



BALANCING EXPLORATION VS STABILIZATION IN TECH STARTUPS





Jonas Schlagenhauf - 2024-05-13 - github.com/schlagenhauf/ece_talk_2024

PREVIEW

What is the dilemma?
Why exploration vs stabilization?

OUTLINE

"Stuff that no one told me"

-  Motivations to found a startup
-  Why startups fail
-  **Exploration vs Stabilization**
-  Random advice

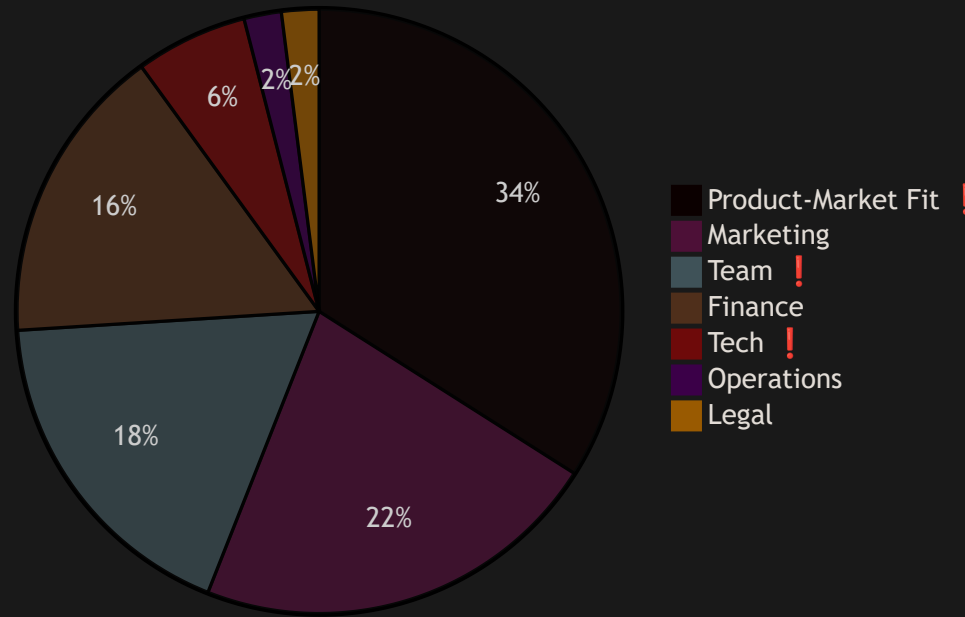
ABOUT ME

- B.Sc & M.Sc Embedded System Engineering
2010-2016
- Kiteswarms - Founding Member, CTO
2017-2021, 💰 Business Angel, 👤 22
- Goodmotion - "Consultant"
2021, 💰 Funding Programs & Competitions, 👤 4
- Infrafon - CEO
2022, 💰 Business Angel, 👤 4
- B.Braun New Ventures - Robotics Engineer
2023-now, 💰 Corporate Startup, 👤 55

REASONS TO FOUND A STARTUP

- Avoid entering the work force after graduation
- Money (9/10 startups fail, 1/100 unicorn)
- See your idea get big
- **Self actualization**

WHY DO STARTUPS FAIL?



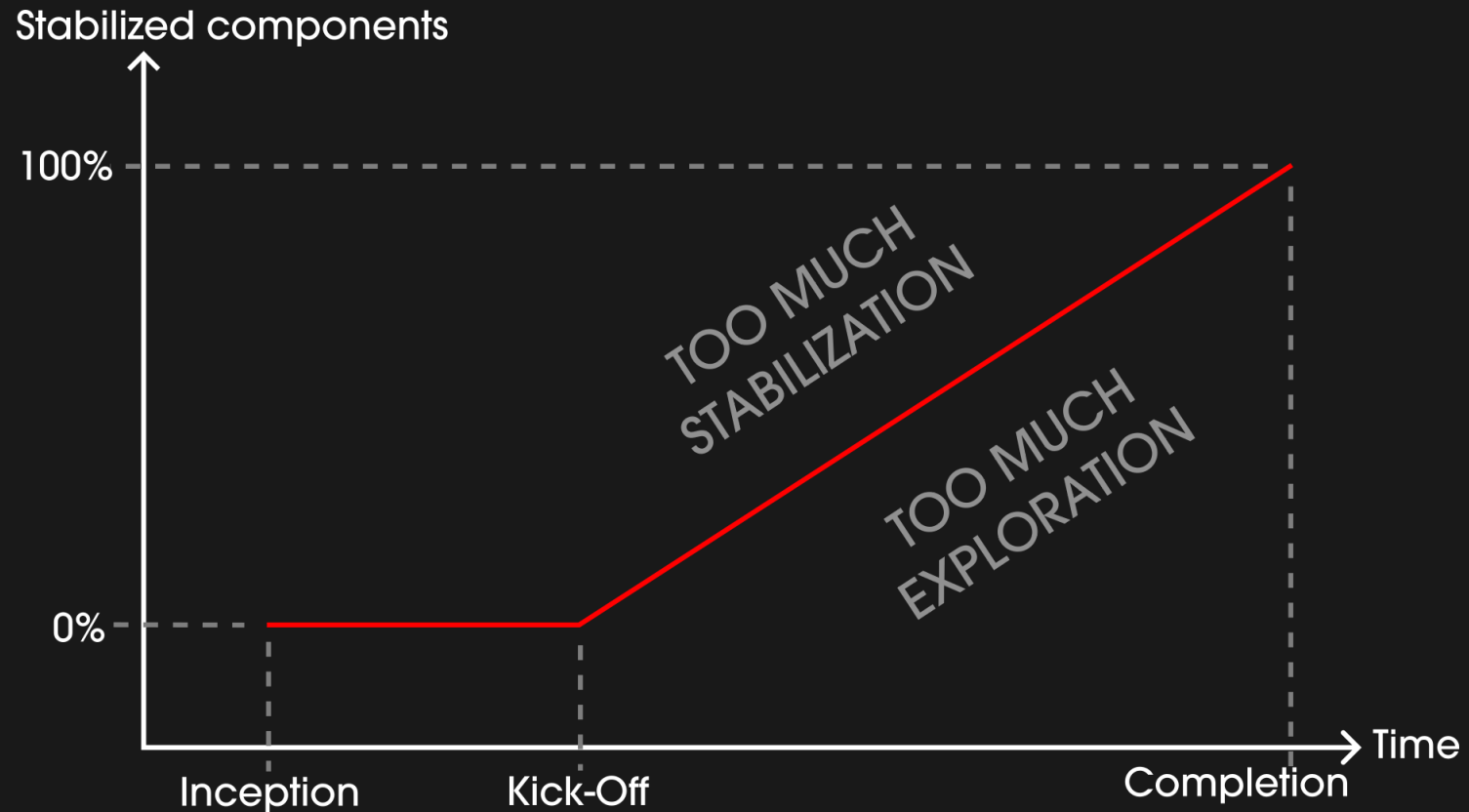
<https://www.failory.com/blog/startup-failure-rate#6-reasons-why-startups-fail>

EXPLORATION VS STABILIZATION

- Startups are fragile
 - You need to reduce risk
 - Risk is equivalent to uncertainty
 - Build stuff, throw it at the user, learn, reduce uncertainty
- But: Only prototyping creates its own risk
 - No common basis, technological debt
 - Worst case: complete stand-still

STABILIZATION OVER TIME

(simplified)



ADJUST WHEN NECESSARY

- Be sensible to inefficiencies
- Too rigid → loosen structures

"Ditch custom PCB iterations, back to Arduino"

"Are scalable and reproducible Kubernetes deployments really required already?"

- Too chaotic → find the most central element, nail it down

"Let's not have 5 custom logging mechanisms"

- Try not to overshoot, make small adjustments

PROTOTYPE OR PRODUCT?

- Get clear on expectations!
- Either you prototype or you build components of your product
 - Prototype: Take all the shortcuts you can to achieve your learning
 - Product: Do it proper the first time. It only gets worse.
- Don't let your prototype become your product
- Be rigorous








RADICAL MINIMALISM

- Single sources of truth
- Maximize integration among tools
- Keep it simple as long as possible (KISS & YAGNI)
- Plain text wherever you can
- Ulysses pact: tie yourself to the mast

THROWAWAYABILITY

- Prototypes should be discardable with no cost
- Throwing away product components should be quite easy
- Also (and especially) applies to infrastructure

UNSORTED ADVICE

-  Your idea is not as valuable as you think
-  Learn to trust your team
-  You will need senior people
-  Work on your social skills
-  Use a personal task management system
-  Focus is crucial
-  Burnout is real

FURTHER READING

Lean Startup

Eric Ries, about reducing uncertainty

Reinventing Organizations

Frederic Laloux, about utopic ways of working

Extreme Programming

realistic agile software development

The Unofficial Project Manager

Kory Kogon et al., about classic project management

Getting Things Done

David Allen, about personal task management

Paul Graham's Essays

Co-Founder of YCombinator, best startup advice out there

HAPPY FOUNDING