



Season 4, Ep. 4, "War Zone: Rescuing a Colleague," Nov. 14, 2023

Ukrainian Programmer: The Russians. They were hoping to drop paratroopers to capture airports, and through there, they were hoping to land an invasion force to march on Kyiv. We could hear explosions, and I think I heard the first explosions at around 3 or 3:30 a.m. from the missile strikes because they were trying to destroy the air defenses with missiles. We heard battles on ... on some of the adjacent streets. So we spent quite a long time inside the basement.

Kurt Greenbaum: From Olin Business School at Washington University in St. Louis. I'm Kurt Greenbaum, and this is On Principle.

Ben Solomon: So right now we're seeing hundreds of families streaming out from Irpin just a little up the road here. Over the past 12 days, this is a town that's been consistently bombed.

Kurt Greenbaum: That's Ben Solomon, a reporter from Vice News in March 2022, just days into Russia's invasion of Ukraine. The video shows men, women and children walking on snow-covered roads, hauling shopping bags, luggage, pet carriers.

Ben Solomon: So right now, we're driving into Irpin to go pick up more people. We've been hearing artillery. And Grad rockets. So it's pretty jumpy in there.

Kurt Greenbaum: This is a war zone. And today it's the setting for this edition of On Principle. The first voice you heard in today's episode was from a Ukrainian-based software developer. He's the lead programmer for a Chicago startup. And in February 2022, he was with his elderly parents in Irpin, a suburb of the Ukrainian capital of Kyiv, when the Russian invasion began. In today's episode, we're looking at what principles come into play when the business needs of a young company run into the most serious of "oh, shoot!" moments: wartime. We'll hear more from our software developer. But first, let's meet the chief operating officer for the startup where they both work.

Kyle Bank: My name is Kyle Bank and I am the chief operating officer at Phenix Real-Time Solutions and based in Chicago, where our headquarters is.

Kurt Greenbaum: And tell us a little bit about Phenix. What does it do?

Kyle Bank: Phenix has built a real-time video streaming platform, and most people would ask, well, you know, what does that mean? For context, if you're watching live sports today on your phone or your smart TV, for example, on the NBC Sports app,

you're probably somewhere between 40 and 120 seconds behind what's going on in the field. And you also could be out of sync with other viewers, which we call drift, where one viewer is seeing something with a 20-second delay. Someone else might have an 80-second delay. And that's kind of the nature of live streaming of not just sports, but webinars and other types of content as well. And we've built a solution that enables us to stream with less than a half a second of delay. So almost the same type of delay you'd have in a video chat, whether you're in a Zoom or Google Hangout, but for broadcasting use cases. And that keeps all of the viewers in sync with each other. So everyone sees the same thing at the same time and in real time. And that really enables our customers to build interactive video experiences. When I joined the organization, most of our employees were in Chicago, but we did have one overseas employee in Ukraine, and I got to know him really well. Honestly, I'm not entirely sure how Phenix found him to begin with, but he's a complete rock star, had an amazing background in encoding and video technologies, and had built a lot of the core technology that we have today. We ended up building a team in Ukraine around him over time, which, you know, has been a big part of our engineering team since.

Kurt Greenbaum: Can you talk about the challenges a little bit and how you address these challenges of having a global workforce like this when people are literally working on the opposite side of the globe?

Kyle Bank: Absolutely. I think it definitely presents challenges, but it also gives you different viewpoints from folks in different cultures and different ways of thinking, which is a big component. We are, I would say, very dedicated users of Slack for communication and a lot of the information that we have of things that we work on, whether it's sales related or partnership opportunities or a certain part of the platform that engineers are working on, a lot of the information gets dumped into there. And so it doesn't matter when the person on the other side of the world reads it, they still get all the information that they need to be successful and do their job. It does present some challenges, but we've found ways to build structures around that to enable us to be successful.

We have a team in Zurich, Switzerland, and we also have operations in France and the UK, and then the rest of the team is distributed throughout the US. Given that we have kind of structures for how we share information and collaborate, especially on the technology side, people are able to pick up those tasks the following day and you have someone who's then worked on it and maybe sent it back. So then by the time you start your day, you have a new response and someone's iterated on something and been able to put in the work.

Kurt Greenbaum: Kyle is a WashU Olin alumnus who joined Phenix in 2016 as its eighth employee back when Phenix had one customer and one software developer. That's the guy we heard from earlier who's based in Ukraine. I was asked not to use the programmer's name, but he was willing to speak with me over Zoom from Ukraine. He normally worked from his home in Kyiv, Ukraine's capital city. But as

tensions rose between Ukraine and Russia, he went to visit his parents—he said they're in their 70s—in the nearby suburb of Irpin. He was with them on February 24, 2022, when the Russian attack began.

Ukrainian Programmer: There was fierce fighting in there from day one. We could hear explosions. Actually, the first the first thing I read about a declaration of war at 1 a.m. and about 1:30, I heard jets flying overhead already. And I think I heard the first explosions around 3 or 3:30 a.m. from the missile strikes because they were trying to destroy the air defenses with missiles.

Kurt Greenbaum: And indeed, that is what the Russians were doing. And in those first few days, they concentrated their attacks on that Kyiv suburb in what has since been called the Battle of Irpin. Early in the attack, the Russians destroyed a bridge over the Irpin River, cutting off one route between the town and Kyiv.

Ukrainian Programmer: As a result of the fighting, as I said, we said we lost broadband. Actually, it's impressive. The ISP, they managed to restore broadband connection once, which is a pretty heroic feat, I think. But then it got destroyed again. We have mobile internet. We had ... that went down too. I'm not sure what was happening. They might have been jamming it, and then we lost electricity and then water. One piece of advice that they gave us and that was actually pretty ... it turned out to be helpful ... is to fill the bathtub full of water, which we ended up using. We also had a bunch of drinking water, so we were somewhat prepared. But I started to get the sense that while we really should, it feels like we really should be getting ready to leave. Because at the time we were already hearing stories of people who are trying to evacuate and their cars were getting shot up.

Kyle Bank: Joining a company like Phenix, you never expect to be put in the situation where you're engaging with folks that are in a war or about to engage in a war. Those first few days and few weeks when the tensions were growing and we weren't sure what was going to happen, I think our whole company was pretty glued to the news and getting regular updates also locally from our ... our colleagues in Ukraine. But once the war did break out, it was very nerve-wracking. And we really just prioritized understanding that everyone is safe.

Kurt Greenbaum: The day of the attack, Kyle set up a Slack channel for everyone at Phenix to follow the news and keep up with their colleagues in Ukraine. Teammates conveyed news about martial law being imposed, about breakdowns in electricity and internet service, about their ability to work. Often they apologized when they couldn't get their work done. By early March, it became clear to Kyle and the rest of the Phenix team that their lead programmer and his parents could not stay in Irpin.

Kyle Bank: The manager on our team immediately went to our CEO and said, "What can we do to help in this situation? And let's put a game plan together." And I believe we put out a note to our employees internally saying, does anyone have any connections that might be helpful to help someone move within the country? And we didn't necessarily know who to go to exactly, but having an employee raise his hand to say, "I think I might know someone who could be helpful," you know, was a total game changer. The discussion was really simple. It was, can this company execute on the plan? And if we believe so, then let's do it. There's obviously a cost, a monetary cost to do that. And we spent quite a bit of capital on this project, but there was absolutely no hesitation from anyone on our executive management team or the board of directors that we just move ahead and ... and get this done immediately. So it was very swift, quick and, honestly, with ... without doubt that this is what we needed to do.

Kurt Greenbaum: As Kyle mentioned, another employee at Phenix raised his hand to help. Andrew Weiner had been an Army Green Beret. He worked his contacts and identified a company with experience in this kind of mission. Kyle wasn't comfortable saying how much it cost, only that it was tens of thousands of dollars to hire this firm. They made the deal on March 8, 2022.

Ukrainian Programmer: They basically ... they put us in contact with the driver. It was a one-man team, you could say. It was the driver who ... who, from talking to him later, it was apparent this is the kind of job he usually takes, sort of higher risk. And he knew that the important thing for him ... so here's the thing. Kyiv ... it wasn't like ... unlike Irpin, Kyiv was not an area where there was active fighting of the same kind of mortars or tanks. So there was no need for an armored car. But he did need to know what the safe zones were that he could drive through because many of the bridges were blown. And the paths, especially closer to Kyiv, the path was sort of ... the safe way to go was changing pretty rapidly. So he had to stay on top of that.

Kurt Greenbaum: The mission really kicked off on March 9 when the programmer and his parents had to walk to a spot on the other side of the Irpin River. Carrying their luggage, they walked across a makeshift span next to the blown-out bridge. A Ukrainian volunteer would shuttle them by car to Kyiv. That was the first step: getting out of Russian-occupied Irpin to meet their extraction driver.

Ukrainian Programmer: That was probably the most dangerous part of the whole thing. One of us had found out about an agreement that was reached with the Russians that we had agreed to but ... to evacuate and a bunch of us gathered. I kind of talked to a bunch of people before that, telling them, "Hey, guys, or maybe have you thought about evacuating? Because we kind of think it would be a good idea." We had to walk through Russian-occupied territory. It wasn't a short walk. There was at least 20 minutes. And we went out into the street. We actually ... when we met, we saw it destroyed. It must have been an IED. And we talked to the Russians that were holding checkpoint. They told us, "Well, you should take this way. That's where it's safe," and you have to walk fairly quickly because we only had less than 2 hours to make the whole trip because that's when the time limit was off that they had given the civilians to evacuate.

And we had to make it to Ukrainian-controlled territory before noon, basically. I sort of just realized, well, look, I'm either going to survive this and get out of this or I'm going to get killed. Either way, worrying about it is kind of dumb. So being afraid of it is not going to prevent anything bad from happening. It's not really up to me now. I just kind of realized that it took the edge off. So I wouldn't say that I was, you know, completely like a Hollywood action hero. But it did take a lot of the edge off, a lot of it. It was just keeping focused on doing the things we needed to do as soon as we got out of there. That was at that point I was basically, well, somewhat still tense because we had to go on a trip. There was a lot ... we had to be focused. But you know, compared to that, I was basically much more relaxed.

Kurt Greenbaum: The programmer and his parents spent that night in Kyiv. The next morning, March 10, they met their driver. The mission was to evacuate the programmer and his parents from the war zone and head for Lviv, a city on the western edge of Ukraine near the Polish border.

Ukrainian Programmer: Well, let's call it, let's say the path was very dynamic because we didn't even know the path we would take at the time. You had to sort of know how to pay attention to the situation, to the radio. Maybe he talked to his colleagues to know what was going on the roads ahead. So he had to choose a way through. We also had to pass through a bunch of these checkpoints where every time ... we got through relatively quickly, but sometimes they could have taken up to 30 minutes each. And yeah, and the other thing is, we have very little time to stop by and get any food because we realized that we might not even make it on the same day. And if that happened, then we would have to find someplace to spend the night.

And the thing is, those places were booked pretty solid because a lot of people were moving. And that situation that I guess he and I and all of us, we wanted to avoid. Basically, we just decided to power through and keep driving. The guy was ... he was extremely solid and just ... he just kept driving even though he was very, very tired. So that was, it was a pretty heroic effort on his part. And it was it was basically like that. And the other challenge was that we might have ... especially closer to Kyiv ... another problem was with gas. It was, there was a major shortage of it. And actually, he must have had his sources. But for most people it was very difficult to even get a little bit of gas into their car.

Kurt Greenbaum: And what were you then thinking and feeling as you were waiting to hear something?

Kyle Bank: I remember checking in multiple times that day, knowing that that was the day of the ... of the mission. It's nothing we could have ever predicted. And, you know, it's also very challenging from the US, knowing there's only so much that you can do at a given time when someone's going through that. And how do you ... how do you help? You know, how do you do something when you're in a country that's not in wartime and you're safe? Puts a lot of things in perspective. When we look at our day-to-day stress and what we're working on and the things that are on our

plate, and then you think about other people and the things that they're going through, it really puts in perspective what's important in life.

Kurt Dirks: Yeah, it's a very, very interesting situation. And as I recall in Phenix, one of the interesting things that happened was that they reached out to their employees to say, "Does anyone know someone who can help?" And some, at least one or more, of their employees stepped forward with suggestions on that. So, one, I thought that was really interesting that they involved the ... involved in that. With regards to the willingness or ask of other employees to pick up the slack, I think, you know, that again, I think is a very functional thing for the culture of that company to really help to think about that. Again, we are in this together, both for the company and, frankly, for each other also. And so I think being able to recognize that and to verbalize it, to help people think and verbalize that, I think that is a very useful exercise for leaders to ... to recognize that verbally, so it just doesn't go under the radar and also to verbalize it, to show appreciation for it that we know you're doing this. But it's important and here's why it's important.

Kurt Greenbaum: That is Kurt Dirks. He wears several hats at Washington University in St. Louis. Chiefly, he's the vice chancellor of international affairs for the university. He's also a member of the faculty at Olin Business School, where he's the Bank of America Professor of Leadership and an expert in organizational behavior. Kurt has done extensive research in the areas of trust, team dynamics and workplace ownership. He has a vast list of published research work, which he's presented at conferences around the world.

Kurt Dirks: Some of the work I've done is looked at how and when and why trust matters in teams. We, in fact, one of the early studies they had done looked at one sample of NCAA basketball teams trying to identify, you know, can we point to a bottom-line outcome for trust within the team. And the effect was actually extraordinarily strong, stronger than I expected. I think about 7% of the variation at the ... in wins at the end of the season, taking everything else into account, including pre-season performance, how the talent indicators, etc., ended up being associated with the extent to which they trusted their leader. One of the things which really helped to put this concept on the map for leaders to pay attention to it, not only because it feels good, but because it actually matters for teams and organizations.

Kurt Greenbaum: In other words, if I trust my leader, I'm going to perform better. Is that too simple?

Kurt Dirks: I mean, that's the bottom-line outcome on it. And that is because I'm perhaps more willing to go above and beyond what I might do otherwise. I'm more willing to buy into the vision and plan that that leader is espousing. I'm more willing to work with my colleagues and set aside my own personal interest to pursue the interest of the organization when that happens.

Kurt Greenbaum: That's really interesting. I approached you about sitting down for an interview about the Kyle Bank story, and you kind of jumped right on it when you responded, and I wondered what it was that drew you to it so quickly.

Kurt Dirks: You bet. In addition to being a really interesting story, it fit with some of the work that I do in two ways. One way is it's a really—which I think we'll get into—really interesting example of how values may be related to decisions in difficult situations. And so I think it's a really great example of that. And then secondly, it's also, I think, related to the issue of trust. One of the things that people look for when trusting their leader, their organization, is the extent to which that organization or leader cares about me, not just the extent to which they have character or high capability, but the extent to which they care about me. And in fact, we have looked at this issue as part of a recent book project on "Leadership in Dangerous Situations," where we look at the role of trust. And this is kind of an interesting example of that.

Kurt Greenbaum: So when you heard the story, Kyle's story and the programmer in Ukraine's story, did it bring to mind for you examples of other companies that you've encountered or other leaders that you've encountered in your work?

Kurt Dirks: Yeah, I certainly think that this happens in large and small ways all the time, and you probably see it most where ... it becomes most recognizable in situations where there are ... companies go through challenges on this, just as this organization did. One of our companies here in town, Barry-Wehmiller, and the CEO, Bob Chapman, talks about this a lot in terms of how the difficult decisions that they've had to make over time to create a culture and the role of values in that. And so I think, you know, lots of companies, when they went through the economic downturn, or went through COVID, faced situations like this.

And so just to go back to Barry-Wehmiller, Bob Chapman tells a story about when one day when most of their ... many of their orders got canceled and the revenue dried up. And what were they going to do to pay employees? And they faced the difficult decision of having to ... do we lay off employees? And they said, you know, what I thought about at that time was, what would a caring family do? That's a ... that's a value which they are very explicit about, about talking about it. And a caring family would take care of their own. They would not kick anyone out of the family, would not lay someone off in the family. And so they found a very creative way. They allowed everyone to chip in with a little bit of time and take a little bit of a furlough with a family approach to doing it, which allowed them to do that. And no one got laid off.

They came back very strong and robust after that for a number of reasons. One, they didn't have to rehire those employees. But just as important is the goodwill that I think that created throughout the organization. So I think that's one example. Certainly in other smaller ways, even here at Washington University, when COVID hit, we had a lot of families which started to get ... go through challenges. And what we did not want to happen was for our students to, if their families, parents of our ...

our students lost their jobs, that they would no longer be paying tuition. The students have to take a break. And so I know at the time we made a conscious decision as a university to work with families who found themselves in that situation. It was important ... a value for us that we wanted to take care of our students, our community. So I think you see this a lot of times throughout companies when they go through economic challenges.

Kurt Greenbaum: What are the things about the story as he told it, that kind of stood out for you?

Kurt Dirks: At the end, I think you asked him a really interesting question as we come back, the concept of values on it. And I think your question was, to what extent did your values lead you to make that decision? And his answer was, you know, we didn't think about it all, and which I think is a very common ... be very common for people howdo they make that decision? In fact, one of the courses we teach here at Olin is called Defining Moments: Lessons in Leadership. Over the years, we brought probably 40 or 50 different CEOs to come in and talk about the role of values in the decisions they make in organizations, how our values play a role in their organizations.

And there's kind of two patterns that you see in that. Some leaders will talk explicitly about that they make a decision based on their values. But I think the more common is that the people make a decision and use that to better understand their values. In fact, when values are really ... that's one of the ways that values works, is it becomes an underlying or hidden factor in your decision process. And you may not be thinking about it, but ... many of the ways that companies and leaders talk about understanding their values was the type of decision they made in difficult situations—exactly the situations that you deal with in this podcast.

Kurt Greenbaum: As Kyle was telling me about this period, he referred to an archive of messages from the Slack channel he mentioned earlier. This was the message that popped in late on the evening of March 10, 2022. It was from their programmer. "I arrived in Lviv about an hour ago after about 13 hours on the road," he wrote. Now that drive should have only taken six or seven hours. They arrived about an hour before a 9 p.m. curfew went into effect. He continued: "Major thanks to everyone at Phenix who was involved with organizing the transfer. The support and kindness I received was truly invaluable." Kyle said that message came after a long day of waiting for news.

Kyle Bank: I remember being on the edge of my seat. I remember praying that he was going to get there safely and successfully. That level of relief reading that note, it was incredible. I'm proud of the team that helped extract him. I'm proud of our team for moving really quickly and getting this done. And I think it takes a team to do something like that and some real leadership from our CEO to just to move ahead without doubt.

Kurt Greenbaum: I do want to shift gears slightly, though, and say this is early on in the war. I think we're at this point only 14 days, 15 days into the hostilities. You still have to get work done at Phenix. How's that happening?

Kyle Bank: That's a great question. The company still has to move forward. We still have to put out product features and bug fixes and all the things that our technology team has to do on a daily basis. I think it goes without saying that you don't get 100% of the same productivity when things like this are going on. But the team, the rest of the engineering team, really put those folks on their backs to take on more of the heavy load, put in more hours, more effort and ultimately carry the weight because we have to get the same thing done regardless of the size of team that we have working on any given day. So, you know, I think there's certainly a reality check that we probably didn't get 100% of the things done that we wanted to during that time period. But I think we did incredibly well given the circumstances and the attitudes of everyone else, that it was without question that everyone else is going ... to put in the time and the effort to make up for it.

I would say my takeaways are, no matter where you're working, try to surround yourself with good people. It makes such a difference in the day-to-day of, you know, we spend the vast majority of our time working, and it's ... those hours that you want to like and respect the people that that you're putting those hours in for. You know, I just feel very fortunate that I feel that way about our organization. I think it's also hard at this point to conclude with an overall takeaway because we're still in uncertain territory. The individuals that we still work with there aren't 100% safe. So there isn't a conclusion yet. The conclusion is, you know, maintain open lines of communication. If you do good things, good things come your way. But ... it's hard to make your concluding statement because I feel like we haven't concluded this. We're still in the middle. We're not at the point of extracting people from one city and hiring companies to move them to another. But that doesn't mean we're in the clear. And so we just need to remain diligent and on top of the support that we give everyone.

Kurt Greenbaum: Were there any specific values at play that affected the decision that you all made? Did that enter into the conversation at all?

Kyle Bank: It really ... I think the nice part is that it didn't. We didn't think about what values do we have as an organization and what does that mean for what we should do for this individual? It was just an automatic reaction of, this is the right thing to do and we have the means to do it, so we're going to do it. I think, looking back, it's easier to say, well, that decision means that individuals within our company have certain qualities and have certain values that we stand for. You know, certain people in our company, and the company as a whole, has values. But that wasn't part of the decision-making process at the time, which I think is a good thing. You know, we didn't have to look and say, "What are our values and what does that mean we should do?"

Ukrainian Programmer: Well, I feel privileged. It's a general feeling I've had towards Phenix but not just towards Phenix. Because ... to give you an idea, there was a pretty significant volunteer operation being run to get people out of the war zone. Those are the guys who got me out of Irpin in Kyiv. And so there were those people. And then there's also the evacuation Phenix organized after that. And then there was some of my colleagues also offered me to stay for a while at a place in Lviv. So it was, I felt very privileged. But because of all of that, for sure ... I was very lucky to be able to rely on these people to do what they did.

Kurt Greenbaum: That wraps up this episode of On Principle. And while the story may have been a bit nerve-wracking, I hope you enjoyed the chance to hear from Kyle Bank, Kurt Dirks and, of course, the Ukrainian programmer as much as I enjoyed talking to them. Many thanks to everyone for sharing their insights about navigating this situation. I also want to credit Vice News for that brief report from the front lines in the early days of Ukraine's war with Russia. I'll have more about this episode in the show notes, which you can find on our website at onprinciplepodcast.com. You can also find previous episodes of On Principle there. Or you can search for On Principle in your favorite podcasting app so you don't miss an episode. Meanwhile, if you have story ideas or feedback, send an email to Olin podcast at W-U-S-T-L dot E-D-U. That's <u>olinpodcast@wustl.edu</u>.

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