshell in the fall of 2024, Volkswagen decided in mid-March 2025 to shorten the home office regulation and bring employees back to the office from April 2025. According to the report, VW brand boss Thomas Schäfer, who describes himself as a "fan of presence", emphasizes the value of personal exchange and spontaneous conversations in an internal email. Only together the team can fully exploit its strength. Personal cooperation in the team is elementary in view of the current economic challenges, adds a spokeswoman. Other companies have also declared war on remote work, which is why the "back-to-office" trend continues. So is remote work a discontinued model in agile organizations? Against this background, the five influencing factors of technology, team structures, corporate culture, employee preferences and industry requirements are analyzed. This shows that there is no universal approach, but that companies need to define their individual "sweet spot" between presence and remote work. Finally, three recommendations for action are given that decision-makers must now implement in order to use this area of tension as an opportunity.

The Bang: The Glorious Seven join the Fight against Remote Work

On 16.09.2024, Andy Jassy, the CEO of Amazon, announced that all employees will return to working in the office five days a week. [1] From April 2025, the home office will be restricted at VW with exceptions.[2] What followed? An outcry in the workforce and beyond.

While the Glorious Seven companies[*] don't all insist on being in the office five days a week, all of them have given office attendance a new priority. Alphabet, for example, is also looking back on an extreme change. From the expectation that at least 20% of the workforce will work completely remotely to the Back to Office Policy of April 04, 2022, which requires spending at least three days a week in the office.

The great success of the Glorious Seven gives them a certain role model function in the tech industry. At the same time, these companies have strong agile ways of working – even if they do not always

[*] The Magnificent Seven is a collective term for the seven most successful tech companies in

the world: Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, Tesla

implement one of the well-known frameworks such as SAFe or LeSS according to the textbook. Agile working is above all a question of culture and communication. Since Andy Jassy explicitly mentions cultural reasons for returning to the office, the decisive question arises for us as an agile community: Is remote work a dangerous aberration for agilely organized companies or a key to sustainable corporate success? What decides on success and decline?

Heaven or hell? What does science say?

First of all, it is worth taking a look at the spread of the home office. In 2022, 7.4% of employees in Germany worked exclusively from home.[3] This means that almost one in ten is never in the office. For IT departments, as well as the IT industry in general, the numbers are significantly higher because the IT industry has the most remote workforce.

We all know the anecdotal evidence of the challenges of remote work. In our experience, these include communication barriers, a reduction in team cohesion and difficulties in agile ceremonies. In addition, there are very practical problems, such as distractions in the private sphere, less social control and poor ergonomics of the workplace at home. All this causes direct or indirect costs for companies (e.g. through lower productivity).

Andy Jassy impressively shows in the announcement that Amazon has failed due to the challenges mentioned: "In order to meet the (...) To address the point, which is to be better positioned to invent, collaborate and be connected enough to each other and to our culture to deliver the absolute best for customers and the company, we have decided that we will return to the office."[4]

At the same time, we are aware of the advantages mentioned. These include, for example, the gain in autonomy and flexibility as well as an improvement in the work-life balance for employees. Savings are indirectly achieved through lower medical costs (absenteeism, burnout, etc.).[5] There are also advantages in recruiting. A high proportion of remote work allows employees to live further away from the office, as the commute to work is less frequent.

Since remote work comes with advantages and disadvantages, the question arises as to what predominates. Not surprisingly, the results of scientific studies from psychology, economics and social sciences do not give a clear recommendation regarding the decision for or against the home office. Each company is an individual case that must be considered on its own. Since this is a long-term strategic decision, a detailed analysis is recommended, which serves as the basis for a long-term strategy, which is then consistently implemented.

The decision for or against the home office is not a binary decision, but there is a

broad continuum that ranges from a strict ban on home office to a purely virtual team without its own office.

When should I rely on remote work as an agile organization?

The challenge is to find the sweet spot for your organization in the continuum of possibilities. In any case, it must be aware that the sweet spot will also have disadvantages. There is no form with which only advantages are realized. It is therefore a question of balancing.

In our experience, there are five main factors that influence this trade-off:

- Technology
- Team structure
- Corporate culture
- Employee preferences and well-being
- Industry-specific requirements and type of work

Experience with the influencing factors

In the long term, the factors can be shaped to a high degree. In the short to medium term, however, there are limits to the change. Consequently, in the short term, the sweet spot is strongly defined by the existing environment, while in the long term, management can align the sweet spot with its corporate or organizational

strategy by changing the influencing factors in a targeted manner.

In the following, we give a brief hands-on overview of our experiences with the factors.

Technology

It is common knowledge that remote work requires a certain amount of technical equipment. To this end, there are absolutely necessary measures to enable a safe, effective remote working, such as choosing suitable chat solutions and issuing laptops. However, it must be emphasized that it will not work without these basic prerequisites.

In addition to these rather simple basics, decision-makers quickly encounter trickier challenges. What about the cloud strategy, for example? Is there a VPN network in the company?

It is often overlooked in technical planning that a high degree of remote work places new demands on the systems in order to ensure social exchange in the company. This is the only way to create a sense of belonging. For example, the intranet has completely new requirements, as it has to enable a worldwide community and at the same time corporate communications are more dependent on it when the workforce no longer works on site. In consulting practice, M365 in particular has proven itself here because it offers a strong and cost-effective solution. Artificial intelligence can be used effectively to increase engagement.

TIP: Remote work requires that the right technology is available. First, take care of the basics to make collaboration work. Make sure that the technology also enables social exchange within the company.

Team structure

Small, preferably autonomous, teams characterize agile software development. Methodologically, KANBAN, Scrum or related methods are usually used. As a result, agile management relies on a high level of autonomy for the teams. This does not necessarily go hand in hand with a high degree of autonomy of the individual. This means that agile structures are not necessarily better suited for remote work than other forms of organization. On the contrary, agile structures typically emphasize close team cohesion and teamwork. However, these two points in particular were highlighted as elements that erode more easily in a heavily remote-heavy set-up.

As the size of the organization increases, scaled agile structures become necessary. In scaled agile frameworks, the challenge of the necessary coordination between different players is exacerbated by typically complex relationships. All common frameworks – Scaled Agile Framework (SAFe), Scrum of Scrum (SoS), Large Scale Scrum (LeSS), Nexus, etc. – must meet this challenge. None of these frameworks were developed with a focus on remote work, so the structures and processes they propose struggle to address the unique challenges of highly remote work-oriented teams. Experience has shown that SAFe in particular poses challenges here, as SAFe provides for very large coordination rounds (see PI Planning) at regular intervals. Since SAFe is the most popular scaled agile framework,[6] this is remarkable considering how much remote work is represented in IT at the same time. Especially very large coordination rounds are virtually tiring and less effective. SAFe tries to meet this limitation with its own specialist articles.[7] Logically, this cannot compensate for the fact that the framework was originally designed for on-site work in the office.

TIP: Most scaled agile frameworks are not designed for a high proportion of remote work. Rely on frameworks designed with a focus on remote work, such as the Agile Run Framework.

Corporate culture

If an organization decides to work in an agile way, this has a fundamental impact on the corporate culture or at least on the culture of an individual department, because at its core, agility is a question of culture.

Regardless of the exact framework, the values are similar. An overview of the values from various sources can be found in the following diagram.

While the exact values propagated vary between the individual frameworks, the general characteristics of an agile corporate culture are similar in all frameworks. For example, customer

orientation is only found as a value/principle at LeSS, but it is emphasized by all agile methods.

Agile Manifesto (2001)
- People and interactions instead of processes and tools   - Working software instead of comprehensive documentation   - Collaboration with the customer instead of contract negotiations   - Reacting to change instead of following a plan
LeSS (2008)*
- Large-Scale Scrum ist Scrum   - Empirical Process Control   - Transparency   - More with less   - Holistic product focus   - Customer orientation   - Continuous improvement towards perfection   - Systems Thinking   - Lean Thinking   - Queuneing Theory
Scrum Guide (2010)
- Commitment   - Focus   - Frankness   - Respect   - Courage
SAFe 6.0 (2023)**
- Exchange   - Transparency   - Respect for people   - Relentless improvement

* These are the principles of LeSS. LeSS does not formulate values.

** SAFe 4.0 (2016) was the first version to name values. This list states the updated values from SAFe 6.0.

In summary, an agile corporate culture can be described in simplified terms as follows: A culture based on transparent, open communication with an appreciation for the team and customer-centric thinking.

Since the agile way of working is generally characterized by rituals that can also be carried out remotely, this makes it easier to work together in virtual teams. At the same time, creating a team spirit – i.e. a high level of team cohesion – is a challenge. However, values such as commitment (see Scrum) and individual exchange (Agile Manifesto) emphasize the importance of team cohesion. In our experience, this is a central challenge of remote work in agile set-ups. This can be countered with a variety of measures. These include very simple measures, such as the obligation to switch on the camera in telcos and the promotion of spontaneous informal exchange on the phone. (Executive)Coaching and training on virtual communication are a useful support. The culture can also be influenced organizationally, for example by assigning key positions to strong communicators. For example, a strong communicator can even occupy several roles that have a critical flow of information.

In summary: The organization – such as the distribution of tasks – can influence the culture

TIP: The agile culture is well compatible with remote work. As your business evolves, focus on creating a team cohesion and a culture that fosters individual performance.

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Employee preferences and well-being

Employee preferences are a strong driver for remote work, as the home office is popular among employees. At the same time, however, we also see that many employees do not want to work completely in a virtual team, but that personal contact with colleagues is important to them. So a heterogeneous picture emerges. That's why it's important to get a thorough overview of what the workforce wants and to make sure that recruiting only hires staff that harmonize with the remote work strategy.

When analysing the current situation, we recommend two important measures.

First, they not only conduct a survey of employees, but also exchange ideas intensively with managers about their assessment of their team. Secondly, have experts prepare an assessment on the subject. Usually, they will also conduct surveys. At the same time, they have tools to record the preferences of employees more precisely. Experience has shown that many employees do not correctly assess their affinity for the home office. One reason for this is that the desire to work from home is merely a symptom of other difficulties (e.g. high volume in the office, in the worst case even completely irrelevant causes such as bullying). This can later lead to dissatisfaction, resistance or expensive bad investments for superfluous office space.

Of course, now that you know the preferences of your workforce, it's also worth analyzing which team members

you hope to attract to your company. In the long term, the preferences of the workforce are not a constant due to employee turnover, but they can shape them. For example, the use of the analysis by means of personas and the use of public statistics on the preferences of different generations are suitable for analysing the desired employee profile in the future.

It is interesting to know in this context that in our consulting practice, we have generally not been able to find any correlation between the affinity for remote work and agile working among team members.

TIP: Analyze the preferences of your employees. In addition, evaluate the profile of the top performers you want to attract to your company.

Industry-specific requirements and type of work

Of course, there are massive differences between industries when it comes to the possibility of remote work. This is also evident in the prevalence of remote work depending on the industry. The appendix to the article contains an overview of how many employees work from home at least "occasionally", depending on the industry.

In general, of course, "classic office jobs" are suitable for remote work. However, it is also worthwhile to broaden your own perspective here. Just as agile working has long since ceased to be a purely organizational issue for IT departments, remote work is no longer just an issue for

industries with a focus on office jobs. Advances in robotics and artificial intelligence will continue to grow the range of jobs that can be done remotely. We see a dynamic of solutions for all industries, with them developing at different speeds.

For the transport industry, for example, we are seeing the first field tests for trucks that are controlled via the mobile network. In the field tests of the HHLA Group (Hamburger Hafen und Logistik AG), the control is carried out by drivers who control the trucks from a control centre.[8] However, control via the mobile network would allow truck drivers to work from home under certain circumstances.

It should be explicitly mentioned here that depending on the activity, there are of course also big differences within an industry. An obvious example here is staff in the accounting department of a nursing home, who can of course work from home more easily than the carer.

Another obvious example, but one that can quickly become complex. What about a drone pilot for combat drones? He remotely controls a drone in the office. At first glance, this cries out for remote work. In practice, security considerations currently make it impossible to carry out this activity outside a military base. The rule of thumb: office job equals home office option is therefore not right. A detailed look is necessary.

TIP: Follow trends in artificial intelligence and robotics. Regularly critically question what this means for your

organizational structure and consciously decide whether you want to lead the field or follow suit.

3 measures you should implement right now

Finally, we would like to recommend three measures that you should implement immediately – whether on a small scale in your team or on a large scale when defining the way your entire organization works.

Develop a plan

Traditionally, as a decision-maker, you will deal with remote work to find ways to further increase the productivity of your teams. You should have a clear vision of where you want to go organizationally for your area of responsibility. This includes what the sweet spot of remote work is for you.

How to get started with planning

The first step is to grasp the status quo and develop a vision. Then you develop a plan on how to proceed. Depending on the size of your area of responsibility, this can only be a short initial check that only takes a few hours. If you see a need for action or your area of responsibility is larger, it can be a separate project that formulates your remote work strategy.

A simple first step, for example, is to include the topic in the appraisal interviews as a team leader in order to gain a better insight into the needs of your team members. As a Scrum Master, you

can get your first insights into remote work in the course of the retro and build on this in your planning.

Next steps

The further concrete steps of your plan are closely related to the five influencing factors discussed, which not only define the sweet spot for remote work. They also influence the steps of the ideal plan to make changes or formalize the status quo. How democratic the decision regarding the design of remote work is depends in particular on the culture of your organization. In agile organizations, we strive to involve the teams in decision-making. At the same time, there are also very successful agile teams that rely on strong leaders who show the way.

It is essential that the topic of remote work is on the table at the latest when a reorganization is due. Then there are often changes to the five influencing factors discussed, which makes an adjustment necessary.

Especially in the case of reorganizations due to cost cuttings, the implementation of a well-thought-out remote strategy offers opportunities. Significant savings are possible in the areas of room rent, medical expenses, IT operations, canteen and travel expenses.

Make the work environment effective

As soon as your employees do not work exclusively on site, the management of the workplace becomes particularly important. This applies to the workplace in the office as well as to the home (or remotely in general).

Shaping Remote Work

Empower the workforce to design their remote workplace. In particular, the following measures have proven to be effective:

1) A clear remote work policy

2) Training and information offers

3) Equipment and benefits for the home office

Remote Policy

Write a clear remote work policy. A small example of this from our consulting practice: It is not uncommon for employees to imagine working on their laptops in a camper van while enjoying the evening hours in their workation when they hear the word remote work. Others see themselves already working on the train in order to "clock in" on the way to work and not lose time there. Working from home can also be derailed. We even know examples from our customers in which men took part in meetings topless or dressed only in underpants (with the camera rolling).

Of course, as a supervisor, you are interested in the interests of your employees. However, you have to weigh up various influencing factors. Therefore, it is necessary that you also clearly distinguish between different scenarios of remote work in your remote policy. Workation must be explicitly distinguished

from working from home and other use cases.

The policy should also include precise information on possible locations for remote work and equipment. For example, it is not uncommon for employees to work at home with only a single small screen or even problems with a slow internet connection. Both are often killers for productivity. That's why rules are needed here.

Consider the legal basis in your policy. Legal advice may be useful. Concerns such as data protection and company secrets are also quickly endangered in the event of poorly formulated policies or even a lack of them.

Training and information offers
Educate your teams about the rules in your policy by providing training and information. Low-threshold options for this are the presentation of the policy in the team meetings or the sharing of best practices in an intranet article. It is important to explain the logic of the existing policy. In addition, it is essential to train in the training courses and information materials on the applications used and to convey cultural aspects. Otherwise, productivity will fall short of potential.

Equipment and benefits for the home office
Especially if you are pushing for a high degree of home office, it is worthwhile to support the team in designing the workplace at home. For example, provide

screens, an ergonomic keyboard, mouse and chair. Ideally, you should support employees in setting up a study or at least a niche. You can provide posters or mouse pads with the company branding for this purpose. Such small measures make the affiliation to the company visible and are thus a building block for team spirit. At the same time, you can influence the design of the workplace to promote the health and productivity of remote workers.

In our own consultation, for example, there is a goodie bag once a month for colleagues who work exclusively remotely, which replaces the fruit basket that is on site in the office.

Design of on-site work
Employees have less and less understanding of commuting to the office if they do not believe that there are any advantages for themselves and/or the company. That's why it's important that the workplace and processes on site add significant value.

Make sure on-site equipment fits your remote work strategy. If you limit on-site work to a few days a month, you usually need less space for quiet, concentrated work. Instead, the main thing on site is to promote exchange and provide suitable areas for this purpose.

In any case, you should make sure that the on-site office equipment does not fall behind that in the home office to avoid dissatisfaction. There must also be sufficient meeting rooms or niches. An exception to this is if you want to push the

workforce towards remote work as part of a transformation. However, even in this case, this measure must be critically examined, as strong negative side effects can occur.

Rely on a suitable agile framework

Until now, there has been no widespread scaled agile framework that has a special focus on the needs of virtual teams and remote workers. Therefore, in the course of our consulting practice, we have developed a proven framework for virtual teams, which at the same time pays particular attention to cost efficiency: the Agile Run Framework.

Agile Run Framework: The Philosophy

Like the term Scrum, the name for the "Agile Run Framework" is taken from the world of sports. In rugby, Scrum is a player formation in which the players form a group by hooking onto each other.

The name "Agile Run Framework" is borrowed from baseball. There, a "run" is necessary to score a point. In baseball, as

in virtual organizations, the team is not tightly packed, but spread out on the field.

Outstanding individual performances, teamwork and an effective style of play enable the team to be successful. This describes the philosophy of the Agile Run Framework.

The framework is based on proven principles, such as self-organized development teams of up to ten people, with many elements from Scrum. At the same time, numerous changes were made, such as a different structure of product management, an integration of the line into the teams and the replacement of the Scrum Masters with Run Coaches, who create immediate added value for the organization and work numbers-driven.

To enable scaling for larger organizations, a lean, efficient, easy-to-understand structure is proposed, with a strong focus on successful communication. Easier to understand and less extensive than SAFe, but with more orientation and guidance than frameworks like LeSS.

More information about the Agile Run Framework

A complete description of the Agile Run Framework, including its roles, structure, processes and best practices, can be found in our publication: "The Agile Run Framework: Agile Management for today's challenges". This will be released in November 2024.

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Chris West is Managing Director of Purple Bird Technology International in Dubai, a company of the Purple Bird Technology Group. During his academic career, he completed a degree in technology management at the Ludwig Maximilian University and the Technical University of Munich. He was a visiting scholar at UC Berkeley in California, where he conducted research in the field of digitalization. As a proven expert in agile management, he has been advising companies on agile transformation and the optimization of their processes for over 15 years.

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Thomas Maier is the Founder and Managing Partner of Purple Bird Technology. After studying business administration at the Ludwig Maximilian University and the honors elite course at the University of Regensburg, he worked as an employed management consultant, freelance consultant and in the group. In 2020, he founded the digitization and organizational consultancy Purple Bird Technology, headquartered in Munich. Prestigious companies, such a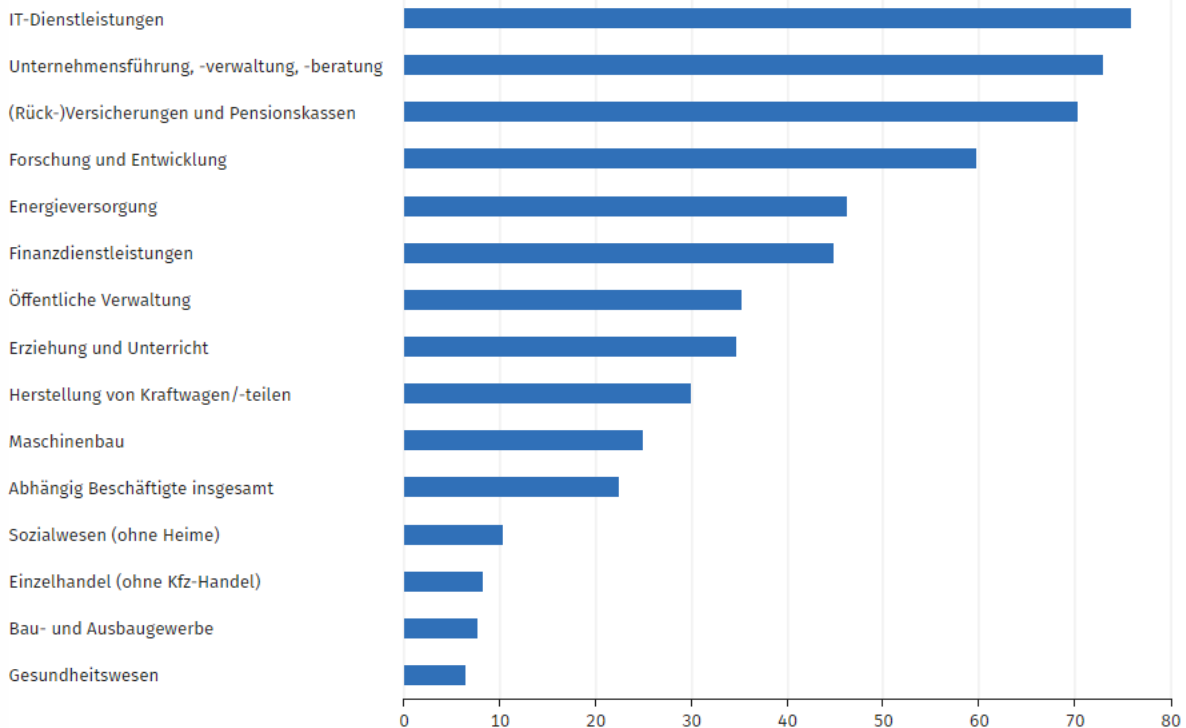s DAX 40 corporations, are among its customers. In addition, he completed various courses lasting several months, such as training as a business coach, the Certificate of Human Capital Management (Ludwig Maximilian University) and training as a business trainer.

Appendix

Arbeit von zu Hause in ausgewählten Wirtschaftsbereichen 2022
Anteil der abhängig Beschäftigten in %

Wirtschaftsbereich	Anteil in %
IT-Dienstleistungen	76
Unternehmensführung, -verwaltung, -beratung	73
(Rück-)Versicherungen und Pensionskassen	70
Forschung und Entwicklung	60
Energieversorgung	46
Finanzdienstleistungen	45
Öffentliche Verwaltung	35
Erziehung und Unterricht	34
Herstellung von Kraftwagen/-teilen	30
Maschinenbau	25
Abhängig Beschäftigte insgesamt	22
Sozialwesen (ohne Heime)	10
Einzelhandel (ohne Kfz-Handel)	8
Bau- und Ausbaugewerbe	8
Gesundheitswesen	6

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Source: Federal Statistical Office (2024): Almost a quarter of all employees worked from home in 2022, [online] https://www.destatis.de/DE/Presse/Pressemitteilungen/Zahl-der-Woche/2023/PD23_28_p002.html

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