"*Everyone has written a guide on remote work—but no one has done so as diligently and comprehensively as Holloway. They've spoken to everyone who knows about remote work, and do not shy away from what's tough or complex.*"

— Job van der Voort (CEO, Remote)

"*We all have opinions and thoughts on how to effectively work remotely, but no one blog post or medium article offers the complete picture. The Holloway Guide to Remote Work expertly synthesizes the state of remote work from hundreds of interviews, conversations, blogs, and research so that we all can make the right choices for ourselves and our companies.*"

— Scott Hanselman (Partner Program Manager, Microsoft)

"*This guide is an epic undertaking. It's an incredibly comprehensive look at all aspects of work as they pertain to distributed teams.*"

— Daniel Pupius (founder, Range)

THE HOLLOWAY GUIDE TO

Remote Work

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A comprehensive Guide to building, managing, and adapting to working with distributed teams.

Katie Womersley, Juan Pablo Buriticá, et al.

HOLLOWAY

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Some elements in the text are marked for special significance:

CAUTION	Caution, limitation, or problem
CONFUSION	Common confusion or misunderstanding, such as confusing terminology
CONTROVERSY	Controversial topic where informed opinion varies significantly
DANGER	Serious warning or pitfall where risks or costs are significant
IMPORTANT	Important or often overlooked tip
NEW	New or recent developments
STORY	A personal anecdote or story

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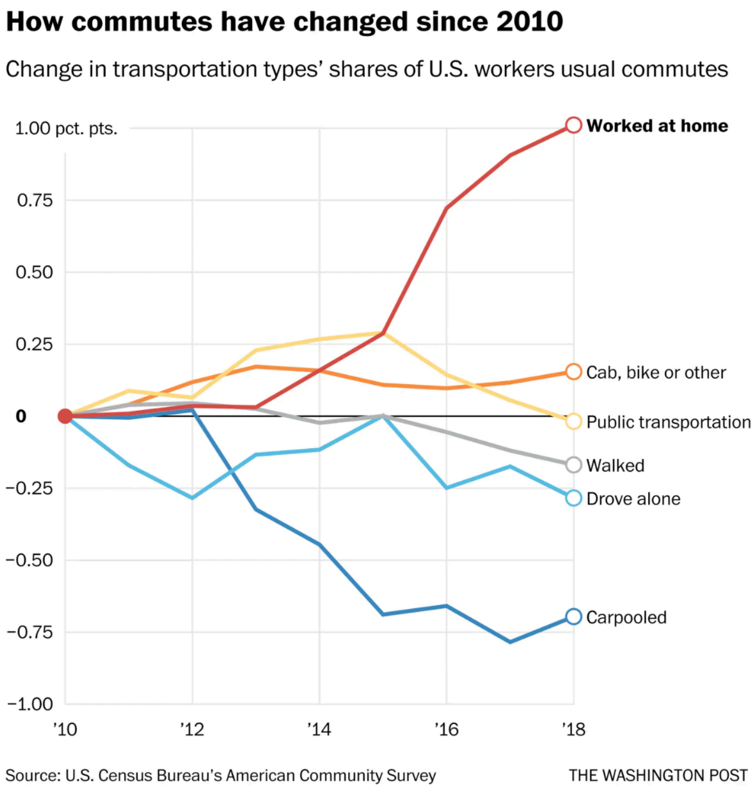
INTRODUCTION

0.1 *Why Remote Work?*

The nature of work is shifting significantly in the early 21st century—from traditional, corporate structures where every employee commutes to a nearby office for eight hours a day, to gig economy models and a deconstruction of what the "workplace" means. While checking into a physical office every day is still the norm, remote work—working outside the office (primarily from home)—has been steadily on the rise in the U.S., with over 50% of U.S. companies supporting some form of remote work, * and at least 5% of the population working from home consistently. *

0.1.1 FIGURE: THE RISE OF REMOTE WORK IN THE UNITED STATES



Source: *U.S. Census Bureau (2017)*

A variety of factors have contributed to this shift, including:

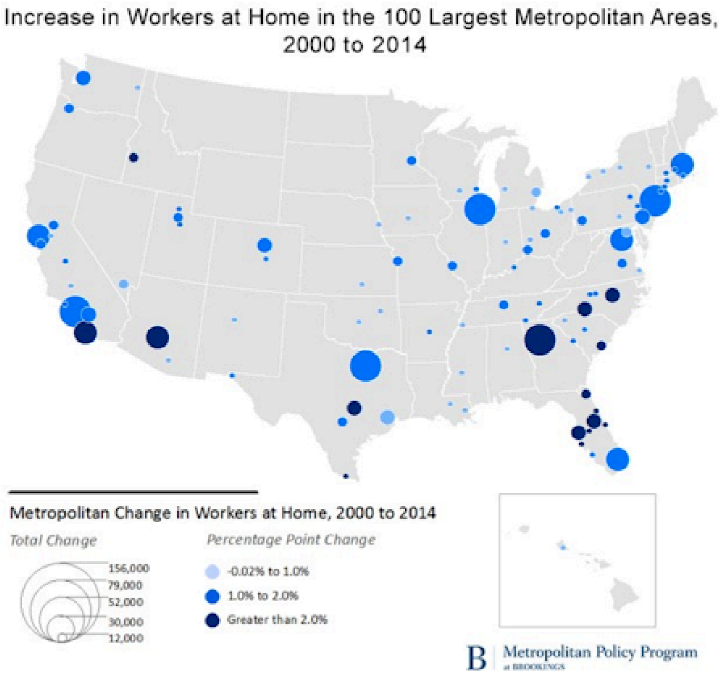
- **Broadband access.** Decreased costs of—and increased access to—broadband internet have led to the widespread prevalence of high-speed internet.
- **Technological advances.** Easier, cheaper access to technology and tools that facilitate digital communication—like computers, smart phones, video meetings, and an explosion of widely available, largely inexpensive cloud-based services—have made being together in an office less necessary for getting work done, even for more team-based, collaborative work.
- **A rise in knowledge worker jobs.** These are largely "thinking-based" jobs focused on solving problems and typically coming up with new products and services. Management consultant and writer Peter

Drucker characterizes knowledge work as "ever-changing, dynamic, and autonomous," * and predicted as early as the 1950s that it would be increasingly intertwined with computers and technology.[1]

- **Increased costs of living.** Housing prices are becoming increasingly out of reach up through the middle class in dense, urban areas, and are often paired with lengthy, expensive commutes. People are either looking to live in less expensive, smaller locations, or to at least avoid commuting hours per day.
- **Environmental concerns.** Working from home poses a number of environmental benefits, from reducing or eliminating commuting to minimizing waste and greenhouse gas emissions associated with centralized offices. * (It's worth noting, however, that remote work incurs different environmental impacts related to company retreats and potentially increased airline travel for some of the workforce, notably managers and executives. No data that we're aware of factors these aspects into the overall environmental impact analysis of remote work.)
- **Changing individual values.** Evolving attitudes regarding work, personal time, and life/work balance are pushing employers to shift strategies to continue to retain talented workers who wish for more flexibility and better quality of life.

1. More traditional occupations like architects, lawyers, physicians, scientists, and many others also fit this description as well.

0.1.2 FIGURE: REMOTE WORK IS INCREASING IN THE U.S.



Source: *Brookings Institute*

0.1.3 REMOTE WORK ISN'T NEW

> *"Remote work is just work."*
>
> — Hiten Shah, co-founder and CEO, FYI *

Depending on who you ask, remote or distributed work is The Future of Work—the biggest shift in the workplace since the industrial revolution; a trend that's mostly a time-sink for employers and boondoggle for their employees; or a phenomenon that's been growing incrementally over time. We embrace the latter view, noting that remote work as we know it now began back in the U.S. in the 1970s (when it was initially referred to as "telecommuting"), and has been on the rise in terms of popularity and reach slowly ever since. *

In 1973, NASA engineer Jack Nilles wrote *The Telecommunications-Transportation Tradeoff*, in which he posited that telecommuting was a way to reduce gridlock, sprawl, and reliance on fossil fuels (this was the era of OPEC oil embargoes). He saw a not-so-distant future in which "either the jobs of the employees must be redesigned so that they can still be self-contained at each individual location, or a sufficiently sophisticated telecommunications and information storage system must be developed to allow the information transfer to occur as effectively as if the employees were centrally collocated."[2]

A big part of the rise of remote work is tied to technological advancements over the past decade or so. When Hiten Shah notes that remote work is "just work," he also adds that it's because "software is everywhere." But while technology has greatly aided the expansion of remote work, it's not why remote work will succeed (or fail) at any given organization. Nilles saw this truth early as well: "organizational—and management—cultural changes [are] far more important in the rate of acceptance of telecommuting."

0.1.4 REMOTE WORK ISN'T FEASIBLE FOR EVERYONE

◇ IMPORTANT Not every job can be done remotely. Outside of physical jobs like healthcare work, construction, and service industries, every company may have a range of what's feasible and some specific constraints. A hardware startup might have a mix of roles that can be done remotely, but the core product has to be built and tested in a physical space. Some industries (financial services, healthcare tech) have such significant security and compliance constraints that a remote workforce might be too much effort or risk to maintain.

Laurel Farrer, CEO of Distribute Consulting, assesses whether a job can be done remotely based on the following set of criteria:[3]

1. The person uses a computer as their primary tool for at least 80% of the time.
2. The role is not dependent on permanent, unmovable, or rare resources, such as regional natural resources, heavy/expensive equipment, et cetera.
3. The role is knowledge-based, not service-based.

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2. Clearly Nilles was on to something—hardware and software development was happening at a rapid pace in academic and government organizations throughout the 50s and 60s, and in 1969, the U.S. government constructed ARPANET, a transcontinental, high-speed computer network that would eventually transform into the internet of today, which provides the "sufficiently sophisticated" conditions that Nilles predicted would support telecommuting.
3. In conversation with Holloway, 2020.

Even within knowledge work, some roles may have heavier in-person needs at various times, such as sales, where closing a deal (especially a big one) likely means getting on a plane and meeting face-to-face. More junior roles that require much higher levels of mentoring and hands-on learning can also be challenging in a remote environment.

Finally, remote work can prove challenging for anyone who thrives on the built-in social and collaborative aspects of working in an office with other people. While many of the necessary skills for remote workers—increased autonomy, adjusted communication practices, managing potential feelings of isolation and loneliness—can be acquired and improved by individuals, and enabled by companies and managers, remote work is not for everyone.

0.1.5 REMOTE WORK IS INTENTIONAL

In a famous commencement speech at Kenyon College, author David Foster Wallace tells a parable at the start. It goes like this:

> *There are these two young fish swimming along and they happen to meet an older fish swimming the other way, who nods at them and says "Morning, boys. How's the water?" And the two young fish swim on for a bit, and then eventually one of them looks over at the other and goes "What the hell is water?"*

His goal wasn't to spend the remainder of the speech playing the role of the wise old fish explaining what water was, but rather to establish that "the most obvious, important realities are often the ones that are hardest to see and talk about." In the case of remote work, knowing what water is requires intentionally examining how and why people communicate, make decisions, collaborate, and learn to trust each other. Being together in the same space makes up for a lot of messy, inefficient human tendencies, all of which are critical to examine and account for when you won't be together. It has little to do with which new whiteboarding SaaS app your company tries out or how many channels you have in Slack.

Even in fervently titled posts like "Why Naval Ravikant Thinks Remote Work Is The Future," reality bears out when it comes to remote work. "It's going to be done through lengthy trials. It's going to be done through new forms of evaluating whether someone can work remotely effectively," Navikant says.

0.2 *What Is Covered*

This Guide covers knowledge work at startups and high-growth companies where everyone does not work from the same physical office location. While this applies to companies with offices in multiple geographic locations (aka "satellite offices"), we intend the Guide more for companies (and their employees) that intentionally have at least some percentage of their workforce working entirely remotely, rather than coming into a physical office location.

Remote work (or distributed work) is an organizational approach where employees of a company do not conduct their daily work from the same physical location on an ongoing basis. In-person communication and coordination are typically replaced by a combination of telephone calls, email, internet video calls, online chat, and written documentation. In the past, remote work was referred to as "telecommuting," but this term has fallen out of favor with the advent of ubiquitous internet access that supports online forms of communication.

We do not cover large, multinational companies looking to dramatically cut costs via offshoring or other related methodologies; nor do we cover remote work for digital nomads or freelancers/contractors as a broad category (though will will discuss how contractors play a role in international remote teams, and the legal and other complexities associated with such approaches). For the time being, we are also not addressing remote work at non-profits or government agencies, though many of the ideas and practices in the guide will be relevant to both. We also don't cover how to find remote jobs for prospective employees.

0.3 *Who May Find This Useful*

This guide includes material of interest to anyone involved with remote work, including

- **Full-time employees** at companies where not everyone works in the same office. This includes both companies with all remote employees, and companies with a mix of remote and on-site employees; people who go into an office every day but work with people who are remote will benefit from this material just as much as their remote colleagues.
- **Managers** of teams at remote companies.

- **Executives** or **founders** of companies with remote workers, or who are evaluating whether to adopt remote work.
- **HR**, **legal**, and **business operations** roles.

0.4 *What Makes This Guide Different*

Remote work advice is often based on individual or anecdotal experience, or presents the perspective of a single specific company. Much of this advice is also hyperbolic and lacks nuance around the complexities and challenges for both individuals and companies. We see a need for a consolidated and shared resource written by and for people involved in all aspects of remote work—including managers, founders, and employees; including HR, legal, and operational staff; and including those at beginner levels and the more experienced alike.

Every company and remote employee is unique, and this Guide is not perfect; but it aims nonetheless to be the most inclusive and practical resource available on the subject. Whether you're a remote worker or anyone else involved with distributed teams, we want to supply you with both the principles and the tools to empower you to flourish in a remote environment.

⚠ DANGER When thinking about remote work, both startups and larger companies often look to other, often famous, companies for inspiration. But you are (probably) not GitLab or Basecamp, and "just use the GitLab handbook" can be inappropriate advice. The approach to remote work that you want is not necessarily the same. Each company's size, growth, philosophies, and financial outlook may be very different from those of other companies. And if you're an employee, one company's handbook or philosophy won't necessarily help you succeed elsewhere. We can learn a lot from seemingly successful remote companies, but we shouldn't blindly copy them.

Our approach to building this Guide has been to:

- **Draw knowledge from multiple experts.** We are not replicating any one company's practices or one person's perspective. Our authors and editors have drawn on the input of dozens of experts and remote workers.

- **Start with first principles.** Creating and maintaining successful remote teams requires gaining genuine understanding of many aspects of work and human interactions that many of us have largely taken for granted by going to work in offices together for decades. We start by considering the idea that remote work is not binary—teams are not purely remote or co-located—and that factors like distance, time, and physical presence all impact how we communicate, collaborate, and learn to trust each other. Examining these factors before you start planning new processes or pick the hottest new chat tool will significantly improve your odds of succeeding with remote work.
- **Give practical guidance on each aspect of remote work.** We cover background knowledge and offer practical, in-depth advice for all the key areas of your company that remote work impacts (which is most areas). Our goal is to give you not only frameworks for thinking about how remote work changes your organization, but also specific, practical information that will help you avoid many pitfalls, some of which can be quite costly.

The people contributing to this guide have been involved in remote work for over a decade (in a few cases, for even longer!). We've been at large companies that let people work from home occasionally, to growing hybrid companies navigating the complex interactions of offices and remote employees, to all-remote startups that don't have a formal HQ. We've seen how remote work can unblock hiring obstacles, save time and money, and provide employees with more satisfying, meaningful, healthy careers. We've also seen dysfunctions in nearly every domain, from treating remote work as a privilege for a select set of people, to isolated, burnt-out workers left to their own devices to dig themselves out (or choose to leave). We've had interesting and tough conversations, reviewed what's been written before, and done our best to reconcile and present the most helpful expert advice and experience. And we believe that if done right, remote work has the potential to transform our relationship with work, while distributing opportunity that has long been constrained to a relatively geographically and socioeconomically elite group of workers.

0.5 *We'd Love Your Help*

A reference like this cannot be perfect or complete. Please suggest improvements, add other helpful comments, or call out anything that needs revision. We welcome (and will gladly credit!) your help.

◇ IMPORTANT Most of the contributors to this Guide have worked in the United States, in the Silicon Valley job market, and at growing, technology-focused companies of various sizes. The principles and high-level advice apply much more generally than these constraints, though culture, values, and the the nature of remote teams may vary in different geographic areas and across the industry. If you have experience in other contexts, we'd love to hear from you.

FOUNDATIONS

1 What Is Remote Work?

This section was written by Courtney Nash.

1.1 *Remote Work Takes a Variety of Forms*

There is no one-size-fits-all formula for remote work. The forms it takes depend on the size, stage, and philosophy of each organization, and will change as a company grows and matures. Often, remote work is framed in the context of people working from home and not having to commute; however, any company that has multiple offices deals with many of the same challenges (and may more accurately be described as a distributed company, as described below). Once an office expands beyond a single floor, the nature of how people work together inherently changes. Remote work largely exaggerates those changes, and successful remote teams depend on more attention being paid to them.

CONFUSION Terminology about remote work is fraught with debate and inconsistency. Despite the fact that there's a growing movement behind using the term *distributed* over *remote*—notably, viewing team members as remote can have hierarchical implications about what is "central" and what is not—for the purposes of this guide we will use "remote work" throughout to refer to the broad category, and draw distinctions about fully distributed companies or teams when relevant.

It's also tempting to categorize companies as "remote or not" in a binary fashion, or perhaps as a point along a continuum between those two ends. Andreas Klinger, Head of Remote at AngelList, thinks about remote work as a space within a grid, where one axis is how close people are to the next hub or HQ (if one exists), and the other is how distributed across time zones individual teams or people are.[4] All other things being equal, a company with remote employees clustered near typical urban hubs within U.S. time zones has a different set of constraints, requirements, and pain points than one with remote employees scattered across the globe.

A few more terms are worth clarifying before we proceed. Remote companies are described in a variety of ways:

A **single office (or co-located) company** has a single physical office location where everyone works regularly.

A **multi-office company** has different offices (not necessarily in the same location), and employees commute to the nearest location regularly. Offices outside the same location are often referred to as **satellite offices**. This type of company could also feasibly be considered distributed, but is not the same as a fully distributed company.

A **hybrid company** has at least one physical location where some employees work regularly, and also allows people to work regularly outside that location, typically from home.

A **fully remote company (or fully distributed company)** does not have a physical office location and all employees, including executives, work remotely. Such a company may not have started out fully remote, but moved to that model at some point.

A **remote-first company** originated as a fully remote company, having never had an office. This model is increasingly common with early-stage startups.

A **remote-friendly** company is a hybrid company that allows and supports remote work to a certain extent. The company is open to hiring people remotely but still tends to maintain core working hours and time zone overlap with one or more of its offices.

There's not much data on whether one form of remote company is more prevalent than any other, but research by Buffer and AngelList suggests that the hybrid model is currently the most common. Their 2020 State of Remote Work report found that about 30% of the people they surveyed were all-remote—that is, they worked for a company where no one goes into an office. The majority case is a hybrid model, where part of the team is full-time remote and the remainder work out of the same office.

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4. In conversation with Holloway, 2020.

1.1.1 **FIGURE: MOST REMOTE COMPANIES ARE STILL HYBRID**

Source: Buffer State of Remote Report 2020

This aligns with the information available on AngelList about the remote makeup of companies listed there: companies with "any remote setup allowed" is around 9K, whereas "the team is all-remote" comes in closer to 3K (where the latter is a part of the former).[5]

Rodolphe Dutel, founder of Remotive, confirms that around 20-30% of the companies he's tracking are all-remote. According to their numbers, around one third of all teams that consider themselves remote-friendly are all-remote, and the rest comprise some degree of hybrid remote-friendliness.[6]

CONTROVERSY While there is a lively and ongoing debate about which type of remote company culture is "best"—all-remote, remote-first, hybrid * * *—and whether largely distributed teams are more successful, our view is that this misses the point. There are many examples of high- and low-performing companies that have operated in remote-only and hybrid models, within one country, and across the globe. What matters most is that a remote company's culture and communication practices are intentional, and in line with its stated values.

5. Private communication with Holloway, 2020.
6. Private communication with Holloway, 2020.

The ways people work remotely vary as well:

A **remote worker** is someone who does not commute into an office daily, and instead works from a location of their choosing, typically their home or a co-working space or coffee shop.

A **digital nomad** is someone (a full-time employee, a contractor, or a freelancer) who does not commute into an office but instead travels intentionally to multiple locations and works from wherever they are at the time.

A **freelancer** is someone who is not a full-time employee of a company, but is instead contracted to perform work for a specified rate and duration of time. They are typically self-employed, though some work through employment agencies, and most work from whatever location they choose. Some freelancers may go into a company's office to conduct their work, though not usually on a regular basis. Freelancers are similar to **contractors** (and for tax and payroll considerations, they are effectively the same), but contractors typically work full time for a set period with a single client for the duration of the contract. Employers do not provide benefits (healthcare, parental leave, or the like) to freelancers or contractors.

◇ IMPORTANT It's worth noting that many international employees of remote companies are instead contractors due to the complexities of overseas tax and payroll requirements (among other challenges). We cover these in detail in Legal, Tax, and Operational Concerns.

Working from home (or work from home or WFH) is the most common form of remote work. The term *WFH* can also describe a company policy that allows employees to occasionally avoid commuting into the office and conduct their work from home or wherever they choose. WFH is typically considered to be a benefit or perk, rather than a consistent work arrangement.

Teleworking (or telecommuting) is one of the earliest terms coined to describe the practice of working somewhere other than the main company office. * At the time, this largely refered to working from home, often using phone calls and even faxes to communicate, as this was before the advent and broad spread of e-mail and public internet avilability.

1.2 *Are Remote Companies Less Productive?*

Concerns about productivity used to be one of the foremost roadblocks for companies considering supporting remote work. Anecdotally, we're seeing this decrease somewhat in the list of worries for companies; but for many it's still not a foregone conclusion that remote work means individuals or teams will be more productive. * Despite that, improved productivity (typically expressed as a lack of interruptions) continues to be one of the main reasons remote employees prefer working outside an office. *

CAUTION But despite what a quick Google search will tell you, there's not a lot of concrete data on whether remote work is really a win-win situation for employees *and* companies. There's an endless supply of blog posts telling you that "remote workers are more productive," but if you dig in, nearly all of them are either:

1. Reciting results from surveys of remote employees, who are providing anecdotal, self-reported estimates of whether they are more productive when working outside an office.
2. Referring to one of two academic, objective studies of remote worker productivity.[7]

On the first point, let's be clear: there's nothing inherently wrong with self-reported measures in surveys. The overwhelming directional nature of those results clearly suggests that individual remote workers feel, and likely are, individually more productive. But when it comes to a company's perspective, there's a difference between individual productivity and team or organizational productivity. And the latter matters.

Those two academic studies did find that companies were more productive when they started letting people work remotely: A 2013 study on a 16,000-person Chinese travel agency found a 22% increase in productivity when employees could choose to work from home. * But a closer look at the results uncovers a key contributor of that apparent productivity increase: on average, the at-home travel bookers worked more hours overall compared to their in-office colleagues.

7. There's also a pilot program from the state of Utah that claims 20% worker productivity increases for a select group of public administration employees, but we can't find any information about how the pilot was conducted in terms of objectively measuring remote employee productivity.

> *...the performance of the home workers went up dramatically, increasing by 13% over the nine months of the experiment. This improvement came mainly from a 9% increase in the number of minutes they worked during their shifts (i.e., the time they were logged in to take calls). This was due to a reduction in breaks and sick-days taken by the home workers. The remaining 4% improvement came from home workers increasing the number of calls per minute worked.* *

◇ IMPORTANT Doing more over the course of more hours isn't necessarily better productivity: it's just working more. And in the case of the at-home travel bookers, this happened at the expense of taking breaks or sick days (it's not reported if people worked through sick days due to being home or not). A true increase in productivity would be doing more in the same amount of time (or even better, in less time)—the study above found this to be the case for only 4% of the reported productivity improvement.

A 2018 study of flexible work arrangements at the U.S. Patent Office found a 3.9% increase in productivity. * While these numbers are promising, they don't necessarily tell us much about what to expect from companies primarily employing remote knowledge workers who are tackling complex problems. Booking travel and approving patents are both tasks that can largely be done independently and without a lot of collaboration with colleagues. They're well scoped, with clear, measurable outcomes (for example, number of bookings made per hour or patents processed per day/week/month). This also made them ideal processes for study via more traditional research methods, whereas it might be harder to define "productivity" for a technology company trying to invent a completely new product.

It's also worth noting that the patent office study found a drop-off in productivity gains for less experienced employees, likely due to not having direct access to more experienced colleagues. This has organizational implications we discuss in Hiring Junior Remote Employees.

◇ IMPORTANT The bottom line is: we really don't know enough about remote team productivity. The commonly cited studies are barely applicable to collaborative work amongst teams of knowledge workers, and everything else is anecdotal. Remote companies that depend on knowledge work haven't been around long enough to draw productivity comparisons, and it is difficult to measure productivity in knowledge work on the whole. We only know that these teams face challenges in communication, collaboration, and management that could impact productivity if not taken seriously and tackled with intention.

> "*When it comes to productivity, you need double the process for half the team size. So for ten people, a company needs twenty people's worth of process. You need a significant amount of investment in process and documentation. I suspect there's about an overall 30% productivity hit for remote companies.*"
> — Hiten Shah, co-founder and CEO, FYI[8]

2 Remote Work Benefits

Many companies remain doubtful about a "remote work revolution," but the benefits of remote teams are hard to deny. From quicker, cheaper hiring to more satisfied employees and a more diverse workforce, supporting remote employees is reshaping modern corporate structure in many positive ways. But as with much of remote work, there are tradeoffs, and every organization needs to assess whether the benefits outweigh the risks or potential downsides.

2.1 *Reduced Operational Costs for Companies*

Real estate is not cheap—in tech hubs like the Bay Area, New York, and Seattle, the costs of office space and housing are increasingly a major barrier to entry for smaller companies and startups. According to The Square Foot's office space calculator, a 200-square foot allocation per employee costs as follows per month:

2.1.1 TABLE: ANNUAL REAL ESTATE COSTS PER EMPLOYEE

CITY	COST PER EMPLOYEE
New York	$14,800
San Francisco	$13,032

8. In private conversation with Holloway, 2020.

CITY	COST PER EMPLOYEE
Washington, D.C.	$10,522
Chicago	$7,000
Los Angeles	$6,702
Miami	$6,630
Seattle	$6,420
Boston	$6,080
Houston	$5,668
Dallas	$4,618
Atlanta	$4,194

Source: The Square Foot

Global Workplace Analytics cites a number of significant operational savings from remote work: *

- IBM slashed real estate costs by $50M.
- McKesson saves $2M a year in real estate costs.
- Nortel estimates that they save $100K per employee they don't have to relocate.
- Average real estate savings for companies with full-time remote work can be upwards of $10K per employee annually.

Depending on where your company is (if you have an HQ) and what your compensation approach is, you could also potentially save money on salaries—perhaps significantly more than by eliminating office space. If you aren't paying San Francisco-based rates (especially for technical roles), you stand to save a substantial amount by working with employees distributed in far less expensive regions.

CONTROVERSY Regional vs. global compensation is controversial. You may wish to reduce costs by offering locally adjusted salaries instead of a single globally fixed option, but there are philosophical, moral, and logistical tradeoffs when considering different compensation strategies. We cover this in detail in Compensation for Remote Employees.

2.2 *Competitive Hiring Advantages*

Hiring is one of the biggest pain points for companies, especially startups looking to scale rapidly. The majority of companies we spoke with pointed to hiring as one of the primary reasons they've embraced remote work. One of the clearest benefits of remote teams to companies is a global talent pool that is not restricted to highly competitive, expensive urban tech hubs.

◇ IMPORTANT Hiring a single employee can cost between $4K-$7K (and often more for highly technical or specialized roles), and can take upwards of two months. * Hiring remotely opens up a world of candidates, greatly reducing the time and costs companies incur to find talent. Fully distributed companies take 33% less time to hire a new employee (4.5 weeks vs. 7 weeks). *

2.3 *Increased Employee Satisfaction and Retention*

Hiring is expensive, but hiring people who don't stick around very long is even more costly. The 2019 State of Remote Work report by Owl Labs and Kate Lister of Global Workplace Analytics have some of the most compelling results about the power of remote work to improve employee satisfaction with their job and increase willingness to stay with their current company. They found that companies that allow some form of remote work have 25% less employee turnover than companies that do not allow remote work, and that remote workers are 13% more likely than on-site workers to say that they will stay in their current job for the next 5 years. * The benefits don't just apply to full-time, remote-only employees, either—even people who work from home occasionally report higher levels of job satisfaction.

Remote work also means that companies won't lose people if they have to move for any reason. If their spouse gets a job in another city or they need to be closer to family when they have kids, a remote employee can relocate and keep doing their exact same job with almost no impact (although time zones are the potential complicating factor here).

2.4 *Diversity, Equality, and Inclusion*

Companies stand to benefit from more diverse pools of candidates by being able to hire anywhere in the world. Employers no longer need to rely on hiring people who can only afford to live in expensive urban areas, which excludes a significant slice of the population, often along socio-economic and racial lines. Supporting remote work allows employers to hire people who want or need to stay close to home. This can include those who have caretaking responsibilities, which can have an impact on diversity and inclusion, because women are still more likely to be caretakers than men. Hiring remotely also lets employers select people whose disabilities impinge on their ability to commute and/or work in an in-office setting. *

Still, we don't yet have the data that proves increased diversity of teams is in fact happening at remote companies. Remote.com found that more women have CEO, founder, or President roles at remote companies: 28%, compared to 5.2% CEOs in S&P 500 companies and 6.4% in Fortune 500 companies. We don't know of any data related to the diversity of remote teams, but hope that as remote work proliferates, more information will emerge.

CAUTION Access to a wider range of candidates is definitely one of the pieces of the puzzle to increase diversity at your company, but it's only a small one. Unless you adopt a broad set of hiring and retention practices aimed at improving your hiring processes and providing an inclusive workplace, you won't reap the full benefits. We cover this in detail in an excerpt on improving diversity and inclusion in the hiring process from the Guide to Technical Recruiting and Hiring.

2.5 *Corporate Emergency Recovery*

The increasing rate of natural disasters around the world have forced many companies and local governments to consider remote work as part of their disaster and emergency plans. U.S. events like Superstorm Sandy, Hurricane Harvey, or the 2018 California wildfires kept thousands of people from going into work, and disrupted business operations for a large number of companies. During a severe East Coast snow storm in 2010, the U.S. Office of Personnel Management originally estimated the shutdown would cost $100M per day in lost productivity. They later revised the number to $71M per day to reflect the fact that their teleworkers (remote workers) were still able to work. * Companies that already support remote work are at an advantage, as they don't need a separate set of policies, technology, and equipment for when people suddenly have to work somewhere other than the office.

◇ IMPORTANT Remote work can help in localized, non-life-threatening situations. Of course, in the event of larger incidents that threaten people's safety, companies will want to ensure that no one is put in danger in the name of business continuity. It also raises the reality that individuals may be impacted locally themselves when the rest of the company is not. While companies may not necessarily have full-blown disaster and emergency response plans and protocols for remote workers, it's wise to ensure remote employees know what steps to take, including whom to contact at the company, when a disaster or emergency happens.

2.6 *Smaller Carbon Footprint*

Early forays into remote work in the 1970s emerged in direct response to growing gridlock and concerns over fossil fuel consumption. * More recent studies have turned up some very convincing data when it comes to remote work reducing daily commutes, which has a positive environmental impact. FlexJobs reports on a host of positive outcomes, including: *

- 7.8B car miles not driven
- 530M trips avoided
- 3M tons of greenhouse gases not emitted
- $498M in avoided costs of traffic accidents
- $980M in oil savings ($50/barrel)

◇ IMPORTANT One unreported consequence of remote work is a possible increase in air travel for some percentage of the remote workforce. Managers and executives in particular are likely to fly more in order to meet with each other and their teams, and many remote companies fly people for semi-regular team offsites and annual (or possibly more frequent) all-company retreats. We don't know of any studies on what the environmental impact of this side-effect of remote work is, but we are aware of one company (Convert) that works to offset the carbon impact of all their business operations (not just travel).[9]

Only a small percentage of remote workers would choose to go back to an office. * * Working remotely offers a host of potentially life-changing benefits for individual employees.

2.7 *Flexible Schedules*

Flexible schedules are one of the most prominent benefits universally cited by people who work remotely. Whether it's more time with family, mid-day exercise, working when you want vs. set 9-to-5 office hours,[10] flexible schedules typically lead to self-reported improvement in people's work/life balance—often because of powerful drivers that can include the increasing demands of parenting, the growing number of older relatives that need care, and the desire for a career as well as a family.

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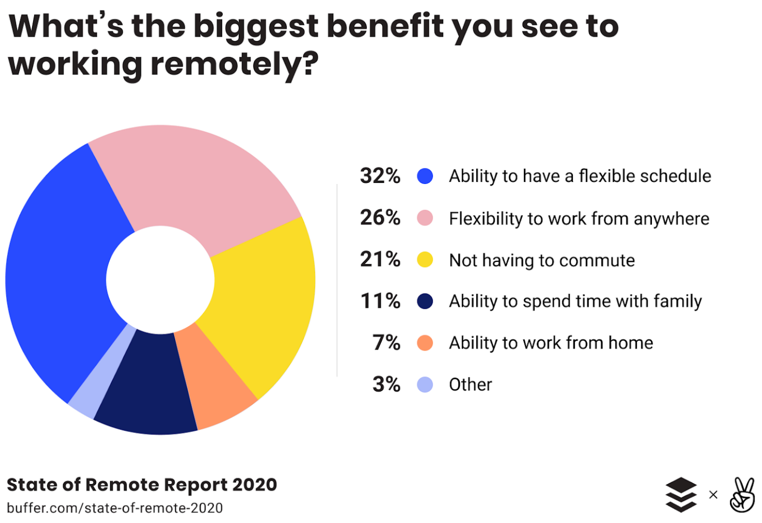
9. In conversation with Holloway, 2020.
10. That said, 60% of remote workers still work a nine-to-five job for five days a week, so the flexibility may likely be more about avoiding the commute and having more control over how they work.

2.7.1 FIGURE: FLEXIBLE SCHEDULE IS BIGGEST REMOTE WORK BENEFIT



Source: Buffer State of Remote Report 2020

◇ IMPORTANT You're still working for another company, so your schedule can only be *so* flexible. Some people have unrealistic expectations of just how flexible they can really be.

2.8 *Individual Time and Cost Savings*

The benefits to remote employees when it comes to saving time and money are almost indisputable. The top ones include:

- **Commuting.** Aside from the environmental benefits, no longer jumping in a car (or on a train or bus) can save remote workers thousands of dollars per year. *
- **Cost of living.** Remote workers aren't tied to major cities and urban centers, where costs of housing and other related factors continue to increase. They can move to better-priced locales with lower costs of living.
- **Office attire.** Yes, it's a funny meme that remote workers never change out of their pajamas. But in reality, not having to keep up with traditional office clothing norms can reduce your annual wardrobe and dry-cleaning spending each year.

- **Not eating out.** Remote workers aren't necessarily more frugal, but it is certainly *easier* to save money on food and coffee when you have a kitchen in your workplace.
- **Child care (maybe).** This is not a given source of monetary savings; just because you work from home doesn't mean you can simultaneously care for children, especially the younger they are. But working remotely may mean you're closer to family or a preferred childcare location, and having a more flexible schedule can help with the kinds of things parents might otherwise not be able to do, like making sure the kids are picked up from lessons or dropped off at friends' houses.

2.9 *Control Over Individual Work Environment*

Over eight in ten remote employees work from home, with most of the rest working from a coworking space or a coffee shop. This location independence was the most important benefit to around 30% of remote workers. It's easy to understand why—people tend to be more comfortable in their homes; remote workers are less likely to be interrupted by colleagues when they don't want to be; and 90% feel that they're more productive. *

Control over your work environment means you can change locations to best suit your work style preferences or the kind of work you're doing. If you prefer quiet times to focus on work, then a home office is your best option. If you thrive on the buzz of people around you, then communal work spaces or coffee shops may be a better choice. Not being tied to an office means you can choose which suits you best and at which times.

2.10 *Employee Mental and Physical Health*

While the time- and cost-savings benefits are largely inherent to remote work, reaping the potential health-related benefits requires dedicated attention (from both the employee and their manager). One remote employee could use their extra time saved from commuting to go to the gym or for daily walks, while another could simply log more time in front of the computer. The same goes for mental health—you have more flexibility and time to take care of whatever helps you feel better, but remote workers commonly suffer from overworking and not being able to disconnect at the end of the day. (See Morale, Mental Health, and Burnout In

Remote Teams and Personal Health for more in-depth coverage of this topic.)

2.11 *Employee Earning Potential*

People living outside urban technical hubs—especially in less economically developed areas—stand to gain significantly when it comes to how much they can earn.* Depending on a company's compensation philosophy, a software engineer in Bogota, Colombia could stand to make the same as someone in San Francisco, with a corresponding vast difference in how far that salary can go because of the lower costs of living. Even when companies adjust for local geographies, remote roles often still pay far more than anything someone could find in their own city.

3 Remote Work Myths and Pitfalls

Attitudes about remote work are changing rapidly as more companies choose to embrace it. But there's still a lot of fear, uncertainty, and doubt (FUD). Remote work is neither universally good nor bad, but is rather a series of ongoing tradeoffs and adaptations to a company's approach. Here we dispel a few (positive and negative) myths and call out common pitfalls that companies and employees can avoid along the way.

3.1 *Myth: Everyone Has To Be Remote*

Today, only 30% of remote-friendly companies are all-remote.* Despite a degree of punditry on this topic, especially from early-stage startups, remote-first or all-remote companies aren't guaranteed to be "doing remote" better. Remote is very rarely all or nothing. Almost every company is a hybrid and each person or team is on a continuum of on-site to fully remote.

The vast majority of companies are going to have to ease into supporting remote work and intentionally design the right culture, processes, and systems to support it. What matters is that they consciously examine what will work for them, and plan to revisit that as their company grows and plans change. There are a few common pitfalls to look out for as this happens.

CAUTION When no one in management or a leadership position is remote—as often happens in many hybrid remote companies—you're more likely to be missing key pain points or cultural problems for remote workers. You're also more likely, (although not guaranteed) to have a system where decisions are made centrally and remote employees feel they are "out of sight, out of mind," and left out of what's happening in the office.

CAUTION The corollary pitfall when everyone isn't remote is **treating remote work as a privilege**. Remote work is sometimes offered as a perk or gift to more highly valued or tenured employees, and not offered equally for everyone. It is important not to treat remote work as a privilege, but instead to understand that it is a two-way, mutually beneficial relationship that both sides continually invest in.

It's worth noting that plenty of people simply prefer to work in an office. They may thrive on social connection, and be more energized working face-to-face with their colleagues. They may appreciate an emphasis on collaboration over autonomy, or freewheeling discussion over planned agenda meetings. Whether or not someone prefers an office environment or a remote one is often couched in terms of extroverts vs. introverts, but it's more complicated than that. In reality, the likelihood of a person's success in and happiness with one environment or another is influenced by a variety of personality and work style factors. For example, those who prefer not to work remotely can express concerns about isolation, distractions at home, or a dislike or discomfort with video conferencing.

IMPORTANT How sophisticated a company's remote policies are can influence whether someone who considers themselves an extrovert would actually thrive in a remote setting. But remote work is not for everyone, and no amount of evangelizing can change someone's mind when they just want to be around other people.

CAUTION An ironic corollary to the myth that you can hire people anywhere is that if you *don't* have a hybrid model with an office people can work from, you might also be missing out on talented employees who much prefer an office environment over working from home.

> “*Not everyone is compatible with remote and that’s okay. We’ve had numerous people over the years quit HashiCorp saying ’loved the work, loved the people, but I just need in-person social interaction.’ That’s totally normal.*”
>
> — Mitchell Hashimoto, co-founder and CTO, HashiCorp *

3.2 *Myth: Companies Won’t Know What Remote Employees Are Doing*

When companies or managers say this, what they really mean is, “When people are in the office, I think I know when they’re working.” But presence doesn’t guarantee productivity, and it certainly doesn’t mean employees have clarity about what they should be working on. As we discuss in Key Channels and Tools for Remote Communication, the practices of clearly setting team goals and establishing more asynchronous channels of communication allow remote teams to thrive without constant managerial oversight.

CAUTION Installing monitoring software will not help your company know for sure if people are working instead of slacking off. In fact, it will erode trust, which is the backbone of a healthy remote team. * A properly aligned remote team with clear goals and autonomy won’t require tracking. (See more in Managing Distributed Teams and Remote Company Culture.)

3.3 *Myth: We Can Hire People Anywhere in the World*

This is true in principle, but complicated and not always possible in practice. Hiring outside your home base, especially once you start hiring internationally, raises a whole host of legal, financial, and operational concerns that may constrain how aggressively you pursue this. Additionally, managing time zones turns out to be one of the more thorny problems that remote companies face, which may also impact how you choose to approach hiring from afar.

3.4 *Myth: Teams Won't Be Able to Collaborate Effectively*

There's a grain of truth to this concern about remote work, but only if your company doesn't intentionally design how it will support remote workers. The way co-located teams collaborate doesn't translate to a distributed model. Teams can't rely on being in the same space to get context, share ideas, give and receive feedback, and iterate or brainstorm. The nature (and, sometimes, timeframe) of collaboration shifts when people move outside an office. But it's not necessarily *ineffective*. Remote collaboration requires rethinking how remote teams work together, and also designing practices to support more asynchronous progress while still helping team members trust and learn from each other. (See more in Remote Collaboration Ground Rules.)

3.5 *Myth: Our Company Won't Be Able to Maintain Our Culture*

Much like workplace communication norms, company culture has been heavily shaped by physical presence. Proximity has long been a proxy for what constitutes culture, despite not being the primary factor that establishes any given culture, nor a guarantee that a culture will be healthy. The belief that remote teams won't have a cohesive culture is the same belief that maintains that co-located companies have good cultures to begin with. As we cover in Remote Company Culture, shared values—and the specific practices of communicating and promoting those values—largely shape a group's culture whether group members are co-located or not. Values can and should be written down, shared liberally and regularly, and revisited as a company grows and changes. Like many other written, asynchronous practices, values—and the culture built from them—can survive, and even thrive, in remote settings.

◇ IMPORTANT We don't intend to downplay the difficulties involved with establishing and scaling a healthy remote culture. But like any other aspects of remote work, it's a matter of doing the work. And most importantly, it's a matter of realizing that culture isn't a set-it-and-forget-it phenomenon. Darren Murph, Head of Remote at GitLab—arguably the fastest-growing all-remote startup out there—acknowledges the work required to maintain their culture:

> *It's a daily, intentional challenge. I'm working a lot on onboarding right now. One of our biggest risks is "losing the values that bind us." When we have too many new people coming in too fast, they are figuring out where they fit in. If you're not careful, they don't realize they have permission to do things differently. If too many of those people come in and "talk louder" than others, then the culture starts to tip in that direction. Any leader who appreciates the culture they've built has to continually watch out for that. Your natural inclination is to get them in and working quickly, so you don't have the time to teach them to do things differently. The thing that GitLab has going for it is that stuff that we let people leave behind is what people usually want to leave behind. It's like hiring a new soccer coach, someone who views the field the way the old coach taught them. If you take that person and then add a flood of new players, it's hard for the existing players to teach them their playbook.*[11]

3.6 *Myth: Employees Will Travel the World and Work From Anywhere*

Digital nomads can and do thrive in some cases, but traveling consistently consumes more time, money, and energy than staying in place, and many remote companies still are not willing or organized enough to support nomadism for one or more employees. The unique demands of digital nomads (along with other remote work factors like isolation and lack of social support) are some of the inspirations for organizations like Remote Year, which puts digital nomads into cohorts and provides logistical and on-site support for people traveling and working remotely.

11. In conversation with Holloway, 2020.

3.7 *Myth: I'll Have More Control Over My Daily Schedule*

60% of remote workers still work a fixed-schedule job five days a week, involving meetings, video calls, and plenty of collaborative work. It's likely that this schedule correlates with the majority of remote companies still being hybrid, which could constrain remote team members to more traditional in-office schedules. But even if your schedule is not a traditional 9-to-5 routine, that doesn't mean you truly get to do whatever you want, whenever you choose.

CAUTION In some remote teams, handling time zone differences can mean occasional odd hours for meetings. Distributed teams often work across time zones, and you'll be collaborating with people on the other side of the country or the world. We've provided ways to manage that later, but differing time zones can be either a benefit or a drawback. Managed well, time differences let you get stuff done in your working day with fewer interruptions; but managed badly, they can lead to long lead times, misunderstandings, or meetings at undesirable hours—and can even exacerbate feelings of isolation and loneliness.

3.8 *Myth: There Will Be Fewer Distractions*

Despite favoring remote work over an office environment for reducing distractions, many people who work remotely end up managing a whole set of surprising new distractions. Barking dogs, construction next door, family or friends wanting to visit, door-to-door salespeople—they can be just as frustrating or disruptive as colleagues tapping you on the shoulder, especially when you're on a video call with a group of people. A few consistent examples include:

- **Family and friends.** It's important to set strong boundaries on your availability with your loved ones—just because you're working from home doesn't mean they can turn up any time for coffee, or treat you as an emergency babysitter. Having a separate office space where you live helps significantly with this, though we realize that's not always possible. That said, getting the balance right with friends and family can be excellent for your mental health. As with any other possible work distractions, balance is what really matters.

- **Digital distractions.** While these are an issue for office workers as well, digital distractions (social media, e-mail, IMs, et cetera) can be particularly tempting when you're on your own and don't have as much built-in social interaction as you would in an office. We're big fans of Cal Newport's *Deep Work*, which helps people set aside distractions and get into a flow-based focus mode. The Society for Human Resources Management (SHRM) also has a set of helpful tips for managing your digital appetite, and Zapier lists a few apps you can try as well.
- **Environmental distractions.** That pile of laundry in the next room, a sink full of dishes, weeds popping up everywhere outside—home offices are full of unique ways to get off-track and waste time. The sections on Time management and Productivity have concrete suggestions for managing your time, while still giving yourself space to take some breaks and knock out a few chores or the like.

> "*I have a dedicated office, which cuts down on a lot of distractions. I know that when I go into my office, there's nothing to do but work! If I'm feeling really distracted, I'll give in to that. If there's something on my mind, like an urgent errand I know I need to run or a huge pile of laundry that needs to be folded, I'll take a break and take care of whatever needs to be done. I've found that if I try to work while I'm distracted, I usually end up getting very little actually done. It's better to just address it head on and then come back to my computer feeling more relaxed.*"
>
> — Jenn Leaver, Senior Manager of Product Documentation, GitHub *

3.9 *Myth: Less Management Oversight and Fewer Meetings*

In a healthy remote company, there is no "out of sight, out of mind." Remote teams have to have high levels of trust, and individuals need to be able to work autonomously without constant oversight. But that doesn't mean there's no accountability. Most remote workers still have clear reporting structures, goals, meetings, and so on. (In fact, many companies unintentionally overcompensate for the lack of in-person interaction and end up having far too many video-call meetings.)

CAUTION Remote work makes it harder to communicate and collaborate with the rest of the team, with 20% of respondents of remote workers saying it's their most important issue. * Whether or not your company addresses this problem with more meetings or more emphasis on asynchronous communication depends heavily on your company's philosophy and communication practices. If fewer meetings are the default, be prepared to trade off that time for more writing and documentation. Although managers and supervisors have a part to play in cross-team communication and collaboration, it also requires individuals to take the initiative.

3.10 *Myth: Work Life Balance Will Be Inherently Better*

The negative corollary to the benefit of working from home and having more time and flexibility is that work and home are more entwined. Many remote workers report difficulty detaching and stopping work at the end of the day. When you work from home, it's easy for work and personal time to blend together, and many remote workers report working longer than if they were in an office—up to 43% more.

CAUTION It's not as easy for remote employees to maintain strong social connections with work colleagues, which can cause feelings of isolation. Distribute Consulting notes that isolation isn't necessarily about being *physically* isolated:

> We find that remote work isolation is more informational than it is social. Meaning, workers don't miss sitting next to someone; they miss having *access to someone*. They miss being able to spontaneously ask a colleague a question, or celebrate a small victory, or brainstorm a solution or a problem, or even just chatting about weekend plans. If remote workers are craving some daily physical interaction, that's where social hobbies, coworking spaces, and dedicated relationships with friends and family can be utilized.

Avoiding loneliness (or dealing with it when it does crop up) requires a proactive approach—you need to take the time to connect with colleagues, friends, and others, and to protect your mental health. More importantly companies must do their part to encourage healthy behavior, through both values and policy.

4 Practices of Successful Remote Teams

This section was written by Steph Smith.

> "*Remote forces you to do the things that you should be doing anyway, earlier and better.*"
> — Sid Sijbrandij, co-founder and CEO, GitLab *

From the outside, a successful remote team looks like a successful team. They hit their goals without burning people out; team members understand what they should be working on and feel ownership and pride in their work; they have open and honest communication and can positively resolve conflict; they are resilient and can adapt to failure and change.

Remote workforces don't need to reinvent what good work looks like, but they must be more intentional about what makes a good business run at a distance, from codifying culture, to setting goals and vision, to streamlining processes for collaboration. Remote teams must put a premium on communication, documentation, autonomy, trust, and the mental health of everyone on the team.

In this section, we'll highlight key areas of focus for successful remote teams, and point you to the sections of the guide where we cover the strategies that put those into action.

4.1 *Communicating Intentionally*

> "*Speaking only helps who's in the room; writing helps everyone.*"
> — The Basecamp Guide to Internal Communication *

The need to communicate well is not unique to remote work, but it's one of the key areas that can make or break remote work for an organization. Distributed teams must decide on and document how they will communicate; otherwise chaos and confusion will follow. An effective communication system requires:

- **Building an architecture.** In order to streamline communication, whether between ten early-stage employees or across dozens of global teams, companies need to set up guidelines in a communication architecture. These guidelines will help your team communicate requests on a sliding scale of urgency, lowering the risk of burnout and helping individuals to prioritize tasks. *

- **Aiming for asynchronous.** An important part of your communication architecture is setting expectations regarding synchronous and asynchronous communication—that is, knowing what needs to be discussed live, right now, and what doesn't need immediate response. It is wise for every company and team to develop communication policies to identify when, where, and how to engage in each type of communication, including guidelines for asynchronous or synchronous behavior, and use of related tools.
- **Actively managing time differences.** Don't leave it to chance for your team to work out how to handle time zone differences. Once communication has to span more than 2–3 time zones, lots of default practices start to break down. You will want to map out who is where, when they are available, and what your main periods of overlap are. You can then fold that into your communication architecture, so people can know when to expect more synchronous forms of communication, and can schedule needed meetings and standups during those times of overlap. (If there's no overlap whatsoever, teams have to get even more creative. See more in Time Zone Protocols.)

4.2 *Commitment to Documentation*

In a remote environment, it's essential to provide documentation of what it's like to work at the company, including policies, processes, protocols, tools, values, and culture. In a traditional office environment, these things should also be written down, but often aren't—it's easier to get context on something when you can just stop someone in the hall and ask, or watch others model the expected behavior. Remote offices have no choice. These processes need to be codified such that people can work asynchronously and autonomously and still track toward the same goals and foster the same values. Documentation about company and team processes should be:

- **Asynchronously available.** Ideally, your practices will make it abundantly clear to all members of the team where they can find information, regardless of the specific tooling that is selected by the company.

- **Regularly updated.** This will prevent people from constantly having to ask where they can find X, or what the status of something is. The more regularly and predictably this information is updated, the less often people will have to schedule extraneous meetings or rely on other synchronous communication simply to be up to speed on what is happening or how to get something done.
- **Open.** In a healthy system, anyone at the company is able to either make changes, or easily request them; and is free to ask questions that will be answered within a short amount of time.

Without this visibility, it's nearly impossible for people to collaborate cross-functionally and understand the bigger picture, and extremely difficult to work autonomously.

4.2.1 VISIBILITY ACROSS TEAMS

Remote workers can't glance over the cubicle or overhear a conversation in the lunchroom—they can't gather context on a particular initiative or have a feel for what's going on company-wide by simply *being there*.

In remote work, especially as a company grows, people are usually included in the conversations that are most relevant to their job, but not much else. Yet having a comprehensive view of the company and initiatives happening across teams can be essential for keeping all employees on track and motivated. This kind of visibility helps people understand how their work fits in to the larger mission, and gives them a chance to get excited about their colleagues' projects and progress.

> "*To avoid missing out on crucial decisions and discussions, people try to always be online and in as many meetings as possible, hurting both their well-being and productivity.*"
>
> — Amir Salihefendic, founder and CEO, Doist *

To avoid that fate, there are a number of ways to increase visibility across teams:

- **Company handbook.** You might also hear this referred to as a "central source of truth," "central repository" or "document cache," and it's the one place where anyone can go to get answers about how your company operates. Written communication can be augmented with other mediums, like an onboarding tutorial recorded in Loom, but it's important to establish written communication as the prioritized approach because it is persistent and asynchronous, and thus enables team members to learn and operate at their own pace.

- **Digital water cooler.** Some companies have developed digital versions of their own water cooler which allows everyone to get a sense of what else is happening across the company. Many companies use Slack or some form of Q&A forum for this purpose.
- **Public org chart.** Another key element of ensuring transparency across teams is creating a public organization chart. The org chart can take many forms, but effective ones at the very least outline each person's role, manager, and team, culminating in a visual representation of how they ladder up. By setting up a thoughtful naming system and a public org chart, people will be able to easily access and participate in conversations that they may not otherwise be directly privy to.
- **All-hands meetings.** Whether you're a six-person startup or larger company in the hundreds or thousands of employees, regular, synchronous meetings of the entire organization are critical for large-scale goal alignment and important updates.

> STORY "At Turing, we have arranged 1:1s among randomly or intentionally chosen pairs of people. They exchange things like 'Show me on google map where you grew up, or where you live,' or 'What project are you working on the last/next month?' The overall setting is quite relaxing and is designed to build stronger interpersonal connections and trust, but it also creates more visibility." —Jay Yuan, Engineering Lead, Turing

4.2.2 VISIBILITY WITHIN TEAMS

- **Stand-ups.** Many teams have daily or weekly stand-ups where each person shares what they accomplished yesterday, what they're doing today, and/or what they're working toward for tomorrow. Stand-ups do not have to happen in live meetings. Having a team stand-up channel in Slack or a shared document where employees can add notes on what they're working on today is a helpful form of visibility that encourages trust without the pressure to micromanage.
- **Team agreements.** We recommend that teams develop their own agreements that designate how they work together. This may differ from the broader company communication architecture in that it can include individual communication preferences, and describe how that

particular team handles time zones, if they are a factor for them but not others.

4.3 *Fostering Autonomy*

> *"Human beings have an innate inner drive to be autonomous, self-determined, and connected to one another. And when that drive is liberated, people achieve more and live richer lives."*
>
> — Daniel Pink, bestselling author, *Drive* *

Successful remote teams enable individuals to be self-directed and have a certain amount of autonomy or control over what they do and how they accomplish their assigned or chosen tasks. In order to foster autonomy, teams need to be structured so that each person can work independently, while still contributing to the collective goal. Autonomy is not just a psychological structure, but should best penetrate into logistics, including employees having agency to build their own schedules—the ability to swap calendar tetris for some deep work. Companies and managers can do a number of things to help these employees thrive:

- **Establish your values.** When values are documented in the company handbook and permeate the communication architecture, employees are empowered to make decisions on a daily basis that are aligned with these values, and can be trusted without constant managerial oversight.
- **Set goals and KPIs.** It's helpful to make clear *what* is expected of each team and employee, but not necessarily *how* an individual needs to get there. Goals and KPIs might be identified each period (monthly, quarterly, yearly) and layer up through the organization. Team goals can also be documented and made accessible by everyone, including other teams.
- **Clarify roles and responsibilities.** In a company that fosters healthy autonomy, each individual on the team should be able to articulate the "why" behind what they do, with a clear understanding of how their actions drive impact and integrate with the rest of the company. If roles and responsibilities are made transparent on a public org chart, employees are further empowered to reach out laterally for help or

answers. Once individuals have the information needed to succeed, they'll be able to effectively operate without rigid rules.

- **Provide context.** Employees need as much context as possible to make decisions on their own. This is maximized when people know exactly what you expect of them (deadlines, goals, et cetera); there is no need for anyone to be making assumptions. In addition to the company creating a robust documentation system, everyone can be directed to make sure they are asking questions, as well as both receiving and providing enough information when communicating asynchronously.
- **Reward impact.** Working in an office can train you to operate in ways that are hard to shake. One of those is the tendency to tie your impact to the hours that you spend in the office, regardless of your net output throughout the day. Successful remote teams recognize that this approach is not optimal, and reward outcomes and associated impact instead. Rewards within an organization (bonuses, promotions, public recognition) can be aligned with the behavior that the company is trying to shape. Reward a publications team, for example, for the amount of additional traffic they're driving instead of the sheer number of articles they're producing.

4.4 *Building Trust*

> *"If you feel trusted, you feel more responsible, and if you are responsible, you earn more trust. It's simple."*
>
> — Nuno Baldaia, software engineer, Doist *

Trust is the cornerstone of any healthy relationship. It's also one of the most important aspects of successful, high-performing teams. In a Harvard study of trust on professional teams, they found that high-trust teams report:

- 74% less stress
- 106% more energy at work
- 50% higher productivity
- 13% fewer sick days
- 76% more engagement
- 29% more satisfaction with their lives

- 40% less burnout

When you trust someone, you don't have control over that person's intentions or actions, but you believe that they have good intentions and will do what they say they're going to do. Building trust in a remote environment can be more difficult, because trust typically arises gradually over time through our direct interactions with other people. Without traditional in-office touchpoints, it's tempting for managers to want to opt for more visibility into their team's productivity, whether that takes shape as a time-tracking app, website monitoring, ad-hoc requests for status updates, or other forms of micromanaging. But this makes it harder for colleagues to form trustworthy bonds with each other; as a corollary, it's easier for trust to break down in remote teams.

Just as it's best to intentionally design and continually supported communication in a remote environment, it's also important to do the same with trust-building activities. This includes:

- Establishing "On Track" as the default status for everyone on the team.
- Publicly recognizing and rewarding people's efforts and successes
- Supporting the psychological safety of remote workers
- Getting everyone together every once in a while—remote teams that trust each other turn out to be happier *and* more productive.

CAUTION A high-trust remote culture will not build itself. Investment in building relationships across wifi connections requires each individual to learn how to communicate effectively digitally, but also needs time allocated to non-transactional activities, like co-working sessions or yearly retreats. Additionally, it's important to make sure you're rewarding people for embracing company values, and to ruthlessly hire or fire those that compromise that, regardless of how "good" their work is.

4.5 *Supporting Mental Health*

> "*The only time a manager is allowed to inquire about how many hours you work is when they suspect you're working too many hours.*"
>
> — Sid Sijbrandij, co-founder and CEO, GitLab *

While striving for impact, burnout becomes a big risk for remote employees. Without institutionalized boundaries, people are left to create their own. And in some cases, those are neglected entirely. As Adam Grant and Reb Rebelle put it, "The road to exhaustion is often paved with good intentions." * The unfortunate consequence of increased autonomy and self-regulation for remote workers is that sometimes people struggle to set their own boundaries due to a multitude of contributing factors, including tendencies like giver burnout. Managers and employees can work together to:

- **Set boundaries.** The burden for creating boundaries at work should not fall to employees alone. The steps that employees can take to protect themselves, like those described by Hailey Griffis above, should be encouraged,; but it's far more important for managers to look out for signs employees may be working too much. It's the responsibility of the employer to help their people establish the right boundaries. This isn't heroic—it's smart and sustainable. Employers can use specific constraints like a minimum vacation policy, a mandatory set of holidays to take off, and asking employees to block off non-work time on their shared calendars. *
- **Connect.** Having personal connections with the people you work with not only improves the productivity of the team overall, it helps stave off loneliness and feelings of isolation. Connection can be fostered in ways both big and small, from chats in Slack and chit-chat before meetings, to virtual social hours, to full-blown, in-person retreats.
- **Share.** Employers can model valuing mental health by talking about their own challenges, and supporting employees to reach out if feeling lonely or isolated.

5 Remote Company Culture

This section was written by Paul Millerd.

5.1 *What Is Company Culture?*

> "*Company culture is not the office foosball table.*"
> — Paul Spiegelman, author and speaker *

Company culture is a description of the traits and behaviors of people at an organization; it is defined by the set of behaviors that are tolerated, encouraged, or discouraged. Culture may or may not be founded on a set of company values, and company culture and an individual team's culture may differ.

A section about culture in remote companies could quickly become about, well, *everything*. Culture is a notoriously permeable phenomenon—with different incarnations across different organizations—and it impacts and is shaped by nearly every aspect of how people within an organization interact. To help think about fostering a healthy remote culture in your company, we suggest thinking about culture in three ways: what you value, how you communicate and enact those values, and how you get together.

5.1.1 EDGAR SCHEIN'S CULTURE FRAMEWORK

In the 1980s, MIT professor Edgar Schein developed a framework for making sense of organizational culture:

> *Organizational culture is the pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that have worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.* *

Schein's framework identified three levels of company culture:

Artifacts are the visible symbols of a culture that people can easily see or identify. They can include anything from the style of people's dress and the tools or technology they use, to the types of offices given to different members of the organization.

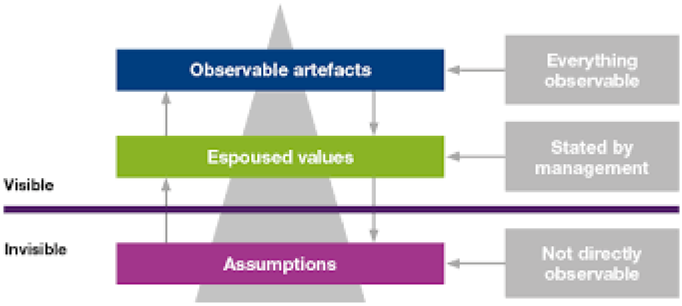
When people talk about culture, they often discuss artifacts, such as a foosball table in the break room, free lunches, or whether or not a company has an open-office plan. But artifacts also encompass the type of documentation companies produce—such as handbooks and onboarding materials—and the types of tools they use.

Company values (or company core values) are the foundational beliefs that are meant to guide a company's behaviors and decisions. They often reflect a set of goals, strategies, or philosophies about how the company should operate.

Values can vary widely across organizations. The values of a publicly traded corporation might look very different from the values of a city council or a military organization, though there may still be some shared values among all three.

Assumptions are unconscious beliefs that often are taken for granted. Assumptions are most commonly the underlying drivers of an organization's values and artifacts, and are related to things like the nature of time and space, and human behavior and relationships.

5.1.2 **FIGURE: SCHEIN'S THREE LEVELS OF CULTURE**



Schein's Three Levels of Culture

Source: The Leadership Centre

Although Schein's model was developed prior to remote work becoming common, it remains relevant as a lens for remote leaders to understand their company, its culture, and the underlying norms and behaviors of employees. When unexamined individual assumptions don't line up with a company's stated values, for example, friction can arise, and that is even harder to deal with at a distance. For this reason, it's critical that remote organizations establish and document their values early.

5.2 *Start With Values*

The terms *company values* and *company culture* are often used interchangeably to refer to a company's beliefs about the world and their "way of doing things." But they are not the same. Having a clear set of company values is tremendously important to the success of a business. These values guide decision-making in all parts of the company, whether high-stakes strategic decisions, ethical decisions, or smaller day-to-day decisions (which, in aggregate, are just as important). Clearly stated values also provide a structured way to resolve disagreements.

CAUTION Culture without values puts you in the dangerous position of repeating patterns and behaviors that do not line up with how the company wants to see itself or what the company wants to accomplish. It's worth noting that a company without explicitly defined values will *still* have a culture—just one that stems from the personalities and behaviors of its leaders and early employees, rather than one having any careful thought, design, or purpose. This can breed similarity of thought, behavior, and demographic makeup, none of which are good for a company's business or employee retention.

It's also worth noting that explicit values won't prevent the development of toxic or unhealthy cultures. For example, a company might create a toxic culture by prizing overwork and self-sacrifice "for the greater good." Uber's culture was infamously tied to a set of well-documented and regularly reinforced values.* A company whose stated value is, say, "move fast and break things" might not expect cultural behaviors like asking questions, seeking input from all sides, or documenting process.

Defining and documenting values carefully, sharing them company-wide, and making sure that this documentation is accessible for all employees to refer to when making decisions, are essential steps for maintaining a strong culture at remote companies.

5.2.1 DEFINING COMPANY VALUES

Companies are built in the image of their founders and leaders. Any list of values that are incompatible with the way leaders act is probably doomed to fail. When founders or early employees don't recognize this, they are unable to manage any discrepancies and company values and culture can become toxic. As early as possible, it's wise to record the values of the company and the values you want all employees to uphold. One of the biggest mistakes companies can make is waiting until they've hired a bunch of people; let your values inform hiring from day one. *

To create a starting point for companies to begin thinking about their values, we've merged a set of questions from First Round Review with slides on building company culture from Brian Chesky of Airbnb and Alfred Lin of Sequoia:

- What are our strengths?
- What are we outstanding at?
- What sets us apart from the people around us?
- What do we value about the people around us?
- What qualities do we discourage?
- How do we make our best decisions? (Think of a recent decision you made that had a good outcome. What process led to that?)
- What are we bad at?
- What can never be tolerated?
- How do we resolve disagreements?

If you've already made your first few hires, it's worth looping in the rest of the team when defining the values that will define the company. Using the list above, you can ask them what they think the company's values are or should be, and what they think is important to the company culture. Everyone can write these down and then discuss them together. This can help ensure that value-setting isn't too top-down, and can also expose instances of when a company's leaders are lacking awareness of their own limitations.

If you have been operational for a while, a great strategy here is to look at people who have been successful (and not successful) at the company so far, and figure out what makes them different. Were they really passionate about the mission? Did they have a particular way of collaborating with others?

> *"During a scary moment of meaningful turnover during Bonobos' early days, we articulated what we viewed to be the five core human values of the best people we had ever hired. I made the list by grouping the thirty people we had hired up to that point into three buckets: the ten best, the next ten, and the ten who hadn't worked out. I asked myself what really separated the top ten from the bottom ten in terms of their humanity."*
>
> — Andy Dunn, co-founder, Bonobos *

In addition to being well-defined and explicit, you will want your company values to be the following:

- **Congruent with the company's actual behavior.** The people at your company—especially leaders and founders—reinforce values through both talk and action. You want to be able to ask anyone at the company what those values are, and get a pretty consistent answer. Also, it's important for the way your company hires, fires, and promotes people to be reflective of those values.
- **Compatible with your mission, strategy, and goals.** One of Quora's values is "agility," which can be great for a consumer internet company, but may not be as wise in an industry with heavy regulation or high cost of mistakes (like healthcare).
- **Unique and memorable.** Values like "integrity" or "honesty" are so general that they could apply to any company. So unless your company has a unique take on what they mean, they are less likely to be remembered.

As a next step, it's worth thinking about which of those values are most important to the success of the business. Most of the values of a company's leaders should be compatible with the company's mission (otherwise, there are bigger problems). But no person (or group) is perfect, and there might be traits or values that are critical to the company's success that a founder can't or doesn't anticipate.

5.2.2 DOCUMENTING AND COMMUNICATING VALUES

> *"There should be no unwritten rules in remote culture. Intentional documentation is essential to avoiding dysfunction within a remote company, and this also applies to culture."*
>
> — GitLab Handbook *

One of the biggest challenges *and* opportunities of being a remote company is coming up with processes, norms, and practices for codifying and communicating values.

◇ IMPORTANT It's critical to document values in writing at a company's earliest stages. The intent is to make the implicit assumptions and behaviors of early team members explicit by developing a set of values which clearly articulate to future members of the company how they are expected to make decisions. Your values are ideally the earliest entry to your company handbook.

The documentation can take many forms. Examples of how companies think about articulating and documenting their values and culture are publicly available:

- Automattic's one-paragraph "creed"
- Basecamp's handbook
- GitLab has one of the most thorough company handbooks
- Doist posts their detailed values on their company website
- Hotjar's public team manual
- Mozilla's "manifesto"

Many of these companies make this information public as a way to share lessons with others and to attract people who might fit well within their cultures, based on the company's values and on what they esteem in their employees. Whether or not you share this information publicly, it's critical to make it available for all employees to consult asynchronously whenever they need and for whatever reason.

5.2.3 VALUES BASED HIRING

Culture fit is shorthand for the many vague assessments or unexamined feelings hiring teams sometimes use to determine whether a candidate "belongs" at a company. While in most cases the intentions behind these decisions are not sinister, testing for this kind of vague quality can devolve into a "friend test" or "likability test" where candidates are assessed not on potential to do the job, but on similarity, kinship, or familiarity to the assessing employee.

It's important to avoid hiring for culture. Instead, you will have better results by hiring for traits that are related to a new hire's ability to perform the values the company upholds. Just as company culture and company values are often thought of as interchangeable, traits and values can be confused. While values refer to guiding principles and beliefs, traits are the inherent parts of someone's personality that may help or hinder their ability to abide by stated values.

Traits are characteristics of a person that describe how they tend to feel, think, and behave, such as patience, adaptability, and being detail-oriented.

When hiring remote workers, looking for traits that will enhance the culture is important. For remote teams whose culture values written communication, it's becoming more common to hire for communication ability, even for jobs that haven't required strength in that area in the past. This is a good example of how all of these concepts fit together. If a company's stated value is open communication, the cultural behaviors to promote are transparency and vulnerability, and the trait that can be hired for and rewarded within the company is humility. A high-ego individual might struggle to express doubt or ask for help, and therefore lack the ability to uphold open communication as a value.

In addition to hiring for *traits* related to a company's values, there are certain *skills* that can also work to uphold values and influence culture. For example, given the importance of written communication in sharing values and norms with a distributed team, some remote companies have been proactive in recruiting candidates who are strong writers.

> *"Hire great writers. If you are trying to decide among a few people to fill a position, hire the best writer. It doesn't matter if that person is a marketer, salesperson, designer, programmer, or whatever; their writing skills will pay off. That's because being a good writer is about more than writing. Clear writing is a sign of clear thinking. Great writers know how to communicate. They make things easy to understand."*
>
> — Jason Fried, co-founder and CEO, Basecamp *

Guerric de Ternay, who has been a remote worker for more than a decade, underscores the value of written communication:

> *The reason communication has to be central is that remote workers can't afford not being on the same page. When something bad happens, their ability to recover from it depends on how well they communicate. Sharing feedback and feelings as well as putting*

> *yourself in your colleagues' shoes are the minimum required to solve any problem. Writing is the essence of most of what remote workers do. From programmers to marketers to designers to customers support teams, everyone writes in their daily job.* *

At Zapier, writing is one of the skills they explicitly look for in job descriptions:

> *You're a skilled written communicator. Zapier is a 100% remote team and writing is our primary means of communication. You'll use written summaries and reports to communicate vision, strategy, plans, findings, and results to the engineering and full Zapier team.* *

5.3 *Reinforcing Values*

> "*Remote culture has to be an inalterable part of your company's DNA.*"
>
> — Nick Francis, CEO, Help Scout *

A major issue for remote companies who want an intact culture is not making the necessary changes to involve remote employees in that culture. Companies do face different degrees of challenge here. Some must come up with a way to manage culture across a main physical office space and a handful of remote offices; some have to contend with major time zone differences among a more largely distributed team; others are looking to create a cohesive culture across international borders.

What is more important is that remote companies, whatever model they choose or is feasible for them, operate within certain constraints that force the development of new practices, norms, and behaviors that can be useful for all types of companies. The fact of a distributed team—no matter how it is distributed, no matter how far—factors into almost all decisions, and it's imperative for companies to be explicit about the values and associated practices that people need to support when working autonomously and asynchronously.

5.3.1 HAVE A "REMOTE FIRST" ATTITUDE

> *"Remote first isn't the same as remote friendly or ability to work from home. Remote first is a whole new way to organize companies."*
>
> — Amir Salihefendic, founder and CEO, Doist

While "remote first" is often used to describe a company that has been fully remote from the beginning, having a "remote-first" attitude can apply to any company that has some percentage of remote employees. It means prioritizing the policies and behaviors that ensure remote employees are as involved in the culture and company decisions as anyone in an office, and have the necessary information and structure to get their work done largely autonomously.

Opportunities and powerful questions emerge when an organization adopts a remote-first way of working. The lessons learned are applicable to fully remote and hybrid models alike, and are perhaps even more important for hybrid companies, as they manage discrepancies and possible disconnects between different styles of working.

As the Twist guide to remote work shares about the hybrid part-remote, part-HQ model, "This may seem like the best of both worlds, but it can be challenging to make remote workers feel as though they are part of the team."

Many companies at scale cannot practically become fully remote. But companies are getting smarter about how to integrate the best practices of remote work to enable them to build stronger cultures. Remote workers make up almost half of Mozilla's total workforce, and they have focused on making sure remote workers are fully part of the company's culture by embracing a "remote-first" attitude. Here is how one worker reflected on their time working remotely at Mozilla:

> *As a remotee, you always feel connected to your team, because you're not a "special case." In fact, I feel more a "part of something" here than I have at jobs where I've had to drive to an office every day.* *

If a company is trying to embrace work in a remote setting while maintaining one or some of its offices, it may be hard to move away from defaulting to in-person meetings and sharing context through casual conversation and creating knowledge pockets. To combat this, creating an intentional communication architecture and a set of collaborative team agreements can get everyone on the same page—one which is largely asynchronous, and written down. When everyone communicates the same way, regardless of where they are, it levels the playing field.

Ben Cheng, CEO of Oursky, wrote about his company's failure to shift from office-based working to remote work, and highlighted documentation as one major gap:

> *Assumptions and lack of documentation became obvious. Balls are dropped or people reinvent the wheel because they are unaware another team member has taken action already.* *

◇ IMPORTANT Some companies mandate practices such as having everyone join video calls from their own computer, even if they're in an office, to eliminate the perceived and actual power differences that can arise when some people attend remotely and others from a central conference room. Companies have a variety of different values and practices like these; see Working Together When Apart for all the details.

Geography Adds More Complexity

For remote companies, particularly those with employees across the globe, there is an added dimension of factoring in national and ethnic cultures. This may be both beneficial and challenging. For example, employees may feel more freedom around their dress and religious practices, but may follow different norms when it comes to communication, working hours, and taking time off. While many companies are well-informed on cross-cultural business practices in today's business world, remote companies have more of a need to explicitly address best practices for their employees early and repeatedly, especially when they start to hire people internationally.

In a TEDx talk on managing remote teams, Ricardo Fernandez, who has managed hundreds of people remotely, found that using a common framework (such as the one offered in Erin Meyer's *The Culture Map*, though there are many others) was a good way to consider many of the more challenging national cultural differences in a remote team setting. Clearly evaluating how, why, when, and where your team communicates is an important part of managing these kinds of differences. You may also want to try out some of the more purpose-built tools such as Culture Mapping and Team Canvassing. You can read more about codifying how your team works together in Remote Team Agreements and Protocols.

Further Reading on Cross-Cultural Differences

- "Managing Cross Cultural Remote Teams" (TEDx)
- "How to Manage Cultural Differences in Remote Work" (Remote.co)
- "Managing Cultural Differences in Your Distributed Team" (InfoQ)
- "Culture Surprises in Remote Software Development Teams" (ACM Queue)
- "Working with Multicultural Virtual Teams: Critical Factors for Facilitation, Satisfaction, and Success" (Journal of Smart Learning Environments)
- "Virtual Teams and Multiculturality Differences and Impacts of Organizational Culture In an IT Company" (ResearchGate)

5.3.2 CODE OF CONDUCT

With remote teams, having a clearly documented set of values and an employee code of conduct that helps codify baseline expectations for behavior and defines what is unacceptable, will provide a reference point when establishing whether or not something is out of line with the company's values.

A **code of conduct** defines preferred and unacceptable behaviors at a company.

A code of conduct is best maintained somewhere easy to find, like the company wiki, intranet, or handbook. You'll want to revisit it regularly—at least once a year—as standards for what is and isn't appropriate workplace behavior do (and should!) evolve over time. If you don't have a code of conduct yet, starting from an open license code of conduct can help. A few resources for getting started with your own include:

- An open license code of conduct from Vox.
- The Rust Code of Conduct Work explicitly asks members to be kind and courteous, and lays down the rules for moderation.
- Recurse Center codified their Social Rules, to help create a friendly, intellectual environment.
- Buffer's Code of Conduct, which shows us how it can aid in the moderation of tone in writing.

In an international team, a strong company culture is vital in order to navigate the questions around differing national norms. In these cases, it's helpful to be explicit that the company values and culture will supersede national cultural preferences. Global Dexterity: How to Adapt Your Behavior Across Cultures without Losing Yourself in the Process by Andy Molinsky is a good resource on managing cross-cultural differences while creating a cohesive set of company values and a shared culture across geographic divides.

5.3.3 THE USE OF TOOLS

> *"If it weren't for online tools, there's no way we could do what we do at Buffer."*
>
> — Courtney Seiter, Director of People, Buffer *

The tools and related policies a remote company chooses for communication, project management, and workflow have a direct relationship with the norms, behaviors, and ultimately, the culture of a company. Looking at how employees use these tools *without* written operating instructions will expose underlying values and assumptions, which may not be compatible with the culture the company wishes it had.

> STORY "Companies often don't put enough thought into the technologies that are powering their companies, either opting for the tools their peers are using, or the hottest unicorns on the market. With remote work especially, the applications that your team communicates, project-manages, and does goal setting with, are also the tools that have a direct impact on productivity and culture. There's an opportunity for decision-makers to curate the culture they want by selecting the tools which foster their intentions. For example, if you want to enable a more asynchronous work environment, saying that but operating via an "always on" app like Slack is paradoxical."
> —Steph Smith, Senior Analyst, The Hustle

Tools and Transparency

Transparency is not a universal value—some companies believe that the less context employees have, the better. But if your company is fully distributed, a hybrid, or involves remote workers in any way, success is contingent on codifying transparency as a core value, and on promoting policies and cultural behaviors that uphold this value.

Synchronous communication tools like Zoom or Skype, asynchronous tools like Notion or Google Docs, and hybrid tools like Slack, will not automatically make a company transparent, and will not automatically create a cohesive culture. For that to happen, you must use the intentionally with these goals in mind. For example, Stripe makes every email transparent to anyone in the company. In addition to transparency, Stripe values limiting internal politics, and that influences how they use their tools: "The open flow obviates a lot of internal politics and avoids the sort of accidental surprises that sometimes crop up in organizations."

Communication Through Tools

How employees communicate through different digital tools is a big part of what defines a company's culture. Think of it like this: if you were to join your company today, how would you be expected to act within the confines of different communication tools? This can reveal underlying assumptions in your company culture that you either will want to eradicate or codify through policy changes in an operating manual or handbook.

For example, if you didn't respond immediately to a DM on Slack, would your colleagues be mad? If you set a meeting without asking for your colleagues' availability and ensuring they had the mental space for the meeting first, would they wish you had? Both of these scenarios tell us a lot about the cultural fabric of a company. In the first instance, the company has a culture of reactive communication. "We move fast, no matter what," might be their motto. In the second instance, the company values transparency and empathy, represented in the culture through these actions employees take when communicating.

Reinforcing behaviors that incentivize employees to react quickly in digital communication can establish a cultural norm that reacting as quickly as possible is more important than carefully considering the best course of action, or prioritizing other people's needs. This kind of culture can distract people from focused work, makes it difficult to prioritize tasks, and promotes burnout. *

GitLab takes this a step further, by establishing a policy of maintaining Slack chats for only 90 days. This establishes a cultural norm that Slack is for short-lived discussions, and not for managing projects or maintaining visibility over the long haul.

Policies around tools like this don't necessarily say "Never use Slack." But they do establish companies' expectations around different tools—when, how, and for what—is best codified, taught during onboarding, and kept available for all employees to read at any time. The clearest way to do this is have a communication architecture, and associated team agreements that are clearly documented in your handbook. Together, these cover the tools a company uses, how the company expects everyone to use them, and specific differences or unique implementations on individual teams. (See Working Together When Apart for more.)

5.3.4 THE ROLE OF LEADERSHIP

When it comes to remote work, like any new policy a company is testing out, if leadership equivocates, the thing will fall apart. Yahoo! famously ended its remote-work policy in 2013 when a new CEO, Marissa Mayer, took over. In a memo, Mayer wrote, "The best decisions and insights come from hallway and cafeteria discussions, meeting new people, and impromptu team meetings."

As we've already seen, there *are* many ways to foster great communication and decision making at remote companies, not to mention promote the happiness and productivity of employees—but work has to be done for those companies to take advantage of all remote work has to offer. If leadership is not dedicated to changing the way people communicate ideas and they way they support employees in these necessary adjustments, remote work will not have the opportunity to prove its benefits.

Failing to do so can create a culture of inequality and distrust. If the founders and/or the CEO have not fully bought into remote working, they may be signaling throughout the company that in-person work is more important, and that in-office employees are more highly valued. Employees will sense that.

Luckily, it is through the culture that leadership can both demonstrate their commitment to their remote employees, and actually influence the culture they want to see.

Modeling Behavior

If the same values don't apply to the leaders of the organization, employees notice quickly. This can have both negative and positive consequences. If employees see their manager negatively calling out an employee in public in a Slack channel, they may question the psychological safety of the team. On the positive side, if employees see a leader following through on not working while on vacation or limiting their work hours, they may believe that the company respects the value of work-life balance.

Within remote companies, many CEOs actively share lessons learned with their employees, often in the form of public blogs. MarsBased founder Àlex Rodríguez Bacardit realized that he hadn't been doing a good job role-modeling the company's value of not overworking:

> *On another occasion, we spotted one or two of our employees working too much. They'd stretch their days too long, and then they'd work during the weekend. Why? Because they saw us, the founders, doing it. Once we took the resolution of working a maximum of 40 hours per week no matter what, all became normal, and it's been a great investment for the company.* *

Storytelling

Stories are often one of the most effective ways to communicate the beliefs, values, and underlying culture of an organization. Many organizations share these stories during hiring and onboarding, and they might be an explicit part of the company's branding. They become the company mythos, serving as morality tales to help guide employees to make the culturally "correct" decisions in the future.

If leaders tell stories of cutthroat deals or employees heroically overworking to "save the day," they communicate specific values and assumptions, regardless of whether those are the publicly espoused organizational values or not.

> STORY "I recall an all-hands meeting at a tech company I used to work for, where people were expressing concerns about overworking and burnout. The CEO stood up and talked about his own experience, and how he felt he led by example. 'I don't work that much really, only 60–65 hours per week,' he said. I looked around and saw a lot of wide

> eyes and shaking heads. That's when I knew my time was limited at that company. My husband and I were talking about having kids, and I was trying to imagine how that could possibly be a healthy place to work while raising a family." —Courtney Nash, Director of Editorial, Holloway

While many companies' stories stem from the company's early days—especially at startups—leaders and managers can also proactively look for emerging stories as a way to give employees a tangible example of values and norms. They might even create a document or Slack channel where employees can share such stories with the company. Hotjar held a contest for employees to submit 30-second videos detailing stories of great employee behaviors and cultural contributions.

5.3.5 PERFORMANCE MANAGEMENT

Evaluating how performance management is handled is critical for remote companies, where inconsistency in how it treats employees can be trickier to spot. How a company handles feedback, rewards, and recognition are both policy decisions and part of a company's culture, because they are based on what the company values and in how the company communicates those values.

Recognition

A big part of a company's culture is whether and how a it recognizes success and employee's efforts. When a company doesn't hold something like "appreciation" as a value, it might not care whether employees are recognized for their work. "Doing the work is expected, and your salary is your recognition," they might say. This can drastically affect employee motivation, especially in a remote company, when people may already feel like no one knows what they spend their days working on. They might be recognized for their work in the context of a 1:1, but those moments are hidden from the rest of the company.

This is why many remote companies encourage employees and leaders to offer *public* praise to others. Public praise for a job well done is also a way to provide context to all employees about what big or small projects are going on in another department that they can't see. Some companies explicitly integrate this kind of appreciation into their digital communications, such as GitLab which uses values-based emojis in Slack. At Doist, this is actively encouraged: “When someone on your team delights a customer, leads a successful project, or brainstorms and builds an interesting feature, their success should be celebrated.” There are a number of tools that can encourage this behavior, such as Taco, a Slack plugin for praising peers; and Bonusly, a peer-to-peer bonus allocation tool. (See more in Giving Public Feedback Remotely.)

Compensation

How a company decides to pay people across a remote organization reflects how they value the work their employees do, by location and by department, and their philosophy about the nature of remote work. Does a remote worker in Chattanooga make the same salary as HQ workers in San Francisco? Do engineering leads make the same salary as sales leads, regardless of location? While financial constraints and talent markets may play into these decisions, how a company ultimately decides who makes what is a reflection of their values, and if employees are aware of what they see as pay discrepancies, the culture may suffer the effects. Many companies make their pay methodology more transparent in order to foster trust between leadership and employees, and so candidates understand how pay is determined before joining. (See more in Compensation for Remote Employees.)

Firing

One of the clearest cultural signals to employees are the types of behaviors and related performance levels that result in someone being removed from the organization. When companies hesitate to eliminate employees who are clear violators of norms and values, they undermine trust in the overall culture. In a remote company, there may only be a few employees who are aware of an individual’s toxicity—those who work directly with that person, who interact more regularly. Employees across departments, even leadership, may not be aware of what’s going on. Therefore, leaders need to be very receptive to any concerns about values violation and toxic culture that might be brought up to them. When employees have a handbook covering values and culture, they are likely to be more comfortable and confident bringing up what they can point to as a violation of those stated norms and expectations.

When someone is fired at a large remote company, not everyone might be aware. It's important to proactively communicate to the company when someone is fired. At Help Scout, they share the information with the direct team immediately on a video meeting and then share the context with the entire company via Slack. (See more in Sharing Difficult News with Remote Teams.)

If the person was fired for a breach in behavior, rather than violating the ex-employee's privacy and calling out exactly what they did, this might be an opportunity to reiterate company values and cultural expectations. Workshops or town hall meetings can be arranged to prevent future missteps. If documentation needs to be updated to reflect the situation, get on it right away.

5.3.6 RECRUITING AND ONBOARDING

> *"The passing on of solutions to new members is required in the definition of culture because the decision to pass something on is itself a very important test of whether a given solution is shared and perceived as valid."*
>
> — Edgar Schein, culture researcher and expert *

The onboarding process is crucial to a company's culture. New employees cannot be expected to absorb culture through osmosis, especially when they are remote; you can instead share and explain norms and expectations in an intentional way at the very beginning, as GitLab does:

> *A team member's first experience with company culture is unavoidable. The onboarding experience serves as the first post-interview encounter with culture, and it is essential to infuse the importance of values into that experience. Remote onboarding should set aside time for a new team member to read and digest a company's values, which serve as a company roadmap to culture. Consider having a mentor or onboarding buddy specifically ask questions related to values, providing opportunity for the new team member to dive deeper into how they are lived day-to-day.* *

In addition, companies can use onboarding as a way to pressure-test the stated culture against reality. Schein noted that adding new members to a team tests whether the underlying assumptions of the group are valid.

At Basecamp, new employees are expected to identify inconsistencies in the handbook from their initial experiences:

> *If you're reading this just after joining the company, it's particularly on you, actually. It's harder for us slowly boiled frogs who've been with Basecamp for a while to spot the broken ways.* *

While much of a successful onboarding process is similar to any type of company, the most important elements of the process for a remote company are around making sure the new hire feels connected and part of a team as early as possible. Many companies assign new hires a "buddy" and some even fly that person to the new hire's location within the first couple of months. You can find out how to handle this in detail in Onboarding Remote Employees.

Keep in mind that onboarding begins well before the new hire has signed a contract. It's important for the company's culture to be an explicit part of its value proposition to candidates, and part of the branding that will attract great people in the first place. Especially for a remote company, where potential employees may be concerned about culture cohesion and community, being explicit about what makes your culture great can be a game changer for individuals who value the same things. If you're not willing to advertise what makes your culture great, or you don't know, it might be a sign for leadership to get together with employees and figure it out.

5.4 *Building and Cultivating Trust in Remote Teams*

> *"If I had to pick the one thing to get right about any collaborative effort, I would choose trust. Yes, trust. More than incentives, technology, roles, missions, or structures, it is trust that makes collaboration really work. There can be collaboration without it, but it won't be very productive or sustainable in the long run."*
>
> — Larry Prusak, Senior Advisor and Faculty, Columbia University, author, *Working Knowledge* *

In most organizations, trust goes in many directions. The organization trusts the individual to perform their duties, and the individual trusts the organization will provide the means to do their work, and will also fulfill their end of their agreement, such as paying for that work. There is also a network of trust among employees. Organizations that rely on knowledge work are built on the expectation that individuals will fulfill their duties to each other, so that collaborative work can happen. We trust that everyone will play their part, on time, so we can all perform well.

It's harder to build trust when teams are separated. Remote employees don't have access to serendipitous opportunities to physically spend time with coworkers, like having lunch or going out for ice cream or happy hour. Being in the same space makes it easier to bond, so distributed organizations may need to be deliberate in how they build and maintain relationships that foster trust with their employees, and also may need to strive to create a culture and environment that enables employees to build trust with each other.

Trust isn't just about good feelings or liking the people we work with. Building a culture of trust makes a meaningful difference in both employee engagement and company outcomes by enabling higher productivity, better-quality products, and increased profitability. *

Many in-person organizations use physical presence as a proxy for trust and may not in fact have a deeper ethic of trust within teams. In remote companies, employees need a shared understanding of how to think about trusting their teammates and leaders.

Doist defines trust by a set of core values: *

- Leaders are credible.
- Employees are treated with respect as people and professionals.
- The workplace is fundamentally fair.

5.4.1 TRANSPARENCY

Transparency builds trust. Many companies—especially remote organizations—value transparency because it improves credibility and lowers the chances of miscommunication. Monzo, a hybrid remote team in London, calls this "transparent by default," and in addition to being internally transparent, shares a lot of information directly with their customers. Buffer identifies transparency as its first overall value:

- "As individuals, we view transparency as a lifestyle of authenticity and honesty.
- As a team, we view transparency as an effective way to work remotely and establish a culture of trust.
- As a company, we view transparency as a tool to help others.
- We share early in the decision process to avoid 'big revelations.'

- We strive to make all communication clear and avoid making assumptions."

A couple of tactics for maintaining transparency—beyond the broad strokes of detailed, asynchronous documentation and communication—include:

- **Keeping employees informed.** Surprises erode trust. Telling employees there's a new hire on the day they start, or many sudden changes of plans, isn't a good way of maintaining employee trust. Whenever and wherever you can, it's best to ensure everyone knows what's coming up, especially when it's not just good news. When teams are kept in the loop, they can lower their defenses. If things go wrong, they will then trust that they will know about it with sufficient time to react or to understand how change will affect them.
- **Acting on feedback.** Collecting feedback through employee surveys and anonymous forms is a useful way of learning about employee engagement. The value of this feedback isn't in the collection of it, but is rather in the action that follows it. Once the company knows about any problems, it faces the choice of acting on them to maintain trust and improve engagement of their workforce, or risking eroding what trust they do have.

5.4.2 AUTONOMY

> "*In our remote setting at Doist, we're never on the clock. We don't have dedicated hours you need to work and we're not using team time-tracking or screen monitoring tools. With this setup, you're measured purely on output. It's about what you produce, not how many hours it took you or whether you did it at 6am or 6pm.*"
>
> — Fadeke Adegbuyi, Marketing Manager, Doist *

Since it is almost impossible to observe if employees are working or not, most successful remote companies tend to shift their focus toward results. This entails granting people the autonomy (and associated tools, documentation, and organizational support) to make decisions and solve problems on their own as much as possible. It also involves a general level of trust that people are doing their best and getting their work done. Scott Hanselman reflected on the pressure he felt as a remote worker at

Microsoft, where he often felt that a lack of trust drove him to work long hours to prove that he was doing good work:

> *Working remotely requires your company to trust you can do the work not only without them seeing you, but also without constant physical interaction with your teammates.* *

A few key tactics that help improve autonomy and build trust in remote teams include:

- **Retiring the punch card.** Traditional organizations believe that compliance, and even trust, can only happen if there's presence. Distributed work requires that organizations free themselves of this notion. By definition, the organization must trust that work will happen when they can't watch. Not trusting your employees will not only cost you as you build structures and processes for compliance; it will erode engagement, productivity, and the quality of outcomes. To build a modern company, it's imperative that you free yourself from archaic notions of how work is supposed to happen. This means retiring the physical, virtual, and mental punch cards, and working on giving employees clear goals, healthy communication practices, and a thriving collaborative environment.
- **Reducing bureaucracy.** In a distributed team, getting approval or permission to spend money can take a long time because communication can be slower. If employees are trusted to use their own and other people's time responsibly, then why not do the same with actual money? You can do this with the policies you create for travel, expenses, and tool procurement.

CAUTION However, the shift of the burden to the employee to manage their own time can often lead to people feeling overworked. Here's Martin De Wulf on the challenge of always needing to show output:

> *I am not naïve, and I know that in the end, in software engineering, most jobs are really about results (you will get fired in the end if you produce nothing), and not means; but in remote working, since people are not seeing you work, you might feel more obliged to show results everyday, even if it forces you to work way past eight hours a day.[de-wulf-output]*

5.4.3 OFFSITES AND RETREATS

> *"For all the emergent popular culture about the wonders of remote work, there remains one inextricable issue which goes largely unacknowledged: Great teams need human connection—and human connection does not happen through computers."*
>
> — John O'Nolan, founder and CEO, Ghost *

Happier teams are more effective teams. Regardless of your internal wiring—introvert or extrovert—people strive for connection, and remote work can have a tendency of fostering cabin fever and isolation, which affect productivity as well as well-being. There's a demonstrated link between the amount of social support people have at work, and having lower rates of burnout and higher productivity and job satisfaction.[12] Buffer found that remote workers who went six months without seeing any colleagues experienced significant dips in motivation, a symptom of burnout.

Many remote companies understand the ROI on this connection and invest hundreds of thousands of dollars each year to bring their entire team together.

- Formstack brought all 120 teammates to Colorado Springs. *
- Buffer brought 85 "Bufferoos" to Singapore, costing $380K. *
- Automattic brought 800 employees to Orlando. *
- GitLab brought 260 employees to Cape Town. *
- Expensify brings together their team for a month-long retreat each year. *

Retreats tend to focus on building connections, engaging in planning or hands-on experiments, presentations, learning, and celebrating achievements:

- **GitLab** gets together once every 9–12 months in an event they call "Contribute," which is a mix of workshops, presentations, and company awards. The goal of the off-site is to "get to know the people in the GitLab community better" as a way to build relationships for col-

12. Baruch-Feldman, Caren & Brondolo, Elizabeth & Ben-Dayan, Dena & Schwartz, Joseph. "Sources of Social Support and Burnout, Job Satisfaction, and Productivity." Journal of Occupational Health Psychology. 2002, 7(1), p. 84-93.

laboration. Employees are able to bring one guest or significant other to attend events with them.

- **Buffer** shifted from twice-a-year retreats to once a year as the company got larger. It held a 5-day retreat for all employees in 2019, which included a "day off" for exploring with colleagues. The focus of the week is to help people form more direct personal connections with each other, and realign everyone with the broader mission of the company.
- **Zapier** has run 10 retreats for "team sizes of 7… to 185" people and had to shift its focus as it has grown. Early in the company's history it paired the retreat with a "mini-hackathon" to solve company problems. In 2019, they shifted to replacing it with an "unconference," letting employees self-organize around a number of topics and breakout sessions.
- **Basecamp** meets at its office in Chicago twice per year to share company updates and give employees space and time for informal meetups, working sessions, and presentations. During the meetings the company also sets aside an hour for anyone to stand up and appreciate their teammates' "accomplishments or general awesomeness over the previous six months." Outside of the retreats, teams can schedule their own "mini-retreat" once per year to work in-person on a project.
- **Trello** didn't have a big retreat for the entire company, but instead supported smaller team-selected offsites, giving them budget to choose an event best suited by availability and location.

When planning retreats, there's a few things companies can do to ensure their success and enjoyment for everyone:

- **Convenience.** While fun, exotic locations are definitely desirable, you will also want to factor in ease of travel and logistics, including requirements around passports and visas. Especially for employees with families, multi-stage trips to far-away locales can require significantly more time away.
- **Safety.** Some locations may not be safe for LGBTQ+ employees, either as a destination or a stop-over. It's imperative to do a bit of research to ensure any location you're sending people to (or through) won't put anyone at risk.

- **Inclusivity.** Yes, Vegas ticks the boxes for convenience, and general safety. But it's not so great for people who don't drink or want to be around all Vegas has to offer. And Bali might work for everyone, but many people won't want to hang around their colleagues in bathing suits, so group activities and events should stick to acceptable norms for professional gatherings. If you have people with disabilities or other specific needs, you'll need to account for those as well.
- **Families.** A big benefit of remote work is people being able to spend more time with and be closer to their families. You will want your budget to include provisions for partners and kids to come along, and to have child care and activities available for them as well.

◇ IMPORTANT If you have one or more offices, consider having office visits for remote employees, which which may be more effective for collaboration than retreats or offsites. * If there's no physical office, companies can enable teams to get together on their own.

Hotjar, for example, gives employees a €2000/year "Work Together Budget," where employees can fly around the world to connect with their coworkers. (This is in addition to their €4,000 Home Office Budget, €2,000/year Holiday Budget, €1,000/year Personal Development Budget, €200/month Working Space Allowance, and €200/month Wellbeing Allowance.) * Doist flys new team members out to spend a week working in-person with their onboarding mentor. *

5.4.4 HANGING OUT VIRTUALLY

> "*Although you get to know people in a certain way by spending time with them, you can also connect deeply with people by getting to know them in their own natural habitat. When you meet regularly over video and see each others' homes, families and pets, you can easily understand them more fully as people than you do in a limited workplace setting.*"
> — Sarah Milstein, Senior Director of Engineering, Mailchimp *

If your company can't afford retreats just yet, all is not lost.

In between in-person opportunities, or before they become available, companies can invest in non-transactional remote communication. Many companies know that connections are not always going to be built solely through collaborating on projects, and remote work requires more intentionality around building community—it will not form automatically, even if cultural norms and expectations are documented along with company values.

Encouraging a culture of celebrating wins collectively, praising each other for group achievements, and then taking time out for personal connection also promotes social cohesion and a sense of accomplishment, and helps fight the disconnection.* These shared rituals and joint, team-based celebrations both promote social connection, and discourage the type of individual competition that can exacerbate unhealthy work habits.

To build community, a little can go a long way. Here's a variety of approaches used by remote companies:

- **Digital team lunches.** These involve carving out a day per week when everyone sits down via video chat over lunch—even a hybrid company can have everyone get take-out or bring their lunches and join from a conference room or their desks. There's even a company that handles the logistics for holding a virtual pizza party for a remote team.
- **Home office tours.** You can encourage people to show their workspace either via photos or as a virtual tour on a video call.
- **Paired calls.** Buffer does casual calls in pairs or threes, using an automated bot for Slack that sets up "donut chats." Upworthy does this with "serendipity calls," and there's also HeyTaco! Such practices encourage people to take work time for a casual chat, where you take a break and get to know another teammate.
- **Virtual happy hours.** Holloway has a monthly happy hour, where the distributed team gets together over Zoom and a drink of choice, no work talk allowed.
- **Team learning sessions.** Specific teams can host their own "brown bag" or learning-focused sessions where someone presents on a specific topic of interest that they've been working on.
- **Slack channels.** Most companies using Slack or other chat apps have #random, #fun, #music, #books and a host of other interest-based channels where people can visit and chat about non-work things they share in common.
    - Gifs and emoji in Slack can also help people express their personalities* (though you'll want acceptable use to be part of your communication architecture). Other opportunities on Slack exist, like the app Icebreakers, or having a dedicated channel to share music.

- **Virtual games.** Having fun with others builds relationships. Games can be a low-cost way of bringing people together and helping them build relationships. The Miro team has a great set of ideas for games teams can play virtually.
- **Informal Q&A.** Basecamp has automatically running "social questions" where they ask simple, thought-provoking questions like "Anything inspire you lately?" that are meant to "grease social gears."

Getting to know your teammates outside of day-to-day operations is important in working more effectively with them. As we cover in team communication agreements, these interactions help fill the gaps and answer questions like:

- What motivates you?
- How do you best learn?
- How do you prefer feedback to be given?

These interactions help employees feel connected to one another and to the company and its mission. And they're just plain fun.

◇ IMPORTANT It's also important for people on your team to connect with other people outside work. You can't simply assume they have either friends or family to fill that need. A good practice is to encourage your employees to participate in local community events, reimburse their coffee shops visits, and pay for co-working subscriptions or even gym memberships. Anything that gets people out of their homes and interacting with other people will lower their mental-health risk.

5.4.5 REBUILDING TRUST

> "*Most people genuinely want to do a good job. In a remote team, there aren't any silly rules about having your butts in a seat during certain hours of the day. This means at the end of the week you either have something to show for your week or not. This means you trust that your teammates are getting something done. But also your teammates trust you.*"
>
> — Wade Foster, co-founder and CEO, Zapier *

Rebuilding trust when it's damaged is an imperative for all companies. Managers of remote teams need to keep an ever-present eye out for hard-to-diagnose signs of conflict or degraded trust within their remote teams.

This can include things like communication that is "business only" and never includes any chitchat or personal exchanges; team members not speaking up and admitting when they make mistakes; individuals overworking and not asking for help; and people explicitly complaining about other members on the team (either to each other or to management). We cover tactics for dealing with this in Managing Conflict in Remote Teams.

More broadly speaking, leadership at a company has an outsized impact when it comes to resolving broken or degraded trust within their organization. Buffer's CEO publicly took the blame for mistakes when his company had to lay off several people, while invoking the company's values and promising to uphold them in the future:

> *The fact is, the challenge that I created has now irrevocably changed people's lives. I put the company in this position. I had poor judgement and took the wrong actions in many different areas. Especially at this time, I want to try to live our value of transparency and share everything about the big mistakes we've made, the tough changes we've decided upon as a result, and where we go from here.* *

Setting the tone in this way likely helped to eliminate speculation about what happened, while rebuilding trust and expressing that leadership has the credibility to help turn the company around.

> "*In my research I've found that building a culture of trust is what makes a meaningful difference. Employees in high-trust organizations are more productive, have more energy at work, collaborate better with their colleagues, and stay with their employers longer than people working at low-trust companies. They also suffer less chronic stress and are happier with their lives, and these factors fuel stronger performance.*"
>
> — Paul J. Zak, Professor of Economic Sciences, Psychology, and Management, Claremont Graduate University *

5.4.6 FURTHER READING ON BUILDING AND CULTIVATING TRUST

- "Why Good Leaders Make You Feel Safe" (Simon Sinek)
- "How to Build Trust in a Virtual Workplace" (Keith Ferrazzi)

5.5 *Culture Evolves as a Company Grows*

At its core, organizational culture shapes how an organization learns and solves problems. In the early stages of a company, culture may be shifting rapidly, but also be very coherent, meaning there is a clear connection between the day-to-day assumptions employees are making, and the espoused values and artifacts. Early employees understand the "why" behind most decisions as a result of the company being smaller and typically having direct access to influential decision makers.

As the company scales, subcultures may emerge, typically across specific teams, functions, or business units. Schein specifies that culture may emerge at the group level, among "a definable set of people with a shared history," when they have:

1. Been together long enough to have shared significant problems;
2. had opportunities to solve those problems and to observe the effects of their solutions;
3. taken in new members.

Automattic, which has almost 1K employees, used cluster analysis to understand the communication dynamics of the company. They found that they have seven larger "cliques" in their company, largely focusing on project-related discussions. By looking at who is connected to whom, they've concluded that they have more of a project-based culture than a team-based one.

◇ IMPORTANT Culture is built on a company having a set of internal artifacts, values, and assumptions that helps the company and its teams solve problems. The people at your company and the nature and scale of those problems will change over time; so will your culture. For some companies, this change may be more rapid and tumultuous, which requires an even greater focus on understanding your culture while documenting and supporting how it is changing as a result. Schein notes that this is an ongoing process to "uncover the unconscious assumptions that are hypothesized to be the essence of the culture."

This is not an easy task for any organization. For remote companies, it may be even more challenging, as many of the behaviors and norms that could be observed in an office are instead happening virtually and asynchronously between distributed teams, potentially throughout the world.

This challenge is reflected by a recent growth in culture and remote-specific roles at companies, such as Chief Culture Officer, Head of People, or Head of Remote. * * *

Culture, just like the remote tools and processes you intentionally put into place to support focused, asynchronous work, is not a set-it-and-forget-it phenomenon. Companies, from leadership down through managers and individual employees, will need to continually take stock of their values, if and how they are being upheld, and what factors may be forcing the organization to adapt and change.

WORKING TOGETHER WHEN APART

6 Remote Communication Concepts

This section was written by Juan Pablo Buriticá.

> "*Communication indeed plays a critical role in building successful teams. In fact, we've found patterns of communication to be the most important predictor of a team's success. Not only that, but they are as significant as all the other factors—individual intelligence, personality, skill, and the substance of discussions—combined.*"
>
> — Alex "Sandy" Pentland, Professor of Media Arts and Sciences, MIT *

Communication is a foundational human behavior. We communicate for a wide variety of reasons: to gather and share information; to ask questions and learn from other people; to express our wants and needs; and to form social relationships and deeper connections.

We communicate at work for all these reasons, but we communicate at work especially to Get Things Done. Knowledge work is fundamentally team-based. Without healthy communication, organizations lack the necessary information to do work as a group. We can only achieve goals and outcomes when we work together. To do so at a high level, we need to communicate effectively.

Research by Alex "Sandy" Pentland and his team found a direct correlation between the communication practices of teams and their performance. They mapped the interactions between team members at call centers by giving them digital badges that collected data on their individual communication behavior—to whom they talked and how much, tone of voice and body language, and more. They asked teams to wear the badges for six weeks, and found that a team's energy and their engagement outside of formal meetings could explain one-third of the variations in productivity among groups. Using this insight, they recommended that the call center manager modify the coffee-break schedule so all workers could take the break at the same time and socialize together. After doing this, the average handling time (AHT) decreased by 8% across the entire call center.

An Economist survey found that people "overwhelmingly indicated that poor communications at work can lead to stressful work environments, stalled careers, missed performance goals, and lost sales." Conversely, by communicating effectively we can set goals, make decisions, resolve conflict, overcome challenges, and collectively achieve results that we might not as individuals.

When it comes to communication within remote teams, it's tricky, but far from impossible. As Pentland's call center experiment shows, assessing what a team needs to better communicate can lead to practices that improve how that team functions. By understanding the following communication concepts and channels that impact teams in remote environments—and consciously choosing how to apply them in your own organization—you can build effective communication in remote settings.

6.1 *Distance*

All growing teams eventually become distributed, whether it's across rooms, floors, buildings or cities. It's not a new problem—organizations like the Roman Catholic Church and the Hudson Bay Company managed distributed work before the invention of most communication technologies, and found effective ways to manage ambiguity and distance over time. *

◇ IMPORTANT Reliance on being close to each other limits how fast a team can grow or where it can be distributed. It also makes communication fragile when one or more team members can't be close to the rest. When you've built a team that relies on physical presence to operate, you're unintentionally building communication patterns that will eventually break with growth, or when life happens.

Although you'd think being in the same physical place would make communication easier, it actually can emphasize suboptimal habits, such as:

- **Hallway decisions.** Relying on a serendipitous encounter with a coworker to get a decision made can bring work to a halt if the encounter doesn't happen.
- **Reliance on spoken communication.** As information is relayed from one worker to another, the message is subject to modification and interpretation. It also becomes dependent on the working relationships of those who had access to the information.
- **Physical presence as implied productivity.** This is the practice of judging someone's value by their presence at a desk, rather than the content and outcomes of their work.

All teams, distributed or not, can benefit from strong communication that doesn't rely on proximity. Teams that can make decisions and achieve their goals regardless of whether they are in the same space or time zone, are more resilient to events that can impact progress, like a team member's attendance at an overseas conference or such larger-scale events as outbreaks.

Effective remote teams architect intentional communication practices that overcome challenges that result from distance. It's easy to think of "distance" as simply not being in the same location, but in a growing distributed organization, distance manifests in three distinct ways:

- **Physical.** Physical separation is when one or more members of the team can't be in the same physical space as others. It is a spectrum: individuals may be on different floors or on different continents. It also varies depending on whether a group of members is remote from the majority, as can happen in hybrid organizations. The relative size of the remote group also matters.
- **Temporal.** Temporal separation is when one or more members of the team are not in the same time zone as others. It also is a spectrum; you can have varying degrees of time zone overlap for standard 9am-5pm business hours among different team members. A team in California has six hours of overlap with someone in Bogota, Colombia, but none with anyone in India. Holidays or eating schedules around the world can also increase temporal distance in teams.

- **Cultural.** Cultures can vary within the same organization, city, country, or continent. It can be as subtle as the meaning of a word in two regions, or as marked as two separate languages, styles of working, or even perception of concepts like *professionalism* or *punctuality*.

Effective distributed communication depends on reducing physical, temporal, and cultural distance by being deliberate about how, when, and where we communicate.

6.2 *Synchronous vs. Asynchronous Communication*

> "*Thanks to the internet, written communications are accessible and aren't subject to the limitations of physical presence, serendipitous encounters by the seltzer machine, or inconvenient taps on the shoulder.*"
>
> — Juan Pablo Buriticá, remote engineering leader *

Before looking into the specifics of various communication channels and tools and how they should be used, it's important that we understand the difference between the two basic modes of communication that can make distributed teams successful: *

Synchronous communication happens when messages can only be exchanged in real time. It requires that the transmitter and receiver are present in the same time and/or space. Examples of synchronous communication are phone calls or video meetings.

Asynchronous communication happens when information can be exchanged independent of time. It doesn't require the recipient's immediate attention, allowing them to respond to the message at their convenience. Examples of asynchronous communication are emails, online forums, and collaborative documents.

This distinction is helpful, but it's not enough to plan communication for distributed teams. How do you decide which kind to use, and when? Some channels, as we'll see below, could be used in either manner. The common refrain for remote work is to be "default asynchronous," but that advice is fairly hard to parse: Are we supposed to never talk anymore? Are video calls now obsolete? This line of thinking takes a narrow view of what works in distributed teams while ignoring the details of how and why different channels are more or less effective, along with individual variance in communication capabilities and preferences.

One framework that some remote teams have used to figure out how and when to best communicate is media richness theory.

In **media richness theory**, various forms of media are characterized by the nature of information sent over available communication channels.* **Lean media** like email have a slower interaction rate, fewer visual or auditory cues, and are better suited for when precision is needed. **Rich media** like face-to-face conversation convey multiple and simultaneous cues—like facial expressions and tone of voice—that allow for immediate feedback, have a personal focus, and enable the use of natural language, which is better suited to conveying concepts or more abstract ideas. The theory was introduced by Richard L. Daft and Robert H Lengel in the mid '80s (and later joined by Linda Klebe Treviño).

Media richness theory predicts that people will use communication channels based on how *communicative* they are, but it does not take into consideration other factors, such as relationship growth and maintenance over time. It also posits that anyone can objectively determine what communication channel is more effective depending on the purpose of the communication. For example, if you aim to reduce *uncertainty* in a situation where more information is needed, you should use email, which has a slower rate of interaction and higher precision. A face-to-face conversation, however, should be used to reduce *equivocality*, a situation open to more than one interpretation. But since this theory was developed before the invention of modern communication channels like instant messaging and the enrichment of written text with interactivity, it is now a bit outdated.

6.2.1 REACHING COMMON AGREEMENT IS KEY TO REMOTE COMMUNICATION

In 2019, Kumi Ishii, Mary Madison Lyons, and Sabrina A. Carr revisited the media richness theory by validating its applications in modern communication channels (for example, text messaging). They found that *individual use* of media can have an impact on its effectiveness—it isn't as simple as objectively letting the need to reduce uncertainty vs equivocality determine the right medium. Factors like formality, concurrency, organizational context, experience with the topic or medium, and the negativity of the message also bear considering, because they can influence the perceived effectiveness of a channel.

Media synchronicity theory posits that any communication medium has five different capabilities in support of the *conveyance* of information (making it understandable), and the *convergence* of understanding (reaching a common understanding). These factors are the immediacy of feedback, parallelism, symbol variety, rehearsability, and reprocessability. *

- **Immediacy of feedback** is how quickly people can reply or provide feedback, and how bidirectional the feedback is. A forum post without comments has low immediacy and is largely one-directional.
- **Parallelism** is the number of simultaneous conversations that can happen (also known as the "width" of the medium). A telephone call has low degrees of parallelism, whereas chat has a high degree of parallelism. The more parallelism present, the harder it becomes to monitor and coordinate conversations.
- **Symbol variety** describes the number of ways information can be communicated (also known as the "height" of the medium). This can include verbal and non-verbal symbols (actual crying vs 😭). A lack of symbol variety can have a negative impact on social perceptions in communication.
- **Rehearsability** is the extent to which the media enables the sender to fine tune the message before sending; it's how "editable" the medium is. Email is more rehearsable than video chat, for example.
- **Reprocessibility** is the degree to which a message can be reexamined or processed again within the context of the communication event. Written, asynchronous channels are more reprocessible than synchronous calls and meetings.

Media synchronicity theory considers the development of new media, like collaborative software and instant messaging, and is supported by studies on global collaboration of software development teams. While we don't expect remote teams to try to directly apply all the aspects of this theory to their communication plans, there's one important takeaway from the theory that supports what we've seen in our own experience.

◇ IMPORTANT Ishii, Lyons, and Carr found that the "best" medium depends on which communication needs are more important *for a given situation on a specific team*. Most tasks in knowledge work require individuals to properly convey complex information, and to converge on shared meanings. Choosing a single medium for any task may be less effective than using a set of media that the group chooses depending on the process. A team can use email to convey the status of a project externally, and an issue tracker to converge on the understanding of the individual state of the tasks. Success in distributed environments requires that teams come to an agreement about how tools and communication practices will be used within the group.

> "*Compatibility of communication and collaboration tools includes a common agreement and definition on how the tools should be used; for example, commitment from all team members to answer emails in due time, or being logged in to IM whenever available for communication. A common agreement on communication practices is also important, for example, when deciding who should be present in which meetings, where to store important decisions, and whether to inform the whole team about decisions made privately, for example, in IM discussions.*"
>
> — Tuomas Niinimäki, et al., *Journal of Software* *

◇ IMPORTANT While asynchronous communication provides a wealth of advantages for remote teams—reducing distractions, increasing focus time, and providing centralized, written documentation that helps keep everyone aligned—it shouldn't be presumed to be the sole or default mode of communication. Successful remote teams intentionally choose when, how, and why they communicate asynchronously, and diverge from that when it's important for them to connect in real time.

6.3 *Presence*

Presence is the state of being synchronously available for collaborative activities that need to happen in real time. In co-located companies, this means being physically in an office. In distributed teams, presence usually means being available to meet with other people rather than doing individual work.

CAUTION One of the most harmful behaviors that can surface in a distributed team is the constant expectation of presence. If employees are expected to always be on email or in a group chat to stay informed, it impacts their ability to do focused work, which is a required component of knowledge work and can be in direct opposition to virtual presence. If someone can't ignore their email for two hours because their company has a culture of being always on email, their ability to do their work may suffer, which impacts the team's collective productivity.

Since knowledge workers oscillate between highly collaborative modes and highly focused modes depending on the task at hand, balance becomes key. Distributed teams that want to be effective across time and space will seek this balance and communicate in ways that neither require constant attention, nor create frequent interruptions for employees.

> *"As a general rule, nobody at Basecamp really knows where anyone else is at any given moment. Are they working? Dunno. Are they taking a break? Dunno. Are they at lunch? Dunno. Are they picking up their kid from school? Dunno. Don't care. The vast majority of the time, it just doesn't matter. What matters is letting people design their own schedule around when they can do their best work."*
>
> — Jason Fried, co-founder and CEO, Basecamp *

6.4 *Friction*

Friction is the amount of effort required to transmit or receive a message on a specific communication channel. It includes the time and thought that it takes to plan, edit, or create the message.

Friction is relative. It depends on the transmitter, the receiver, and the channel used to communicate. For some individuals, speaking can be a low-friction channel if everyone is in close proximity or on a conference call. It can also be a high-friction channel for people who are deaf or hard of hearing.

Too much friction in a communication medium slows us down, but low friction isn't always desirable. If a message can be sent too quickly, it might mean that workers invest less time in processing and composing responses, which can lead them to communicate less thoughtfully or without considering the impact of their words on others.

CAUTION Low friction can also make it so that teams go too fast in the wrong direction. In an HBR podcast, communications expert Nick Morgan describes how fast-moving communication modes like chat (or even, in some cases, slower modes like email) bombard people to the point that they intuit negative information or intent when it's not present, especially without all the in-person cues about intent that humans are much better at interpreting. The faster we compose and respond to messages, the less clear they become, opening gaps for the receivers to fill in.

> "*The research shows that we both think we're better at expressing ourselves in email and other virtual forms than we actually are, and we also think we're better at understanding other people than we actually are.*"
>
> — Nick Morgan, communication expert *

Distributed teams that want to communicate effectively will benefit from defining what they consider to be an acceptable level of friction in their communication architecture, depending on whether information is being broadcast or a team is trying to reach a common understanding.

6.5 *Intent*

> "*We judge ourselves by our intentions and others by their behavior.*"
>
> — Stephen Covey, bestselling author, *The Speed of Trust: The One Thing that Changes Everything* *

"Assuming good intent" has become a common recommendation for modern workplaces.[13] However, it poses some problematic dynamics in distributed teams, especially those that strive to be diverse and inclusive.

CAUTION Asking individuals to assume good intent in written communications shifts the burden towards the receiver of the message and not the originator. When it comes to communication in distributed teams, what someone meant to say matters less than what was understood. This intent-

13. https://www.inc.com/tanya-hall/how-to-encourage-employees-to-assume-best-intent.html

impact gap can be perilous. No matter how well-intentioned, the wrong message can set a distributed team back significantly. Effective communication between two or more parties requires that everyone understands the message in the same way.

Your remote co-workers build a representation of you based on their interactions with your messages. They see how you gave feedback on their strategy document or how you replied to their email. They'll observe the way you talk and interact with others in shared spaces, especially those that lack tone or facial expressions.

Distributed team communication requires the entire team to become skilled at clearly conveying intended meaning, and this can't be replaced by using more or better tools. Communication tools won't improve the quality of what you say; they can only make it happen faster or slower, or reach further.

Managers play a critical role in building practices to overcome the intent-impact gap, both stepping in to resolve communication-related conflict when it crops up, and giving team members clear feedback when their communication is ineffective, or worse, harmful.

CAUTION Managers and executives must also conversely be aware of the outsized impact their own communications can have—an exec asking about a project's status in Slack will likely be received very differently than an inquiry from a peer. Poorly written interactions, especially those from leaders, become part of the permanent record of a distributed team. These quickly erode trust, and can create damaging situations that are difficult to fix. See Team Integration for more on better communication practices for distributed team managers.

6.6 *Tone*

Tone is the emotional content of a message. When we speak, the tone we use helps others understand our mood. When we write, we replicate tone by using punctuation or symbols, and by varying the formality of our messages.

An exclamation mark will never replicate what our voices can do! Emoji can be ambiguous too: 😬

Another challenge with email or other written communication is not the lack of tone, but rather, the *implicit* tone. * For instance, messages that are too direct can have a negative effect on recipients by coming across as rude or mean—especially if they're coming from someone in a position of authority. Accuracy in the emotion conveyed with a message is crucial in helping us understand the reason behind the message and figure out an appropriate response. * You can use Grammarly to analyze your writing and get a tone score in real time. Tools like this help people pause and rewrite before sending.

Thankfully, distributed teams can learn from other preexisting online communities that have found success in replicating their moderation habits to help solve for tone, and documenting those in a Code of Conduct. For example:

- The Rust Code of Conduct Work explicitly asks members to be kind and courteous, and lays down the rules for moderation.
- Recurse Center codified their Social Rules, to help create a friendly, intellectual environment.
- Buffer wrote and published their Code of Conduct, which shows us how it can aid in the moderation of tone in writing.

Writing a code of conduct for your team—and including it in your company handbook or team agreement—can help keep the conversations at work positive and productive. *

6.7 *Mindful Communication*

Consider the following versions of feedback on a proposal:

> *This is a terrible idea.*
> *This is a terrible idea!*
> *This is a terrible idea* ☺

Now, think about each statement as it relates to the key communication concepts above:

- **Presence.** How quickly do you think you should respond to this feedback?
- **Friction.** How much effort would it take to figure out a response and where that response should be sent?

- **Intent vs. impact.** Can you quickly identify if the statement has good or bad intentions?
- **Tone.** Which tone does each take? Could each be interpreted differently by different people?

You can try to infer meaning from them, but ultimately they're all ambiguous statements. If one of those statements came from your boss, * or from someone with whom you don't have a relationship, you may even stop sharing ideas with them because their feedback wasn't actionable and was even potentially hurtful (but you're not sure!). And, unless you're in an environment of high trust, you may take that criticism as a threat to your psychological safety. *

Now, evaluate this response instead:

> *Have you considered any alternatives?*

This statement communicates that you're not sold on the proposal, while avoiding passing judgement on whether the idea is bad or not. This aligns with the goal of helping your team make the right decision. The idea may indeed be a bad one, but saying so in a blunt way can be hurtful, out of line, or cause defensiveness. When it comes to communication, sometimes you have to choose between being effective or being right.

◇ IMPORTANT The underlying principle of mindful communication is *empathy*. By thinking about and understanding what others are thinking and feeling, you're better able to assess how your words will be received and formulate communication that is positive, helpful, and constructive (even if it contains disagreement or criticism).

Amy Ciavolino wrote a useful guide for software engineers that illustrates how to practice mindful communication while giving feedback to each other during code reviews. Much of her advice translates to other teams or disciplines. In the guide, Amy proposes tips for reviewers and authors with the purpose of improving the experience of giving and receiving feedback of written code, by considering each other's perspectives. For example, she encourages reviewers to leave out nitpicking comments over stylistic preferences that can be subjective and are better handled by automated tools (called linters) to improve consistency and reduce fruitless arguments over programming style.

Mindful communication takes work and ongoing effort. Teams that develop mindful written communication practice the following:

- **Avoid sarcasm.** This helps avoid ambiguity in your communication, and steers clear of potentially upsetting or harmful wording.
- **Proofread.** Effective communication incorporates the habit of reviewing everything before you hit send or save. For particularly sensitive topics, you might even want to recruit someone you trust to review for tone and clarity before you send, to help make sure nothing you write will be taken the wrong way.
- **Use clarifying questions.** Communicating curiosity can be less threatening than making statements, and asking thoughtful, more open-ended questions gives the recipient an opportunity to further explain or clarify their response as well.
- **Use emoji carefully.** Emoji can help inject emotion and a casual tone when you want it, but be aware that they can also be ambiguous across ages and cultures, and their overuse can be considered unprofessional.
- **Don't feign surprise.** Saying things like "I can't believe you didn't know that!" puts the other person on the defensive and might discourage them from asking you for advice or getting your feedback in the future. This is a close cousin to the "Well, actually" phenomenon, which amounts to offering unsolicited advice (often in the form of criticism), talking down to someone, and not listening to what they have to say—or write—in response.
- **Don't type angry.** Never respond to messages when you're upset. The best thing to do is to hit pause, take a break, and allow your emotions to lessen and your thoughts to clarify before returning to your keyboard.[14]

6.8 *Documentation: Less Is More*

When building a distributed team, you may be tempted to require every member to *write everything down*. But an overabundance of information can be as problematic as the lack of it—overabundance makes it harder for remote teams to filter what is signal and what is noise.

14. Some people also advocate for writing it without sending just to "get it off your chest," but be extra careful that you don't accidentally send the message or save into a document.

Instead of writing everything down, an effective distributed team will focus on how to *write what matters*.

The clarity of information isn't directly related to the quantity of information, but rather the quality, and surrounding context for it. As you determine the ways in which you will communicate as a distributed team, you'll want to create a collective understanding of what to communicate, and how to communicate it in a way that shortens or eliminates physical, temporal, and cultural distances.

◇ IMPORTANT Holloway co-founder Josh Levy has proposed a principle of documentation that is applicable to distributed teams. The OAC principle posits that any documentation should have clearly defined Ownership, Author, and Cadence:

- **Owner.** This is the one person ultimately responsible for the doc. Documents should never be owned by "everyone" or "no one in particular."
- **Audience.** Is it company internal, project or group internal, for external customers, or for the whole web?
- **Cadence.** What is the cadence of updates, if any? This means, what is the **workflow for updating** and what is the **lifespan**? Some options:
- Fixed lifespan: Write, use, later archive. This could be collaborative or done by one person.
- Long lived: Maintained and updated by the owner or others. This could be ad hoc or on a schedule. There are also variations on workflow here, such as welcoming suggestions from anyone, but keeping review and acceptance by the owner.

If for each doc or folder you create, you know the answer to these three things, your docs will be better organized, better used, and better maintained.

7 Key Channels and Tools for Remote Communication

The overabundance of communication options in today's modern workplace requires that we tend to them like a garden. The weeds of poor communication management can easily overtake distributed teams and choke their growth.

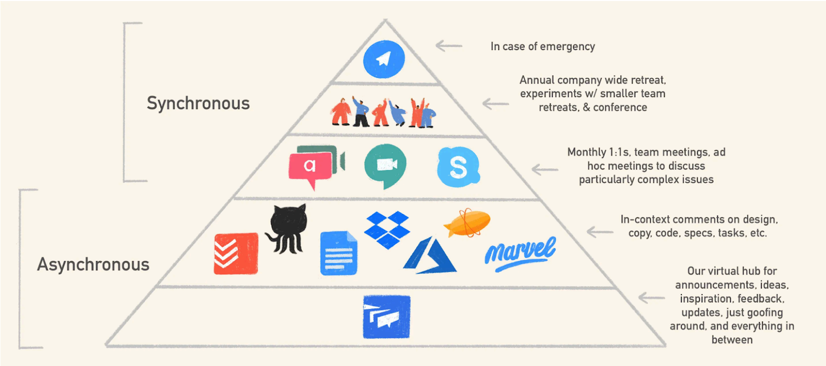
Understanding the different properties of the various communication channels available is necessary before deciding on your own communication architecture.

A **communication architecture** is a company's documented set of practices, tools, and associated processes for how and when people communicate. It describes all the types of communication—such as email, meetings, phone calls, online chat—and the tools and protocols for using each one. The architecture guides each employee's decision-making process as they communicate with other people at the company.

What works for a company of a certain size or industry won't work for others; different teams within a company may also have their own preferred channels and scenarios for using them.

◇ IMPORTANT If you have a hybrid organization, your communication architecture should span both distributed and non-distributed team members, and be consistent for everyone. For example, some companies choose to have everyone "dial in" from their computer for video meetings, including all the employees who are in an office. Once you understand the possible outcomes of the use of these channels, you can build a strategy that works well for your entire company.

7.0.1 **FIGURE: DOIST'S COMMUNICATION ARCHITECTURE**



Source: Doist

CONFUSION The concept of a communication architecture might sound imposing, but it's largely the documented outcome of thinking through how your team wants to communicate, plus plenty of trial and error to learn what works and what doesn't. It can be as simple as a set of guidelines written down in your handbook or on a shared wiki site, or as complex as what GitLab publishes for anyone to see. We offer some other examples of remote team communication architectures at the end of this section.

7.1 *Email*

Email is a method of sending electronic messages between individual people or groups of people. It's *semi-synchronous*, meaning it can be synchronous or asynchronous, depending on how an organization uses it. Examples of email tools include Outlook, Gmail, ProtonMail, Superhuman, and email accounts from Internet Service Providers (ISPs) like AT&T, CenturyLink, and Comcast.

7.1.1 EMAIL ADVANTAGES

- **Broadcasting.** Email can be useful to broadcast information. For example, it can be used to inform the company of new funding, to describe new features coming soon, or to share a summary report for last quarter sales.
- **Sharing.** Email makes it easy to share and re-share information. Messages can be forwarded or other people can be added into the conversation. This is very helpful when collaborating with other organizations outside your own, as you don't have to set up permissions or access to your own internal tools.
- **Focus.** When used exclusively as an asynchronous channel—where people don't expect others to monitor and respond to email immediately—email allows you to maximize your focus. You can choose when to read your email and take time to think about how you'll respond.

7.1.2 EMAIL RISKS AND PITFALLS

- **Volume and discoverability.** Inboxes flood easily, obscuring important information. Counteracting this requires active management, either via labels and filters, or using other email management techniques.
- **Unclear expectations.** People outside your organization may have different expectations for the use of email. If your role requires that you regularly interface with people outside of your company, you may not be able to control whether or not you can use it asynchronously.

- **Lack of boundaries.** A company that doesn't explicitly discourage responding to emails after hours can lead to unhealthy work-life balance.

7.1.3 WHEN TO USE EMAIL

Email is best used for:

- Asynchronous, uni-directional broadcasting of information, such as announcements, updates to company policy, and other timely information.
- Communication with people external to your company.

7.1.4 EMAIL TIPS

- Fostering good work-life balance requires setting explicit expectations about responding to email after hours, with senior leadership and management leading by example in upholding those expectations. You may wish to consider using scheduling functionality to reduce the "after hours" messages you send to peers. Using established chat channels for emergencies or incident responses can also help prevent the expectation of constant email checking.
- Including the frequency and the time of day that you read your email in your signature can help set expectations for people who may be accustomed to immediate email responses. "I review my email every day at 5pm EST; please text me for urgent matters."
- When broadcasting information to large groups of people or mailing lists, a good practice is to address recipients via Bcc instead of using the To or Cc fields. This prevents people from accidentally replying-all.

7.1.5 FURTHER READING ABOUT EMAIL

- "Protecting Company Culture Means Having Rules for Email" (*Harvard Business Review*)

7.2 *Forums*

Web forums are web-based messaging groups where people write messages (typically called "posts") in a hierarchical category structure organized by topics. Forums can be either public or private. Typically, public forums are for communicating with customers and private forums are for internal company communication. Examples of forum tools include Discourse, Flarum, and NodeBB.

7.2.1 FORUM ADVANTAGES

- **Asynchronous.** Forums can be used in an asynchronous manner to provide more static, broadcast-worthy information that people can refer to as needed. Forums can also work for brief discussions or to expand on clarifying questions. For example, a new employee can ask where to find important information in a forum, and get answers from their peers. From then on, all new hires can use that same post to get up to speed.
- **Predictable.** Forums generally allow for information about a given topic to be updated in the same place. As new information is found, authors can expand or modify their questions or posting, keeping relevant information in the same place—especially compared to chat or text, where messages scroll up quickly over time and thus can be hard to track.
- **Open.** Forums tend to be open by default, exposing everyone in a team or organization to the same exact information without the need for forwarding or use less transparent forms of sharing. This helps reduce the potential for miscommunication. When information is published openly in forums, it also becomes a historical record that can be searched, which improves the retention of institutional knowledge.

7.2.2 FORUM RISKS AND PITFALLS

- **Lack of threading.** Depending on the forum tool used, replies can become hard to follow if they can't be threaded (or "nested."). Threading shows individual responses to other people's messages for a given topic, and helps maintain context as discussions of that topic evolve.
- **Potential for harm.** Posting in spaces that are public or open by default can be intimidating or outright harmful, especially if there are people who don't practice mindful communication.
- **Require moderation.** Forums require active moderation so that conversations are productive, and so the forums remain collaborative spaces where everyone can feel comfortable sharing and asking questions.

- **Maintenance.** Like all other collaborative tools, forums need someone to maintain them as the organization grows. Someone has to be explicitly in charge of managing topics and access to different groups in order for forums to work well.

7.2.3 WHEN TO USE FORUMS

Forums are best used for:

- Asynchronous unidirectional broadcasting of messages and archival information (policies and the like that don't change very often).
- Asynchronous bidirectional Q&A.

7.2.4 FORUM TIPS

- Online forum discussions are famous for being controversial, giving rise to the term "flamewar." If you choose a forum as a channel for your team, consider setting and enforcing a code of conduct that discourages off-topic and denigrating comments.
- Creating labels or topics like "newbie" for forum messages can reduce the anxiety of asking a question that may seem obvious, and help newer members of your company find information they'll need when getting ramped up.
- Moderating and participating in work-related forums takes time and effort. Consider rewarding and celebrating this behavior, and allocating dedicated moderation time for people who participate in the tasks of moderation and maintenance of workplace forums.

7.2.5 FURTHER READING ABOUT FORUMS

- "How to Get the Best Responses in Online Forums" (Business.com)

7.3 *Mailing Lists*

Mailing lists are a broadcast form of communication based on email. Generally, one email address broadcasts information to all members of the group, and replies are then threaded under the same subject. Some mailing lists keep historical records, giving new members access to past discussions.

7.3.1 MAILING LIST ADVANTAGES

- **Grouping.** Mailing lists can be used to cluster individuals under one shared topic or group. For example, this may include grouping all members of a team, a project, a department, the board of directors, the entire company, or specific interests.
- **Broadcasting.** By sending to dedicated email addresses, you easily broadcast the information once to specific groups who may need access to the same information, without having to manage individual member access. For example, you could share your quarterly sales report with a sales team list and executives at the same time.
- **Sharing documents.** Depending on the service provider that you use, you can share other types of artifacts with a mailing list. For example, Google Calendar supports sending invitations to mailing groups with a shared address. You can also manage access to specific shared documents or drives using group mailing lists.
- **Permission control.** Mailing lists allow for specific posting and replying permissions. This feature can be handy when you want to create an asynchronous channel to update large groups on a regular basis without the risk of never-ending replies. Putting the mailing list addresses in the Bcc line will ensure that replies only go to the original author.
- **Focus.** Mailing lists can usually be configured to provide daily digests or to filter specific information to certain recipients. This can help recipients manage how frequently they get notifications or email in their inbox, which helps them maintain focus.

7.3.2 MAILING LIST RISKS AND PITFALLS

- **Management at scale.** Mailing lists can become unmanageable when there are too many people and discussions start branching out, or topics beyond the original intention start popping up. If access to large mailing lists isn't managed, you will inevitably find yourself in the middle of one of those dreaded Reply All moments.
- **Closed.** Membership isn't usually transparent, leading to less control over and visibility into who has access to what information.
- **Spam and noise.** Mailing lists can easily become spam vectors because they make it easy to contact many people at once. Similarly, when mailing lists are overused, people can start tuning them out, and they lose their effectiveness in broadcasting important information.

- **Bimodal.** Since they are email-based, email lists are subject to the ambiguity of synchronous vs. asynchronous communication. They can become sources of interruption if you don't properly manage the expectation about the immediacy of replies.
- **Potential for harm.** Mailing lists are built to give quick access to a wide group of people, which means harmful or toxic messages can be quickly and widely transmitted.

7.3.3 WHEN TO USE MAILING LISTS

Mailing lists are best used in your communication architecture for:

- Asynchronous, uni-directional broadcasting of information, such as announcements, updates to company policy, and other timely information.
- Communication with specific groups of people in your company
- Regular digests of predictable information

7.3.4 TIPS FOR MAILING LISTS

- Best practices include ensuring that the information you share to an email list group is on-topic and actionable or informative so you can keep recipients engaged. If the information you share is valuable and respectful of the attention it gets, you can increase the engagement on what you share.
- Consider sharing broadcast-based messages with a small group of people for review before you send, so they can point out any ambiguous or confusing messaging. If you have marketing experts in your company, they can be the source of valuable feedback on internal communications.
- As a recipient, consider replying privately to controversial or sensitive questions to prevent putting the original author in an uncomfortable position in front of a wide audience.
- If you disagree with a specific message sent to the list, or have feedback for the sender, it is best to move to a channel that can carry tone, like phone or video, to resolve any conflict and converge on a clearer understanding.

7.4 *Knowledge Bases and Wikis*

A **knowledge base (or wiki)** stores structured and unstructured information online. Both are asynchronous and support rich text formatting and the embedding of different kinds of media like images, videos, or audio. Knowledge bases require that specific individuals be responsible for maintaining specific articles or documents, whereas wikis allow and expect for anyone with access to be able to add and modify anything posted. Examples of knowledge base or wiki tools include Confluence, ZenDesk, and Notion.

7.4.1 KNOWLEDGE BASE AND WIKI ADVANTAGES

- **Easy contribution.** Wikis are designed for easy contribution, which makes them excellent resources for shared knowledge. Onboarding materials, collaborative processes, or instructions on how to use specific systems are examples where office wikis can be better than knowledge bases.
- **Searchable.** Both of these channels are designed to be searchable, making information easier to discover.
- **Clear change history.** The modification of content in both knowledge bases and wikis is clearly documented. In knowledge bases, authorship is explicit, so someone is directly responsible for their contributions, including when changes are made. In wikis, the change history is tracked and associated with whomever made the change.
- **Good for reference material.** Both wikis and knowledge bases support web technologies like links and attachments, which makes them excellent for documenting policies, processes, and providing related reference materials. Knowledge bases, due to their document ownership model, are better suited for institutional knowledge that doesn't change often, like HR policies.

7.4.2 KNOWLEDGE BASE AND WIKI RISKS AND PITFALLS

- **Maintenance.** Knowledge bases and wikis are generally expected to have the most up-to-date information on a topic. When this is not the case, they become a source of misinformation. Organizations can prevent this by having explicit knowledge-maintenance roles and procedures. Similarly, these tools may become useless if adoption doesn't propagate across an organization. Failed attempts at deploying a knowledge base or wiki can also result in skepticism in future attempts.

- **Curation.** Knowledge bases aren't collaborative by default, so they are best used when content will be curated, or when expertise is needed.
- **Not dynamic.** Given the asynchronous, carefully maintained nature of knowledge bases and wikis, neither is an appropriate channel for fast-moving or rapidly changing information.

7.4.3 WHEN TO USE KNOWLEDGE BASES AND WIKIS

Knowledge bases and wikis are the mainstay of remote communication. They're best used in your architecture for:

- Documenting and sharing company goals, values, and onboarding materials.
- In-depth writing about team plans.
- Storing artifacts (spreadsheets, attachments, et cetera) that teams use in their daily work.

7.4.4 TIPS FOR KNOWLEDGE BASES AND WIKIS

- If you identify missing or outdated content, consider contributing something yourself. Wikis and knowledge bases are communal efforts, and can only work for everyone if there's sufficient contribution.
- If you're not in a position to contribute content, then consider acknowledging those who do. Keeping organizations informed can sometimes be invisible work, but is worth celebrating.
- It's a good practice to help new employees find information and contribute. Knowledge bases and wikis are subject to network effects—they become more valuable as adoption and contribution increases.

7.5 *Chats (Instant Messaging)*

Real-time chat (or chat or instant messaging or IM) allows for instant transmission of text between individuals or groups across a variety of devices.

Some forms are designed exclusively for one-to-one communication, while others allow for group conversations or the separation of conversations into different channels that can be public or private. Beyond text, different chat tools incorporate rich media like images, animated GIFs, voice memos, and emojis. Examples include Slack, Microsoft Teams, and messaging via social media like Twitter or Facebook.

7.5.1 CHAT ADVANTAGES

- **Semi-synchronous.** Chats can be used in either a synchronous or an asynchronous manner. This can also be a pitfall, if your company isn't clear about expectations about how to use chat.
- **Instantaneous.** Chats allow for instant transmission of information. This is great for getting immediate responses to questions, but often sets unhealthy expectations regarding immediate responses (see below).
- **Informal.** Chats are a less formal method of communication, so people can spend less time thinking about how to craft the perfect message. This can be good or bad, depending on your message and who receives it. The conversational nature of chats also encourages more interaction between people. This can be great when people want to clarify questions or just have fun, informal discussions.
- **Scale.** Information can be shared instantly with a large audience. This is harder with instant messaging, but tools like Slack can end up supporting chats with a big group, even an entire organization.

7.5.2 CHAT RISKS AND PITFALLS

- **Interruptions.** Chats have largely replaced in-office distractions and interruptions. Notifications popping up and direct messages (DMs) are now your virtual colleagues tapping you on your shoulder, pulling you out of your focused work.
- **Proxy for presence.** Chat tools can also turn into implicit representations of presence. If you're not on Slack, are you in fact working?
- **Lower quality.** The casual, low-friction nature of chat can lead to lower-quality communication, which is sometimes hard to discern from more important, business-relevant messages.
- **Easier to misunderstand.** Instant messaging can escalate heated discussions much faster when the need to respond immediately overcomes mindfulness. The lack of emotional context and cues in rapid-fire text messages can lead to misunderstandings and hurt or angry feelings. Additionally, the broad participation of a large audi-

ence can make it increasingly intimidating for others to share or participate, especially when they are newer to an organization.

- **Hard to track.** Chat moves fast, and if people are requesting information from or assigning tasks to people on their team, those messages can get lost quickly. Chats are also not usually easy to search, and if your company has substantial history with a particular tool, search may become largely useless.

7.5.3 WHEN TO USE CHAT

Chat tools like Slack and Teams are best used carefully and intentionally in your communication architecture for:

- Asynchronous, non urgent questions to other people.
- Asynchronous unidirectional broadcasting of information to a team or larger group (sparingly).
- Synchronous non-work chit-chat and fun conversations.

7.5.4 TIPS FOR CHAT

- Before you send an IM or chat message, consider using less distracting methods like emails or issue trackers. Being mindful of others' time and interrupting less frequently will make it more likely you'll get attention when you actually need it.
- If your organization relies heavily on chats, consider using status updates or fields to communicate your availability and set expectations for others. Examples include:
    - "💻focus time, getting work done"
    - "🍱out for lunch, back at 1pm ET"
    - "🏝 out of office until the 18th; talk to Courtney"
- It's a good idea to disable the presence indicator for yourself if you can, and stop relying on it for others. It takes a village to encourage and reinforce practices that support focus over chats.
- Instead of waiting for a response to a greeting before you state your request, you can group the whole statement. "Hi Jenn, do you know where I can find the wireframes for X?"

- Sarcasm is very difficult to gauge tone over written conversations and therefore is best avoided. Emoticons :) and emoji 😬 may help, but can also have different meanings across age groups and cultures, and look completely different across devices.
- Emails or forum posts may be a better way to get non-time-sensitive questions answered across different time zones than instant messages, since they allow recipients to batch requests and manage their outbound responses easier.

7.5.5 FURTHER READING ABOUT CHAT

- "How Slack Impacts Workplace Productivity" (Vox)
- "No One Is Talking About the Biggest Problem With Slack" (Quartz)
- "How Slack Ruined Work" (Wired)
- "Advanced Slack Tutorial: 19 Tips on How to Use Slack" (OkDork)

7.6 *Phone and Video Calls*

Phone and video calls allow one or more people to have a conversation in real time, either via telephone or online video conferencing services. Calls are an exclusively synchronous communication channel, but can also be used to broadcast information when only one person speaks to a group. Example tools include Zoom, BlueJeans, Google Hangout and GoToMeeting.

7.6.1 CALL ADVANTAGES

- **Synchronous.** Calls are great for resolving questions quickly or realigning when miscommunications over written mediums like email have happened.
- **Tone and emotional content.** Calls also carry more tone, helping disambiguate and understand the mindset and mood of others.
- **Banter.** Calls are a more natural channel for casual conversations, helping build better and stronger relationships.
- **Facial cues.** Video calls allow people to see facial expressions and other gesticulations. Like intonation, this additional information makes messages clearer, adds emotional content, and helps build connection and trust.

7.6.2 CALL RISKS AND PITFALLS

- **Coordination.** Calls can only happen in real time, which requires coordination overhead. This becomes harder when teams are distributed across different time zones.
- **Interpretation.** Calls require that everyone involved understand the same language sufficiently, or that they include interpreters. Even among same-language speakers, phone calls (especially compared to video calls) can be hard for people with different auditory processing capabilities or if anyone has a bad connection.
- **Not documented.** Calls do not immediately produce written artifacts, so if documentation is required, additional protocols or tech need to be in place to recorde or allow notes to be taken and distributed.

7.6.3 WHEN TO USE CALLS

Despite the focus on asynchronous, written communication at remote companies, talking in real time has its time and place, including:

- Regular meetings like one-on-ones and all-hands.
- Team standups, if time zone overlap allows.
- Planning and brainstorming meetings (best over video).
- Resolving misunderstandings or dealing with escalating or emotional situations from other channels.

7.6.4 TIPS FOR CALLS

- It's important to be mindful of people's schedules, be on time, and end the call on time to prevent cascading disruptions across organizations.
- Calls are more effective if you take them from places with low background noise and keep in mind that wireless headphones with microphones far from your mouth can pick up more ambient noise. If you take many calls, you may wish to consider getting better-quality headphones designed for noise reduction.
- If you're having a sensitive call, like giving constructive feedback, discussing performance or even firing someone, consider role playing or rehearsing the conversation ahead of time, including unexpected scenarios, so you can be better prepared.

- It's helpful to identify someone to take notes so you can keep a record that can be distributed to other parties. If you share the notes with other call parties, you can confirm that you converged on an understanding during the call, or can correct misunderstandings quickly.
- Before you ask for a "quick sync" or a "quick chat," evaluate whether the information you seek or need to share can be disseminated or gathered via written mediums instead.

7.6.5 FURTHER READING ABOUT CALLS

- "The Complete Guide to Video Conferencing" (Lifesize)

7.7 *In-Person Meetings*

There are plenty of benefits to meeting in person occasionally as a remote company, especially for fostering meaningful connections and building trust. But there are associated costs and potential downsides worth considering when thinking about how often people get together.

7.7.1 ADVANTAGES

- **Connection.** Getting together fosters human connection and helps build trust.
- **Collaboration.** Activities like planning and brainstorming are generally easier and more productive when conducted in person.
- **Speed.** Communication and collaboration happen much more quickly when an entire team is in the same place. Some companies send new employees out to work with their onboarding buddy or mentor to making onboarding as quick and effective as possible.
- **Fun.** Getting together isn't just about business. Many people like offices because they're also social spaces. Team lunches, happy hours, karaoke sessions, and much more are only really possible in person, and most remote workers only get these opportunities with coworkers when they have the chance to get together.

7.7.2 RISKS AND PITFALLS

- **Cost.** Flying a few people to meet occasionally might be feasible for a small startup, but as companies grow, these costs can escalate quickly. A retreat for a company in the hundreds can cost hundreds of thousands of dollars * —Automattic spent $3.3M to host 800 employees in Orlando for their annual retreat.

- **Inconvenience.** Traveling can be fun, but it can also be inconvenient. The burden of travel falls particularly hard on employees with specific physical or mental health needs, those with families or caretaking responsibilities, and for those who live far from the destination.
- **Safety.** Some locations will be less safe for women, LGBTQ+ folks, and/or members of racial, ethnic, or religious groups to travel to or through. It is essential that companies take steps to keep all of their employees safe, by choosing locations that do not present risks of injury or harm to any employees.

7.7.3 TIPS FOR IN PERSON MEETINGS

- Have a realistic budget. Retreats can get expensive, but a successful retreat doesn't have to be extravagant.
- Respect people's time. Account for total travel time such that people aren't gone for so long that caregiver and other responsibilities are strained.
- Balance time between work-related and social activities. It's easy to try to jam strategic planning sessions and lots of business into a retreat, but remember that the main goal is to get people together in person to form meaningful connections and build trust.

Visit the section on offsites and retreats for all the details on bringing everyone together.

7.8 *Domain Specific Tools*

There's a plethora of tools that we have at our disposal for different kinds of work. Tools like project management software, collaborative design tools, distributed source control for code, and others, become communication channels when we're doing distributed work. Many of these types of tools support commenting, assigning people to tasks, and other means of communication that cross over with the other channels we've already covered—and many tools are aiming to handle a broader spectrum of uses, blurring these lines even further. We can't cover them all here, but a few examples include Basecamp, Asana, Trello, and Jira for project management; Google Suite for documents, spreadsheets, and presentations;

Figma and Sketch for collaborative design; GitHub and GitLab for code source control; and many other options.

7.8.1 DOMAIN SPECIFIC TOOL ADVANTAGES

- **Purpose-built.** Tools can be better at serving a specific purpose than general-purpose work suites are. For example, project management tools that support collaborative teamwork are generally preferable to trying to keep track of everything in a spreadsheet.
- **Self-contained.** ◇ IMPORTANT Communication features like commenting or mentioning people allow for information to be shared **in the context of the work**, which can lead to faster feedback cycles and less confusion about where to look for status or contextual information. This is an important principle of remote work: Keep discussions close to the work at hand. For example, if decisions about a marketing plan or bug fix are happening in Slack, then the context within the more appropriate tool or document is lost, and people relying on those tools may miss critical information or have to waste their own (and other people's) time hunting down information in side channels.

7.8.2 DOMAIN SPECIFIC TOOL RISKS

- **Source confusion.** When teams use too many tools, learning where to find specific information or how to find and log into each one can be cumbersome. This leads to confusion when you end up with multiple tools to track work in progress, or to store files in the cloud.
- **Tool proliferation.** As tools become more specialized, they can be harder to use for general purposes, leading to similar tools being adopted by different teams. A source-code versioning tool may be good enough for software engineers to manage changes, but the legal team may prefer to keep using redlining in text documents for their workflow.
- **Overhead.** As the tool collection grows, the need for dedicated access management by IT becomes more important.
- **Questionable reliability.** Startups in particular are often early adopters of new tools. But sometimes newer companies that produce these tools are bought or shut down, leaving teams scrambling to figure out what to do with all their information.

7.8.3 WHEN TO USE DOMAIN SPECIFIC TOOLS

Tools for project management, sharing designs, or tracking technical issues are a big chunk of your communication architecture, largely for:

- Asynchronous status and context on projects.
- Asynchronous questions and communication specific to team projects (as opposed to more general company-wide Q&A).
- In some cases, synchronous collaboration, such as within a design tool or whiteboarding app.

7.8.4 TIPS FOR DOMAIN SPECIFIC TOOLS

- Project management tools are only useful if the state of work in progress is represented accurately. Ensure that the state of your work is reflected on the tool as soon as you start or stop working on it, so others can rely on this information without asking around.
- If you encounter information relevant to tasks in other tools, consider moving and reflecting it in the relevant tool or channel so others can have access to the same information. For example, if the team is discussing a particular GitHub issue in Slack, be sure to link to it in the chat, and direct the team back to the issue for discussion.
- Evaluate your company's tools occasionally. Especially at a growing startup, people's needs will change and evolve, and while it's important to allow teams to use the tools that make them the most productive, there's a balance to strike when information starts getting scattered or hard to track across a multitude of tools.

7.8.5 FURTHER READING ON DOMAIN SPECIFIC TOOLS

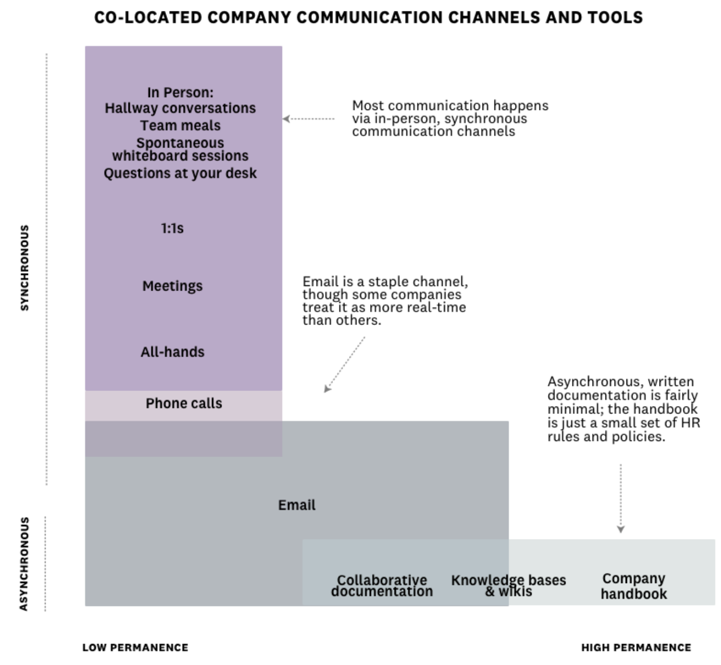
- "Best Startup Tools—According to 139 Founders" (Entrepreneur's Handbook)
- "Selecting Software: How to Choose the Best Apps for Your Business" (Zapier)

7.9 *Determining Your Communication Architecture*

In order to determine how best to communicate, you will need to inventory the tools and channels your company uses, and pair those with your own values and communication philosophy. This should apply to everyone at the company, including in-office employees in a hybrid environment.

Here's an example of what a more traditionally co-located communication structure might look like:

7.9.1 **FIGURE: CO-LOCATED COMPANY COMMUNICATION CHANNELS AND TOOLS**

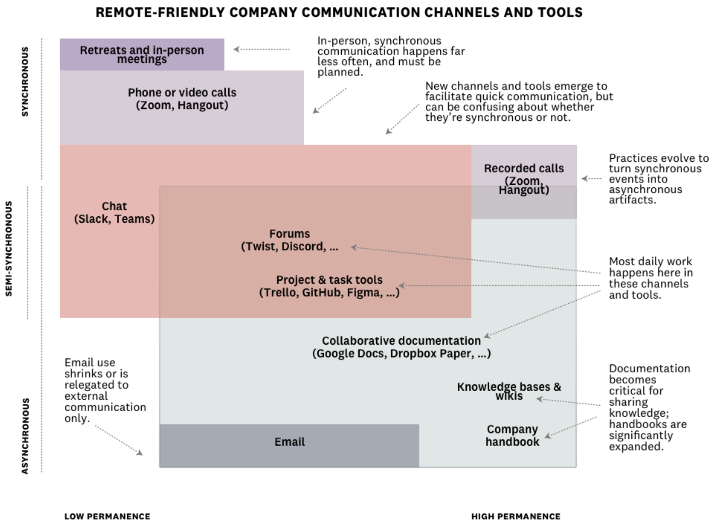


Source: Holloway

While most remote companies prefer and prioritize asynchronous, written communication, a given company's size and philosophy dictate how extensive this may be, and if or when to deviate and choose more synchronous channels. A small startup is best positioned to know all the tools and understand what works for everyone; but as the company grows, this can and will change.

Here's a sample communication architecture for a remote-friendly company:

7.9.2 **FIGURE: REMOTE-FRIENDLY COMPANY COMMUNICATION CHANNELS AND TOOLS**



Source: Holloway

◇ IMPORTANT Some tools are neither inherently synchronous or asynchronous, but rather a company's cultural and explicit behaviors dictate how they are used—they are "semi-synchronous" unless otherwise clarified. A classic example of this is how, when Slack first arrived on the scene, many companies embraced it as an alternative to email, but then began to discover that it was just as painful and difficult to use as a communication channel as its use grew and messages scrolled by quickly and were hard to search. And even worse, where email didn't necessarily interrupt people's work as much as email, Slack became a major source of distraction for many people largely because its use was (implicitly or explicitly) expected to be synchronous.

Different teams may have very different requirements for how they want to approach semi-synchronous channels and tools. A technical support team may use GitHub Issues asynchronously, but have an expectation that the list is reviewed daily and responses won't take more than 24 hours. Whereas a design team collaborating in Figma may share a design with the expectation the review and feedback happens (in the tool, not in email or chat) over the course of a few days to a week. (We cover this in greater detail in Remote Team Agreements and Protocols)

CAUTION Failing to examine and codify how your company uses these semi-synchronous tools and channels is a serious source of risk for less productive, confusing, or outright aggravating communication practices across remote teams. This doesn't mean "Don't use Slack," rather, spend some time examining which tools you use, and how, to best understand how to support remote communication at your company.

7.9.3 TAKE STOCK OF YOUR CHANNELS AND TOOLS

Start by writing down all the tools and channels your company uses. If you're small, this is easy; at a larger organization, this may need to be delegated to various teams and will take some time. Taking stock includes collecting feedback on what is and isn't working well—what are the pros and cons for the various channels presented above? You may realize that your team still relies on email for a wide variety of communication from planning to status updates, as well as more synchronous forms of decision-making. Or you may find that Slack is consuming far more time from everyone than you realized, and people are struggling to keep up with who is asking for what, and when.

> STORY "At Holloway, we realized we were overcompensating for our hybrid remote structure by having decidedly too many meetings. While we cared deeply about asynchronous communication, and writing and documenting as much as possible, we were still all spending easily a third of our days in meetings, and it wasn't working for anyone! We shifted more planning and project tracking to tools we were already using like Notion, Trello, and GitHub Issues, and sharing weekly status and goals via written means. We still get together once a week for an all-hands meeting and have individual one-on-ones, but now that we're getting our asynchronous communication more dialed, these meetings help us tease out nuances and talk more about collective goals and next big things on the horizon instead of detailed status reports or similar updates." —Courtney Nash, Director of Editorial, Holloway

Here's the catch: we can't tell you what the right channels and tools are for your company. You can learn that only by doing the introspective work of understanding how your company is communicating now, and whether that needs to change. Then you can determine the right approach from there.

7.9.4 BUILD AN ASYNCHRONOUS BASE

The next step is to pick the channels you'll use to do the bulk of your work. You'll want to focus on shifting communication to appropriate asynchronous channels, and giving everyone context on how to use those channels properly.

Your base will likely be one or two channels and associated tools for documenting goals, project plans, and ongoing status. Ideally, a base won't contain much more than that, or people won't know where to look when trying to understand what they should be focusing on and how things are progressing. This may be a combination of knowledge base or wiki-like tools such as Notion (or even Google docs); project management options like Trello, GitHub Issues, or the like; and possibly a dedicated forum or channel for standup or status-like information.

From that base, it's wise to establish clearly when, why, and how people might choose more synchronous modes of communication. For example, people will want to be having one-on-ones, ideally via video chat. Teams with enough time zone overlap might have daily (or at least regular) stand-ups, and company all-hands meetings happen synchronously as well (but may be recorded for those with big time delays and those who couldn't attend). It's also a good idea to include the timing of any form of team get-together or retreat, and what people can expect.

You will also want to plan for dealing with questions and the unexpected. Many questions can still be handled asynchronously, either via dedicated Slack channels (with reasonable expectations of response times), or some form of established Q&A forum that at least one assigned team member regularly checks. Even then, occasionally something might really be urgent, in which case it helps to have clarification about what really *is* urgent, and an agreed-upon protocol for escalating issues (which is hopefully very rarely used!).

7.9.5 DOCUMENT YOUR ARCHITECTURE

◇ IMPORTANT We can't emphasize enough how important it is for remote companies to write the right information down. A good communication architecture will establish all the channels you use, and your company's policies for how, when, and why each one should be used. It helps to have a quick overview (or a nice diagram like Doist), but it's critical not to neglect writing down how to use each part of your communication architecture.

It's one thing to say "Default to asynchronous," and another to state clearly that people shouldn't email colleagues expecting an immediate response, and also to explain how to use scheduling tools that can send emails based on the recipient's time zone. (If you have too many time zones, email may become largely obsolete in your company except when dealing with external people. That's okay.) If decisions shouldn't be made via Slack, it's important to be clear how and where they should be made, and to ensure that's really happening.

How you decide on and document your communication architecture is inherently tied to your company's philosophy and values. GitLab's communication guidelines are over 16K words (or about 50 pages long),[15] and include guidance on implementing *MECEFU*, which is "an acronym for Mutually Exclusive Collectively Exhaustive Few words Ubiquitous-language." Basecamp's communication guide is 30 zen-like tidbits that guide how people there should interact. Stripe makes almost all internal email available to anyone at the company. Leadership at a remote company is responsible for deeply understanding how communication needs to work, and then writing it down, and leading by example.

7.10 *Example Remote Company Communication Architectures*

- Buffer
- Software Mill
- Basecamp
- Automattic
- GitLab

15. As of February, 2020.

8 Remote Collaboration Ground Rules

This section was written by Juan Pablo Buriticá.

For collaboration to work well in a remote organization, not only is healthy, intentional communication required, but a distributed team must clearly understand the direction they're heading together: they need goals. Teams also need to determine a predictable rhythm to work towards those goals, giving space and autonomy to individuals to focus on their work. Goal alignment and autonomy thrive in a trusting environment supported by explicit working agreements that eliminate assumptions about how to work at a distance.

Getting teams to collaborate effectively takes effort, time, patience, and practice to refine the skills that support effective collaboration and coordination. Consider the concepts in this section as a set of capabilities that your team can strive to understand, try out, and adjust to their localized contexts. Every team is unique, and objectively defining what success looks like for your team is not something we can achieve in this guide. We hope that as you build these capabilities, you share what you learn with us and others so we can continue moving remote work forward.

8.1 *Align Goals*

Before teams can collaborate, they need an end goal. Most often, teams employ some kind of strategic planning to set goals; this is not unique to remote work. Commonly used frameworks, like objectives and key results (OKRs) or SMART goals, can help teams create strategies and goals over specific periods of time that fit their business needs. For small teams, a roadmap may be more than enough, or minimum viable products (MVPs) can also align startup teams to quickly bring a product to market.

Whichever you choose, all goals for remote teams can benefit from these universal guidelines:

- **Clarity.** Every member of the team understands the goals' importance and the reason for setting them.

- **Written down.** Writing goals down translates to an 80% higher chance of achieving them. Effective goals are accessible to everyone; consider using a knowledge base, project management tool, or specialized goal-setting tool. Basecamp uses their own tool to publish and announce theirs.
- **Time-constrained.** It's best to set an explicit time period for your strategy, so you can evaluate its success or failure, continue improving on it, or change it completely. This will also be the basis for your team's cadence.
- **Measurable.** Understanding whether a goal will be met or not requires that you are able to monitor its progress. Imagine the goal of "Becoming an iconic company." How does your team know if they're on track to achieve this goal or not? How are they supposed to understand or measure what "iconic" is? Achieving 100M in annual recurring revenue is a clearer redefinition of the goal, or perhaps getting 10M subscribers. By making goals measurable, teams can share an understanding of what success looks like, monitor their progress, and evaluate whether they continue to be on track or not.
- **Limited in number.** It's critical to limit the number of objectives to maximize your team's focus. When everything is important, nothing is.
- **Specific and account for context.** Factors like the size of the team, the size of the company, the stage of the company, and whether the team is growing or not are factors to consider when you set goals.

8.1.1 FACILITATING REMOTE GOAL SETTING

> "*To run strategic planning with a remote team, you must increase each participant's individual responsibility for preparing and working outside the meeting. It's the only way to get through planning within the time during which people can effectively engage online.*"
>
> — Elise Keith, co-founder and CEO, Lucid *

Most co-located companies approach setting goals by getting small planning groups together in person, often for multi-day sessions. This is potentially infeasible for remote teams, so it's helpful to think about how you can facilitate planning and setting goals remotely. Lucid has a fairly comprehensive guide to strategic planning for remote teams, but you will note that it details a specific goal-setting process that may or may not be appropriate for your company—it's likely to be too heavyweight for a startup or small company. It does offer a few useful suggestions for how to run remote planning sessions, which draw from key remote practices around asynchronous documentation. These practices recommend:

- **Kicking off asynchronously.** Prepare background material for team members to review individually before the meeting(s).
- **Keeping it short.** You can't keep people's attention via video call for nearly as long as you can in person. As a result, it's wise to constrain any synchronous planning meetings to 2 hours or less.
- **Brainstorming individually.** For any idea generation or brainstorming activities, it's best to have people do so on their own, documenting their ideas in writing to share with the group when they meet.
- **Being flexible.** You won't want to constrain the process to a predetermined set of tools. Instead, look at experimenting with and using a mix of options for sharing ideas and collaborative editing.
- **Finishing asynchronously.** Documenting and sharing a final draft can happen after the in-person work is done.

◇ IMPORTANT If any goals change, it's important for leadership and managers to broadcast changes using multiple communication channels so everyone on the team can remain consistent. This includes updating all the company artifacts that contain goals.

> STORY "The first time we used OKRs at Splice, our CEO Steve and I brainstormed for an entire afternoon and left convinced we had done excellent planning. Little did we know that it would take us the next six quarters, and full time staff and allocated time to actually come up with objectives that were ambitious yet achievable, along with key results that allowed us to fulfill those objectives. We also got to see our teams understand their capacity much better over time, leading to an overall increase in our organizational performance. Spending tens and possibly hundreds of hours every quarter coming up with quarterly plans was painful, but eventually worth it." —Juan Pablo Buriticá, VP of Engineering, Splice

Learning how to plan is a skill in itself. Planning takes time and effort, and requires more coordination than execution. It will also take time to learn and iterate on a planning process that allows your team to decide what to work on and why.

8.2 *Default to "On Track"*

Almost anyone who has worked in a corporate environment is familiar with the litany of methods for communicating about progress and status. Status reports, burn-down charts, sync meetings, and weekly or even daily updates—they all presume that everyone needs to dedicate significant time updating everyone else. Remote work is an opportunity to re-evaluate this set of cultural assumptions. Establishing a set of conventions about collaboration can eliminate assumptions about status, and give a clear set of expectations for everyone in a distributed team.

The first convention for your team to consider is making its **default state** be "on track." This means everyone assumes the team is able to accomplish its goals, giving individuals the autonomy to finish their tasks, release their products, or reach their sales milestones—unless someone explicitly says otherwise. This helps everyone reclaim time otherwise spent confirming whether they're on track or not, and use it to focus on their work.

Defining this convention is an opportunity for you and your team to evaluate whether you understand your goals and each other's role in achieving them. This depends on your context. A sales team, a customer-experience team, a people-operations team, and a product-engineering team will all have very different definitions for what being "on track" means to them.

◇ IMPORTANT Choosing to be "on track" doesn't mean you are always implicitly meeting objectives. Instead, by choosing a default, you open yourselves to examining the obstacles in your path with increased awareness. Now that you know what your normal state should look like, you can define how much risk you will tolerate before considering a change of state.

For example, a customer experience team can agree that when a customer satisfaction metric dips by a few points, they're no longer on track. This also means they have to monitor this state so they can understand if, when, and how it changes.

◇ IMPORTANT This strategy also requires a foundation of psychological safety on teams in order for a generative culture to develop. That means individuals aren't blamed when something goes wrong, and raising a status change to "off track" leads to supportive inquiry to help get back on track. By choosing to be on track by default, distributed teams build an environment where they can come together to solve the challenges that lie ahead.

When remote teams default to on track, collaboration and coordination are enhanced in a few ways. First, and most importantly, the uncertainty of whether or not objectives will be met is gone. Operating from the mindset that the team is on track reduces unnecessary team effort: there's less of a need for status meetings, emails, and syncs. Second, the team becomes highly in tune with this state; when a change of state happens, it doesn't go without notice. Being off track is a *big deal*—it's communicated clearly, and the group must focus any available efforts to getting back on track, whether it's by reprioritizing, cutting scope, moving dates, or creating any other solutions that may be available.

Pause for a moment and consider which collaborative practices your team has built around the necessity to report its state to others. How would your team members respond if you asked them what being "on track" means? What would happen if you stopped putting so much energy towards informing people of the state, and instead chose a default? Do you have enough trust in your team to do so?

8.2.1 A NOTE ABOUT TRUST AND COLLABORATION IN REMOTE TEAMS

> "*If I had to pick the one thing to get right about any collaborative effort, I would choose trust. Yes, trust. More than incentives, technology, roles, missions, or structures, it is trust that makes collaboration really work. There can be collaboration without it, but it won't be very productive or sustainable in the long run.*"
>
> — Larry Prusak, Senior Advisor and Faculty, Columbia University, author, *Working Knowledge* *

◇ IMPORTANT Trust is critical for healthy collaboration in remote teams. It's also important for many other aspects of successful remote companies. For that reason, we've written an entire section on it, which we strongly recommend visiting in order to learn practical ideas for fostering trust in remote teams.

8.3 *Establish a Predictable Cadence*

An organization's **cadence** is the rhythm created by defining periods of planning and periods of execution.

Developing a work cadence—one that is specific to a team, and that uses explicitly defined work practices—is important in enabling distributed teams to make work more predictable. When teams define a rhythm, the next beat is known, and everyone can play on-tempo.

What cadence you choose is highly dependent on the context of the team, and arriving at the right one will take some experimentation. Below are a few things to keep in mind as you choose what works for your company or team.

8.3.1 PLANNING VS. EXECUTION TIME PERIODS

Organizations usually define and revise their strategy over longer periods of time than those in which they execute their chosen strategy. Your communication approach may also vary during different periods. For instance, planning periods typically require more synchronous conversations to align everyone.

Distinct time periods for planning vs. execution are valuable because they help teams and individuals organize themselves around the pending work. There's a planning period, a focused working period, and a subsequent conclusion that can be used for self-reflection to continuously improve as a team.

◇ IMPORTANT Consider using longer periods of time for strategic planning—perhaps yearly objectives that are broken into either halves or quarters, so that the plan doesn't change too quickly. If you choose a period that is too short, your team may lack the necessary time to focus on getting work done. And if it's too long, the company's ability to act on strategic or market changes will be impacted. Execution best happens over shorter time periods to allow for focused work to get done.

GitLab has documented their entire cadence, from a 30-year strategy down to annual and quarterly planning, and how execution happens daily.

8.3.2 CADENCE VARIES BY TEAM

You can consider aligning your company or departments all to a similar cadence, depending on their size. Keeping track of two or three is much easier than ten, and too many teams operating at different rhythms leads to a feeling of uncertainty regarding whether you're really on track—past a certain group size, you can't really know who started what when. Teams don't even need to use the exact same periods, as long as there is some alignment. For example, all teams can have their planning period on Mondays, but some can use one week as a cycle, and others, two weeks. This allows everyone to know "what time it is" for any given team, instead of wondering when a plan needs to be revised, or when the last planning period's conclusions will be drawn.

These cadence periods, or *iterations*, derive from agile software development practices, which were developed by software teams for the purpose of adapting more rapidly to new information as they released new software or features to customers. Teams outside of software have found success using similar methodologies, even if their work is less planning intensive. Instead of planning, teams with longer cadences (like product teams) can replace these with team syncs where members know they'll have the opportunity to have discussions and conversations about how work is progressing. For example, Basecamp teams work in six-week cycles.

Teams that are responsible for customer support or other high-touch activities may find that their work can't even be planned a week in advance. For these cases, teams can use methodologies like kanban that allow them to quickly reprioritize and handle the influx of work, while still establishing a longer time period to reflect, spend some time together at the beginning and end, and monitor their progress.

Whatever cadence you or your teams choose, make sure it is documented, so everyone is aware of their goals and how they are expected to work towards them.

9 Staying Aligned Across Remote Teams

This section was written by Juan Pablo Buriticá.

When co-workers or managers aren't readily available, it may take more time to get help from others. To mitigate this, remote teams and workers need to develop practices that bridge information pockets.

An information pocket occurs when individual members of the same team have access to differing levels of information. Individuals could have access to more or less information depending on social relationships with peers or managers, their time zone overlap, their ability to ask for help, or whether they come to an office or not. Access to the outcome of decisions, or how to do administrative tasks like getting expenses approved, are examples of information that could form in pockets if it's not broadcasted adequately. Confidential information, or other information that should be shared on a need-to-know basis, doesn't count as information pockets.

Information pockets can lead to misalignment or slower progress when it comes to getting remote work done. To prevent these from developing, teams can invest in documentation and knowledge caches that keep individuals informed, and appropriate mechanisms for keeping each other updated asynchronously. Individual employees also have increased responsibility on their part to stay autonomously aligned, informed, and unblocked.

Organizations that embrace distributed work can help mitigate information pockets by using the following techniques.

9.1 *Build a Handbook*

A **handbook (or content cache)** is a written document that contains a company's goals, policies, procedures, teams, methods, and any other relevant information for employees to do their work.

The GitLab handbook has become one of the most cited examples on how to do this well because it's thorough and extremely transparent. Basecamp has an open-sourced handbook too, which is much simpler than GitLab's.

In general, any company handbook should include:

- the company's values and mission
- HR, legal policies, and security information (including a code of conduct)
- details about vacation, benefits, and sick days
- onboarding-specific information (laptop setup, new accounts, et cetera)
- more specific information about how the company operates, which often includes links to other department-specific information, planning and goals, et cetera
- a company directory or org chart.

A remote company will also want to include details about:

- **Communication.** What channels and tools are used, with expectations for how and when they are used (see Key Channels and Tools for Remote Communication).
- **Team agreements.** Different teams may have their own specific communication agreements and collaboration protocols.

Ideally, a company with a remote-first attitude is building their handbook from day one, starting with establishing and writing down its values and providing documentation on goals and working together. Using an established asynchronous collaborative tool like a knowledge base or wiki makes creating, adding to, and updating this kind of information easier, and can distribute the documentation requirements across people.

◇ IMPORTANT Writing a handbook on its own isn't enough. This content has to be regularly and consistently maintained for it to be valuable. See more on the OAC Principle of document maintenance in Documentation: Less is More.

9.1.1 FURTHER READING ON COMPANY HANDBOOKS

- Human Made Handbook
- Hanno Playbooks
- Clef Handbook
- Glitch Handbook
- Trello Employee Manual (in the form of a Trello board!)
- Mobile Jazz Handbook

- Innolitics Handbook
- A set of handbook templates from SHRM
- "7 Employee Handbook Examples You Should Steal From" (Zenefits)
- "Why Every Distributed Company Needs the Perfect Handbook" (Yonder)

9.2 *Provide Regular and Predictable Updates*

Company leadership, departments, and teams can help the organization be better informed by publishing regular updates on the state of the organization.

9.2.1 STAND-UPS

Stand-up meetings (or stand-ups), are short meetings—typically no more than 15 minutes—with the purpose of keeping teams informed and unblocked. Stand-ups typically happen daily at the same time, and are supposed to be brief—deep discussions or follow ups are pushed to other meetings or asynchronous documentation options.[16]

Stand-up formats vary from company to company and even team to team, but there's usually a predetermined list of questions that every member is expected to answer. For example, Attlassian uses these prompts to generate their stand-up structure:

- What did I work on yesterday?
- What am I working on today?
- What issues are blocking me?

The purpose of stand-ups isn't necessarily to have a space for individuals to share their status, but rather to build a shared understanding of the state of the team. By exposing everyone to the same information, every team member has the opportunity to highlight risks they may anticipate to the success of any project, and to open the space for others to provide support or additional information. Stand-ups were originally intended to be synchronous.

16. The very term "stand-up" comes from the idea that everyone should stand during the meeting, which will encourage everyone to be concise and keep the meeting short.

Jason Yi wrote about stand-ups as a mechanism to regularly synchronize so that teams:

- "**Share understanding of goals.** Even if we thought we understood each other at the start (which we probably didn't), our understanding drifts, as does the context within which we're operating. A "team" where each team member is working toward different goals tends to be ineffective.
- "**Coordinate efforts.** If the work doesn't need to be coordinated, you don't need a team. Conversely, if you have a team, I assume the work requires coordination. Poor coordination amongst team members tends to lead to poor outcomes.
- "**Share problems and improvements.** One of the primary benefits of a team versus working alone, is that team members can help each other when someone encounters a problem or discovers a better way of doing something. A "team" where team members are not comfortable sharing problems and/or do not help each other tends to be ineffective.
- "**Identify as a team.** It is very difficult to psychologically identify with a group if you don't regularly engage with the group. You will not develop a strong sense of relatedness even if you believe them to be capable and pursuing the same goals."

◇ IMPORTANT Distributed teams where all team members share a time zone overlap can choose to rely on daily stand-ups to converge on a shared understanding of the state of what they're working on. If some team members are remote and others are located in an office, consider having everyone join the video call separately, regardless of location, so participation is even (being mindful of whether this isn't disruptive to other people in the office).

Here's a few tips for remote-team stand-ups:

- **Use video.** It helps to not only have everyone join with their video on if possible, but to also use the "Brady Bunch" view that shows everyone on video as separate tiles, instead of one main video (whoever is currently speaking) as the main focus. This provides visibility for everyone, regardless of who is talking, and mimics an in-person stand-up more. Zoom provides this functionality, as do other conferencing platforms.

- **Use your documentation.** Gathering "around" whatever you use to keep track of your team's work—a kanban board or some form of project-management or tracking tool—keeps everyone on the same page and the meeting focused.
- **Experiment with asynchronous stand-ups.** If you don't have full time zone overlap for everyone on the team, all is not lost. You can use all the asynchronous tools that are hopefully already a part of your communication architecture, such as chat, a forum, or wiki. Team members can update their information there, knowing that everyone else is doing the same, and check in regularly so everyone remains on the same page.

CAUTION Since stand-ups were initially designed with synchronous communication in mind, some of their benefits may be lost by making them asynchronous, and you may want to explore different options to achieve similar outcomes. Asynchronous stand-ups require the commitment of all team members in posting updates to the team's channel of choice consistently, reading everyone's updates, and jumping in to offer support if a colleague identifies blockers. In particular, some pitfalls you may want to watch out for if you adopt asynchronous stand-ups are:

- **Inconsistent execution or review.** Stand-ups work when everyone pays attention to one another's written updates, and especially to the notes about things that are blocking them that require another person's help. Asynchronous stand-ups may lead to different members paying different levels of attention to updates, especially if updates come at a different time each day due to time zone differences.
- **Obfuscating risk.** If team members are used to using stand-ups as the only place to highlight risk or blockers, moving to asynchronous communication can mean that real risks get buried in written status updates when they could be called out via more synchronous mechanisms. This is a concern especially for more junior employees, who may be less comfortable switching to a chat or a call to raise something they are concerned about. (It helps to have established protocols for when and how to do this, so no one is confused or reticent about doing so.)
- **Lower psychological safety in open channels.** While generally we advocate for keeping as much communication as transparent as possible, when using open channels (such as large group chats) for async

team stand-ups, having executives or external team members witnessing updates may lead team members to shy away from sharing "bad news." A private channel may work if you have concerns about people with authority impacting the content of these updates.

Overall, stand-ups can be a very helpful mechanism for keeping small, project-focused teams aligned, especially if the team has less experience working together. For a team that has set their default status to "on track," stand-ups may become more of a distraction or time sink than a benefit. It's up to each team to decide what's most effective for them, and to always be open to iterating and changing based on feedback or new information.

9.2.2 WRITTEN UPDATES

The frequency of updates will depend on the size and stage of your company. If the company is very small, a weekly or bimonthly update might be enough. It can be sent via email, published to an internal wiki or forum, or both, depending on your company's communication preferences.

◇ **IMPORTANT** This kind of communication isn't intended to be a detailed status update. In an organization that assumes everyone is "on track," written updates are instead best focused on broad trends, events, and modifications to any goals or strategy that might impact people. They are also an opportunity for employees to hear from managers and leaders, helping foster a sense of community and belonging.

Teams that don't generally share mission-critical information can create opt-in newsletters or publish to their wiki on a predictable schedule (perhaps with a quick message in Slack saying that it's available), so interested parties can subscribe or check information as needed. Managers and leaders who want to share their perspective on the current state of their own team can create regular updates with additional commentary, giving insight on what they may find challenging or exciting. Lara Hogan shares how she did this at Etsy here.

CAUTION Beware of overwhelming employees with too many messages or too much information to consume, lest these updates turn into something that people tune out. It's wise to put as much effort into making your internal communications valuable and easy to consume as you put into communications to your customers. This means keeping updates focused, on topic, and engaging.

9.2.3 ALL-HANDS MEETINGS

Company all-hands meetings have become a popular way to share company-wide information. If the time zone overlap in your team still allows for everyone in your company to attend, you should be able to host these via video conferencing; but remember you're only one team member away from being in a position where a lack of time zone overlap means having everyone on the meeting isn't possible anymore.

The value of these meetings, more than the updates, is in the conversation and connections that can happen between different team members. Questions, clarifications, and discussions enrich the experience. Atlassian has an excellent set of guidelines for running distributed all-hands meetings. Along with making sure to keep it a two-way dialogue and not shying away from tough subjects, they cover a couple additional aspects of successful distributed meetings:

- **Time zones.** If you can't get everyone's schedules to align during sane hours, you can aim for the best possible overlap (Atlassian got to 80%), and then record the meeting.
  - When someone from outside the time zone overlap wants to share something, they record it in advance, and then it gets played during the meeting.
- **Live streaming.** This might not be necessary for smaller companies, but at Atlassian's size, with multiple offices in different cities, it made sense to invest in their own solution. The good news is they made it available via open source, so anyone can use it too.
- **Q&A.** You can ask people to submit and up-vote questions in advance (asynchronously!), and have whomever is hosting that week's meeting answer as many questions as possible.
- **Don't forget the fun.** Your all-hands meeting is another opportunity to allow for personal connection and help build social connections among distributed teams.[17]

17. At Holloway, we valued this time so much—but didn't want to miss out on the important company communication in our all-hands meeting—that we added a 30 minute "hang out" time before the formal all-hands meeting. It's during lunch for the West Coast, so those folks can bring something to eat and chat and catch up, while other people might be making a cup of tea in the afternoon.

◇ IMPORTANT Consider recording all-hands sessions and making them asynchronously available by default in case anyone can't attend for any reason.

Eventually you may want to build the all-hands content from the regular updates, or vice-versa, to make it possible to distribute a written artifact with the most important topics all in one place. This would allow you to go back and summarize all this information at the end of the month, quarter, or year, and review how the organization did over a longer period of time.

9.3 *Facilitate Asynchronous Q&A*

Question and answer (Q&A) spaces are double-sided information marketplaces. These spaces build collective knowledge and community spirit, and can contribute to employee engagement.

Ensuring that there are people who can answer questions (and have time dedicated to answer them completely) is important for the success of this effort. Departmental leaders and team managers can help fill this role and eventually delegate it to other team members.

Collecting common questions often leads to the creation of lists of frequently asked questions (FAQs) that you can include in your handbook. This practice creates resources that cross-reference each other and make it easier for people to stay informed.

As far as communication channels to use, internal forums are built specifically for this purpose. Chats can also work, but they can be disruptive, and are often difficult to search.

A few specific options you might want to offer in a Q&A space include:

- **A "newbie" channel.** This establishes a clear place for questions that may be assumed as obvious knowledge. New and tenured employees alike can feel comfortable asking questions they may not have asked otherwise, for fear of embarrassment.
- **A "Today I Learned (TIL)" channel.** Employees can share something that they learned recently. This practice reinforces a culture of ongoing learning, and spreads information between team members in different locations or time zones. It also gives opportunities to workers from very different teams to interact.

> "*#TIL, or Today I Learned, is a popular lingo for describing anything you just learned. Our Slack TIL channel pulls in everything tagged with an emoji. It aggregates handy tech tips, trivia-ready facts, and pop-culture references, so we can all keep up with the times.*"
>
> — Kayli Kunkel, Marketing Director, Postlight *

CAUTION Q&A spaces are not intended to be used as places to resolve tactical questions that specific day-to-day work depends on, like where the wireframes for the new pages are or if the problem for customer #235 has been solved. Project-management and similar domain-specific task-tracking tools are better suited for this purpose.

9.4 *Individual Responsibilities for Alignment*

Handbooks and Q&A spaces are only valuable if individuals actively use them. Greater autonomy brings greater individual responsibility and the need for self-management, requiring workers to be proactive and work independently, staying aligned, informed, and unblocked.

Some recommendations that remote workers can adopt to make this easier include:

9.4.1 READ THE UPDATES

Build a habit of reading the company, departmental, and team updates. To do this, we recommend setting aside some time on your calendar every week or two, and avoiding any distractions so you can focus on reading. Even better, you can respond to the author with questions that will help you understand the update better. This also demonstrates interest and helps you build relationships. If your company uses mailing lists for updates, take some time to organize your lists with labels in your inbox so you can batch them together. If there is too much to get through, prioritize the updates that will help keep you in sync.

9.4.2 CONTRIBUTE TO SHARED KNOWLEDGE

Help your team, and your future self, by documenting processes and procedures you know about in the company handbook. It takes a village to keep the company informed. If you figured something out that isn't documented or created a new process, write it down! Don't assume someone else will write it down for you. Effective distributed teams are communities, and maintaining organizational knowledge depends on community participation.

9.4.3 PARTICIPATE IN Q&A

When you participate in Q&A spaces, you're hanging out by the virtual watercooler. You learn information that used to be the equivalent of hallway conversations. If there's a forum, you typically can configure it to send you a digest of topics you follow on a regular basis. If your company uses chat for this instead, it helps to set some time on your calendar every week to catch up; it can be the same time you set aside to catch up on regular updates. If you can, help answer questions, as this benefits everyone. If more people are available to answer questions, or navigate the org chart to find answers, then the workload of keeping others informed is distributed among more people and individual efforts are lowered. Helping others answer questions for themselves, by showing them how to navigate the handbook or understand the organization, can also help lighten the load.

9.4.4 RESEARCH BEFORE ASKING

"Lazyweb" is the practice of asking for answers on forums or social media rather than doing research. This can be effective when you have a captive and knowledgeable audience ready to help provide you with information. It can also be a very effective way of annoying your co-workers, because it can communicate that you'd rather have other people do work for you. Before you reach out to the office oracle or tap someone's shoulder in Slack, consider spending some time searching the handbook and available knowledge bases—like chat logs, forum topics, and any existing documentation—for the answer to a question you have. If you use Google Docs, your organization may have cloudsearch enabled, which allows you to search across shared documents, presentations, calendar, and even email.

◇ IMPORTANT No matter what tools you use, it's helpful to spend 10–15 minutes trying to answer your question before you post it. The opposite is also true: it makes no sense to spend hours looking for something that may be answered by others in a forum. As long as this information is not time sensitive or urgent, you can ask away and let the async oracle do its work while you work on something else.

10 Remote Team Agreements and Protocols

> This section was written by Juan Pablo Buriticá.

For distributed teams, knowing where to share information or how and when to have discussions has become increasingly difficult thanks to the proliferation of communication and collaboration tools. To reduce the cognitive load and increase the effectiveness of how distributed teams collaborate, we suggest implementing a set of team agreements.

A **team agreement (or a team contract)** is a written document detailing how a team agrees to work together. Team agreements can describe procedures such as decision-making processes, how to get support, and the tools and communication methods that the team uses.

For team agreements to work, they require buy-in from everyone on the team, and as such should be written collectively, not mandated by management or leadership. Team agreements are also iterative—they are living documents that should be adjusted as the team learns how to work better together.

Ideally, team agreements codify the way the team works as specifically as possible. For example, if the team chooses to share status updates over email, then not only is this written down—clearly documenting the detail and frequency of updates—but a template for the email is also included in the agreement to make it easier for everyone to use the process.

Team agreements lead to better collaboration because they require an open discussion about how individuals want to work together. This discussion allows members to share their perspectives on good behaviors that should be encouraged, bad behaviors that shouldn't, and personal working-style preferences that could easily become assumptions—which are breeding grounds for miscommunication and frustration if not discussed.

10.1 *Creating Your Remote Team Agreement*

Professors Christine M. Riordan and Kevin O'Brien underscore that social contracts emphasize a few key elements of how teams interact:

- information exchange

- reciprocity
- mutual trust and fairness
- shared values and expectations.

> *To turn groups of employees into great teams, a powerful first step is to form a social contract—an explicit agreement that lays out the ground rules for team members' behaviors. A contract can cover territory such as how members will work together, make decisions, communicate, share information, and support each other. Social contracts clearly outline norms for how members will and should interact with one another.* *

To draft your first set of agreements, team leader(s) facilitate a series of sessions where the team gets together (most likely on a video call) to discuss different aspects of how they'll work together. These sessions usually focus on uncovering existing team norms, both positive and negative.

Four discussion prompts that can help get a team agreement started are:

1. What expectations do team members have of each other?
2. What is working well within the team?
3. What is not working well?
4. What should the team keep doing, start doing, and just as importantly, stop doing?

Established teams can take this exercise as an opportunity to write down unspoken rules and question them in a healthy manner to evaluate if they foster collaboration or not. New teams can kick off their work by discussing how they'd like to work together, which can be a good team-building exercise.

◇ IMPORTANT Team agreements can include positive behavior the team wants to encourage, and also outline negative behaviors. They must also explicitly establish how the team will handle violations and hold each other accountable.

Some additional questions that can help you add detail to your team agreements are:

- How often do we plan or revise our plan? Where do we document it, and who is responsible for maintaining it? Who is responsible for planning?
- What is our meeting etiquette? When is it necessary to meet? Can I leave a meeting if I don't find it valuable? Where are notes kept? Do we record meetings?
- Where do we communicate? How should we use the different tools that we have at our disposal? How should we not use tools?
- How do we keep each other informed on status? How do we inform others? Are we "on track" by default, or do we check in daily? How do we communicate if we're off track? What is the threshold to communicate the risk that a task or project can't be completed in time?
- How available do we need to be on chat? How do we communicate when we're doing focused work and shouldn't be interrupted?
- Do we have core hours? Do we overlap? If we don't have time overlap, how do we inform others about progress and issues, and potentially "hand off" work?
- How do we communicate vacation, sick days, or personal emergencies?
- How do we report team or company emergencies? How can we be contacted in case of emergencies? Is there someone on call?
- How do we provide feedback to each other? How should we signal to each other that we're breaking an agreement? What do we do if someone is consistently breaching our agreements?

It's important that your first team agreement be achievable, and refined over time as the team learns what works well and what doesn't. This requires regularly revisiting and updating team agreements, and being sure to get feedback on them as new members are added to the team.

CAUTION Agreements really can't be mandated. All members must collectively form and share the contract, because lack of buy-in will prevent the agreement from working. It is also important that leaders model the behavior desired in the agreement, or the team will quickly realize the agreement isn't fairly implemented and/or regarded as important.

10.1.1 SAMPLE TEAM AGREEMENTS

- This set of collaboration guidelines from Juan Pablo Buriticá can be used as starting templates for other teams.
- Meetup's Chief Product Officer, Giff Constable, published the team agreements from one of his past teams as a spreadsheet.

10.1.2 FURTHER READING ON TEAM AGREEMENTS

- "Team Agreements: A Key to High-Performing, Happy Teams" (Resologics)
- "Create a Remote-Team Working Agreement" (Lucid Meetings)

Next, we examine in detail the protocols for team agreements that are particularly important for remote teams.

10.2 *Time Zone Protocols*

Like most factors in remote work, time zone management depends on how each company (or each department or team within it) chooses to deal with the spectrum of time zone differences, as well as the tradeoffs they want to make.

Time zone protocols are outlined in the team agreement, clarifying how people communicate when they are not in the same time zone, and hence may not have periods of overlapping availability for synchronous communication like video calls.

In general, you have two broad options here: establishing windows of "core hours" overlap during which things like video calls or stand-up meetings can occur, or designing collaboration plans that push more collaborative communication to asynchronous mechanisms and don't rely on overlaps that are needed for regular synchronous communication.

10.2.1 ESTABLISHING CORE HOURS

Tools like the World Clock Meeting Planner help you plug in all the locations of your distributed team to see where you have overlap (areas in green across all locations).

10.2.2 FIGURE: WORLD CLOCK TIME ZONE OVERLAP

UTC-time	Toronto	San Francisco	London	Bogota
Monday, March 30, 2020 at 23:00:00	Mon 7:00 pm *	Mon 4:00 pm *	Tue 12:00 midnight *	Mon 6:00 pm
Tuesday, March 31, 2020 at 00:00:00	Mon 8:00 pm *	Mon 5:00 pm *	Tue 1:00 am *	Mon 7:00 pm
Tuesday, March 31, 2020 at 01:00:00	Mon 9:00 pm *	Mon 6:00 pm *	Tue 2:00 am *	Mon 8:00 pm
Tuesday, March 31, 2020 at 02:00:00	Mon 10:00 pm *	Mon 7:00 pm *	Tue 3:00 am *	Mon 9:00 pm
Tuesday, March 31, 2020 at 03:00:00	Mon 11:00 pm *	Mon 8:00 pm *	Tue 4:00 am *	Mon 10:00 pm
Tuesday, March 31, 2020 at 04:00:00	Tue 12:00 midnight *	Mon 9:00 pm *	Tue 5:00 am *	Mon 11:00 pm
Tuesday, March 31, 2020 at 05:00:00	Tue 1:00 am *	Mon 10:00 pm *	Tue 6:00 am *	Tue 12:00 midnight
Tuesday, March 31, 2020 at 06:00:00	Tue 2:00 am *	Mon 11:00 pm *	Tue 7:00 am *	Tue 1:00 am
Tuesday, March 31, 2020 at 07:00:00	Tue 3:00 am *	Tue 12:00 midnight *	Tue 8:00 am *	Tue 2:00 am
Tuesday, March 31, 2020 at 08:00:00	Tue 4:00 am *	Tue 1:00 am *	Tue 9:00 am *	Tue 3:00 am
Tuesday, March 31, 2020 at 09:00:00	Tue 5:00 am *	Tue 2:00 am *	Tue 10:00 am *	Tue 4:00 am
Tuesday, March 31, 2020 at 10:00:00	Tue 6:00 am *	Tue 3:00 am *	Tue 11:00 am *	Tue 5:00 am
Tuesday, March 31, 2020 at 11:00:00	Tue 7:00 am *	Tue 4:00 am *	Tue 12:00 noon *	Tue 6:00 am
Tuesday, March 31, 2020 at 12:00:00	Tue 8:00 am *	Tue 5:00 am *	Tue 1:00 pm *	Tue 7:00 am
Tuesday, March 31, 2020 at 13:00:00	Tue 9:00 am *	Tue 6:00 am *	Tue 2:00 pm *	Tue 8:00 am
Tuesday, March 31, 2020 at 14:00:00	Tue 10:00 am *	Tue 7:00 am *	Tue 3:00 pm *	Tue 9:00 am
Tuesday, March 31, 2020 at 15:00:00	Tue 11:00 am *	Tue 8:00 am *	Tue 4:00 pm *	Tue 10:00 am
Tuesday, March 31, 2020 at 16:00:00	Tue 12:00 noon *	Tue 9:00 am *	Tue 5:00 pm *	Tue 11:00 am
Tuesday, March 31, 2020 at 17:00:00	Tue 1:00 pm *	Tue 10:00 am *	Tue 6:00 pm *	Tue 12:00 noon
Tuesday, March 31, 2020 at 18:00:00	Tue 2:00 pm *	Tue 11:00 am *	Tue 7:00 pm *	Tue 1:00 pm
Tuesday, March 31, 2020 at 19:00:00	Tue 3:00 pm *	Tue 12:00 noon *	Tue 8:00 pm *	Tue 2:00 pm
Tuesday, March 31, 2020 at 20:00:00	Tue 4:00 pm *	Tue 1:00 pm *	Tue 9:00 pm *	Tue 3:00 pm
Tuesday, March 31, 2020 at 21:00:00	Tue 5:00 pm *	Tue 2:00 pm *	Tue 10:00 pm *	Tue 4:00 pm
Tuesday, March 31, 2020 at 22:00:00	Tue 6:00 pm *	Tue 3:00 pm *	Tue 11:00 pm *	Tue 5:00 pm
Tuesday, March 31, 2020 at 23:00:00	Tue 7:00 pm *	Tue 4:00 pm *	Wed 12:00 midnight *	Tue 6:00 pm
Wednesday, April 1, 2020 at 00:00:00	Tue 8:00 pm *	Tue 5:00 pm *	Wed 1:00 am *	Tue 7:00 pm
Wednesday, April 1, 2020 at 01:00:00	Tue 9:00 pm *	Tue 6:00 pm *	Wed 2:00 am *	Tue 8:00 pm
Wednesday, April 1, 2020 at 02:00:00	Tue 10:00 pm *	Tue 7:00 pm *	Wed 3:00 am *	Tue 9:00 pm

Source: *World Clock Meeting Planner*

This sample team is spread across four cities in four different countries, and has two hours of overlap, presuming some folks can start at 8am, and others can end at 6pm. If the team sticks to a traditional 9-to-5 schedule, there's not even a single hour of overlap. So if team members want to have a stand-up meeting, their protocol might be to have one that alternates between an 8am start time for San Francisco on some days, and a 6pm finish for London on other days.

IMPORTANT If you maintain core hours and some team members fall outside those hours, it's imperative that your protocol be clear about the impact in terms of early or late hours for meetings, and that it ensures anyone impacted by that is OK with it. It's also important to revisit that protocol semi-regularly, to make sure it's not taking a toll on anyone who enthusiastically agreed to it initially, but is finding it hard to sustain.

CAUTION The above team might be just one new employee away from losing any areas of standard business hours overlap. Asking people to attend meetings at early or late hours can be very challenging for people who are caretakers, which is one of the many reasons people choose remote work in the first place. At some point, you may be forced to architect your time zone management in a way that will support business growth and individual needs.

Decreasing your dependencies on time zones can allow an organization to quickly expand to different geographic regions, to be resilient in case of emergencies, and to give increased autonomy to employees so they can deal with life as it comes.

10.2.3 FOLLOW THE SUN

Eliminating a dependence on time zones for synchronous communication requires some significant shifts in how your team works. For some kinds of work, this shift might be a bit easier. Customer support teams with queues that people work through can easily adapt to having team members roll into the queue as others roll out. Even for more collaborative teams, like software development, marketing, or sales, examining and breaking down the work to be done can lead to practices like software developers noting the status of where they left off so that another developer can pick it up when they begin work; or a marketing team member providing edits or feedback on written materials for someone else to revise when they're back online.

Much like other aspects of your team agreement, this will require some introspection and iteration from the team to figure out how to break down the work so it can travel around the world. Practices that we detailed earlier, like having clearly documented goals and tools for status details, are critical in this case. It may change your team's cadence as well, as you can't rely on synchronous meetings to get status, resolve issues or questions, or make decisions if something needs to change.

◇ **IMPORTANT** If the speed of execution and/or very tight coordination between team members is critical to your business, too much time zone spread may be a risk you're not willing to take on (at least not at the moment). In this case, you'll have to constrain your hiring to specific regions or time zones.

Determining whether you build an organization with core hours or one that transcends time zones is ultimately your choice. Whichever way you go, it's best to be sure to explicitly define how you think about time with your team, and then to incorporate this into your team agreement.

10.2.4 FURTHER READING ON TIME ZONE MANAGEMENT

- "How to Work in Different Time Zones" (Zapier)
- "How Our Remote Team Manages Collaboration Across 9 Time Zones" (Groove)
- "Working Remotely When Everyone Else Is In a Different Time Zone" (Buffer)
- "How Does Your Team Address Different Time Zone Challenges?" (Remote.co)
- hTime. A clock to eliminate time zone calculations for remote workers.
- Every Time Zone. Another time zone tool.

10.3 *Availability Protocols*

> *"It might be good to know who's around in a true emergency, but 1% occasions like that shouldn't drive policy 99% of the time."*
>
> — Jason Fried, co-founder and CEO, Basecamp *

Availability protocols are a part of a team agreement that clarify how people communicate what times they are present and available to respond in communication tools like email, chat, and calendaring apps.

If a team is skilled at working asynchronously, presence becomes secondary to getting work done. When everyone defaults to "on track" and has thorough documentation available about best practices, they shouldn't need to interrupt anyone to get things done. But sometimes, someone on the team will be stuck without the information they need, or something may be truly urgent. In those cases, it helps to know who is available when, the best ways to contact them, and what to do in the case of emergency.

10.3.1 INTERRUPTIONS OR SUPPORT AVAILABILITY

Remote teams need to be more explicit about conveying availability, because everyone can't just look over a wall or into a room to see if someone is in deep focus mode or a meeting.

Google Calendar allows people to define working hours and set predetermined appointment blocks. For a company with time zone overlap, this allows people to check someone's calendar and know first if their working hours are in effect, and second if they can snag a predetermined time on their calendar for a quick question or meeting.

◇ IMPORTANT Chats allow people to set "away" or "available" statuses, but these methods can lead to leaning on presence too much by setting the expectation that when you're "available" you're de facto interruptible. Tying your availability to chat reduces your ability to do asynchronous work because the presence indicator means you're "at work" and people may send chat messages your way instead of more asynchronous methods like email or a message in the project management tool that someone can respond to when they have time.

Some teams combat presumed availability in chat apps like Slack by having an agreed-upon protocol, such as using a specific emoji paired with the term "Focus mode" when they are technically "available" but do not want to be interrupted.

10.3.2 TIME OFF OR SICK DAYS

Broadcasting to peers and managers should be sufficient to let people know when life intervenes, unless it's a prolonged absence like medical leave, which would typically involve HR as well. Auto replies on email can fill the gap for people who don't directly depend on the individual or people outside the company—Dharmarajan Ramadoss shares seven examples of email auto replies that you can use for various purposes. Whatever your team deems appropriate—a quick chat message, an email, or an update on your calendar—document this as well in your team agreement.

10.3.3 IN CASE OF EMERGENCY

It is useful to know how to reach someone in case of a true emergency. It's best to agree ahead of time on a specific channel or method to be used for emergencies only; this can help people rapidly understand that a situation is genuinely urgent. Otherwise, a team—especially one with support or mission-critical functions like keeping the website running—may develop alert exhaustion, which makes people less likely to respond to instant message notifications or other means that are overused for non-urgent requests.

For example, the team can agree that a text or phone call signals urgency, and will be used only for such cases.

10.3.4 RESPONSE FREQUENCY

Letting the team know how often someone reviews time-specific items like expense approval or responds to blocking issues helps people plan accordingly. You may wish to consider adding to your email signature a one-line response service-level agreement (SLA), like: "I review my email twice daily, at 10am and 6pm ET; and skim for emails prefixed with [important] every couple of hours during that period."

> STORY "I set aside specific focus periods during my day to "Do Slack," and for the rest of the day I have my Slack status turned off. It's not set to "away"—my presence indicator shows that I'm absent. This enables me to focus on the tasks at hand, reduces interruptions, and builds a norm that at Buffer, Slack is considered semi-asynchronous: people will respond at some point during their work day, but not immediately." —Katie Womersley, VP of Engineering, Buffer

10.4 *Response Protocols*

The benefit and curse of many modern communication tools is that they can be used in a variety of ways. (See Determining Your Communication Architecture for more.) When Slack first arrived on the scene, many people were thrilled with an easy, instantaneous way to communicate with colleagues that could keep conversations out of dreaded email threads. Joy often turned to despair as the same people realized they now had an easy, instantaneous way for their colleagues to communicate with them, and suddenly everyone was drowning in Slack messages constantly screaming for their attention.

Not knowing when help will come can be a source of frustration and isolation for remote workers, and will also impact the speed and quality of their work. If there's an established rhythm with associated protocols, then remote and office workers can structure themselves around it. Establishing the timeframe within which members of your team respond to communication across the channels you use can reduce people's anxieties about their questions getting answered, and let people get back to work knowing that they will eventually get a reply.

For example, a software engineer may need someone's eyes for a code review. Common requests like this needn't be considered urgent, but rather can rely on a cadence of feedback and review, supported by appropriate tools. A software team may use a process like Pull Reminders to manage the pipeline of work moving forward, independent of time, which on top of a source-control tool like GitHub, GitLab, or Bitbucket, enables work to continue without requiring frequent interruptions. A marketing team might use Trello to move tasks through stages of work or to assign tasks to people asynchronously.

Each team then needs a response protocol that establishes when teams will reply either to questions or to a regular cadence of feedback via their chosen tools. The software team could agree that all members start or end their day by looking at pending code reviews, which sends a message that feedback will be sent within 24 hours. Knowing this helps all members organize their work in progress accordingly. If the team is larger, then there are more people who potentially can provide feedback more quickly, increasing the pace of the cycle.

These response cycles also depend on the team's ability to escalate urgent items as needed so the organization can build healthy practices. A distributed organization can get comfortable with doing work on cycles if everyone understands that important or urgent items will be escalated and dealt with outside of the normal cycles.

10.4.1 SERVICE LEVEL AGREEMENTS

Customer support teams have developed the concept of response service-level agreements (SLAs) to set expectations with customers on when their concerns will be resolved. By defining a lightweight SLA for your team, everyone can know when they will get help, or how to escalate an issue if they're not getting help. It's also a useful management tool to protect the focus of teams, and to understand if teams are effective at serving the organization.

Unmet SLAs can also be used to diagnose issues—perhaps there's too much work, the team is understaffed, or both. A reasonable manager can then expand the window and use the data to reduce workload or increase staffing.

An internal response SLA should:

- **Be written down.** Use simple text, such as more bullets and less prose, so it's easy to understand.
- **Be direct.** Be clear about how long people can expect to wait for a response, and about which tool or channel you will use.
- **Be accessible.** The SLA should be easy for anyone on the team to find.
- **Provide a help mechanism.** You'll need to have a way for people to request help, whether it's a survey form or a link to a prefilled bug tracking system. This prevents people from falling back on interrupting methods that get them results, but cause other problems.
- **Reduce the back and forth.** Templates or forms can help streamline needed information without requiring that a person get involved.
- **Allow for escalation.** Describe how people can bump up their request if their question is unanswered
- **Explain what is urgent.** Give guidelines on what may be considered important or urgent, and clearly state what to do if there's an urgent issue.
- **Be measured and reported on.** Otherwise it's a hope and not an agreement.

11 Making Decisions Remotely

This section was written by Juan Pablo Buriticá.

> "*As our organizations grow, the decisions generally become more frequent, more complicated, and have more serious ramifications. Sometimes it's not about making the right decision, but just making a decision at all.*"
>
> — Brent Gleeson, Navy SEAL veteran; founder and CEO, TakingPoint Leadership *

Acting on work is necessary for collaboration to happen, and to act, decisions need to be made. Groups in nature have developed different ways to make collective decisions, and also react depending on the outcome of their original decisions. Some groups decide through explicit leadership, like elephants, where the matriarch leads others to water and food. Bees, on the other hand, "vote" when they swarm and find a place for a new hive. In both cases, lack of decisions leads to inaction and potential starvation.

As humans, we've developed different ways of making decisions at work. Executive leadership and boards decide the direction and strategy for their companies. In constitutional governments, we have elected officials who get explicit authority over certain executive decisions, while we also have groups of people like congress to represent a broader perspective in decision making. In some places, we have leaders who have inherited the power to decide unilaterally.

Deciding is a complicated subject. For a distributed team, this is exacerbated by not having the consistent structure and presence of an office that often reinforces a company's decision-making approach. To work well remotely, it's imperative to explicitly decide who will decide—and more importantly, how.

11.1 *Decision Making Models*

For the purpose of decisions in a business context, there are four general models most organizations use (whether they're aware of it or not).

- **Command.** Decisions are made by someone in a position of authority with no involvement from anyone else.
- **Voting.** A group discusses options and then calls for a vote. The majority vote decides.
- **Consensus.** A group discusses until everyone agrees on a decision.
- **Consult.** A person making a decision invites input from others but ultimately makes, and is responsible for, the decision.

We'll walk through the basics of each model and highlight ways these can vary in remote situations.

11.1.1 COMMAND

Commands happen when individuals with authority decide on behalf of the group, without space for question or discussion. This form of autocratic decision making has a place when decisions need to be made without consulting other team members. Examples include when individuals need to make decisions on behalf of the organization based on the goals that already have been set for the organization; or in cases of emergency, when any decision is better than no decision and someone needs to make the call.

◇ IMPORTANT However, we don't recommend the use of command decisions in modern organizations beyond specific cases like these because it's been found to reduce productivity and is not conducive to supporting a distributed, autonomous workforce. If you are a leader or manager that has relied on this decision-making style, we urge you to consider evolving away from it so you can build a more collaborative and effective culture.

Command decision making is in direct conflict with key remote-team values like transparency, autonomy, and trust. When individual contributors understand how their work connects to the overall mission, and are free from having to constantly ask for approval, they can enable the company to move faster by making good decisions without waiting for people to be available in real-time. A simple framework can be defined for everyone to understand when they are empowered to decide. GitLab's guide on how to spend company money is an excellent example of empowering individuals to decide.

11.1.2 VOTING

Voting (or vote-based decision making) is a form of decision making in which people in a group indicate their choice, and the decision is made based on the highest percentage of votes. A vote is decided by either a specific majority (for example above 50%, or two-thirds) or a plurality model, in which the choice that gets the largest number of votes, wins.

Voting can be useful when the outcome of the decision needs to be representative—say, when to hold a company retreat—or when all options to be considered have the same weight—for example, choosing the codename for a new release, or deciding between different options for a logo.

For some things, you might be able to take a vote by raising hands in a synchronous meeting, or you can use tools like Doodle to survey the availability of individuals for a meeting or an event like an offsite. Slack supports different poll tools to help teams vote, too.

Beyond these more perfunctory types of decisions, voting isn't a terribly useful decision-making method for knowledge work in general, much less for remote teams.

11.1.3 CONSENSUS

Consensus decision making is a decision-making process whereby a group making a decision develops, discusses, and then decides together on a course of action. In order to proceed, everyone must agree on the decision outcome, but dissent and debate are allowed during the decision-making process.

Consensus decision making, unlike voting, requires that no one opposes the decision being made. While this can sound like an appealingly inclusive practice, it can lead to what management expert Peter Drucker calls the "consensus trap," whereby a lack of consensus leads to inaction. The consensus trap emerges from a few possible scenarios, where it seems like everyone agrees, but in fact they don't:

- The majority of people in the group disagree, but keep quiet for social or political reasons.
- No-one wants to assume full responsibility; either the decision is too important, or they don't agree with the proposed outcome.
- People just want the meeting to be over and done with.

One commonly espoused way to avoid the consensus trap is a method called "disagree and commit." Active debate and disagreement about the decision at hand is encouraged, but in the end, the goal is for people who disagree to still commit to the final decision. This approach encourages participants to place the good of the whole group above their own individual preferences.

◇ IMPORTANT Consensus decision making can happen largely asynchronously through shared collaborative documents and forum or chat discussions, but if you find the team in this "disagree and commit" situation and there is someone on the team that requires convincing before committing, the process may benefit from synchronous presence.

The consensus trap is a specific form of a common consensus decision-making problem called groupthink.

Groupthink is a phenomenon when a group desires harmony and avoids conflict, leading to dysfunctional decision making stemming from a lack of critical inquiry and debate.

Groupthink often leads to quick, but mistaken consensus on a decision, either because external pressures are forcing a quick decision, or because the team lacks the psychological safety to raise issues and have healthy debate as part of the decision-making process.

CAUTION If you don't have clear goals, established values, and a high-trust remote environment where people have the psychological safety to raise concerns or dissent, consensus decision making is very likely to fail.

> STORY "Consensus-based decision making can be appealing when you want to make sure that everyone's voice gets heard, but be aware of potential pitfalls. If you have someone who is very change-averse, or a couple people with different approaches, these disagreements can effectively keep any consensus from being reached. This can make it nearly impossible to bring about any kind of meaningful change. If one person with a tendency to say no can keep an entire team from moving forward, this might be a sign that it's time to look at different decision-making strategies." —Ryn Daniels, Senior Software Engineer, Hashicorp

11.1.4 CONSULT

This decision-making method requires the input of others in order to reach a decision, but ultimately places the responsibility of deciding on a single person. For example, an HR leader may share a draft of the paid time-off policy with the company to get their thoughts, but this doesn't mean everyone needs to agree with it or even that the leader will incorporate their input. Additional data and the experiences of others can help inform a decision, but the decision is still made by a single party who also bears the responsibility of the outcomes. (In extreme cases, people with authority can choose to override a decision if they identify increased business risk for which they are ultimately responsible.)

The practice of code reviews is a way of consulting others to make a decision about software. Every line of code a software engineer writes is a decision made on behalf of the team. When engineers share these decisions with their peers or others, they are looking for feedback. Code reviews done well allow for informed, distributed decision making.

In remote organizations, this consulting decision-making method can be synchronous or asynchronous. The HR leader can book a meeting for the entire company to share the new policy, and engineers can also schedule a window to host a review of their code in real-time. The collection of feedback can be fast, but it requires presence, which is costly in distributed teams.

Alternatively, there are asynchronous communication channels that are tailored for collecting contextual feedback. The HR leader could rely on collaborative documents like Dropbox Paper or Google Docs that have built-in comment functionality for people to give their feedback in line. This way, they can limit who edits the policy, while still asking for input on their decision. Software engineers use specialized software for code reviews—like GitHub, Bitbucket or GitLab—where code can be commented on and changes can be managed. Lawyers use a similar method when they redline documents.

Using written methods to collect input for consult-based decision making has a number of benefits:

- **Time zone agnostic.** Using written documentation for feedback allows it to be collected independent of people's locations or time zone.
- **More accessible and easier to manage.** For example, asking 50 people their thoughts about a vacation policy in a meeting would be unwieldy and time consuming, and thus is less desirable than collecting their input in a document or spreadsheet.
- **Provides an artifact.** Written documentation records the decision and how it was reached, and allows teams to review the process down the road. People who miss out on the decision, like new hires, can understand the input that was considered and the context that led to a decision.
- **Tracked and iterative.** Writing down decisions allows teams to track steps along the way to making the decision. In the case of software and code reviews, teams can track versions of software iterations and code releases, and can refer back to them in case anything goes wrong.

This method of decision making has become so useful that teams have developed specialized processes to support it in distributed workplaces.

Request for Comments

A **Request for Comments (or RFC)** is a written proposal that defines the methods, behaviors, and associated technologies for how the internet functions. An RFC is intended to solicit input, and occasionally peer review, for making a decision distributed across a number of people or decision-making bodies.

RFCs can be traced back to the origins of the internet, as an early form of communication and commentary related to ARPANET. * Open-source communities that need to make decisions on the future of their projects also use RFCs in the open to manage this process, and to decide asynchronously.

Some notable examples are the Rust and the Ember RFC repositories. The Rust community also wrote a book to help contributors navigate this process. Juan Pablo Buriticá wrote about what he learned implementing RFCs in his teams, hosts a template in GitHub, and has a real-world example of a proposal to his team.

Six-Page Memos

Amazon famously combines asynchronous input and synchronous decision making in a process that is known as "six-pagers." Before anyone schedules a decision-making meeting, they must draft a document (more than a page or two; typically no more than six) that clearly outlines the ideas behind the decision to be made. Amazon intentionally uses this instead of the classic PowerPoint presentation. In an annual letter to shareholders, CEO Jeff Bezos argues that the narrative structure of a good memo forces better thought and understanding than a slide-based presentation, which gives permission to gloss over ideas. A good six-page memo takes time and iteration to get right, he argues:

> *Often, when a memo isn't great, it's not the writer's inability to recognize the high standard, but instead a wrong expectation on scope: they mistakenly believe a high-standards, six-page memo can be written in one or two days or even a few hours, when really it might take a week or more! The great memos are written and re-written, shared with colleagues who are asked to improve the work, set aside for a couple of days, and then edited again with a fresh mind. They simply can't be done in a day or two.*

There's not much documented on this process, but former Amazon employees have written about it, including some dos and don'ts when writing these documents. Brittain Ladd wrote about his experience with this process as well.

11.2 *Identifying Decision Makers*

> *"Without a proven, organization-wide approach, there may be, at best, isolated pockets of high-quality decision making where individual leaders have elected to take a rigorous, transparent approach. Otherwise, the organization is at the mercy of the biggest bias of all: the perception that it is good at making decisions."*
>
> — Larry Neal, former Manager of Decision Analysis, Chevron; and Carl Spetzler, CEO, Strategic Decisions Group *

The selection of leaders and method of decision making depend on the structure and purpose of each organization. Which to choose depends both on the desired outcomes, and on the given group's ability to operate in different ways to collaborate toward a common goal.

Without the relative organizational context, we can't help you answer who decides, but we can underscore how important this is for you to answer and document for your team. Lack of clarity in decision making will lead to challenges in your organization. When a worker doesn't know whose responsibility it is to make a certain decision, the resulting block will hold up their work until they can find out who needs to make the decision.

Work requires constant decision making, and writing down who makes every single decision is untenable. Distributed teams suffer more from blocking on decision making because distance makes getting attention much harder than it is for teams with built-in presence.

To counterbalance the negative effect that distance has on decision making, distributed teams should explicitly define who makes decisions and how they're made, and build processes that are accessible and help share information.

Here are some considerations to keep in mind as you decide who decides:

- **Decisions are blocking.** Indecision or inability to decide blocks progress; lean on autonomy and empowerment so workers don't rely on authority and approval to make decisions on their tasks.
- **Leadership isn't only for managers.** Managers aren't the only ones who demonstrate leadership. For example, technical personnel can be leaders in their domain without having others report to them as man-

agers. A designer has decision-making authority over the work they are doing, and can be better equipped to make decisions in certain complicated contexts.

- **Decoupling responsibility from delegation.** Leaders who are responsible for the outcome always have the ability to delegate the execution of decision making, while retaining the responsibilities. By having others decide, more decisions can happen. The CFO may outline a simple expense policy that allows individuals to make smart decisions on how to spend company money, while retaining the responsibility of the company's finances.

> "*Most discussions of decision making assume that only senior executives make decisions or that only senior executives' decisions matter. This is a dangerous mistake. Decisions are made at every level of the organization, beginning with individual professional contributors and frontline supervisors.*"
> — Peter Drucker, management expert and author *

11.2.1 FURTHER READING ON DECISION MAKING

- "A Leader's Framework for Decision Making" (*Harvard Business Review*)
- "How Buffer Documents Decision Making in a Remote Team" (Buffer)
- "An Organization-Wide Approach to Good Decision Making" (*Harvard Business Review*)
- "How to Make Difficult Decisions" (Zapier)
- "The DACI Decision-Making Framework" (Atlassian)
- *The Effective Executive* (Peter Drucker); see the two final chapters on decision making.

12 Remote Meetings

This section was written by Juan Pablo Buriticá.

> "*When meetings are the norm—the first resort; the go-to tool to discuss, debate, and solve every problem—they no longer work. Meetings should be like salt—a spice sprinkled carefully to enhance a dish, not poured recklessly over every forkful. Too*

> *much salt destroys a dish. Too many meetings destroy morale and motivation."*
>
> — Jason Fried, co-founder and CEO, Basecamp *

Presence in distributed teams is expensive. Getting people together comes at the cost of attention at scale. As Basecamp CEO Jason Fried says, if you're in a room with five people for an hour, it's a five-hour meeting. For this reason, distributed teams should strive to rely on meetings only when the outcome warrants it.

12.1 *Why Meet?*

Being in the presence of others has a place in collaboration. When we meet, we get access to such unique collaboration properties as:

- **Speed.** By being in the same time and space, virtually or otherwise, we can collaborate in real-time. Questions can be answered quickly and information can be shared instantly.
- **Emotional content.** When we're in the presence of others, we gain access to additional information we may not otherwise get from asynchronous media. Tone, facial expressions, and gesticulations can amplify the message that is being shared.
- **Improvisation.** Quickly sharing ideas and discussing in the presence of others can spark ideas and inspire others in a way that collaborative documents or emails don't. Jazz happens in the moment.

When a situation arises that can benefit from these properties, it's time for distributed teams to consider having a meeting, depending of course on the time zone availability of different team members. In most cases, teams will consider asynchronous methods first.

◇ IMPORTANT And remember that although the purpose of most meetings is to make decisions, not all decisions need to be made in meetings.

The following are some examples of situations where distributed teams will want to consider using meetings over other collaboration methods:

- **Resolving conflict.** When conflict between two or more people arises, meetings can bring about faster, more agreeable resolutions than asynchronous attempts. When resolving conflicts, being able to witness tone and body language can be crucial to understanding someone's emotional state, and the faster back-and-forth allows more perspectives on the issue to be shared. It's easier to ask questions in real-time, which allows both sides to demonstrate empathy and their desire to reach agreement. This guide on handling disagreement can help in situations of conflict (also see Managing Conflict in Remote Teams).
- **Solving problems and brainstorming.** Getting together in real-time to brainstorm has been found to help the generation of ideas. Before coming together to solve a problem, you may want to consider that letting individuals come up with ideas alone first can produce better results.
- **Learning and introspection.** Spending time together in a live meeting can be beneficial when you need to evaluate quarterly results or the way the last work cycle went. Running retrospectives synchronously can help teams reflect on the work done and determine how they can use that knowledge to move forward.
- **Planning.** A plan is a collection of decisions that outline how a team or organization expects to execute. Converging on a final agreement that outlines the next step to take can happen faster during planning meetings, where alternating modes of command, consult, and consensus can happen at high frequency.
- **Emergencies.** A team responding to a site outage or other kind of emergency can stay in sync faster if they're on a call rather than monitoring email or chat, because real-time information exchange flows faster and allows people to evaluate data on the fly.
- **Making decisions.** When all asynchronous collaboration methods fail to drive to an outcome in the decision-making process, you may need to hold a meeting to decide. Your company's decision-making philosophy and approach largely dictates why and when—with what cadence—you do need to get together synchronously; this does not

always need to be in person. When you do meet to decide, a clear decision-making process will help you reach an outcome.

For an organization that values focus and understands the cost of being present, defining when *not* to meet can be even more important than when to do it. Some examples of when meeting may not be necessary include:

- **Providing status updates.** Inquiring if projects or objectives are on track shouldn't require the presence of team members. The organization can instead adopt an "on track" default method, and build a reaction process for when this stops being the case. Using dashboards and regular status reports over email or other mediums can help make the organization observable, without requiring people's presence to understand the status of work.
- **Because it's scheduled.** A meeting being on the team's calendar isn't sufficient enough reason for everyone to accept an interruption, or to stay late/work early if they're outside of a time zone overlap. If the meeting doesn't have a purpose, an agenda or explicit outcomes, we recommend you not hold it.

12.2 *Conducting Productive Remote Meetings*

> "*Meetings definitely follow Newton's first law—an object at rest stays at rest, and an object in motion stays in motion. If you aren't proactive about making your meetings better, they'll stay mediocre. If you aren't proactive about canceling or iterating on meetings, they will stay on folks' calendars for eternity.*"
>
> — Lara Hogan, management coach; co-founder, Wherewithall *

Meetings that are unstructured or disorganized can easily end up in awkward silence, or as a tedious waste of time, because conversation doesn't flow quite as naturally over video chat as if you were to gather a group into a room.

Here are some sensible starting points for productive meetings for remote teams:

- **Schedule the meeting ahead of time.** You can make routine meetings more convenient by scheduling recurring calendar events with the relevant agenda, video/conference-call link, and invitees added directly to the calendar event.
- **Keep it short.** This means 15 minutes for a stand-up, or an hour for a project kickoff meeting or retrospective.
- **Have an agenda.** Providing a very clear, specific goal and an agenda with time limits for each topic will help ensure the meeting stays on track.
- **Brainstorm beforehand.** Research shows brainstorming individually ahead of time and using the meeting to discuss findings is more effective than reacting to new ideas on the spot.
- **Limit attendees.** Keep it to those who need to be there. With more than 5–8 people, the quality of the conversation begins to erode.
- **Don't skip the chitchat.** To facilitate this, you can encourage everyone to at least start with their video on, and make time (about five minutes) for small talk or an ice-breaker question. This helps people connect and builds psychological safety, making for more effective meetings and happier, healthier teams.
- **Write it down.** This should be a common expectation for distributed teams, both for shared context and for understanding. Depending on your communication expectations, there may be a specific person assigned to record notes or minutes on the meeting, or everyone may be encouraged to add to a shared document with reflections, or both. This way, anyone who couldn't attend—due to schedule conflicts, sick days, or time zone differences—is able to catch up asynchronously. It's also important for team members who were at the meeting to have a reference point later on: "Is this what we said the plan was?" "Didn't someone ask me to do something by the end of the week?" Now you know.
- **Use a visual anchor for project meetings.** Screen-sharing features allow everyone to look at the same roadmap, task tracker, or design brief at once. Having a meeting leader share screens allows everyone to view documents and keeps everyone on the same page. Similarly, tools like Google Docs and Notion use avatars to show who's working

in a given space at a given time, allowing participants a visual virtual presence as well, which can be helpful when collaborating on notes or a specific project during a meeting.

- **Make separate space for bonding.** It's helpful to create specific meetings and/or forums for non-work related chat, like remote company Hotjar's bonfire meetings. Visit Remote Company Culture for more on the importance and practicalities of creating these spaces.
- **Use the cadence that works for your team.** Project meetings might happen at least once a week; stand-ups are typically daily. You can always adjust by meeting more frequently at first, and reducing the frequency of meetings as the team becomes more effective. You needn't be afraid to iterate and figure out the right meeting type and frequency for your team. (See Establish a Predictable Cadence for more detail on this.)

◇ IMPORTANT Ideally, you can also designate someone as a meeting facilitator, who ensures that everyone is being included in the discussion and can get their point across, whether they are in the conference room or not. Lara Hogan, leadership coach at Wherewithal, has written extensively about hosting better meetings and facilitating them. She makes an important distinction between *leading* a meeting and *facilitating* one:

> *When I'm facilitating, I've asked others beforehand to take other roles (note-taking, or presenting information, or something else), so I can focus on making sure that we're staying on track and meeting the goals of the meeting. As a facilitator, it's primarily my job to read signals from folks who are trying to get a word in and can't, or looking disengaged, or something else. When I'm leading, I'm instead doing things like sharing information, or asking questions - more actively participating in the meat of the meeting.* *

It took the CEO of fully distributed Zapier noted more than six attempts before they "finally found a meeting structure that drives meaningful discussion and visible results for the business."

12.2.1 REMOTE MEETING HYGIENE

One defining practice of effective remote teams is that they push as much synchronous communication to asynchronous channels as possible. This means limiting meetings to only the truly necessary. It's important for remote teams to continually evaluate their meetings to assess whether they are effective and productive, and to track how those needs change over time. The worst meeting is the meeting that's just there on everyone's calendar every week that everyone hates and that has no clear purpose or useful outcome.

◇ IMPORTANT This may seem obvious, but if you decide to cancel a meeting, it's imperative to remove it from everyone's calendar immediately! Otherwise people will wonder whether it's still happening, and won't be able to have certainty in planning their own schedules around it, leading to confusion and reduced productivity.

12.2.2 SHOULD EVERYONE JOIN REMOTE MEETINGS SEPARATELY?

An emerging recommendation for teams with hybrid configurations is to have all in-office team members attend video meetings from their own desks as if they were remote as well. Trello uses this as a rule, for example; if one person is on a video call, then everyone is on a video call. This approach can work well for small teams or those that have few co-located employees, but it begins to break down with scale or as headquarters facilities reach their limits. Teams that share an open office impact their neighbors with noise if they take calls from their desks. Conversely, background noise in the office can also interfere with the audio in the meeting, making the experience bad for everyone.

Meetings should work for both employees who work from the office *or* remotely, but many recommendations focus on making remote experience better and ignore office workers. Going around the office chasing conference rooms from which to dial in, or being subjected to neighbors' calls all day, aren't great experiences either. Resentment in teams can develop when office workers don't have access to the same flexibility to work, or have to make extra accommodations for peers who do.

◇ IMPORTANT Many of the difficulties in remote collaboration arise from trying to force in-person practices in a virtual environment, and vice-versa. Rather than making a blanket recommendation that ignores the context of your team, it's best to focus on the challenges of hybrid meetings and solve them individually. Some of these challenges are:

- **Uneven participation.** The asymmetry of hybrid meetings leads teams to adopt solutions like "everyone dials in" as an attempt to level the field for everyone. Remote attendees sometimes struggle to get a word in a meeting where most attendees are in the same office space. Interrupting remotely is uncomfortable, and difficult if there's network lag, especially when co-located folks are talking over each other. When participating is difficult, remote attendees become observers rather than participants, making these meetings dreadful.
- **Poor audio/video quality.** The quality of remote meetings is highly dependent on the quality of the equipment and tools used to host it. Conference rooms with poor acoustics, bad microphones, home offices subject to leaf-blower noise or loud coffee shops are all examples of poor environments for remote meetings. Companies sometimes ignore the actual cost of wasted time that can be mitigated by investing in good A/V setups in the office and for remote workers. When A/V setups aren't great, asking everyone to dial in can make meetings worse.
- **Background chatter.** As a remote worker, it's quite an unpleasant experience to be in a meeting and be subjected to background discussions or jokes by colleagues who are in the same physical space. Not being included is isolating and frustrating. This also happens in hybrid or remote-only environments when you witness your other remote colleagues clearly distracted by chat messages or other interactions that aren't related to the meeting. Mitigating this is much more challenging, because it requires that all attendees commit to focusing on the discussion at hand, and not disrupting the conversation.

Asking all meeting attendees to dial in can help level the playing field, as long as folks who are in an office have access to spaces where they won't disrupt others. Solving this problem will depend on your local context, your office space, and access to good soundproofing or high-quality headsets that are optimized for phone calls. When facilities aren't readily available, moderation and allyship in meetings can help mitigate the negative effects of uneven participation.

12.2.3 ALLYSHIP IN MEETINGS

If facilitators aren't feasible, or your organization doesn't have explicit rules about hosting good meetings, raising awareness of allyship in meetings can still help even out participation between remote and in-office team members.

In the context of remote meetings, **allyship** requires office workers to use their position to open up spaces for remote participants who are operating in conditions that could negatively affect their ability to participate and be heard. Allyship usually requires a power or privilege differential; and **allies** can leverage that to bridge the disadvantage created by participants not being physically present.

In other words, office-based workers can support their remote colleagues by advocating for them in meetings when they can't contribute because they're not in the room.

> **STORY** "As a distributed team member I often feel that I have a certain amount of "coworker nagging credit." How often can I ask people to speak louder, move closer to the mic or stop tapping on the table before they get annoyed at the situation and therefore indirectly at me? How long should I wait before calling a teammate to check if everyone is late or if I am in the wrong video call? What should I do when I'm trying to share my thoughts with the team but they seem to ignore me? Maybe they can't hear me or maybe they don't care about what I have to say? It doesn't matter what my title or role is, when I'm not physically with a team which is meeting in person, it's hard to not feel like I am bothering them. So it's an amazing feeling when someone in the physical room is checking with me. By doing that (especially when done privately), they acknowledge that I am not a burden, that they care about my situation, and also that they can and will do their best to fix the situation if needed. Finding a moment to jump into the conversation can be hard if the rest of the team is excited, loud, and doesn't leave breathing room for me to be heard. Having someone notice that I might want to share something or haven't said anything in a while and have them acknowledge my presence and ask if I want to share with the group is very empowering. Being an advocate for remote coworkers boils down to two things for me. It helps me feel that I am not a burden to the team,

> and ensures that I feel included and valued like everyone else in the meeting." — Matt Aimonetti, co-founder, Splice

Some tactics that allies can use are:

- Watching for remote workers' facial expressions that may indicate they want to participate, and open space in the meeting for them to do so. If there's a shared group chat, privately confirming if they indeed have the desire to participate can prevent putting people on the spot publicly.
- Letting remote participants know that you can interrupt on their behalf if they send you an instant message. Agreeing on a hand gesture system, like app studi Infinite Red does, also can make the meeting experience better. Tools like Zoom have non-verbal feedback features for meetings, too.
- In cases where meeting attendees are uncomfortable participating, allies can offer to ask questions on their behalf.
- If background chatter or discussions happen in the conference room, allies can ask folks not to engage in this behavior or can amplify any important messages.
- Inquiring if the audio quality in the room is good, and moving the microphone closer to the interlocutor if needed, to improve everyone's experience.
- Creating a shared document to write any items that pop up on a whiteboard, or even sharing pictures or their own laptop's camera when the whiteboard is being used. Snapping a few photos of any drawn artifacts to share on the team's group chat is also helpful.
- If you're in an all-hands or other large group meeting, it helps to remind folks to ask questions using a microphone, or to ask hosts to repeat questions before they answer, so that remote attendees don't miss the context. If interrupting is difficult, and there's a shared chat, you may consider typing the question in a channel instead.

◇ IMPORTANT The tactics above are useful during a meeting, but sometimes people can't attend meetings. In this case, ensuring that the meeting is recorded and distributed for absent members can be helpful for both remote and co-located folks.

There is likely a point where even allyship in remote meetings breaks down, notably if you have a lot of people in the same room and a lot of people dialed in. But if you have a meeting with more than about 8 people, you'd be better off questioning the nature and purpose of that meeting; having 12 or more people all talking over each other on separate Zoom screens is rarely productive.

12.3 *Video Calls, Hardware, and Conference Rooms for Remote Meetings*

When it comes to A/V setups there's no one-size-fits-all configuration that's best for remote teams—your setup depends on whether your team is fully distributed or has a hybrid configuration.

Remote meetings via video should be stable, reliable, accessible, and not get in the way of getting work done. Video calls will be as good as the tools you invest in, including video conferencing software, hardware like cameras and microphones, and physical spaces like home offices, conference rooms, or meeting booths. When it comes to software, Wirecutter recommends Zoom as the best video-conferencing service after comparing 19 different options (it's what we use at Holloway as well). Hardware and physical spaces are trickier, and will depend on the size of your organization, budget and needs.

If you have a fully distributed organization, individual needs are what matter. In this case, it's important that all employees have access to a good camera, lighting, headset or microphone, and high-speed internet. Scott Hanselman, a software engineer at Microsoft, wrote about his quest to find the ultimate remote-worker webcam setup on a budget, and Wirecutter also has a guide for video meeting hardware.

Remote employees who have a dedicated home office with a door that can protect them from home life, can choose between having a microphone or a headset, depending on how likely it is that background noise will impact the calls they attend. When background noise can be an issue, using a headset optimized for calls (not music) like the Plantronics Voyager will make the experience for both parties much better. If headsets aren't feasible, you can also consider using noise-cancelling software like Krisp. (See more detail on home-office setup in Setting up Your Remote Office.)

◇ IMPORTANT Remote companies will want to plan for some form of stipend or other way of reimbursing employees for any necessary equipment or other supplies they need to work from home. In some states, this is legally mandated.

12.3.1 HYBRID OFFICE REQUIREMENTS FOR REMOTE MEETINGS

Most companies are not fully distributed; in these cases, what companies need to consider is a configuration that works for both co-located and remote workers. Stack Exchange wrote about their challenges creating a space for a 50% distributed team in 2015. With the rise of open offices, HQ employees find themselves scrambling for conference rooms to meet and remote workers play "conference call bingo" while the meeting starts.

When you are considering conference room and remote setups, focus on creating the best possible environment for synchronous collaboration. Can people hear each other well? Can they see everyone's facial expressions? Is all information equally accessible to everyone who will participate in the meeting, either in the office or remotely?

◇ CAUTION Trying to cut costs in your hardware and conference rooms will impact your hybrid teams' productivity and workplace experience. Five minutes spent fighting with hardware on a five-person meeting translates to almost half an hour of wasted time and for distributed teams, the A/V setup becomes the equivalent of a physical office, so it's worth giving it an equal amount of attention.

◇ IMPORTANT If you use Zoom as your video conferencing provider, you should consider enabling Zoom Rooms for your conference rooms, which makes it easier to book conference rooms with Zoom links, join Zoom meetings, and share screens with anyone in the meeting. Zoom also provides a thorough hardware guide that is compatible with their setup and may also work with other software providers.

To make any conference room work well for video conferencing and synchronous collaboration, consider investing in the following.

Cameras

Your conference room should have a camera that allows remote participants to see everyone clearly. Instead of mounting it on top of the display, consider mounting it under the displays so when meeting participants look at the display screen, remote participants experience eye-level contact instead of a sense of looking down at the room. Wide-angle cameras allow you to capture the entire room, and some have variable zoom. Ultimately, the size of the room will determine what kind of camera you should get and you may want to try a few and get a remote worker to give you their perspective on placement and video quality.

There are some 360° cameras available in the market (for example, Owl Labs and Kandao), but—at least at Splice—we found that people would rather look at the display screen when someone was talking or there was a presentation displayed instead of the camera, making it a worse experience for remote workers because it seemed like everyone was looking away from the camera. At the very least, be prepared to experiment a bit and figure out what works for everyone on your team.

Displays

For collaboration with remote individuals, consider having two displays—one where you can see people's faces and another one for presentations and screen sharing. Before you add dual displays, be sure to examine if your video conferencing software and hardware support it. Chromebox for meetings supports dual monitors, and Zoom Rooms also supports multiple displays with different configurations.

Speakers

Small and medium rooms can get away with integrated microphones and speakers like the HDL300 system. Larger spaces for training or all-hands meetings may need professional-grade speakers which can be ceiling-mounted and calibrated for the space.

◇ IMPORTANT Sound is complicated, and we recommend that anything beyond a small conference room is set up by professionals, or you'll end up paying for it in team productivity.

Microphones

Just like with speakers, small rooms can get away with integrated mic/speaker setups that are high quality. Microphones should be omnidirectional, meaning they can pick up audio with equal gain from all directions.

Podcast and studio microphones are not the best choice for conference rooms, or you'll find yourself having to move the microphone depending on who is speaking. Depending on the ambient noise and acoustics of the room, sensitive microphones can provide a degraded experience for remote employees by picking up background noise. MXL microphones are professional grade and specifically designed for meetings.

The distributed Splice engineering team are big fans of The Catch Box, which isolates background noise in shared conference rooms, and ensures people can't talk out of turn. It isolates background noise when there are chatty folks in the NYC conference rooms, and also ensures that people can't talk out of turn. Whoever is in possession of *the cube* has the word. It was also very useful during all-hands meetings to ensure questions were heard by remote and in-person participants equally.

Acoustics

Acoustic treatment for conference rooms is the ultimate upgrade for distributed team experience. By treating room surfaces with different materials, the diffusion and absorption of sound of the spaces is improved, resulting in better sound capture for microphones and improved participation for remote workers when they're easier to listen to as well. If you're interested in room acoustics, here's a thorough room acoustics guide.

◇ IMPORTANT Physics are complicated, and you may do more damage to the acoustics of a room by going DIY, so consider hiring a professional for this as well.

Seating

Rooms designed for remote collaboration should consider the camera and display placement. Tables with a triangle-like shape are better than rectangular tables because they allow for everyone's face to be exposed to the camera. Circular tables aren't ideal, since someone may end up with their back facing the camera, leading to a poor experience on the other end of the call.

12.4 *Remote Whiteboarding Sessions*

Remote work breaks down when we try to mirror physical processes in the virtual world. Instead of trying to skeuomorph our way into collaboration, we should focus on the outcomes of any process we use and find alternatives that can help us achieve these outcomes.

12.4.1 WHY WHITEBOARD?

Whiteboarding is the process of drawing on a whiteboard on a wall (typically with dry-erase markers) in order to visualize ideas or concepts. It can be used to demonstrate or explain something to other people, or more collaboratively as a tool for brainstorming and coming up with new ideas.

Notably, we call this technique "whiteboarding" because it's rooted in a physical process that is simple and easy for almost anyone to use. When trying to show someone a complex or hard-to-follow idea or process, our natural instinct has long been to grab a writing instrument and say, "Let me show you…"

It's effective because it combines all the benefits of in-person interaction—such as facial and emotional cues and rapid and collaborative discussion—with visual information that is easily updated, deepened, and improved. A quick in-person whiteboarding session can help map out an operational process, diagram a technical architecture, or explore pricing and packing ideas. For in-person interaction, whiteboarding is an amazing Swiss Army knife.

◇ IMPORTANT But, in-person whiteboarding lacks one thing that remote work is increasingly skilled at creating: an asynchronous artifact. A physical whiteboard is designed to be easily erased, and usually is—on purpose or accidentally. If you want to iterate further on some whiteboard idea, you have to take a picture and recreate it somehow online, or draw it on the board again later on. There is a better way.

12.4.2 RETHINKING REMOTE WHITEBOARDING

Many early approaches to whiteboarding for remote teams amounted to ways to share one person's actual whiteboard (or the whiteboard in a conference room) with others via another screen. This approach is tantamount to sending around the picture of a whiteboard. In an unsophisticated remote setup, the office employees will work on the physical whiteboard, take a picture, and circulate it to the remote workers in chat, where they can't actually contribute to it, and it's often hard to read. When operating in in a distributed environment, it helps to (metaphorically) throw the physical whiteboard out the window and start over.

In general, we've largely conflated whiteboarding with *brainstorming*. So let's focus on brainstorming instead, and start from first principles. You'll want to ask yourself these questions when you have the itch to whiteboard something:

- What are you trying to achieve?
- Who needs to be involved?
- What information do you need?
- How could you most easily represent, alter, or adjust that information?
- What do you want to do with it once you're done?

When it comes to brainstorming, fully distributed teams have one advantage in that everyone is forced to use a digital tool. For example, while a marketing team might use sticky notes on a whiteboard to generate ideas for social media campaigns, what they're doing is collecting a set of ideas that can be easily moved around, grouped, and categorized during brainstorming. In that case, a remote team might choose a collaborative project management tool that supports kanban-board functionality that many teams are already familiar with, such as Trello.

Sometimes, you simply need to get some really basic ideas down first for people to react to, which you might do in a collaborative document like Google Docs, Dropbox Paper, or Notion, which makes it even easier to move content around in chunks. A team meeting to brainstorm can all be in the doc or tool at the same time, working together to adjust and iterate.

◇ IMPORTANT Remote brainstorming requires an even greater focus on allyship in meetings. The person running the meeting should ensure everyone gets a chance to speak, ask questions, and contribute. It may help to assign one person as facilitator to be responsible for ensuring that the end result reflects everyone's ideas and input.

The output of an initial session might then move into a different tool where you can better visualize or draw ideas if needed, such as tools like Miro or Mural that take some of the physical principles of whiteboards and virtualize them. Modern design tools like Figma or Sketch with Abstract also make distributed design collaboration much more effective by treating design iterations like 'branches' similar to software. This allows multiple people contribute and keep track of current state and past iterations.

Even with tools like Miro or Mural, there are cost and experience implications for how remote brainstorming might work for an entire team. These tools work best when people have physical equipment like iPads plus Apple Pencil or a Jamboard (which can be remarkably expensive), and you'll want to consider whether it's worth the investment to ensure your entire team is equipped to participate equally in brainstorming activities.

The clear upside to remote brainstorming is that each step of the way, you'll have an asynchronous artifact that you can share easily and as widely as needed.

◇ IMPORTANT While we can't cover all the ins and outs of brainstorming techniques here, one key tactic that is important and likely intuitive to experienced remote teams, is to have people brainstorm individually first before you get together as a group. Research shows that asking people to brainstorm individually before the group gets together generates more unique ideas than brainstorming as a group first. * In groups, people are subject to groupthink and might converge on one idea too quickly without healthy debate.

12.4.3 FURTHER READING ON REMOTE MEETINGS

- "How We Overcome Location Bias When Brainstorming With Remote Teams" (SuperAwesome)
- "Remote Whiteboarding" (Medium)
- "6 Types of Meetings That Are Actually Worthwhile" (Atlassian)
- "How to Stop Wasting Your Time—and Everyone Else's—in Meetings" (The Economist)
- "How to Make Meetings Less Terrible (Ep. 389)" (Freakonomics)
- "Remote Team Meetings: The Ultimate Guide" (Miro)
- "The Ultimate Guide to Remote Meetings 2019" (Slack)
- "How to Run an Effective Meeting" (*The New York Times*)
- "Cracking the Code of Sustained Collaboration" (*Harvard Business Review*)
- "Group Conversations" (GitLab)
- "The Silent Meeting Manifesto v1: Making Meetings Suck a Little Less" (Medium)

- "The Art of Async: The Remote Guide to Team Communication" (Twist)

13 Handling Urgent Issues Across Remote Teams

This section was written by Juan Pablo Buriticá.

Most of the focus of this section is dedicated to building predictable and reliable practices as a platform for distributed teams to build upon. A steady cadence, explicit (largely asynchronous) communication practices, and documented team agreements free us to focus on being productive despite being separated. This strategy works when everything is going well, but becomes inadequate in situations where the need to react can't wait. While we recommend relying as much as possible on asynchronous methods for day-to-day operations, we encourage teams to fall back on synchronous methods when communication breaks down or time-sensitive matters appear.

13.1 *What Is Urgent?*

> " *"If everything is important, then nothing is." –Patrick Lencioni, author, The Five Dysfunctions of a Team* * "

Before teams learn how to react to incidents and emergencies, they first need a definition of what counts as urgent. Teams should have a clear understanding of what warrants shifting out of the default way of working, and how and when they should raise the issue.

By having clear guidelines regarding urgent matters, teams and individuals can also learn how to protect their own focus—they understand that unless something is classified as highly urgent, it can wait. You can facilitate asynchronous work by making sure everyone is able to defer non-urgent items. This allows individuals to devote all their energy to the task at hand without refreshing their email or checking the work chat every 20 minutes to see if there's something important that needs solving.

CAUTION If there's no definition of critical systems or operations, then anything that people with authority ask for becomes highly urgent. Bosses aren't always conscious of their power. They may report a website bug on a channel assuming it will be prioritized and eventually solved, when instead the team interprets this as extremely important and drops everything to make the change. It's critical for teams to have explicit permissions to defer solving problems reported by people with authority, or to have a framework to ask if there's a need to reprioritize.

An **incident priority matrix** is a document that outlines how to gauge the priority of an incident to determine if it should be classified as an emergency or not.

Urgency is contextual to your organization, but there are a few examples of how you can think of urgency in your business. You likely don't need to wake up your on-call engineer at 3am because your blog went down; it can probably wait a few hours. If you are a transportation company and your dispatching system went offline, that would be a different story. Michael Churchman wrote a simple guide that you can use to build an incident priority matrix. Urgency comes down to impact and the context of your operations.

13.1.1 INCIDENT IMPACT

Impact is generally based on the scope of an incident's effects—how many departments, users, or key services are affected. A large number of near-simultaneous reports that a specific service is unavailable, for example, may be a good indication of a high-impact incident; while a report of a problem from a single user, unaccompanied by any similar reports, is more likely to indicate a low-impact incident. For many IT departments, the guidelines for determining incident impact might look something like this:

- **High impact.** A critical system is down.
  - One or more departments are affected.
  - A significant number of staff members are not able to perform their functions.
  - The incident affects a large number of customers.
  - The incident has the potential for major financial loss or damage to the organization's reputation.

- Other criteria, depending on the function of the organization and the affected systems, could include such things as threats to public safety, potential loss of life, or major property damage.

- **Moderate impact.** Some staff members or customers are affected.
  - None of the services lost are critical.
  - Financial loss and damage to the organization's reputation are possible, but limited in scope.
  - There is no threat to life, public safety, or physical property.

- **Low impact.** Only a small number of users are affected.
  - No critical services are involved, and there is little or no potential for financial loss or loss of reputation.

13.1.2 INCIDENT URGENCY

It is not always easy to draw a strict distinction between incident impact and incident urgency, but for the most part, urgency in this context can be defined as how quickly a problem will begin to have an effect on the system or people who rely on it. The failure of a payroll system may have a high impact, for example, but if it occurs at the beginning of a pay cycle, it is likely to be less urgent than the loss of a customer-relations database that is put to heavy use on a daily basis.

- **High urgency.** A service that is critical for day-to-day operations is unavailable.
  - The incident's sphere of impact is expanding rapidly, or quick action may make it possible to limit its scope.
  - Time-sensitive work or customer actions are affected.
  - The incident affects high-status individuals or organizations (for example, upper management or major clients).

- **Low urgency.** Affected services are optional and used infrequently.
  - The effects of the incident appear to be stable.
  - Important or time-sensitive work is not affected.

◇ IMPORTANT Note that for both impact and urgency, meeting a single criterion (rather than all or a majority of criteria) in a category is generally sufficient. Best practice is to place incidents in the highest category for which they qualify.

The best way to build these is to outline what the organization values and why, and then build a *brief* guide that makes it easy for people to understand impact and urgency. Dealing with an emergency is not the right time for anyone to have to go over a multi-page manual to make a decision.

13.2 *Incident Escalation and Management*

After defining what urgency looks like, you can focus on how to deal with it.

The first step in handling an emergency is being informed about it, and since we've built the "homeostasis" of our distributed work practices around asynchronous communication channels, this means we have to come out of being "on track" and signal to our organization that the attention is needed somewhere. Here, interrupting is not only OK; it's the right thing to do.

This doesn't mean any interruption is welcome. Before we are in a state of emergency, we should also outline clear protocols so we can all understand as a team that what is happening is serious and needs to be looked at. We should explicitly define what this looks like.

What protocols you use are specific to the nature of your team. You will need to consider factors like whether there's an office or not, the nature of the issue, and even the time zone distribution when determining the protocols for reaction.

A few examples of what to consider as you build your incident escalating and protocols are:

- **Who to report to.** Knowing which person or group you should go to when something is wrong is fundamental. This means designating a person or group of people who become first responders when incidents happen, and who can act on the issue. This process is sometimes referred to as being "on call." Who you choose depends on the nature of your business, and you may have different groups of people on call at the same time. For example, customer experience teams can be thought of as being "on call" for customer needs and could be first responders if they are empowered to act on problems. In other cases, you may choose to designate managers as the recipient of these reports. You can find detailed information about on-call strategies for software teams in this guide by Atlassian. It's written for software teams, but many of the lessons apply to other kinds of teams or departments.

- **How to report.** In a distributed organization where constant presence is not expected, everyone should know how to report an incident, and have the means to do so. This is when we shift away from asynchronous communication and use channels that interrupt and get attention. Incident-alerting platforms like Pagerduty or VictorOps can be useful for software teams, since they have automated and manual incident alerting. If you use Slack, you can write a custom slackbot response that lists the phone number of the person on call when messages like "!emergency", "!incident" or "!911" are posted. The "!" prevents this message from being triggered during normal conversations.
- **Have backups.** If the first mechanism to report didn't work, it's wise to have backup people who can get help. Managers are good candidates for backup emergency contacts, since they may know how to navigate the organization better; but they aren't usually in a position to take action other than aiding with decision making and communications. If your organization is big enough, you can consider having a specific incident org chart so the structure is clearly defined.
- **Have a directory.** When responding to an incident, you may need specialized knowledge or access to resolve the issue. It may make sense to have people list their contact numbers in their chat profile, or to build a small emergency directory for this purpose.
- **Build redundancy.** Sometimes big parts of the internet break, bringing down large services with them. If your company chat goes down, you should still be able to respond and communicate. It's worth exploring having a virtual situation room with a dedicated link on Zoom or UberConference so people know where to gather if something goes wrong. A backup chat group in a different service, used exclusively for emergencies, may allow you to recover if your main system goes down.

- **False alarms.** You can expect occasional reports of emergencies that were not really emergencies. When we're remote, it's better to err on the side of overreacting versus not reacting at all. In any case, you will want to be aware of alert abuse, which may lead to fatigue and eliminate the effectiveness of your incident management procedures.
- **Explicit point of contact.** When dealing with an emergency, the entire organization must have access to the issue status without having to ask questions or interrupt those who are responding to the issue. The best way to do this is to designate, or have a procedure to select, an Incident Commander who will be the primary point of contact during incident response.
- **Postmortems.** Incidents are excellent opportunities from which to learn. Many times they happen because something that we thought was true, stopped being so. Emphasizing the importance of learning what we can when things go wrong will help organizations develop a culture where failure leads to inquiry, instead of blame or punishment. Postmortems, or Incident Learning Reports, can help teams be introspective and learn together. They're also an interesting artifact that can teach you about how others fail.
- **Focus on stability.** When things go wrong, our impulse may be to try to fix the underlying problem, but this may be difficult. The primary focus of your incident management will likely have to be to stabilize the system, including your organization, so that work can resume. Solving difficult problems under stress isn't ideal and may lead to more problems, especially after hours. Depending on your incident matrix, you will consider incidents resolved when critical systems are restored—like payment or shipping problems— but let your teams address less critical issues when the adrenaline has subsided. Restoring the "About Us" page can wait until the next morning.
- **Quick fixes aren't universal.** Not all problems may be easily resolved. When the issue will require a significant effort to fix, it's better to prioritize stabilizing the system and deferring the full solution for normal business hours or when the team has had time to recover after the emergency. For these cases, you can use a version of your incident management protocol, but replace synchronous communication methods for asynchronous, and lower the communication frequency. This means that you would still inform the organization about it so that your co-workers understand that you're addressing it, but you'd

want to let them know that the complexity of the issue means that it will take time to figure it out.

- **Be prepared.** Teams are complex, and learn at different rates. Every time we add or remove a member, the end result is a completely different team. For this reason, organizations will need to be patient and understand that internalizing incident management procedures comes with time, and teams get better with practice. To accelerate learning, you can run remote game days, which simulate various kinds of failures or emergency scenarios. Marc Hedlund wrote about how he ran them at Stripe, and Chris Hansen shared how they do it at AdHoc. This requires setting some time aside and practicing as a team so you can be ready when the time comes to react.

13.2.1 FURTHER READING ABOUT INCIDENT MANAGEMENT

Incident management is complex, and there are many different factors that go into defining how it should work at your organization. Some valuable resources to learn about this process and provide inspiration include:

- The Atlassian Incident Management Guide
- Chaos Engineering principles take a proactive approach to prevent incidents
- *Incident Management for Operations*
- Learning from Incidents

13.3 *Interruption Management*

Managing team focus still maters at a distance. When priorities change or opportunities arise, we want our organizations to be in a position to react and take advantage of them. You may need to look at incidents with medium impact or lower urgency without raising a full-blown alarm. For these cases, individuals and teams can build similar protocols to those of incident management, but with more tolerance for time and attention.

For interruptions, you will want to consider delegating an "interrupt handler" for the team. This is someone who will be on a higher state of alert on chat, email, and other channels, paying attention to changes. The interrupt handler can escalate issues or delegate as needed; they're like a triage nurse for your distributed team. It's a lighter version of being on call, and may or may not be independent of usual work hours. Since the person will be interruptible, they also can take on maintenance or supporting tasks that don't need too much focus to handle. This is a good way of getting work done that is not urgent, but is still important.

In addition to designating a point person for interruptions, you'll need to define protocols for individuals to know when their attention is needed to support such ad-hoc priorities. Relying on instant messaging or phone calls may be challenging if you're in different time zones, but having a predefined email subject prefix like "[action-needed]" or "[priority-shift]" will allow people to shift their attention promptly, without using channels reserved for real emergencies.

Finally, you will want to agree as a team to be mindful when others need help, so regular work can continue to happen. Jory MacKay shares some useful recommendations for individuals on the Rescuetime Blog:

- "Schedule dedicated time for more complex questions. If a conversation is going to take time to get through, it's a good idea to schedule dedicated time. This way that person can prepare for it and make sure it works around their schedule.
- "Not all interruptions are equal. Decide on which non-urgent form of communication you'll use. Most people we spoke to said emails are easier to ignore than other forms. Find what channel or tool makes the most sense for your co-workers and use that when you need something. Consider providing context around urgency when you contact someone.
- "Ask if someone's free before getting to what you need. It seems almost too easy, but simply asking if someone's available before jumping into your ask can avoid most face-to-face interruptions.
- "Have set "office hours." If your job involves being available to others for questions, set aside dedicated time rather than being always around. This way people know when they can interrupt and you can schedule your day around those periods."

MANAGING DISTRIBUTED TEAMS

This section was written by Katie Womersley.

When it comes to reaping the benefits of remote work and dancing around the pitfalls, a significant amount of the work falls on managers of distributed teams. Management itself is a vast, complex domain to master, and layering on all the remote challenges we've covered—communication, collaboration, productivity, and culture—adds an extra dimension. A manager of a distributed team, even if it includes just a single remote worker, faces a unique set of opportunities and challenges.

This section covers the core aspects of being a distributed team leader, manager, or executive. You'll find a practical and detailed breakdown of the challenges remote managers and their direct reports face, covering how to capture these much-lauded gains with hiring, compensation, and onboarding guidance, and how to minimize the risks to morale, engagement, mental health, and productivity that often accompany managing distributed teams.

14 Hiring Remote Employees

Beyond cost savings, easier access to talented employees is one of the biggest reasons employers consider supporting remote work. Especially for startups and high-growth companies, the talent supply is limited and in high demand, making hiring very competitive, especially for technical roles. Being able to hire outside traditional tech hubs like the San Francisco Bay Area or greater New York City means people can find the talent they want almost anywhere in the world.[18] Even in less competitive indus-

18. This turns out to be harder than it seems on the surface. We cover the complexities of cross-state and international employment in Legal, Tax, and Operational Concerns.

tries, advances in technology make remote work feasible in many roles, granting those employers access to a much broader and more specialized workforce.

A lot of hiring best practices are similar across in-office and remote roles—for example, clarity about the role, sourcing a high-quality applicant pool, and being explicit about cultural values. These practices become even more important when hiring for remote roles. Candidates will be working in physically isolated locales, so small issues can be magnified. We won't cover all the ins-and-outs of standard good hiring practices, which you can find in our Guide to Technical Recruiting and Hiring as a companion to this section.

14.1 *Remote Job Postings*

Along with all the key elements of a good job description, a remote role position announcement will need to include the following additional information:

- **Clarity around geography.** As we've already seen, there is no single flavor of remote. You will want to make clear in the description whether the role is fully remote, whether there's an office they can/will need to go to occasionally, and any other details (for example, "U.S. remote only" or "time zone agnostic").
- **How remote works at your company.** Strong remote job descriptions clarify the values and practices around distributed work. They make clear that skills like communication and collaboration are required. This is your chance both to sell applicants on the premise of the role and to make clear how you expect them to work with the rest of the team.
- **Specific keywords.** People searching for remote jobs are more likely to find you if you include terms that applicants are likely to search for:
    - Remote
    - Distributed
    - Work at home
    - Work from home
    - Work from anywhere

◇ IMPORTANT In the title of the job post title, it's best practice to list "Remote—(geographic region)" in the location field of the job posting. For example, where a non-remote job posting might advertise "QA Analyst, Atlanta GA," the remote version would be "QA Analyst, Remote within the USA," "QA Analyst, Remote within Eastern Standard Time," or "QA Analyst, Remote (global)." The geographic region indicates where the employee would be located, not where an office location might be.

In the case where a role could be either in-office or remote, some companies have two separate listings. Many candidates who prefer in-office work won't reply to a remote position, and of course, candidates who aren't in that location won't apply unless the remote option is obvious.

Having separate listings for the remote version of a position also allows you to tailor the job requirements to include the different skills that a remote position demands, and for you—the employer—to customize perks and benefits (for example, instead of "catered lunch," perhaps you offer a lunch stipend).

14.2 *Assessing Remote Candidates*

14.2.1 ATTRIBUTES OF SUCCESSFUL REMOTE WORKERS

"To remain productive, effective remote workers need to be able to give themselves structure without the crutch of a standard office environment."—Greg Caplan, CEO, Remote Year[19]

The characteristics of people who will thrive as remote workers mirror the practices of successful remote teams that we laid out earlier (and we cover in more detail in Being a Successful Remote Worker). You're looking for candidates that are:

- **Clear and frequent communicators.** Written, asynchronous communication is a cornerstone of successful remote teams. While you can teach this, depending on the size and makeup of your team, you may not want to dedicate time to building this from the ground up in a new employee.

19. https://remoteyear.com/

- **Intrinsically motivated/self-disciplined.** While this is a positive characteristic in any employee, it's table stakes for someone on a remote team. They won't require the external structure of a physical office, and can autonomously manage their time productively.
- **Capable of taking initiative.** With clear goals, a remote member of your team will be able to get the necessary work done without needing to regularly check in, and are capable of unblocking themself.
- **Comfortable with longer periods of solitude.** Many remote workers seek this out, but someone new to this style of working may be surprised by its impact on their mental health.

14.2.2 ASSESSING ABILITY TO WORK REMOTELY

When assessing someone's ability to work remotely, they don't need to have remote experience per se. You can look for proxies of remote success by screening for specific attributes. Some common ways these can manifest are:

- A nontraditional background
- Previous roles that required a lot of autonomy
- Unusual or uncommon skills

These things tell you that the candidate didn't have a path laid out for them to simply follow; they needed to take a lot of agency in figuring out their path. This level of agency correlates well with remote work success. (There's nothing wrong with a traditional in-office background; it just doesn't provide any insight on this specific point.)

14.2.3 KEY QUESTIONS TO ASK

If a candidate has worked remotely, it's much easier to ask them about their specific experience and determine whether they'll succeed. If they have not, you can ask them about what challenges they expect, and what adjustments they plan to make. You're looking for thoughtful, specific answers. Successful remote workers tend to be self-structuring people who prefer to make plans and stick to them.

CAUTION If candidates are blasé about the unstructured elements of remote work and have no experience with it, they might not have the skills to create their own structures and routines; or, worse, they might have no idea what they're getting into. You'll want to probe more for how they might handle these challenges.

Another tack is to ask candidates questions about how they like to work when they're happiest during the workday, and about times they've felt especially fulfilled or frustrated at work. It's important to listen carefully for whether you can provide that. Long stretches of quiet time, alone in a room with music? Remote work might be a good fit. Lots of team whiteboarding and brainstorming over lunch or a happy hour? This person might suffer in a remote team. Do they get frustrated when they're alone with a difficult challenge (and so will struggle when they get blocked in a remote role), or do they prefer the chance to mull over problems independently? Do they get most frustrated when a colleague interrupts their focused work with a question, or when they have nobody around to collaborate with?

◇ IMPORTANT Of course, your team structure will make a difference here. Some remote teams do a lot of collaborative work, and others are more asynchronous. Some are essentially teams of one, with each person working on a discrete project, and others are very collective. It's likely that the work will require a combination of autonomous focus and decision-making, and collaboration. So someone who has the self-discipline, focus and initiative to succeed in a remote environment, but prefers a more collaborative work style, might be very happy in a remote team where teamwork and collaboration happen daily.

When you're discussing your team, it's always best to be very upfront about what it will be like, and what kind of challenges someone might experience. For example, if your team is chaotic and communication is haphazard, you would candidly share this. Some people might respond gleefully that they thrive in chaos and enjoy the problem-solving that chaos necessitates. Others might be visibly put off, or even withdraw. Or you might be looking for people who will help make your system more streamlined, and some candidates may be excited by that challenge, while others will be looking for a company that already has a sophisticated remote communication structure.\ \ The additional reason to do this is that you'll want people to know what working at your company is really like, so that if they know they won't succeed there, they will filter themselves out. The alternative is replacing them and hiring again for that role in a few months. In sum, to help candidates reflect on what will make *them* happy and successful, it pays to be honest, explain your motives in sharing challenges, and that you're truly seeking to understand whether they will enjoy the environment. This includes clarifying that it's not a test and there's no hidden agenda; you both want to find a situation that works for everyone.

14.2.4 INTERVIEW VIA VIDEO, AUDIO, AND TEXT

If a candidate will be remote, it's important to assess how they come across in the context of your remote team. You'll want to create a hiring experience that in some ways mirrors how the candidate will end up working, to test whether the candidate will succeed in the remote environment. For example, if the position you're hiring for calls for mainly written communication, some video discussion, and a lot of audio-only calls (for example, conference calls), then it's important to get an idea of how successfully they use these communication mediums. Hiring based on a phone screen and an in-person interview for this role wouldn't be a realistic measure of their on-the-job performance. Instead, we recommend that at least some part of the process be done online, via video chat and, ideally, using written communication as well.

◇ IMPORTANT If your company has co-located employees as well, it's important to use the same methods to interview candidates who won't be remote. They'll have to be working using the same mediums as remote employees, and will be communicating more asynchronously and in writing as well, so you wouldn't want to presume they'll need a different skill set.

An onsite-only interview process can obscure communication issues, because some candidates will compensate for their weaker verbal and written communication with effective body language. Body language—nonverbal communication competence—directly affects communication: research shows that people are judged as competent based on factors like what clothes they wear and how confident they appear. *

Nonverbal communication competence is a person's ability to transmit or interpret information via nonverbal communication, such as clothing, body position, gestures, and facial expressions. *

◇ CAUTION The risk with an onsite or in-person only hiring process for remote workers is that you hire someone who comes across as a strong communicator on the basis of their body language and appearance, rather than the content of their communication. In this scenario, the new employee then fails in the remote context, because they can't use the body-language skills that they rely on to communicate, and their written and verbal communication—which didn't get assessed—turns out to be inadequate.

To avoid this trap, you'd need to assess how well the candidate performs without those extra body language signals by evaluating their verbal and written communication abilities, which are the main avenues of communication available to remote workers.

For assessing written communication skills, a written assignment can be helpful. This can take a number of forms:

- **A sample email.** Ask the candidate to describe their expected work progress for a small task, as well as its outcome.
- **Take-home assignments.** These could include a documentation component like a coding assignment that includes writing (like creating a README file and instructions), or a plan for getting user feedback on a new feature.
- **A text-based interview.** Have the candidate and interviewer communicate over instant message chat instead of phone or video. Automattic, a fully remote company of several hundred, interviews over text-based chat only.

It's important to look for clarity and tone in written communications: the most common failure modes are rambling, unclear writing that will make working with the person a drag, and tone that reads as negative or unprofessional. Tone is notoriously hard to convey in text, and teaching this skill is possible, but arduous. It's critical not to underestimate the value of a candidate who is able to come across as positive and professional in a written context.

In order to assess verbal communication, a paired interview over a video call can be helpful.

In a **pair video interview**, two interviewers simultaneously assess a single candidate. Typically, one interviewer leads the interview while the other observes. Microsoft's Developer Division and Twitter, among others, use pair interviewing exclusively.

A pair video interview allows you to re-create a small-group meeting dynamic. This setting allows one person to observe more closely and take notes while the other interviewer asks and answers questions. It gives a second perspective on answers, so you can compare notes. This means that subtleties in how the candidate communicates and performs in the remote interview are more likely to be noticed.

For example, did the candidate consistently refer to a hypothetical software engineer as "he"? This can be an English as a Second Language dynamic, but it can also indicate an inclusion problem you need to dig into. Did they answer very differently when asked questions by one interviewer compared to the other? This can indicate that they're not equally comfortable or competent communicating well with different people.

Other common examples are engineering candidates treating more technical interviewers differently from those who may be less technical. Conversely, a strong candidate in this situation will not assume they should only talk to the more technical person, and will purposely aim their answer at the appropriate depth for both. You will want to note whether the candidate changes the way they communicate when the interviewers present different genders, races, ethnicities, or other statuses; are at different organizational levels; or have different roles.

14.3 *Hiring Junior Remote Employees*

CONTROVERSY A common attitude when hiring remote roles is that it's not possible to have these positions filled by less experienced junior candidates. The tenet that remote work only works for highly experienced, senior hires does have some truth, but isn't the full picture.

14.3.1 PROFESSIONAL SKILLS VS. SENIORITY

When companies say things like "it's basically impossible to have a junior remote worker," what they often mean is "a remote worker who lacks strong communication skills and professional skills like goal setting and independent action will fail." And to some extent, that's true. Junior hires often lack necessary professional skills because they tend to be younger. However, this is correlation, not causation. The simple act of being more junior doesn't by itself imply lower professional and communication skills. In some cases, it can be the opposite: career changers, for example, often bring highly developed professional skills, even though their specific experience is low.

For now, let's restrict the discussion to junior staff who also have strong professional and communication skills, presuming this is what you'll screen for. In this context, it helps to clarify what "junior" means. A helpful concept is task-relevant maturity.

Task-relevant maturity (or TRM) is an employee's experience level for a given task, reflecting a combination of how achievement-oriented they are, their readiness to take responsibility, along with their education, training, and experience. Andy Grove popularized the term TRM in his book *High Output Management*.

Grove noted that the amount you train and monitor someone depends on their TRM, and should change as they learn and their TRM increases:

> *How often you monitor should not be based on what you believe your subordinate can do in general, but on [their] experience with a specific task and [their] prior performance with it—[their] task-relevant maturity… As [their] work improves over time, you should respond with a corresponding reduction in the intensity of the monitoring.* *

Someone who is "junior" has low task-relevant maturity in most of the key competencies for their role, meaning that most of their activities need to be monitored as they are being actively trained. Someone who is "senior" in this sense has relatively few areas of low TRM, and thus rarely needs monitoring or training.

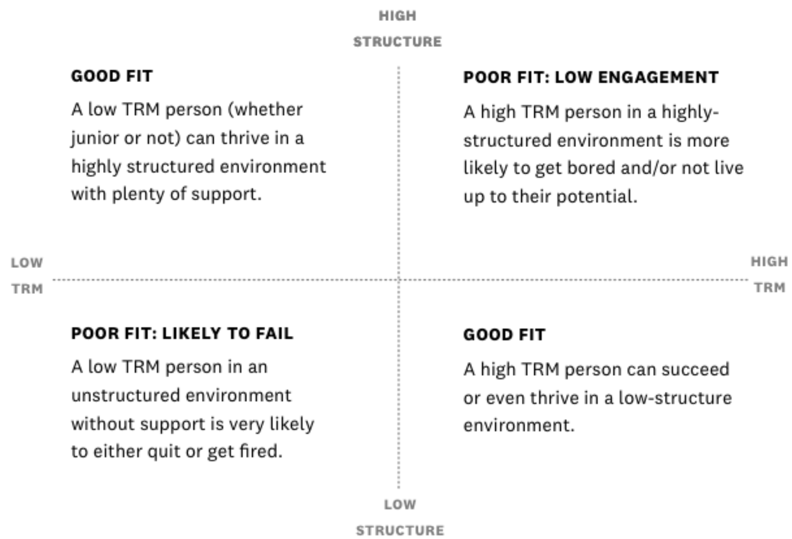
◇ IMPORTANT When people say it's impossible to hire junior people to remote roles, the underlying truth may be that the company hasn't set up the necessary tools and documentation to help people thrive in a remote environment. Whether a junior person can be remote or not is really a question about whether the organization has the capability to provide monitoring and training to someone during the majority of their work tasks. If the company can't do that, there are likely to be other problems down the road for their remote staff, no matter their experience.

14.3.2 THE BURDEN OF TRAINING IS HIGHER

Monitoring and training a junior employee will be harder in a remote context. When you can't look over at what they're doing and offer help, there must be a system in place for them to know what they should be working on, but also to ask questions—or their manager will need to regularly check in on them. This consistent communication is a bit more challenging when it needs to be done via chat message and video call: managers can't just say, "How's it going today?" as they walk past the new employee to get a cup of coffee, and they can't glance over and see whether they look frustrated or confused.

These challenges can be overcome by making sure the junior hire is comfortable asking lots of questions, and knows where to ask them (in email, in a call, in a Slack channel?); that they have access to company manuals and handbooks; and by pairing them with a kind and genuinely interested mentor or peer. If your company doesn't have these kinds of communication paths and documentation set up, it won't just be the new junior person who suffers.

14.3.3 FIGURE: EMPLOYEE TRM AND COMPANY STRUCTURE



Source: Holloway

Here, consider your environment overall. Is it low or highly structured? Remote workplaces will tend to skew toward being low-structure workplaces, but they don't have to be. It's completely possible to be a structured, remote workplace.

If you're remote, you're by default less structured. You can change this default if you want to. If you care about hiring and developing junior (low-TRM) staff, you may need to impose structures for them to do well. If you remain low structured and you hire low-TRM employees, you increase the chances that they will fail. This is not because you're remote per se, but rather is because you didn't provide the structure that a low-TRM person needs to learn and succeed.

If you're unwilling to make your environment more structured, then hiring senior (high-TRM) staff and letting them figure it out probably works better. Conversely, if you keep your senior (high-TRM) employees too constrained by structures optimized for junior folks, beware of bored people leaving for a role with less structure and more freedom.

◇ IMPORTANT The point here is that the level of structure a workplace provides should best be tailored to the remote worker's role; if your organization is willing to adapt its structures, you will be able to hire successfully at any level of seniority.

Doist overcame some of these challenges by sending new employees to the same location as their onboarding mentor, to spend two weeks working with them in person. This can be a worthwhile investment to get new employees onboarded quickly and to ensure they have all the context and cultural understanding to be productive when they return home. It's also worth noting that an exhaustive handbook with timezone-agnostic detail for onboarding new people is critical when spanning large temporal gaps.

14.3.4 CAN YOU SUPPORT A JUNIOR REMOTE WORKER?

When evaluating whether you can support a junior remote worker, consider how will you provide the monitoring and regular support that someone with low TRM in most of their job functions will need.

There are certainly ways to do this remotely. Being willing to invest the time of a dedicated mentor and a skilled manager will go a long way here, though some roles may be more difficult to train than others. Here are a few things to consider as you evaluate supporting junior team members:

- **Can you get a meaningful sense of their work output remotely?** For a job like writing code, the answer is likely yes. It's feasible to read the code and run it yourself locally to test it. For a role like going out and pitching a client for a contract, the answer is more likely no. To observe how your junior sales hire is doing out in the field, you probably would need to go with them to client meetings for quite some time (unless these are done virtually, and you're able to join the call in addition to the client).

- **Are you able to provide coaching and training on their work output remotely?** Even if you can get a good sense of the output, you likely still will need to evaluate whether the organization can provide remote coaching to help the junior hire progress. Can you provide input through shared online documents? Through video calls that walk through problems? By using instant messaging to answer questions? For many types of roles and departments of a company, these tools are well developed, making it relatively easy to provide this support. However, if the role has specific elements that are hard to coach over a video call (for example, the whole-body language of giving a live presentation to a large audience), then you're unlikely to be able to support that junior hire as well.
- **What is your organizational commitment to junior and remote hires?** If you're highly committed to having remote workers, and you're building a large enough team that you need many junior hires along with senior hires; or if you're committed to training junior staff on principle, then hiring junior remote workers who have strong professional skills and potential is feasible. If your commitment to remote work is more a case of convenience—you need to fill specialized roles, or you can't hire enough in any one geographic center—then hiring at the intermediate level and up may make more sense for your remote team.
- **Is your organization truly optimized for remote workers?** Junior staff members will find their performance more strongly affected by organizational challenges than senior members, who will have developed the ability to get the job done despite challenging environments. If your organizational environment is generally difficult for remote workers, a junior person is unlikely to succeed. Junior staff can navigate role-based challenges, given a supportive mentor, a good manager, and a functional, remote-friendly organization. On the other hand, senior staff can navigate organizational messiness (for example, unskilled management, communication challenges, or a lack of mentorship), given role experience and task-relevant maturity. It is not realistic to expect any hire to navigate both role-based and organization-level challenges at the same time.

CAUTION When you add in timezone differences, communicating consistently with a new employee can go from friction to crisis if not handled properly. If time zone overlap between the junior hire and their mentor is low, they will experience long stretches of time where nobody is able either to check in on their progress or to answer their questions. This also constrains task pairing and “showing how it’s done” to a limited time window. Obstacles that might have been overcome with a quick question can derail an entire day. In these cases, a junior team member could take months or even years to become independent at their core job competency. The resulting long learning curve likely has too high a cost to the organization to be worth the training, compared to hiring someone more senior.

There are certain circumstances where hiring is not fair to an inexperienced person with low TRM. These include:

- Your managers are not yet terribly skilled. (For example, if you’re a fast-scaling startup, and many managers were promoted from within and learned through a ‘trial by fire’ experience.)
- Your communication patterns are somewhat ad hoc and chaotic (some things are offline only, lots of different channels, many implicit norms and assumptions).
- Your team isn’t currently able to provide training (everyone is learning as they go and wearing many hats).

A senior remote worker might be a brilliant hire in the exact same situation: no hands-on managers! Lots of opportunities in the chaos! Everyone is trying new things so they can really flex that broad skill set!

IMPORTANT This isn’t a case of a “bad” culture. Toxic cultures are harmful to all employees, regardless of experience. This is simply a highly unstructured environment, which is unsuited to low-TRM employees. Remember, higher-TRM folks do better with lower structure. Lower-TRM folks do better with higher structure. Remote workplaces can often be lower-structure workplaces. But it is the degree of structure *in your organization* that drives your ability to hire junior staff, and not seniority of the staff in question.

15 Compensation for Remote Employees

CONTROVERSY Compensation for remote employees is a controversial topic. What happens if someone changes locations as a remote worker, moving from an expensive city to a much cheaper location for a better cost of living? If another worker were already in that location, would you end up with two people doing the same relative job, but getting paid vastly different amounts? There's no surer way of undermining the trust between distributed team members than having an inconsistent, unfair compensation structure.

Ultimately, there are two broadly consistent approaches to modelling compensation that you can use for distributed teams:

A **global salary** model for compensation of remote employees pays everyone the same fixed amount for the role and experience level.

A **local salary** model for compensation of remote employees pays people based on a calculation of local cost of living, and may also factor in the intensity of local labor market competition to adjust salary rates.

It's also possible to have a hybrid: for example, you can have three broad global categories, where local factors affect which category an individual falls into. Buffer takes this approach with a transparent salary formula, which applies a cost of living multiplier to each employee's base salary. This multiplier uses an employee's location to determine one of three geographic bands: high, average, or low cost-of-living area (based on data from Numbeo). For high cost-of-living areas, the multiplier is 1x, so Buffer pays 100% of the San Francisco rate (at the 50th percentile). Average is 85% of the SF rate, and low is 75%.

15.1 *Local vs. Global Based Salary: A Comparison*

One of the main incentives to hire remotely is that you can hire very skilled people at a much lower wage than in U.S. tech hubs like the San Francisco Bay Area. This is the general principle behind a local salary model.

In this model, you'd set a base wage equal to that role in one location—usually a head office, or a place with a lot of reliable labor market data. San Francisco is a common baseline. Then you discount the salary for the remote employee based on either cost of living, how competitive local salaries are, or both. In general, remote employees outside large tech hubs still end up making significantly more money than they would working for a local company.

> STORY "I live in the middle of nowhere, in northern Portugal. People that study here and graduate with a degree in computer science, if they go work for a local consultancy, they make probably about the equivalent of U.S. $1.5K per month. It's enough to get around here, but it's not a lot of money by most people's measure. But if we hire those people, we triple their salary at least. What we see is that there's a floor of sorts, where startups tend to pay significantly higher, especially in low-wage areas." —Job van der Voort, CEO, Remote Employ

The practical advantage of this approach is that it's cheaper overall for the company. Many companies just can't afford to compete with Bay Area salaries despite needing that talent density—and hire remotely for this reason.

Varying wages based on geography can help people to afford a similar standard of living for similar work, in different locations. Salary data shows wide variations people's perception of how much compensation equates to emotional well-being, so pay based on geography can help even out living standard disparities.

> STORY "A local pay model has the advantage of not creating "golden handcuffs," where disillusioned employees remain in a role because the salary is many multiples of the local wage, when they might otherwise wish to leave. Emotionally, it's very hard as a manager to dismiss someone when you know that their next best option, a local job, might pay them a tenth of their current salary. The impact on their lives of losing this job is significant, and being dismissed or quitting would be a major lifestyle change. This means that sometimes, for both a manager and a teammate, the employment relationship ends up continuing well beyond its healthy, mutually beneficial lifespan." —Katie Womersley, VP of Engineering, Buffer

The disadvantages of varying pay by geography are that in a lot of places, there simply isn't data on cost of living, labor markets, and other factors, and so approximations and estimates need to be made. It's very difficult to be consistent when you're guessing, and not to end up in a transitive crisis where town A is paid more than town B, town B is more than town C, but town C is well known for being more expensive than town A. The more fine-grained your formula, the harder it is to get accurate data and ensure each location is paid sensibly relative to other similar locations.

A way around this dilemma is to create bands, or buckets, such as "high," "medium," and "low" cost of living. The issue here is what to do with locations that fall on just one side of an arbitrary dividing line. There is no standard approach that we're aware of for this situation, so companies are likely going to have to deal with this on a case-by-case basis.

Additionally, if your employees change locations, then you're updating their salary, which could mean either less income for them, or more cost for you as the employer.

> "*Moving is super tricky with local pay. It works out best if the employer and employee are very clear upfront of the entire employment about how they deal with this. Generally, they accept that pay is based on market forces and that if those change, pay might follow.*"
>
> — Job van der Voort, CEO, Remote *

If people in your company are moving frequently, it can become administratively exhausting to continually calculate and update their pay.

> "*We've talked to hundreds of companies about their compensation strategies for remote teams, most of which have hybrid structures. What we are seeing is that many companies with local pay models adjust for a new location if an employee moves, unless they ask the employee to relocate. If it's the employee's decision, they recalculate their compensation to be in line with the local market.*"
>
> — bethanye McKinney Blount, founder and CEO, Compaas[20]

The main practical advantage of a global salary model is that it's very simple to calculate. It's also more likely to feel fair to employees: two-thirds of people who are in fact paid market rates still believe they're underpaid. Making the market rate very clear can help employees who are

20. In private conversation with Holloway, 2020.

paid market rates believe themselves to be fairly compensated. It also alleviates the issue that someone could be paid more or less than their peer for the same role. Most employees believe they deserve to be paid the same amount for the same level of work, regardless of where they live. While some people in areas with much lower salary options may still be happy to get paid better relative to other local employees, this may change over time as more local talent gets hired by remote companies.

> "*We've had many employees over the years who've moved around. I can't imagine telling someone they're getting a pay cut because they moved.*"
>
> — David Heinemeier Hansson, co-founder and CTO, Basecamp *

Paying global salaries can also attract top talent who are specifically experienced in remote work, and who consider their labor market to be global. When hiring these candidates, companies are competing with other remote companies, and not with the candidate's other local options.

Further, the higher expense for the company of paying global salaries rather than local ones sends a credible signal that remote workers are equally valued by the company, and incentivizes managers to support them and treat them as a full part of the team. This can help remote workers be more successful.

15.2 *Establish Your Compensation Philosophy*

◇ IMPORTANT Many compensation considerations are seemingly practical. But compensation is not just a set of practical choices; it's ambiguous, emotional, and symbolic. People will interpret their value at work based on how much you pay them and on how the company evaluates that pay in comparison to others. It's not wise to choose a framework based only on what is most practical or what is cheaper. It's critical for your compensation policies to be aligned with your company's philosophy and values, and hold up to principled inquiry. That is what will gain you the loyalty and trust of your staff, who after all just want to be paid fairly for their work.

CONTROVERSY What fair pay means in the context of remote work is unclear, and experts disagree.

Juan Pablo Buriticá argues that remote and office jobs come with different expectations and challenges, and that this should be a consideration when it comes to pay:

> *I believe compensation should consider responsibilities and effort over location. A remote worker and an office one may have the same job, while requiring them to do different tasks to meet their expectations; and this should be factored into how they're compensated. This doesn't mean one mode is worth less than the other. If you require me to commute to an office, I may have higher compensation expectations because it's additional effort. The same works if you ask me as a remote worker to adapt to HQ's core hours over my local one. A one-dimensional approach to compensation can disadvantage some workers over others if the efforts are different, and this should be considered to build an equitable workplace.*[21]

GitLab pays local salaries, using a fairly complex formula. Basecamp and Zapier state that they don't "use remote as an excuse to pay less." Both companies pay global salaries, independent of location.

Some people interpret this as equal amounts for equal contributions: all level 1 engineers are paid $90K. Another interpretation is that people are paid equal "lifestyle amounts" for equal work since $1 goes much further in Sri Lanka than in the Bay Area. In practice, it appears that this means that all level 1 engineers are paid the purchasing parity equivalent of $90K per year so that all level 1 engineers can maintain a similar lifestyle.

Philosophically, if you are a fully remote company or have a "remote-first" attitude, and you consider yourself as operating exclusively in the remote job market, then paying the same fixed amount may be more aligned with your overall approach.

On the other hand, if you believe that a remote job and an in-office job are fundamentally different types of jobs (even for the same role), then you might not choose to pay the same amount in each location.

> STORY "I strongly suspect we'll see something emerge along the lines of a remote pay band. It might sit somewhere in between local and global pay models. Instead of 'your' geography and 'their'

21. In conversation with Holloway, 2020.

> geography, there is a 'remote' geography, which stipulates what the remote-based pay is for people in a certain field, title, and level. For example, if you're in San Francisco for a company that pays local salaries, you might not make as much as you could just working locally. But if you're really good—if you're at a high level—you should be able to still command a high salary while living in a Tier 1 market but working for a company elsewhere." —Greg Caplan, CEO, Remote Year

◇ IMPORTANT Whichever approach you take, it's wise to take the time to think through how to structure compensation and to develop a consistent formula, guideline, or salary band guidance. The next step is to be prepared to share your reasoning with your staff.

Remoter has an excellent breakdown of how to determine the best compensation model for your remote team. You can also visit our Guide to Technical Recruiting and Hiring for more on developing a compensation philosophy.

15.2.1 HAVE A PLAN FOR BENEFITS

As you hire remote employees in more locations, you'll begin to run into variations in local laws pertaining to benefits like paid vacation, parental leave, and more. This can lead to similar forms of inequity, where some employees have more extensive benefits than others. Take family leave in the U.S., for example. Many states have or are enacting more comprehensive Family and Medical Leave Act (FMLA) laws than what is currently mandated at the federal level (which requires up to 12 weeks leave, unpaid, for anyone who has been working longer than a year at a company with more than 20 employees). As we cover in detail in Legal, Tax, and Operational Concerns, any company that employs someone in a different state has to comply with local employment laws. So an employee in Washington must receive at least 12 weeks of paid FMLA leave, whereas someone in say, Alabama, isn't required to get paid for any time off due to FMLA.

As a company grows, these variations will both become harder to keep track of and lead to more instances of different coverage across the workforce. Here also, your company philosophy and values will guide how you proceed. Tim Burgess, co-founder of ShieldGeo, notes these pressures that he sees with companies they work with:

> *Most distributed companies start with comp and benefits inspired by their home-country norms. Then they try to globalise policies to be generous in most locations. As they grow, there is increasing localisation. It's complex to shoehorn global policies into many different countries.[burgess-comp]*

Basecamp provides what they call "global PTO" (paid time off), which offers the same set of benefits, including vacation and parental leave, regardless of location. They feel their benefits are generous enough to cover both U.S. and international employees.[22] Remote Employ, a new global PEO startup, has the same philosophy.

16 Onboarding Remote Employees

Onboarding is the process of integrating a new employee into an organization.

Onboarding plays a decisive role in the success of any new hire, and in your overall culture. Given the complexities of remote work, this is even more important in a remote context. The default setting in a co-located office environment is that people will ask those around them for clarification on how things are done, or watch what others do to learn more about the culture. They learn norms and behaviors as well as problem-solving strategies, how to use tools, and the context of their work within the company through proximity to the team they work closest with or their line manager. This can be efficient in a co-located team (although as many people can likely attest, it's not a guarantee that it will be!).

In a remote team, need-to-know, ad hoc onboarding won't work. You run the risk of organizational knowledge gaps being filled with guesses, and risk reaching that critical three-month mark and noticing a remote worker still isn't productive.

22. https://twitter.com/dhh/status/1232318476045258752

16.1 *Preparing*

Onboarding someone remotely starts the moment the candidate says yes. Good onboarding includes making sure they are set up with the following prior to their first day.

16.1.1 ONE WEEK PRIOR

- Send through their contract and role description. Typically you'd do this via Docusign or a similar online tool, since they are not there for you to hand them physical copies.
- Share expectations of how to work remotely, and your company culture.
- Share any perks like home office expenses, and/or ship equipment like a company laptop or headphones. (It's important to make sure you're tracking what is going to whom. Ideally you're tracking assets for everyone, regardless of where they work.)
- Share any documentation that will help them know what to expect on day 1. This can be as little as "no need to prepare anything," or as thorough as "read the entire company handbook and record any questions you have."

16.1.2 THE DAY BEFORE

- Enable access to all critical tools to do their job.
- Enable their company email and calendar access.
- Invite them to all relevant events on their calendar.
- Let them know what time they're expected to log in, or have their first team interaction.
- Send them a "who's who" email: detail every member of their team, who can be contacted with questions, how they relate to the new hire's role, and what your expectation is for that relationship (for example: a peer, a key stakeholder, someone to be kept lightly informed). As a remote or distributed company, it is wise to create a public org chart that can be accessed by employees at any time.

16.1.3 THE FIRST DAY

- Have a "meet and greet" meeting over video.
    - Make sure they have what they need for tools and access.
    - Share their 30-60-90 day plan.

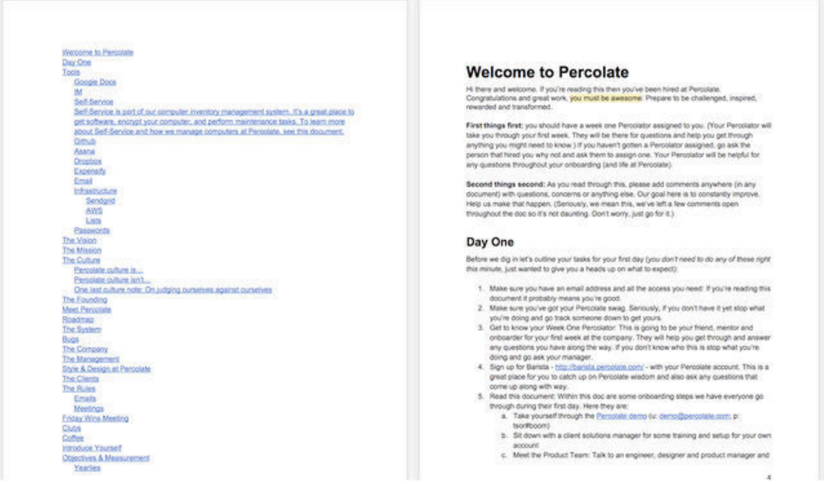
  - Show them around: point out what tools are used and how, and invite them to relevant interest groups or chat channels. Again, your code of conduct, norms and expectations around tools, as well as where to find relevant information, should be documented in your company handbook—you're just helping them get a jump-start.

- Share an announcement welcoming the new teammate. This might be in Slack, email, or whatever other broad channels make sense for your team and company.
- Introduce them to their team. Depending on the size of the team, this may be done in a video conference with everyone, or in a Slack channel. Ideally, the new person has some form of one-on-one video chat with everyone on the team as soon as possible after starting, as this helps establish more direct, personal connections.

> "*The Day One Document is a prime example of our belief in writing everything down. The key to designing a thorough onboarding program that gets new people acquainted quickly is over-documenting everything.*"
>
> — Noah Brier, co-founder, Variance *

Here's an example Day One Schedule from Percolate, a company previously founded by Noah Brier. This level of detail is ideal for remote onboarding.

16.1.4 FIGURE: AN EXAMPLE DAY ONE ONBOARDING PLAN



Welcome to Percolate
Day One
Tools
- Google Docs
- IM
- Self-Service
- Self-Service is part of our computer inventory management system. It's a great place to get software, encrypt your computer, and perform maintenance tasks. To learn more about Self-Service and how we manage computers at Percolate, see this document.
- Github
- Asana
- Dropbox
- Expensify
- Email
- Infrastructure
  - Sendgrid
  - AWS
  - Lists
- Passwords

The Vision
The Mission
The Culture
- Percolate culture is...
- Percolate culture isn't...
- One last culture note: On judging ourselves against ourselves

The Founding
Meet Percolate
Roadmap
The System
Bugs
The Company
The Management
Style & Design at Percolate
The Clients
The Rules
- Emails
- Meetings

Friday Wins Meeting
Clubs
Coffee
Introduce Yourself
Objectives & Measurement
- Yearlies

Welcome to Percolate

Hi there and welcome. If you're reading this then you've been hired at Percolate. Congratulations and great work, you must be awesome. Prepare to be challenged, inspired, rewarded and transformed.

First things first: you should have a week one Percolator assigned to you. (Your Percolator will take you through your first week. They will be there for questions and help you get through anything you might need to know.) If you haven't gotten a Percolator assigned, go ask the person that hired you why not and ask them to assign one. Your Percolator will be helpful for any questions throughout your onboarding (and life at Percolate).

Second things second: As you read through this, please add comments anywhere (in any document) with questions, concerns or anything else. Our goal here is to constantly improve. Help us make that happen. (Seriously, we mean this, we've left a few comments open throughout the doc so it's not daunting. Don't worry, just go for it.)

Day One

Before we dig in let's outline your tasks for your first day (*you don't need to do any of these right this minute*, just wanted to give you a heads up on what to expect):

1. Make sure you have an email address and all the access you need: If you're reading this document it probably means you're good.
2. Make sure you've got your Percolate swag. Seriously, if you don't have it yet stop what you're doing and go track someone down to get yours.
3. Get to know your Week One Percolator: This is going to be your friend, mentor and onboarder for your first week at the company. They will help you get through and answer any questions you have along the way. If you don't know who this is stop what you're doing and go ask your manager.
4. Sign up for Barista - http://barista.percolate.com/ - with your Percolate account. This is a great place for you to catch up on Percolate wisdom and also ask any questions that come up along with way.
5. Read this document: Within this doc are some onboarding steps we have everyone go through during their first day. Here they are:
   a. Take yourself through the Percolate demo (u: demo@percolate.com; p: tsor#boom)
   b. Sit down with a client solutions manager for some training and setup for your own account
   c. Meet the Product Team: Talk to an engineer, designer and product manager and

4

Source: *Percolate* *(First Round)*

16.2 *30 60 90 Day Goals*

The primary performance-related goal of onboarding is that after three months, every new hire is a productive member of the team. This is true of any employee, regardless of whether they are remote. But a very clear 30-60-90 day plan, with formal check-in meetings at each mark, plays an especially important role in a remote environment. Such plans support asynchronous practices for managing a new employee's progress, and enable a remote employee to develop the skills and knowledge they'll need to work autonomously and productively.

Typically, the first 30 days are about learning, the next 30 are about contributing, and the final 30 are about reaching independence (or leading, depending on the role). An effective written plan states concrete goals for each time phase, and ends with the final goals of the position (which essentially will be to independently execute their job description).

As a manager, you will have a corresponding document with your own goals to support the new hire: for example, finding an appropriate project for them to own at the 30-day mark, or delegating a significant responsibility at the 60-day mark. In a remote context, it's important for both sides to have a clear expectation of the job, and of what success looks like.

HubSpot has excellent templates for 30-60-90 day plans, for both new hires and their managers.

16.2.1 BRENÉ BROWN'S "PAINTING DONE"

Brené Brown's work and research in *Dare To Lead* shows that organizations that have clear expectations also foster higher levels of vulnerability, trust, and connection. The motto "clear is kind" is one of the most important things a manager of remote workers can remember. When Brown mentions "clear," she speaks of a highly descriptive activity—"painting done": *

- "Painting done means not just assigning a task, but explaining the reason—clarifying how the end product will be used.
- "Providing color and context—the purpose, not just the mechanics.
- "Sharing the reason for a task helps uncover stealth expectations and stealth intentions, cultivates commitment and contribution, and facilitates growth and learning."

Remote workers, like all workers, will fail if they don't have the clarity and context they need to execute a task and succeed in their role. This is true of all roles, but in a remote setting where context is more easily lost, it's a particular risk. A short-term investment in thorough onboarding can make a major difference in how productive a new remote worker is as a long-term teammate.

16.3 *Buddy System*

The second major challenge with successfully onboarding a remote team member is integrating them into the culture. Culture gets shared in casual and social interactions, so co-located teams will find it easier to maintain a certain culture (whether that culture is "good" or not is unrelated—in-office and remote teams can both be healthy or toxic). New hires in a remote team will have fewer interactions to observe, and so the signals they're collecting to understand expected cultural behaviors are more limited. Additionally, in a growing team, new people may band together, viewing the fellow new hire as the safest person to ask a potentially "dumb" question, rather than their teammate or manager. This risks subcultures developing as new hires onboard, further fragmenting the culture away from the overall company's direction.

When people say that "maintaining culture when you hire remotely" is hard, this is what they mean. The default is a forking, branching culture, with each "generation" of new hires developing their own ethos; maintaining one common shared culture takes continued, focused work. David Loftesness, who has worked at Twitter and Eero, suggests a few tactics for dealing with changing culture as people onboard:

> *Fostering an understanding of what each team does, what their challenges are, the basic act of putting names to faces after a meaningful interaction, is a great way to sidestep factions down the road… Get new hires in a room with your veteran employees, for example, to maintain a thread to your earliest days. Encourage them to share stories, both difficult failures and energizing successes. This can give the new folks some perspective of what the old-timers went through to get the company to where it is today.[twitter-onboarding]*

Ensuring that new hires are surrounded by veteran teammates who have an explicit mandate (and the time) to support them helps teams stay culturally cohesive as they grow. Fully remote companies Buffer and GitLab both use a "buddy system" for onboarding and building culture with new hires.

In a **buddy system** new hires are assigned one or more peers in addition to their line manager. Peers can act as a **role buddy**, to help them succeed in their role, and/or as a **culture buddy**, responsible for onboarding the new hire into the company culture.

◇ IMPORTANT The job of the role buddy is to help the new hire execute their 90-day plan, not to evaluate or test them. This is important, because new hires need a safe person who they can ask questions, and an evaluative person is by definition not entirely safe. That's why a line manager alone can't provide this level of peer support to the new hire.

At Buffer, the role buddy is responsible for showing the new employee the ropes of their role, helping them achieve their tasks, and answering any questions. This person is usually a member of the same team and in a similar role. Ideally, they have several hours a day of timezone overlap as well. The role buddy has less work individually assigned to them and will meet regularly with the new hire's line manager to understand how to support the new hire.

The culture buddy is another peer, and together with the new hire, follows an explicit course of cultural onboarding, meeting once a week for six weeks. The relationship officially ends after that time, but many buddy pairings remain close. The culture buddy is responsible for helping the new hire acclimate to remote work, find the schedule and set-up that works for them, explain cultural nuances like "rather than phrasing your request like that, we usually say it like this and include this information" or "in this team, that emoji is considered passive-aggressive." They also share any helpful informal dynamics, such as "product managers here are considered on par with managers—they're important decision-makers," or "instead of asking someone when they're free, we like to look at the person's calendar and schedule an appropriate time." These are the non-obvious, yet critical things to help new team members feel at home and be accepted.

Buffer also has explicit meetings, for an hour each week, where the team discusses the company values and any challenges that arise when living those values. New hires are asked to do a written reflection every two weeks and share that document with their culture and role buddies, as well as their manager. This helps everyone be clear and explicit about every aspect of the onboarding, how the new hire is feeling and performing, and how the company can best support them.

17 Remote Team Integration

A **gelled team (or integrated team)** operates as a collective unit where the output is more than the sum of each individual contribution. A key indicator of gelled teams is a high level of psychological safety.

Psychological safety is a shared belief held by members of a team that the team is safe for risk-taking.* Psychological safety enables team members to express new ideas or suggest improvements or changes without fearing potential negative consequences. As a result, psychologically safe teams take more risks and perform better. Unlike trust, which focuses on how individuals feel about each other, psychological safety is focused on beliefs about group norms, and being respected within the group.

In a remote team, the factors that may contribute to a feeling of psychological safety are more rare, like face-to-face engagement and general social activity. Leaders need to work intentionally to help teams gel. Thinking of teams as being entities that go through development stages makes it easier to anticipate challenges and overcome them.

17.1 *Stages of Team Integration*

Bruce Tuckman developed the four stages of team formation: *Forming, Storming, Norming and Performing.* * This is useful to use as a diagnostic framework to overcome hitches when integrating remote or virtual teams.

17.1.1 TABLE: STAGES OF TEAM INTEGRATION

	FORMING	STORMING	NORMING	PERFORMING
General Observations	Uncertainty about roles; looking outside for guidance.	Growing confidence in team; rejection of outside authority.	Concern about being different; wanting to be part of a team.	Concern with getting the job done.
Content Issues	The team makes some attempt to define the job to be done.	Members resist the task demands.	There is an open exchange of views about the team's problems.	Resources are allocated efficiently; processes are in place to ensure that the final objective is acheived.
Process Issues	Team members look outside to managers for guidance and direction.	Team denies the task and looks for reasons not to do it.	The team starts to set up procedures to deal with the task.	The team is able to solve problems.
Feelings Issues	People feel anxious and are unsure of their roles.	People still feel uncertain and try to express their individuality. Concerns arise about team hierarchy.	People ignore individual differences and are more accepting of one another.	People share a common focus, communicate effectively, and become more efficient and flexible as a result.

Source: Bruce Tuckman

◇ IMPORTANT When it comes to remote teams, the friction of distance makes the "feelings issues" that are a part of each of Tuckman's four stages take longer to process. Groups rely on social cues to move from one stage to the next, and the lower the amount of social interaction, the more difficult it is for team formation to progress. This is an area of team formation where remote leaders will want to pay extra attention.

17.1.2 FORMING

When a team first comes together, it's important to identify the boundaries of this new unit. Identity statements like a team name, ensuring clarity on the roles and expectations of each team member, and creating a team mission statement help to bring a group of geographically isolated individuals together.

This is a good time to humanize one another, too. At Zappos, a fully remote company, new hires give video tours of their workspaces. Leaders Tony Hsieh and Jenn Lim say this practice “allows colleagues to form mental images of one another when they’re later communicating by email, phone, or text message.” Putting people in the context of their home or office environments can help remote teammates remember that their colleagues are autonomous individuals with lives all their own, and so should be treated with respect and empathy.

◇ IMPORTANT Some people might not be comfortable sharing the details of their personal spaces. It’s important for companies and managers to respect those boundaries as well.

17.1.3 STORMING

In this phase, conflict plays a critical role in integrating virtual teams. Once this does happen, it’s common for distributed teams to get stuck in a place of “artificial harmony,” where disagreement is buried, and productive conflicts are avoided. Instead of a truly harmonious team, you get a group of individuals who are quietly and silently opposed and disengaged from whatever the team is doing, and because the team doesn’t have the levels of psychological safety needed to disagree openly and still maintain the relationship, this festers. Storming is the most common phase where team integration stalls. Without personal bonds to sustain a frank discussion, team members avoid conflict at all costs, and group performance suffers. A team that doesn’t go through the ‘storming’ phase will not reach the levels of open debate and trust that characterizes ‘performing’ teams.

◇ IMPORTANT Personal chitchat, making time for social interactions, and other team-bonding exercises that are covered below in Morale, Mental Health, and Burnout in Remote Teams and in the Remote Company Culture section, all help to get and keep a team gelled.

During the storming phase, leaders must be actively involved in managing conflict for the phase to come to a successful resolution.

17.1.4 NORMING

Once a team has reached a point of productive conflict, it can then enter the next phase of "norming," in which conflict no longer dominates group discussions and the job at hand is getting work done. At this point, documenting preferences and agreements helps reinforce conflict as necessary and role-based rather than personal, and aids in moving on from continuous conflict. Helping teammates prepare for more candid discussions by reviewing one another's conflict profiles and agreements also helps a preoccupation with conflict change into a tool in the team's toolkit rather than its defining action.

Harvard Business Review recommends assigning an "official advocate for candor" in team discussions on an ongoing basis (Patrick Lenceoni also recommends a strategy like this). This can be a rotating position assigned at the beginning of a virtual meeting or conference call, similar to how one might assign a meeting facilitator or note-taker. Having an assigned candor advocate raises the odds of productive conflict occurring: "I sense that not everyone agrees here—can we pause for a bit of constructive debate?"

Taking this a step further, when productive conflict is occuring, giving participants real-time permission to continue can help: "This might feel awkward, Alice and Bob, but I want to remind us all of how important healthy conflict is, and that on this team, we've all agreed to break through artificial harmony. You're both doing a great job at this!"

17.1.5 PERFORMING

At this point, the team has started to perform as a 'gelled' unit, with high levels of psychological safety. In a remote team, active maintenance of the team's focus and morale helps to keep teams in this high performance phase.

17.2 *Managing Conflict in Remote Teams*

Resolving conflict between team members (and across teams) is a classic responsibility for managers, and the challenges are exaggerated on distributed teams due to distance and degraded emotional information from asynchronous, written communication. The solutions, too, are not necessarily as straightforward as they would be in an office setting.

James O'Toole and Warren Bennis describe observable candor as a foundation of successful teamwork. It is the degree to which "people have access to relevant, timely, and valid information." Without it, teams are simply less effective. Unfortunately, remote teams are especially ineffective at frank conversations: HBR research shows that in dispersed groups, leaders have to actively push team members to be candid with each other.

In *The Five Dysfunctions of a Team*, Patrick M. Lencioni defines "artificial harmony" as the lack of "passionate, unfiltered debate around issues of importance to the team." Teams may avoid passionate debate in an effort to stay conflict; back-channeling is often the result.

Back-channeling is a secondary conversation that happens to the side, or after, a primary conversation. In a work context, this manifests when sub-groups either talk separately via chat or other text mechanisms during a meeting, or meet separately afterwards to discuss issues in semi-private spaces, because they are unable to have productive conversations as a group.

There are a few ways to help managers predict and prevent these kinds of issues within remote teams.

17.2.1 CONFLICT PROFILING

Conflict profiling is a method for evaluating the manner in which individuals on a team react to conflict.

In a conflict-profiling exercise, team members all answer a set of questions during a video meeting. These answers can then be kept on a shared document to reference later.

- How normal is conflict for you?
- How comfortable are you with "lively debate" and pushback?
- What do you need to feel comfortable with productive conflict?

This helps uncover differences in teammates' communication styles. People might assume that everyone has the same appetite for lively debates as they do, and feel shame or shock when their excited pushback is met with tense withdrawal.

Knowing who does and doesn't feel naturally comfortable with conflict, and specifically what each person needs to feel safe when expressing or hearing disagreement, means that positive conflict is more likely to occur and be handled productively, reducing fears that disagreement or new ideas pose a high relationship risk.

⚠ DANGER The idea that everyone should feel psychologically safe to disagree can be used to defend unacceptable behavior and verbal harassment. Healthy conflict and psychological safety emphatically do not apply to violations of a company's code of conduct, hate speech, or conflict that marginalizes people or groups. No one should feel encouraged by company policy to express racist, sexist, transphobic or otherwise bigoted views in the workplace. This conflict-norming advice applies to the discussion of ideas that do not incite harm to others.

As a manager, you may also need to help individuals manage conflict when it impacts their ability to work together. In an office setting, getting people together physically can often resolve a conflict due to misunderstanding or built-up reactions to misaligned expectations. In a Twitter thread, Textio CEO Kieran Snyder detailed how a tense, difficult relationship with a co-worker changed once they were able to get together for lunch:

> *We had a very human conversation that day about why our work partnership was not working. I found it easier to give and receive feedback than I ever had in the office. I was able to hear where he was coming from, and felt more open to share in return.* *

When this kind of in-person meeting to resolve conflict isn't possible, team members will need alternate approaches, and strong encouragement from their manager to make it happen. This could include talking on the phone while each person takes a walk outside, or switching to longform written communication where each party gets a chance to think deeply about the conflict and express their feelings carefully. Other approaches can include more specific directives for how these conversations are conducted, like a manager instructing the parties to use the hedgehog method.

17.2.2 THE HEDGEHOG METHOD

Ben Erez, a Product Manager for design tool Abstract, advocates for using the "hedgehog method"[23]—discussing difficult situations or giving feedback while using "I" statements, that frame the discussion in terms of

23. The origin of this term is unclear, but it is likely an adaptation of Jim Collins' concept of the "hedgehog" approach to business strategy, which itself is an adaptation of Isaiah Berlin's famous essay, "The Hedgehog and the Fox," adapted for interpersonal discussions.

the feelings, beliefs, and values of the person speaking, instead of placing blame or fault on the other person or people involved. The method follows a set format:

- **State your honest intention.** "I would like to improve how we partner on..."
- **Share what you observed.** "I noticed that when we started this project..."
- **Share your interpretation.** "I ended up feeling... because..."
- **Ask for the other perspective.** "How did you take that?"
- **Generate a solution.** "What can we do better next time?"

Erez and team found that the "emotion and interpretation parts are critical, and combine to open a two-way door to discuss the feedback and come up with a collaborative plan for moving forward together constructively. It's not accusatory, so the conversation doesn't deteriorate into any kind of finger-pointing."

17.2.3 CRUCIAL CONVERSATIONS METHODS

The Hedgehog method echoes key points in *Crucial Conversations*, with the principle "Work On Me First, Us Second." A few tactics remote team members can use from their approach include:

- **Stick to the facts.** "Abandon your absolute certainty by distinguishing between hard facts and your invented story."
- **Keep your shared goals front and center.** Establish something both people care about: "Mutual purpose means that others perceive that you're working toward a common outcome in a conversation, that you care about their goals, interests, and values. And vice versa."
- **Avoid the "Fool's Choice."** Crucial Conversations defines this as framing things in terms of either/or choices when there are more than two options. "Watch to see if you're telling yourself that you must choose between peace and honesty, between winning and losing, and so on."

18 Remote One-on-One Meetings

A **one-on-one meeting (or 1:1, or one-to-one, or one-on-one)** is a recurring meeting between a manager and their individual team members. While the format may vary significantly by organization or team, it is typically a time for the manager and employee to discuss how the employee is doing, and may include discussing projects, coaching, mentorship, establishing context, or helping the employee discuss challenging aspects of their work.

One-on-ones were popularized by Andy Grove in *High Output Management*, where Grove argues that "[ninety] minutes of your time can enhance the quality of your subordinate's work for two weeks, or for some eighty-plus hours." This is a compelling return on time invested, and so for good reason, one-on-one meetings have become a management best practice. Grove recommends that the one-on-one meeting be directed not by the manager, but by the employee, and that it is emphatically *their* time to bring up what is on their mind.

18.1 *Increased Importance of Remote One-on-Ones*

> "*Treat your peers as interesting fellow humans and you might be surprised by what it does for their motivation, dedication, and engagement.*"
>
> — Camille Fournier, Managing Director, Two Sigma, and author, *The Manager's Path* *

In a remote team, the manager is by default an abstract, distant avatar and not a real live human who interacts socially with their team on a daily basis. Managers can't see what's happening by walking around a physical office or by reading faces and body language, so they must have a way to direct and encourage employees to be open and honest if something is wrong. This requires a far higher degree of trust in the manager/direct-report relationship than when you can simply observe their behavior and office dynamics directly. one-on-ones are both the space specifically designated for employees to share any issues, and where managers can connect more deeply with direct reports, form bonds, and establish trust.

The practices for remote one-on-ones are essentially the best practices for one-on-ones in general, but because they're *so* critical for remote work, we'll cover them in detail here. Even in a heavily asynchronous culture such as GitLab, the one-on-one structure is carefully observed. In their remote one-on-one guide, GitLab recommends that managers have seven, and no more than ten, direct reports because "beyond this, proper [remote] one-on-ones are hard to sustain."

CAUTION The first mistake remote managers make with one-ons is using them as a crutch to replace a lack of overall communication on status, priorities, and work goals. The one-on-one is an ideal time to connect with people who report to you on a human level—if the whole hour or hour and a half is taken up answering questions about projects the report is supposed to be working on, then meetings and documentation need to be improved elsewhere.

To open up the agenda for the direct report to share candidly what's on their mind with their manager, it's important to clear out the routine, administrative communication that can take up valuable facetime. This section covers how to do that.

18.1.1 REMOTE ONE-ON-ONE PITFALLS

There are a few things you can (not) do to ensure managers and employees get the most out of one-ons:

- **No status updates.** Status updates go in project management software or other forms of documentation. A one-on-one meeting isn't a status-update setting, so be sure that's already taken care of elsewhere.
- **No routine business.** Things like scheduling and planning are more appropriately handled in staff or project meetings.
- **No lectures.** Truly one-way communication goes in an email, wiki update, or even recorded video message. It's not appropriate to lecture your direct report in *their* one-on-one.

18.2 *Remote One-on-One Checklist*

> "*Over time, I've learned that getting some particular data during an initial one-on-one can be really helpful, as I can refer back to the answers as I need to give a person feedback, recognize them, and find creative ways to support them.*"
>
> — Lara Hogan, management coach; co-founder, Wherewithall *

To ensure one-on-one effectiveness, it's helpful to make sure you are:

- **Managing time well.** We recommend meeting for one hour, every week.
  - It's best to skew timezones in favor of the direct report, and to optimize for the time of day that is comfortable for them to share more easily, where possible.
  - Keeping the full amount of meeting time signals how much you value these meetings.
  - Don't reschedule or cancel: signal how important this time is by showing up.
- **Having the right environment.** This means using video calls, not just audio calls. You want as much information as you can get, including body language and facial expression.
  - For more effective meetings, both people should use headphones and be in a quiet place.
- **Starting with a baseline.** For the first one-on-one, you'll want to establish a baseline understanding of how your direct report works. Lara Hogan routinely asks the same set of questions in every first one-on-one. (If you've already been doing one-on-ones, but not to this degree, you can still do this now!)
  - For subsequent one-on-ones, the direct report can prepare an agenda ahead of time and share it.
- **Documenting your meetings.** It's wise to use a shared document that you both have access to.

  - As the manager, you will want to take your own notes in an additional *private* document. It's most effective to keep key information about what's important to them and what they have going on in their private lives (family news, hobbies, pets, future plans) at the top of your private document.

- **Being prepared.** Before the meeting, it helps to scan over your private and shared notes from the previous week so you can follow up. This includes:

  - Having some questions ready to ask your direct report if the agenda is short.
  - Mapping out career goals and progress every six weeks (twice per quarter).

- **Being present.** Pay attention! 80% of people admit to surfing the internet or doing unrelated tasks during video calls. Respecting your direct report's time helps ensure that the one-on-ones don't become a waste for both of you.
- **Leaving time at the end.** You can use this time to prompt your direct report to share anything they may have been avoiding—good or bad; work-related or not—by asking, "Is there anything else at all that's been on your mind?"

18.2.1 LITMUS TEST OF A SUCCESSFUL REMOTE MANAGER

Relationships don't have easy metrics to measure, but there are questions that can help managers gauge the depth of understanding they have reached with their direct reports:

- Do you know what irritates your direct report?
- With whom do they like working the most? And the least?
- What are they fundamentally responsible for—what is the point of their role?
- How does your direct report like to celebrate wins?
- What's their "tell"—the way you can see that something is wrong?
- What are the names and occupations of the people closest to them in life? Can you draw any insights about their values or passions from this information?
- What are their core values in life? (Here's a list you can pull from if you're not sure where to start.)

This level of managerial relationship on a remote team is the bar that to aim for. As a manager, it is your job to become an expert in knowing who your direct reports are, how they work, and what you can do to create the optimal environment for them to succeed.

18.3 *One-on-One Questions for Remote Managers to Ask*

It's helpful to have a well of options you can turn to regularly to keep your one-on-ones fresh and find new ways to prompt interesting or useful answers from your team. Asking deeper questions leads to greater trust and intimacy than small talk does; a key pattern to foster in developing close relationships is "sustained, escalating, reciprocal personalistic self-disclosure." *

Rather than ending a one-on-one early when an agenda is light, you can ask your direct report one or two of these questions, ideally getting more personal and reflective over time.

18.3.1 PRODUCTIVITY AND CAREER

- When did you recently get an opportunity to learn and grow? How can we create more of those?
- Have you seen someone else doing something you felt worked really well? What was it?
- What should I know about you that would help me support you better?
- What are you doing here that you feel is most in line with your long-term goals?
- What are your biggest time wasters?
- If you could be proud of one accomplishment between now and next year, what would it be?
- Is anything holding you back from doing the best work you can do right now?
- Is there a project or area outside your current role where you feel you could be contributing?
- Which areas make you feel like your hands are tied or you are unable to reach your full potential?
- If you were to create your ideal position, how would it differ from what you are currently doing?

- At what point in the past week were you most frustrated with or discouraged by your work? What can I do to help you manage that?

18.3.2 SEEKING FEEDBACK

- Would you like more or less direction from me?
- Would you like more or less feedback on your work? If more, what additional feedback would you like?
- If you were coaching me to have a greater positive impact, what would you tell me?
- What can I tell you about myself that might make it easier to understand me and work with me?
- Have you seen a product or initiative at another company recently and thought to yourself, 'I wish we'd done that'?
- What vibrations (news, rumors, dynamics) are you picking up that you think I should know about?
- What's our biggest oversight, and how do we resolve it?
- What do you feel is our biggest risk right now?
- What was the most useful part of our conversation today?
- What are you worried about right now?

18.3.3 BUILDING RELATIONSHIPS

- How's life?
- What's going on for you these days outside of work?
- What is something you've done that you're proud of?
- What was something you were scared of as a child? Have you overcome it?
- What fictional character do you most identify with?
- Would you rather be known or unknown? Why?
- What hot topic usually turns into an argument for you?
- Do you have a motto or personal mantra?
- What's on your bucket list?

18.3.4 TRANSITION AND CHANGE QUESTIONS

- Imagine it's two years from now, and things have gone well: What has been your role in that? What does your role look like?
- What are you worried might happen if you made this transition?
- What will happen if you don't take this step?

- What would need to change for you to get to a point of "let's do this" or "I don't want this"? What information do you need?

18.3.5 TEAM DYNAMICS

- How would you say we're doing at working together as a team? What makes you say that?
- What do you think the rest of the team is most concerned about? (People may also share what they are personally concerned about; this framing makes it easier to share.)
- Who on the team is doing really well right now? (Also listen for names that *don't* come up.)

18.3.6 WELL-BEING

- Are there any decisions you're hung up on?
- I've noticed you're a little quieter than usual. Is there anything you'd like to talk about?
- Do you feel *stretched thin?* (This wording is useful to measure subjective stress, not objective workload.)
- What, if anything, did you used to do that you find you don't have time for right now?
- What is your takeaway from this discussion? (This is especially helpful to get to action steps from a thorny issue.)
- In our last one-on-one you mentioned you were frustrated by X and wanted to try Y as a solution. How has that been going?
- During this meeting you've mentioned that you'd like to pursue X. What steps can you take toward that before our next one-on-one?
- What could we change about work that would improve the rest of your life?

18.3.7 CONFLICT RESOLUTION

- What does your ideal outcome look like? (Could be about a specific conflict that's come up, or approached hypothetically.)
- What's hard for you in getting to that outcome?
- What do you really care about?
- What's the worst-case scenario you're worried about?

18.3.8 GETTING DEEPER

- Are you afraid of anything at work?

- I've noticed that our last several one-on-ones have stayed pretty surface. What are your honest impressions of this meeting? What could we be doing differently or better?
- What's something you used to strongly believe in that you no longer do today?
- Before making a telephone call, do you ever rehearse what you are going to say? Why?
- What are three things you and I appear to have in common?
- What do you feel most grateful for in your life?
- Take four minutes and tell me your life story in as much detail as possible.
- If you could wake up tomorrow having gained any one quality or ability, what would it be?
- Is there something that you've dreamed of doing for a long time? Why haven't you done it?
- What do you value most in a friendship?
- What, if anything, is too serious to be joked about?

18.3.9 FURTHER READING FOR REMOTE ONE-ON-ONES

- "101 Questions to Ask in One-on-Ones" (Lighthouse)
- "The 9 Questions that Uncover the Most Surprising Insights from Employees" (Signal vs. Noise)
- "The 8 Best Questions to Ask During a One-on-One Meeting" (Know Your Team)
- "These 13 Exercises Will Prepare You for Work's Toughest Situations" (First Round Review)
- "74 Questions to Ask in One-on-Ones with a Manager" (Lighthouse)
- "Ultimate Guide to Virtual one-on-ones" (Marcus Wermuth)
- *Reinventing Organizations: A Guide to Creating Organizations Inspired by the Next Stage of Human Consciousness* (Frédéric Laloux)
- *The Coaching Habit: Say Less, Ask More & Change the Way You Lead Forever* (Michael Bungay Stanier)

19 Goal Setting and Feedback for Remote Teams

A manager's work is primarily focused on three major tasks:

1. setting goals to help employees succeed and grow in their roles;
2. providing coaching, mentorship (advice on how to improve) and sponsorship (access and advocating for opportunities for them); and
3. giving corrective feedback when something needs to change.

All of this happens in the context of setting goals with an employee. Without clear objectives and expectations for a role, it's hard to give meaningful coaching on how to meet those goals, and even harder to be objective and helpful when an employee falls short.

In a remote team, you cannot use presence as a proxy for contributions—this is a good thing. Not having a physical office to go to in order to prove you are "at work" means that a remote workplace skews itself to being outcomes-based: is someone regularly producing high quality work in reasonable time constraints? Here, you'll benefit from having clear job descriptions and levels or an outline for what's expected at each level of performance.

When setting expectations with an employee, it pays to be explicit about the reason behind your expectations, to share the overall outcome, and to describe how you'll be holding teammates accountable.

For example, a request from a manager can best be made up of three distinct elements:

1. **Specific expectation.** "I'll need this research drafted with 1–3 key takeaways and a few ways to visualize the data by 4pm Eastern time tomorrow…"
2. **Reason for the expectation.** "…so that I can add your angle into the presentation for the next day…"
3. **Wider context.** "…Getting this client to renew their contract is on my mind, so I want the presentation to be top-notch."

◇ IMPORTANT This is generally good management practice; and in a remote team, this level of clarity is not just preferred, but essential—it's much more difficult to fall back onto micro-managing to fill communication and expectation gaps. If someone is in a different timezone, there simply might not be a chance to keep following up or going back and forth on a task if the outcome wasn't what was needed. (See Align Goals for more on company-wide goal setting as a way of aligning remote teammates for effective collaboration.)

With all of this in mind, remote managers can focus on helping their direct reports improve and grow in their careers. Being the kind of manager that helps employees with career growth isn't a checklist of discrete actions, but a holistic approach to work that improves the output and well-being of individuals and teams. Tying individual successes into part of an overall pattern of being more effective in general helps people understand what their strengths are and whether they're improving. More importantly for remote workers, it shows that you, as the manager, see and recognize these achievements; and it helps distributed teammates feel visible and valued.

19.1 *Giving Feedback Remotely*

19.1.1 REWARDS AND RECOGNITION

For a remote worker who's performing well, the risk can be that they are not getting enough visibility from their manager or the team. Feeling overlooked and underappreciated, they're at risk for disengagement and attrition. Research shows that the worry about being "out of sight, out of mind" or of having fear of missing out (FOMO) can lead to loneliness and isolation in remote workers. It is therefore critical for managers to increase high-performing team members' social visibility with public recognition, and to reward good work.

A second benefit of recognition being given publicly is that it makes clear what types of behavior your company rewards. This helps to build the type of culture that you want. It's more effective to show people exactly what success looks like, than to criticize what they do wrong. Public recognition is also an excellent tool for improving the performance of those who aren't high achievers yet. In a remote team, there are many fewer opportunities to directly observe co-workers' work, and so drawing specific attention to excellent work gives everyone a chance to learn and improve.

CAUTION It may be the case that an employee is not comfortable with public praise, so if you plan to call them out in a team meeting, ask first. If they would prefer you not mention them specifically, you have the option of rewarding the team publicly and that individual privately, which still allows you to bring recognition of good work into the public sphere.

As a remote manager, you have a number of options for recognizing remote employees:

- Company email threads to appreciate good work.
- Sharing messages in public chat rooms. One specific idea is a "High Five" channel in Slack, where anyone can give someone else a remote high five—an emoji, GIF, or written comment—for something great or noteworthy that they did.
- Having a dedicated written space for recognition or gratitude.
- Use software services similar to performance review software for ongoing, positive praise.
- Create regular time for celebrating 'wins' in team or all-hands meetings.

19.1.2 CORRECTIVE FEEDBACK

> "*Giving feedback knocks down two of the biggest barriers preventing your reports from doing great work—unclear expectations and inadequate skills—so that they know exactly where to aim and how to hit the target.*"
>
> — Julie Zhuo, VP of Product Design, Facebook *

Corrective feedback should be given privately. There's nothing to be gained from public humiliation—it will only cause the manager to lose the trust of the team, and can create intense feelings of discomfort and isolation in everyone present.

IMPORTANT The exception here is correcting harmful *public* behavior, like a racist slur or other violation of a code of conduct. This is not performance feedback; this is maintaining an inclusive culture. If the harm occurred in a public space (for example, a team meeting or company chat), the priority is to show the rest of the team that such actions are not acceptable and won't go unchallenged. This means immediately and publicly correcting the harm, saying, "We don't use that kind of language here," or, "You need to take a break for the rest of this meeting, you're not being respectful," then following up privately to go deeper and make sure the offending party understands what was wrong with their language or action.

When delivering private feedback, it's best to frame performance conversations in terms of objective, documented career and role expectations, and be clear with examples of work that have failed to meet those standards. In a remote setting, you're lacking personal context, and so it's important to give feedback in a way that is both clear, but also genuinely opens the conversation for your direct report to share their perspectives. As a manager, you could quite simply be wrong, or there could be a very good reason for what looks like under-performance from the outside.

In these cases, knowing someone's feedback preferences ahead of time is very useful. That understanding allows you to deliver the feedback in the format that works best, and is most likely to be received. Some people prefer a video call to discuss the issue at hand. Others prefer a detailed, written email from their manager, with time to reflect and respond in writing. Still others prefer shorter chat messages because they prefer to know right away if something isn't right; or a hybrid written note plus follow-up call approach. It's wise to try to use the approach that works best for your direct report.

When helping your direct report to think in a different way, you can use coaching questions—that is, 'What' questions over 'Why' questions. Instead of "Why did you do that?" you can ask "What were you hoping for here?" Instead of "Why did you think this was a good idea?" you can ask "What made you choose this course of action?"

In serious cases of performance feedback, where there may be an overall mismatch between role contributions and expectations, it becomes important to document this both for the company and with your direct report to make sure they understand the seriousness of the situation. Here, sending follow-up 'recap' emails after feedback discussions can be helpful, so that the feedback, the discussion, and agreed upon plans to improve, are in writing and shared between the employee and manager. It also gives the employee a chance to respond if they feel differently about the situation, if they feel the conversation mischaracterized them, or if they felt their comments were taken out of context.

This can be done over email or chat message, as long as it's in writing in a more official place where both people can see it. Doing this creates documentation that could be needed if the situation continues to worsen; and also creates a clear, explicit message for the employee. In addition to emails or similar, it's best to keep meeting notes, summaries of plans, and other relevant feedback in a folder online where it can be accessed by HR or another manager if needed. Wrongful dismissal is always a concern, so keeping a paper trail is particularly important.

◇ IMPORTANT In a remote setting where context is easily lost, the employee might literally not understand that there is a problem and that their job is at risk. If you talk often about "building a feedback culture" and "healthy conflict" (which are generally good things!), your team might actually confuse serious performance feedback with a cultural norm, and think that nothing is specifically wrong. Anything less than perfect clarity around performance in a remote setting essentially sabotages a remote worker's chances of turning a situation around.

20 Morale, Mental Health, and Burnout in Remote Teams

20.1 *Morale and Mental Health Challenges*

In a distributed team, it's much harder for a manager to get an informal pulse for morale and mental health. You can't manage by walking around; you don't see who's staying late or leaving early, who eats lunch alone at their desk, or who seems unusually withdrawn or dejected.

The very nature of remote work can also contribute to an environment where morale and mental health issues develop more easily and go unnoticed. Studies show that social isolation is correlated with mental health problems.[*] Loneliness, also associated with social isolation, both predicts depression and is a symptom of depression.[*] Loneliness and depression drive people to withdraw, often avoiding taking steps that could help them recover or manage. Loneliness also lowers a person's ability to recognize social cues,[*] which isolates them further. This emotional disconnection is in turn highly linked to clinical anxiety and depression.[*] Anxiety and depression can change people's perceptions of themselves and the world around them[*]—it is more likely that someone suffering from anxiety or depression will interpret an interaction as negative.

All of these factors create a pressure cooker for morale and mental health issues, and are likely to lead to burnout if not treated or addressed. In turn, overwork can precipitate these factors. Shedding light on the importance of mental health by creating an open and safe environment is an important first step for managers of remote teams. Managers can increase the chances of talking openly and respectfully about mental health by doing the following:

- **Modelling.** Managers can talk about their own activities to support their mental health, and add their own therapist appointments to a public work calendar.
- **Sharing strategies.** It helps to encourage discussions of specific strategies for managing anxiety or depression in dedicated venues, like a group chat channel dedicated to mental health.
- **Avoiding ableist terms.** Don't use terms like "crazy" or "insane" as adjectives or jokes.
- **Providing opt-in peer groups.** Slack channels or email chains shared by all the company's joggers or meditators or meal-planners can help encourage building healthy habits, even when people aren't physically together.
- **Supporting mental health leave days.** Allow personal days or mental health days as a form of sick leave. It's good to make sure you know what kind of mental health benefits your company offers—if there aren't any or they are minimal, you can talk to HR or even the CEO about increasing what's offered.
- **Discussing openly and privately.** Encourage mental health discussion in one-on-ones and in public forums and workshops. This helps build, and maintain, psychological safety on the team that is not just about raising issues about work-related tasks, but also about mental health and how to ask for help.
- **Fostering trust on your team.** We cover this in detail in Building and Cultivating Trust in Remote Teams.

◇ IMPORTANT When sharing your own experiences, it's critical never to disclose anyone else's experience. If you're trusted with a disclosure, best practice is to thank your direct report for their act of trust in you, and maintain their confidence.

◇ CAUTION Similarly, you will want to be sensitive around transmitting your own problems to direct reports, and make sure you avoid oversharing in a way that's unhelpful—trying to garner sympathy, artificially deepen a relationship, or sharing raw pain are hallmarks of what vulnerability researcher Brené Brown calls *floodlighting,* which is using vulnerability as a form of manipulation or attention-seeking. *

An overall culture of empathy, trust, and inclusion acts as an antidote to the loneliness remote workers can experience, so investing in those aspects of your culture pays dividends for mental health, too. Empathy and compassion, in particular, are linked with greater overall emotional resilience at work.

20.2 *Burnout Risks of Remote Work*

> "*Burnout is a warning sign of a toxic work environment. The response should be to focus on making the environment less toxic.*"
>
> — Dr. Christina Maslach, burnout researcher and expert *

Christina Maslach, a social psychologist at UC Berkeley, has found that professional burnout results from a systemic combination of exhaustion, cynicism, and professional or organizational inefficacy that drive a feeling of ineffectiveness and lack of accomplishment.

Remote workers are at particular risk if they are overworked, isolated, and struggling against communication structures optimized for an in-person team. Remote employees are also more prone to job exhaustion because of tacit pressure to 'prove' their contributions. In an office, as long as you are physically present, your manager and co-workers are unlikely to wonder whether you're really working. But when someone isn't co-located, an unproductive day can trigger fears about whether people will think they've been watching TV instead of working. Research shows that remote employees work a full extra day per week compared to their co-located counterparts. *

◇ IMPORTANT Avoiding burnout is not solely an employee's responsibility. Burnout is a systemic problem that is largely driven by an organization's culture and stressors in the work environment. It is incumbent on leadership to establish, model, and maintain a set of values and associated practices that prevent burnout in their workforce.

20.2.1 WHAT COMPANIES AND MANAGERS CAN DO

Maslach shows that there are six determining risk factors for job-related burnout. The factors and tactics to deal with each are detailed in the table below.

20.2.2 TABLE: BURNOUT RISK FACTORS AND COUNTER MEASURES

BURNOUT RISK FACTORS	COUNTER MEASURES
Operational workload. When the amount of work is unreasonable, people eventually become exhausted. Remote employees are more likely to work longer hours than in-office colleagues.	Combat this by setting clear, reasonable expectations; providing training so employees can keep up with skill demands; making sure necessary resources are available; and enforcing reasonable work hours so remote employees can unplug and relax.
Control. Employee engagement lags when people don't have the capacity to influence decisions that affect their work and to exercise professional autonomy. This can be exacerbated by an "out of sight, out of mind" phenomenon for remote workers.	You can combat this by asking remote employees for their input on the work they do and on larger company decisions, and by showing that you take action on employee feedback.
Reward. Insufficient recognition and reward (financial, institutional, and/or social) increases individual and team vulnerability to burnout, because it devalues both the work and the workers, and is closely associated with feelings of inefficacy.	You'll want to review compensation regularly to keep up with the market and/or expanding job responsibilities, ask remote teammates how they like to have successes and victories recognized, and follow through with recognition.
Community. When job-specific relationships are characterized by a lack of support and trust, and by unresolved conflict, there is a greater risk of burnout. Remote workers and their colleagues have to make conscious efforts to establish rapport and build trustworthy relationships.	To counter this, you can find opportunities for disengaged employees to help others, which reduces apathy and cynicism and builds community. You'll also want to create a psychologically safe workplace and provide mechanisms for people to connect socially via chat, forums, or other methods.

BURNOUT RISK FACTORS	COUNTER MEASURES
Fairness. When decisions at work are perceived as not being just and equitable, then cynicism, anger, and hostility are likely to arise as people feel they are not respected. For remote workers, a lack of direct visibility can lead to feelings of isolation and a lack of respect compared to their in-office peers.	It's imperative to communicate decisions transparently and in writing, sharing as much context and reasoning as possible. Additionally, have (and enforce) a company code of conduct and deliver performance feedback regularly and consistently.
Values mismatch. When there is a gap between individual and organizational values, employees will find themselves making a tradeoff between work they believe in and work they feel they are being forced to do, leaving them feeling unappreciated or not valued.	You can screen for values in the hiring process by sharing the organization's values clearly. You'll want to reiterate and model the company's values on an ongoing basis thereafter, and to make sure that severe cases of values mismatch are clearly and swiftly handled (up to firing if necessary).

Source: Holloway

◇ IMPORTANT When you hear your team using words like "burnout" and "stress," don't immediately assume that the pace of operations or sheer workload is the problem. The first step is to ask questions about whether they feel lonely, disconnected, or under-appreciated, and whether they feel that overall, their workplace is "fair." If remote workers lack community bonds and are not near the axes of decision-making, they're more likely to have less control over their work and lower quality social relationships—two major factors that predict burnout—even if they have the same workload as their in-office peers. Building community and ensuring that remote workers have the context to make decisions about their own work as much as possible are vital to reducing the risk of burnout.

Other concrete steps to be sure you are taking to minimize these risks:

1. **Ensuring that workers are able to unplug and set boundaries.** You can recommend that people turn off at the end of their day (local time), and not check messages during dinner because a colleague just came online.
2. **Setting clear, acheivable goals.** Ensure that they that are realistic and, to the extent possible, make processes predictable, so that employees can commit to sustaining a meaningful life outside of work.

3. **Taking vacation days.** A minimum vacation policy is especially helpful here, to encourage workers to fully recharge and reconnect with the joys that make life meaningful. Model this as a leader by taking vacation yourself, and not checking in while you are away.
4. **Having a documented team agreement.** This helps ensure people don't feel required to respond to messages at all hours of the day and night and that they have a predictable cadence of communication they can rely on.
5. **Practicing gratitude.** Talking about things you are thankful for actively fights burnout. At the fully remote company Aha!, people take turns wearing a hat, while everyone else shares gratitude for that person, in a ritual that they call "hatitude." Brian de Haff, Aha! CEO, shares that "gratitude helps us pause and recognize how important small acts of kindness are—even when we are not physically in the same building."
6. **Checking the team's burnout risk.** Have people on your team (yourself included) take a burnout risk test, which focuses on the main risk factors for burnout.

21 Sharing Difficult News with Remote Teams

When a group of people experience the same challenges in the same physical space, human connection can form naturally, without any further effort. This connection can make dealing with bad news a little easier—the small act of looking across the room to see someone else struggling can be enormously important as a group recovers or tries to solve a big problem. Remote teams don't have the same social outlets, the cues of "we're all in this together" that help individuals process difficult emotions like shock, grief, uncertainty, and fear. In remote teams, each person can experience their own individual bubble of painful emotions, without the communal processing of grief that allows one to feel less alone. Managers will want to take extra care and pay attention to many subtle details when communicating challenging information.

21.1 *Voluntary Departures*

Voluntary departures—when someone chooses to move on to a new job on a different team or at a new company—can be sad or disappointing, but also can be a chance for the team to express its community feeling. In a remote team, the departing person should receive the same, if not more, celebration and well-wishes than you'd give for the last day of a valued in-office co-worker. It's easy for a remote team member to just disappear as if they were never there, and the temptation can be to let this happen. We strongly recommend that you not do this; it hurts morale by making people wonder what 'really' happened, and by creating the feeling that the company doesn't care if remote team members leave.

To counteract this, it's best to be intentional about how voluntary departures are handled. You can encourage the team member to share a company- or team-wide announcement themselves, communicating their decision to move on, and providing personal details so that co-workers can keep in touch. A message from the teammate themself helps dispel any rumor that they were dismissed.

On their last day, you may have their manager organize a goodbye video call, where everyone shares what they appreciated about that person and wishes them well. Having a "cheering you on" celebration by sharing GIFs and messages in the company chat room can also send people off on a positive note. Making sure departures are handled gracefully helps to nurture a culture that your company is both a good place to work, and also a good place to *have* worked: people go on to good things and aren't resented, or gossiped about, for leaving. Counter-intuitively, this helps the remaining people feel that the job they're currently at is a good one, rather than a toxic place where people gossip about those who move on.

21.2 *Dismissals*

In a distributed team, dismissing someone is a precision operation where rumors and panic are the default setting. You don't have the ability to have a private, in-person meeting and escort the dismissed person out of the building, and then address your staff all together afterwards. As soon as you have a video call to dismiss someone, you will lose control of the narrative and rumors will spread. Your staff will have heard the dismissed person's side of the story via instant message or online on social media as soon as the dismissal happens.

People rarely expect to be fired, even with serious feedback and performance improvement plans. In a remote setting, when you don't visibly see your teammate dejected after a meeting with a manager, or appearing stressed or under-performing at work, people will often have no inkling at all that someone else's job is at risk until they disappear from the company. Given this environment, it's easy for people to believe that the dismissal was a complete surprise, and that if a surprise dismissal happened to someone else, then they might be abruptly fired, too. The worst case scenario here is rumors of layoffs framed as "firings" starting a panic. In this case, you run the risk of top performers (who will most easily find another job) preemptively quitting before they get "laid off." This is an expensive mistake.

The best antidote is clear, consistent communication. Following a firing, it's important that every single line manager tell the same essential story. Broad strokes of that story can be shared to the whole company. You, and all managers, will need to be kind, attentive, and available to your team. Should people across teams discuss the dismissal among themselves, they'll all enter with the same set of facts, having observed the same calm, caring behavior in the manager who dismissed their peer. This goes a long way to prevent panic.

21.2.1 CHRONOLOGICAL COMMUNICATION PLAN

A dismissal will involve planning and communicating carefully in the leadup, during, and after the actual firing:

- **Several days before.** Preparation.
  - Informing HR and your line manager (if appropriate).
  - Writing your script for the actual conversation, and rehearsing it several times.
  - Getting severance agreements ready. This includes agreeing on the severance pay amount and getting it approved. You will want to have this exact amount in writing for the teammate.
  - Informing any partners or close stakeholders whom you can trust to remain confidential.

  - Putting all the documented feedback into a folder online (such as Dropbox, Google Drive, your intranet) so that the company has a record of pre-termination feedback.
  - Writing up a company- or team-wide announcement. You'll want to be kind, respectful of the person, and appreciative of their contributions. This includes being as specific with the reasons for letting them go as you can respectfully be.
  - Asking someone to read this over for you. This announcement will determine whether staff feel at ease with the company decision, or wary.
  - Writing a support plan for the affected team, detailing how tasks will be handled, who will fill the role, and what the plan is to hire again.
  - Writing talking points for managers of other teams, to answer questions about the dismissal.
  - Scheduling a meeting with the person who will be dismissed.
  - Scheduling a meeting for the person's immediate team, without them.
  - Ensuring your people operations or IT person is ready to deprovision accounts.

- **The day of.** Following your plan.

  - Giving your line manager a heads-up an hour before the dismissal meeting.
  - Having the meeting to dismiss the teammate (with your script) . At this point, rumors will spread, and the teammate may share angry sentiments. You will want to remove company communication access as soon as you can.
  - Deprovisioning accounts.
  - Having the meeting with their immediate team to share the news and answer questions.
  - Talking to anyone else who's a close peer, or who will be directly affected.
  - Posting the company or team-wide announcement on the same day. The dismissed teammate will probably be talking to your team on social media, and is likely to feel shocked and surprised by the news, which will destabilize your staff.

    - Sending talking points to all people managers. Explain why it matters that all managers tell the same story (to avoid rumors and talk of layoffs).

- **The next day.** Following up.
    - In the case of a higher-profile dismissal (a manager or leader), you will need to speak to senior individual contributors or veterans to ask them explicitly to help you stabilize their team. You can also ask for a pulse on how the news is being taken.
    - It's important to ensure you hold office hours, should anyone want to speak with you directly. A calendar booking system can make this easier.

21.3 *Reorganizations or Layoffs*

With a difficult reorganization or when faced with layoffs of people on remote teams, several key risks need to be managed:

- Preventing post-layoff quitting.
- Trauma and low morale post-layoff.
- Minimizing disengagement.
- Rolling layoffs or repeated reorgs.

Your distributed team is going to have a harder time processing and recovering from this kind of news than a co-located team will, because shared venting and healing is harder when you can't go for a meal or a drink together. People will feel isolated alone at home behind a computer, and this isolation poses a bigger threat to a remote team's engagement after layoffs.

A bad outcome in this situation is post-layoff quitting: the remote environment can be just too sad and lonely, and confidence and morale so low, that key team members leave for a fresh start.

CAUTION The worst outcome that the company leadership can cause is rolling layoffs: realizing after one wave of layoffs that you need to lay off a second, or even third group, in order to remain in business. Don't do this. It's best to cut deep, but cut once. Rolling layoffs are a disaster in any team, as everyone who can get another job will leave—they perceive clearly that their days at this company are numbered and the axe could fall at any time.

You'll want to decide how you'll lay people off. A principle of "first in, first out," where the most recently hired people are laid off, can be less emotionally taxing to the team, as they're not losing team members they've worked with for a long time. In these cases, layoffs can also be approached as a case of excessive or over-hiring, rather than direct existential business threat. In a remote team, keeping the remaining team members engaged is more difficult, so optimizing for the less emotionally draining layoff structure is even more beneficial.

An exception is when laying off a large percentage of staff. In this case, keeping only the top performing employees, and appealing to a sense of elitism, of being "chosen to save the business," might be enough to galvanize the remaining team into action. "Us against the world" can be a powerfully motivating narrative.

You can adapt a lot of the same communication plan for dismissing one person for larger layoffs. Essentially, your goal will be to minimize rumors and panics and avoid post-layoff quitting and disengagement. Transparency and communicating genuine remorse for the pain of both those laid off and those who've said goodbye to colleagues, go a long way.

> **STORY** "When Buffer did layoffs, we published a blog post from the CEO about what had gone wrong, how we'd reached that point, and what our plan was to recover. Our CEO met with each teammate individually (feasible at that current team size) to assure them and answer questions. In this case, the reliance was on good will: that the company can turn around, that the leadership did everything possible to prevent a layoff, that the layoffs were done as fairly as possible. While our employee NPS dipped 10 points, it remained highly favorable, and we didn't have a single post-layoff resignation in the following year." —Katie Womersley, VP of Engineering, Buffer

21.3.1 HOLDING A TOWN HALL (PUBLIC Q&A)

Directly after layoffs have been delivered, a company all-hands meeting with a live Q&A can help to create stabilization by:

- Allowing questions to be submitted anonymously ahead of time

- Sharing the anonymous questions before the all-hands meeting and allowing up-voting
- Addressing the most voted-for questions live in the Q&A
- Allowing time for live questions and follow-ons to be asked
- Following up by answering every question in writing for the record and so that nothing is missed.

21.4 *Revoking Access*

Operationally, it's more complicated to remove access from a set of remote tools than to remove a building fob or pass. To make sure you're able to remove access to tools and virtual workspaces when someone leaves, it's best to keep up-to-date records of who has what level of access to which tools. In many startups in particular, new tools are adopted and old ones dropped every month, so this needs to be regularly maintained.

Wherever possible, you can benefit from using single sign-on methods, such as Okta or Auth0. This allows you to remove access to most tools at once. To prevent some difficulty in the event of a dismissal or departure, you may wish to consider early on whether or not a team member needs access to the tool. It's always good practice to grant the lowest necessary level of access. For example, one would not give out "administrator" access when a lower level of access will do. It's much easier to grant or change access when it becomes needed, than to reverse the damage done by a disgruntled ex-employee who has administrator access to the key tool. These best practices are even more important in a distributed team, where you need to be able to quickly lock down access to a tangled web of online tools and portals, and this is hard to do in a hurry if you're disorganized or under-prepared.

21.5 *Other Difficult News*

For communicating other difficult news (such as deaths, illnesses, leaves of absence, or upsetting public news) to a distributed team, you can use the following guidelines as a start:

- It's imperative to talk to anyone directly affected privately first (coworkers close to the affected colleague, team members on the same team, managers or direct reports of the person affected, or people directly affected by political news or traumatic events).
- Next, share a public announcement of the news with the company. If it's relevant, this would include details of how to support the person or family, such as meal trains or memorial service details.
- If you're supporting a colleague, you can create an optional way for coworkers to share support or grief, like a collection of quotes and messages from fellow employees that can be sent in a card, care package, or as part of condolences to the family.
- It's healthy to talk openly about grief, shock or challenges with affected teammates, and as a group. Experts recommend not simply "moving on" to business—it's best to hold space for emotions. You may need to encourage people to take time away if they need to process difficult news.
- Grief can take time to manifest. It's a good idea to proactively check in with people 1–2 months down the road.

◇ IMPORTANT This advice also applies to external or public events that may impact some or all of your team in potentially unexpected ways. Mass shootings, acts of violence against specific communities, natural disasters, and many other public events can leave people on your team processing grief or even potentially dealing with forms of post-traumatic stress disorder (PTSD). They'll need similar support from you and the team.

> STORY "When something happens in the world or your community that is scary or traumatic, you can't all gather around someone's computer watching the news roll in, so you wonder, 'Do other people know about this? Are they taking a break? Looks like people are still working, but I don't feel like I can. Should I pretend I didn't see the news? Should I interrupt and ask if they did?'" —Rachel Jepsen, Senior Editor, Holloway

"*As managers, one of our responsibilities is to provide the safest workplace we can to those around us. How do we support our reports in this rapidly changing political environment?*"

— Lara Hogan, management coach; co-founder, Wherewithall *

BEING A SUCCESSFUL REMOTE WORKER

This section was written by Paul Maplesden.

Successful remote working relies as much on self-starting, motivated remote employees as it does on having forward-thinking employers who want to create remote teams. We've already discussed what companies can do to maximize the effectiveness of remote working—now it's time to explore how remote employees can ensure they're ready.

This section provides insight and practical guidance on many aspects of working from home, from the employee's perspective. Whether you're already a remote employee, or you're searching for a remote working job, you'll find plenty of advice on what to expect, how to determine if remote working is right for you, what important skills you'll need to foster, how to set up your remote office, and much more.

In particular, we want to help you manage the way you work remotely, either now or in the future. If you're concerned about not seeing other people for days at a time, your boss doesn't notice the work you do, or you get excluded from decisions, we've got tips and advice to make things that little bit easier. We'll also point out how working remotely can help you break free from traditional norms of "office work" and let you take best advantage of all the benefits remote work offers.

22 Is Remote Work Right for You?

> *"You need to know what triggers your productivity, what distracts you, and what makes you feel anxious or focused. It's also important to maintain social interactions, so warn your friends that they may receive some additional attention or that sometimes you will need their attention. Remote work is not only*

a job you do for your company, but also a job for your own personal growth."
— Vytis Marčiulionis, Email Deliverability Manager, Emarsys *

Remote work has many benefits for self-motivated, disciplined employees, and it's a popular choice: 98% of respondents to the 2020 Buffer remote work survey said they want to work outside an office at some point in their career. For many of us, remote working is both a logical and a fulfilling choice—greater flexibility, more control over where and when to work, and closeness to family are powerful incentives.

At the same time, it's important to understand what you're taking on. There are unique demands that come with working outside a traditional office environment, and being prepared for those challenges will allow you to develop the right skills and approach to find success as a remote worker.

Laurel Farrer, a remote working strategist, provides a set of recommendations for the most important remote work skills. You may be a good fit for remote work if you can answer "yes" to the following questions:

- **Trust.** Are you going to fulfill expectations without direct supervision?
- **Communication.** Can you accurately convey and interpret the who, what, when, where, why, and how of messages and assignments?
- **Empathy.** Are you aware and considerate of others' feelings? Can you work as a team, even when you don't see each other regularly?
- **Critical Thinking.** Can you independently analyze, evaluate, and strategize an issue?
- **Autonomy.** Can you confidently take initiative without being prompted or rewarded?
- **Flexibility.** Can you adapt to and accurately prioritize the impact of changes to your goals or your company's and team's needs?

Some remote workers will already possess excellent skills in some of these areas, while others will learn over time. Even if you don't already have all of these skills, they're not innate and immutable—you can learn them from training, effort, and experience. It's helpful to evaluate the areas where you may have gaps in your knowledge and approach, then seek out opportunities for improvement.

Ultimately, your success as a remote employee depends on several areas:

- Managing your time well.
- Strengthening communication and connection.
- Learning to unplug and put clear boundaries in place.
- Setting up your remote working space.
- Figuring out what triggers your productivity.
- Managing feelings of isolation and loneliness.

23 Key Strategies for Remote Working

If you want to set yourself up for success in remote working, there are several approaches or frameworks you can use that will get you off to an excellent start. We cover each of these approaches briefly below, and we've linked to relevant sections to help you put them into practice.

23.1 *Establishing a Routine*

The traditional office environment provides an important structure for employees—when you're expected to be at work, where you work from, built-in connections with peers and managers, and more. One of the biggest surprises for new remote workers is how this structure almost completely disappears once they're not in the office anymore. The way that you communicate, receive, and share information becomes one step removed, and it's just that little bit more difficult to get attention from others.

This isn't just about scheduling your routine either—it's important to dissociate a routine from the notion of time. Having a remote work routine doesn't necessarily mean you have to work a typical 9–5 schedule, just from home instead of in an office (though for some people, this is just what they want!). But it does require that you understand how and when you're most productive, whether or not you will need to be available to colleagues (for a standup or planning meeting, for example), and how you can work effectively no matter where you are.

We cover having a good routine in Setting and Keeping A Daily Routine.

23.2 *Being Accountable*

> *"If it doesn't persist, it doesn't exist."*
>
> — Luke Thomas, founder, Friday *

Some employers might think that remote workers are less accountable. You don't have supervisors peering over your shoulder, and the lack of a physical presence can drive the perception that you're not really "at work."

Trust is a fundamental necessity in high-functioning remote teams, and accountability fosters trust. It's essential that your team and manager trust that you'll get your work done, and that you're all focused on the same outcomes.

Find more on accountability in Being Accountable and Responsive.

23.3 *Prioritizing Your Health*

Being a remote worker requires that you invest extra time and effort in your own success. For many remote workers, there's simply less feedback and recognition from peers and supervisors. This can be amplified if you run into problems, especially if you're isolated or feeling disconnected.

Unless you speak up, it's not guaranteed that others will notice—they're simply too focused on their own work. That means it is important that you be proactive and make changes yourself to improve your working life, or ask for help if you need it.

See Personal Health for more on managing both your physical and mental health while working remotely.

23.4 *Owning Your Environment*

Successful remote work isn't just about your attitude, approach, and skills—there's plenty you can do in your day-to-day environment that will help you stay on track. Whether it's the location of your home office or the hardware and software you choose to use, building a strong foundation and structure will help you flourish.

Get the nuts and bolts in Setting Up Your Remote Office.

24 Skills for Successful Remote Work

> *"As remote workers we have to completely self-organize and make sure we motivate ourselves to keep going. Getting a salary alone is not enough of a motivator to do so, especially if your team does not value and work on interpersonal connection. You need to understand how stress affects you, how to deal with loneliness, how to keep yourself motivated, without the helpful structure and external accountability of going to an office."*
>
> — Stephan Dohrn, remote working expert and coach[24]

Every remote-work role has unique, job-specific requirements and skill sets, but there are more general skills that are helpful in any remote employment role.

24.1 *Communication for Remote Workers*

A lack of communication and daily, in-person interactions can create strong feelings of isolation, and poor communication can also lead to confusion and frustration around who is doing what within your team. Communication also can be a serious nuisance: constant interruptions from Slack or email threads that go nowhere but won't die can make it hard to get and stay focused. We cover this topic in detail for teams in Working Together When Apart, so here we focus largely on the individual perspective of remote employees and how they can be proactive, effective communicators.

24. In conversation with Holloway, 2020.

24.1.1 COMMUNICATING INTENTIONALLY AND APPROPRIATELY

> *"I find that the single most important element of successful remote work has nothing to do with how you are organized, how competent you are, or how much you work, but how good you are in building and maintaining relationships and consequently building trust with the people you work with."*
>
> — Stephan Dohrn, remote working expert and coach[25]

Remote workers (and their in-office colleagues, if applicable) are responsible for filling in potential communication gaps that asynchronous, written conversation can leave. This can apply to both practical information (how urgent something is) and more subtle, emotional tone and content. The key is to be clear and intentional when communicating with anyone remotely. A few tactics for this include:

- **Understanding individual preferences.** How do your fellow team members like to communicate? Do they prefer writing, or would they rather find a way to chat over video or the phone? Are they structured people who appreciate a table with all the important information, or do they thrive in a chat application without any structure? You can't be a great team member unless you know how everybody prefers to connect and find common ground.
- It's critical to make sure your team knows the answers to these questions about you, as well. This includes figuring out what the best communication style is for you.
- Effective teams document this information in individual team agreements.
- **Using explicit communication.** Share and document your thinking, clearly and early in the process. It's easy to want to "tap someone on the shoulder" in Slack, but if you're not explicit about what you're writing about, and how important it is, the other person is left wondering or uncertain, and may fill in the gaps in ways that lead to misunderstanding or confusion. Explicit communication is the difference between a message that says, "Do you have a minute?" and "[Non-urgent] Hey! Would love your feedback on my client proposal. Can you take 5 min before Tuesday evening if possible and review it? Thanks!"[26]

25. In conversation with Holloway, 2020.
26. Rodolphe Dutel, founder, Remotive.io, in conversation with Holloway, 2020.

24.1.2 MAKING TIME FOR CHIT CHAT

One of the most effective tools in combating isolation, * that also can help your productivity * is to build non-work related communication into your workday and take time for chatting and sharing with colleagues. Remote employees don't tend to get noticed until they reach out, so you'll likely need to take the initiative and make these connections.

Many companies have casual chat channels in Slack or similar tools. It's also important to allocate some time in any meetings you have for personal, fun banter and not just get down to the agenda immediately. These are the kinds of moments that happen naturally in an office setting; remote employees usually need to factor these in consciously to make sure they happen. This is doubly important to understand if you're managing remote people.

> **STORY** "At Holloway, we have an #office channel where everyone says hello in the morning and gives people a sense of what their day looks like. It might just be emoji about the weather, or a detail about some non-work related thing they're also doing that day. We also have a #random channel where posting pretty much anything is fair game (within reason, of course), and that is usually an excellent distraction when you need a break from deep work." —Courtney Nash, Director of Editorial, Holloway

Outside of work, you can use offline resources, like finding local Meetup groups, taking classes, and keeping an eye out for events in your city. The time you save by not commuting could give you a little extra space for that important social interaction.

24.1.3 FURTHER READING ON COMMUNICATION FOR REMOTE WORKERS

- "The Art of Async: The Remote Guide to Team Communication" (Doist)
- "How To Build Social Connection in a Remote Team" (Know Your Team)
- "Informal Communication in An All-Remote Environment" (GitLab)

24.2 *Deep Focus*

Maintaining a strong sense of focus is central to deep, knowledge-based tasks. Working from home can invite many distractions, especially if you don't have clear delineation around your workspace, routine, and when you're available to friends, roommates, or family.

Fadeke Adegbuyi of Doist created a fantastic summary of Cal Newport's *Deep Work*, which we can't recommend more enthusiastically for remote workers. If there's one takeaway from her guide to deep work, it would be to schedule your day methodically. Without the structure of an office, your own schedule (which should be reflected in your calendar!) is what makes or breaks your ability to get deep, focused work done.

Other key aspects for deep work are maintaining self-discipline and having strong boundaries. As a remote worker you will be more successful at supporting deep focus if you:

- **Set definite expectations with both yourself and your friends and family.** For some people, being around family and being able to interact at various times of the day is a big part of why they work remotely. For other people, this may be too disruptive, or it may vary over time. As long as everyone has the same expectations, you'll avoid more frustration and unwelcome distractions.
- **Create self-enforced stopping points.** Ideally, stopping around the same time each day helps you to avoid your work life bleeding over into your home time.
- **Set boundaries around your working life.** Ensure everyone knows when they can and can't interact with you.
- **Limit distractions.** When doing deep, focused work, turn off notifications and anything else that might pull you out of your work or tempt you to check social media or the like. (In *Deep Work*, Newport goes so far as to encourage you to avoid social media entirely outside work as well, but this may not be possible or reasonable for everyone.)

24.2.1 FURTHER READING ON DEEP FOCUS AND SELF-DISCIPLINE

- "How to Stay Focused When You're Working From Home"(Harvard Business Review)
- "Overworking From Home" (Keith Fentress)
- "A Guide to Developing the Self-Discipline Habit" (Zen Habits)

- "Secrets of Self-Discipline: How to Become Supremely Focused" (Hubspot)
- "The Complete Guide on How to Develop Focused Self-Discipline" (IQ Matrix)
- "How to Stay Motivated When You're Working Remotely" (Time Doctor)
- "How to Stay Efficient and Engaged While Remote Working" (SMARP)
- *Self-Discipline: Develop Daily Habits to Program Your Mind, Build Mental Toughness, Self-Confidence and Willpower* (Ray Vaden)
- *No Excuses!: The Power of Self-Discipline for Success in Your Life* (Brian Tracy)

24.3 *Time Management*

> "*The individuals who worked at home successfully were found to be highly self-motivated and self-disciplined and to have skills which provided them with bargaining power. Employees demonstrated self-discipline by tending to work in a very strict routine; they worked in the same place every day and tended to have relatively structured hours.*"
>
> — Margrethe H. Olson, researcher, "Remote Office Work: Changing Work Patterns in Space and Time" *

A good routine is an important habit to develop as a remote worker. The benefits of managing your time properly include:

- Your employer and peers understand when you will be available.
- Being available at the same time as coworkers, if that is part of your team agreement.
- Your family knows when they can (and can't) interrupt you.
- Using dedicated chunks of time to focus on in-depth work tasks.
- Building breaks into your day so you can come back refreshed.
- Setting boundaries so you can keep personal and work life separate.

24.3.1 SETTING AND KEEPING A DAILY ROUTINE

If you want to get the most out of your working hours, we recommend:

- **Having a consistent morning (or getting started) routine.** While it doesn't work for everyone (and may not apply to many digital nomads), many remote workers feel more prepared and ready for a work day by waking up at the same time each day, having a morning routine of some sort (getting the family out the door, a quick walk with the dog, grabbing a coffee) and being at their desk at a fairly predictable time for them.
- **Sharing your availability with your team.** This is especially critical if you don't have as consistent a schedule, or have non-work things that will take up your time during the day. Many teams use Slack or other chat channels for this. (See more in Availability Protocols.)
- **Planning your day.** We recommend looking at your schedule at the end of each day (or first thing when you get started) and blocking time for important tasks during the day.
- **Building some flexibility into your schedule.** If you've scheduled everything down to 15-minute increments, you won't have time for anything unexpected that might come up.
- **Taking regular breaks.** You can build these into your calendar as well, or use a technique like Pomodoro to make sure you step away from the computer.
- **Planning when to stop working.** Disconnecting at the end of the day is a big challenge for people working outside an office. Along with having a set time when you'll stop working, it's best to turn off notifications for tasks, messages, emails, and similar when you finish work for the day.

> STORY "Giving my day a conscious structure for when I work and when I don't, has been vital. For the first year after my daughter was born, I did not get anything done. Then, my wife and I decided to split the days: Monday and Thursday are my work days, Tuesday and Friday are hers. Wednesday we alternate. The non-work days are the one we are responsible for the kids. I still work then, but I know that I have to pick them up from school, make lunch, and be there if they

> need me in the afternoon." —Stephan Dohrn, remote working expert and coach[27]

Knowing when to stop means having the self-discipline to keep more regular work hours, being sure you're on track with your team's goals, and that you're delivering on what you're responsible for. As Rodolphe Dutel of Remotive.io puts it, "'Am I doing enough?' is one of the questions that keeps remote workers up at night. The key to getting on top of this concern is asking your supervisors for feedback and keeping them informed of what you're doing."[28]

24.3.2 WORKING ACROSS TIME ZONES

If you're working as a truly distributed team, either across a large country or globally, you're going to hit issues with time zones and team-member availability. This can create delays with responses and getting work done. Ideally your team has an established set of protocols for dealing with time zone differences, but if not, here are a few things you can do individually:

- Talking to colleagues in other time zones about their turnaround times and how they want you to communicate with them.
- Display your availability in your email signature, Slack status, and other channels or tools.
- Making sure you're not working unusually long hours due to meeting commitments set by people in other time zones.
- Using asynchronous communications tools, so people don't have to be online outside their local working hours.
- Ensuring you're on track with your work towards the team's goals, and letting the team and your manager know if anything is starting to stray off track.
- Taking advantage of time-zone calculators and apps to figure out when others will be available.

Another area you may need to consider is national holidays in other countries. Other people may not be available on days that you don't have off, and being required to work when everyone else is away can impact collaboration and amplify feelings of loneliness. You'll also likely want to

27. In conversation with Holloway, 2020.
28. In conversation with Holloway, 2020.

be sure your company recognizes the specific holidays and breaks of the country you live in.

24.3.3 FURTHER READING ON TIME MANAGEMENT

- "How to Stay Focused When You Have a Flexible Schedule" (Fast Company)

24.4 *Productivity*

> *"Let me be clear that autonomy does not mean doing less; it means the freedom of doing things in a better, more optimized way."*
>
> — Steph Smith, Senior Analyst, The Hustle *

Like so many other aspects of remote work, you will find yourself needing to manage almost every aspect of your productivity yourself. That's not a bad thing per se—a small set of studies have shown that remote workers actually contribute between 1.5 and 4 days a month in extra individual productivity, compared to traditional office workers. * Given that remote work is increasingly measured via outcomes instead of time working, productivity is make-or-break for a remote worker.

Here are some suggestions for maximizing your productivity when you work from home:

- **Establish a schedule that works for you.** We've covered this in detail elsewhere, but it's important to have a schedule that supports your work and communication with your team. This will help you get into the right mindset and habit to work. If you plan to take short breaks regularly throughout your day, just five or ten minutes an hour away from the screen can help you come back feeling refreshed. It's wise to make sure that you also build in a good amount of time to take a lunch break and get out of the house.
- **Clarify your responsibilities and priorities.** You might already have a clear set of goals that you are working towards more autonomously, or you might be in a more task-based role where you have work assigned to you. Regardless of the nature of your daily work, it's critical to make sure you understand exactly what's required of you and to ask questions if you need to clarify anything. If you're not sure of what's

most important, that's a sign that your team's goals aren't aligned, and you will want to speak up and let your manager know so you (and anyone else who might be uncertain) can get aligned.

- **Understand when you're most productive.** Although remote workers tend to work longer hours than traditional employees,* it's also important to understand how you're spending your time, and when you're most alert and energized. This goes beyond just whether you're a morning person or not. People's energy and motivation varies throughout the day. A good path is to take stock of how you prefer to work and schedule the right types of work during the day for your energy level. This is especially important if you're not in the same space all the time or are traveling, and need to make the most of the times when you're most effective.
- **Schedule time for distraction-free work.** Sometimes you really need to get your head down and concentrate. The best approach is to block off time in your calendar for these activities, turn off notifications, and eliminate other distractions so you can give the task your undivided attention. You and your team might even want to schedule particular activities for specific days—for example, Monday could be your meetings day, Friday could be your catch-up and small tasks day, and Tuesday through Thursday could be your project days. Tools like RescueTime can automatically work out where your attention is when you're using your computer, so you can make adjustments.
- **Use a to-do list.** This may seem like obvious advice, but it's often not heeded. One major boost to productivity is tracking all of your tasks in one place—that way you can manage your project activities, team member requests, miscellaneous actions, and other activities from a central location. Even if your company has a good communication architecture in place, you may still have information and requests coming in via email, Slack, a project management tool, over the phone, or through other systems. There are plenty of great to-do list managers, so it helps to try them out and see what works for you. Examples include productivity practices like "Getting Things Done" or approaches like checking off tasks at times that reflect your differing energy levels.
- **Hold yourself accountable.** Good self-management comes from being responsible and accountable for your work. This includes making sure you're reporting on what you're doing to your team and man-

ager, and being sure that nothing falls through the cracks. It can also be helpful to get a work accountability partner who can provide extra incentives. If you start to feel overloaded or you need more time, it is important to talk to your manager about sharing work or using techniques to get you back on track.

24.4.1 FURTHER RESOURCES FOR PRODUCTIVITY

- "How to Create A Remote Work Routine That Works" (Buffer)
- "Five Habits for Crafting the Perfect Remote Work Day" (Doist)
- "How I Keep Myself Motivated as a Remote Worker" (Medium)
- "How to Stay Motivated When You're Working Remotely" (Time Doctor)
- "Time Tracking Experiment: What I Learned After Analyzing Every Minute of My Life for 30 Days" (Zapier)
- "When to Work: How to Optimize Your Daily Schedule for Energy, Motivation, and Focus" (Rescue Time)
- "How to Start Managing Your Energy Levels Instead of Your Time" (The Startup)

Now that we've covered the general approaches and skills for remote working, it's time to move onto more practical areas, like creating the right workspace.

25 Setting Up Your Remote Office

> *"I have a firm belief in the impact of our workplace on our behavior. Large companies invest millions of dollars into strategically designing offices that will fuel productivity and innovation, yet we're plopping ourselves on a couch and expecting the same results."*
>
> — Laurel Farrer, CEO, Distribute Consulting[29]

29. In conversation with Holloway, 2019.

80% of remote workers complete their work from home. * Designing the perfect remote work office is a challenge, however. Spending some time correctly setting up your office will create the right environment for you to be as effective and efficient as possible. This includes:

- Minimizing distractions
- Sticking to a routine
- Putting clear boundaries in place
- Working in comfort
- Maintaining balance between work and family life
- Communicating and collaborating well
- Gathering your ideas and thoughts
- Maximizing productivity

CAUTION When you choose a coworking space based on proximity alone, or you cram a tiny desk into the corner of the dining room, you aren't doing anything to benefit your personal or professional health. If you can, invest the proper time and money into designing a workplace that is safe, energizing, and sustainable.

IMPORTANT If you've never carved out space somewhere else to work, you may be surprised that it can be a bit of an investment. It's worth talking to your company to see if they can provide assistance buying the furniture, hardware, or software you need, or offer a stipend, interest-free loan, or other financial incentives to help you set things up properly. Depending on where you work, the law may require that your employer provide you with tools that promote your health and safety. *

25.1 *Have a Dedicated Space*

> *"If you work from your couch, your home is your work."*
> — Rodolphe Dutel, founder, Remotive.io[30]

30. In conversation with Holloway, 2020.

Just over 30% of remote workers have space for a separate, dedicated office, * and that's often the best option for optimizing how you work. People who don't have a separate office tend to use their living room or bedroom. When you're choosing where to work, you'll need to think about:

- Your floor plan and available space
- How likely you are to be distracted during the day
- Where you can locate a desk, computer, and the other office furniture and hardware you'll need
- How comfortable you can make your working environment
- How professional the area will look if you're on a video call

To help you decide, we recommend:

- Talking to the people you live with about how you plan to be working
- Trying out various spaces for your work if you don't have a separate room
- Discussing options with other remote workers on your team
- Investing in quality work products to make your life easier

If you like to have other people around, it might be a good idea to rent a desk in a coworking space. Some employers might even cover these costs, and it can be a good way to create a routine and avoid distractions.

Here's some inspiration from how other people have set up their remote working spaces:

- "27 Ways to Create a Stylish Small Home" (The Spruce)
- "See Inside the Home Offices of 6 Real-Life Remote Workers" (Flex Jobs)
- "15 Cool Home Offices and Ideas to Revamp Your Setup" (Owl Labs)
- "Remote Office Tours: A Look into 10 Home Setups of Remote Workers" (Trello)
- Garden Office Guide

25.2 *Home Office Furniture*

You'll probably be spending seven or more hours a day working from home, so it's important to invest in high-quality furniture that supports you as you work.

- **Comfortable desk.** Whatever type of desk you have (or buy), you'll have to make sure there's enough surface area for your hardware, accessories, and any paperwork or other materials you might need. It's much better to have a good desk and chair than to work from the dining room table. If you're looking for a place to start, here are some ideas.
- **Adjustable chair.** The type of chair you use is arguably even more important than your desk. It's critical to choose a chair that offers full ergonomic capabilities, including comprehensive back support, chair- and arm-height variation, and other adjustments. Here's a buyer's guide to get you started.
- **Desk lamp.** You can help avoid straining your eyes by getting a good desk lamp, possibly a soft-light type to avoid harsh glare. Choosing lamps with different bulb types might also help with seasonal affective disorder, and some types of lighting could let you get a better night's sleep. If you are on a lot of video calls (especially for sales-related roles), you might also want to invest in a ring light (or similar product) that makes you more visible on video.

25.2.1 OTHER ACCESSORIES

Other small changes can make a significant difference to your working environment:

- **Plants.** Greenery helps to bring nature inside and lift your mood.
- **Ergonomic wrist rests.** Using these with your mouse mat or keyboard may reduce strain.
- **A filing cabinet.** It's helpful to organize your paperwork if you have a lot of it.
- **General storage containers.** If you like things tidy, a collection of these keep accessories organized and safe from pets or children.

25.3 *Home Office Hardware*

The hardware you choose to work with can make a huge difference to your productivity. While your business may provide hardware to you, it's also worth investigating upgrades as they can have a dramatic effect on the speed and efficiency of your work.

- **Fast computer.** A fast, up-to-date laptop or desktop computer can shave a few seconds off of the hundreds of tasks you perform daily—and could save you a few hours every month. A better computer with more memory makes it easier to start up your software, keep multiple applications open, and switch between them in moments. If you are considering working remotely for a new company, you may wish to ask in the interview process whether they provide one for you or offer a stipend for you to purchase one yourself.
- ◇ IMPORTANT **Laptop accessories.** If you have a laptop, we strongly recommend an external monitor, keyboard, mouse, and laptop stand. If you're working outside the home, something like the Roost Stand can also be a great option.
- **Large monitor.** Get as big a monitor as you can afford and realistically fit on your desk. More screen real estate means you can have more windows open side-by-side. This makes it easier to gather information and work efficiently.
- **Quality keyboard.** A good keyboard will make a subtle but helpful difference in terms of your speed and quality of work. Mechanical keyboards give you a more positive "response" to pressing keys, and moving from a laptop to an external keyboard gives you more space to work.
- **Reliable router and wifi.** You will be completely dependent on your internet connection when working remotely. Getting a fast, reliable router for your internet and wifi means you'll get better responsiveness and experience less downtime, and will be far less likely to have quality issues with video calls.
- **Comfortable headset and high-quality webcam.** It's likely you'll be spending time on conference calls, so buying a good audio headset and microphone will make those meetings easier. It's also worth checking the quality of your built-in webcam, and buying an external one if you think it's needed.

> "*Get an external monitor and a good set of earphones with a really good microphone. A lot of people don't pay attention to audio quality on calls, but it's critical in remote teams.*"
>
> — Liam Martin, co-organizer, Running Remote[31]

31. In conversation with Holloway, 2020.

25.3.1 OTHER HARDWARE

Other, minor hardware upgrades can provide additional benefits:

- **External speakers.** A decent pair makes for better background music while working.
- **Comfortable mouse.** Some people prefer more ergonomic versions for more accurate screen navigation and less strain on your hand and wrist.
- **A decent printer.** Should you need to print anything, quality makes a difference.[32]

25.4 *Home Office Software*

There are thousands of options in the software that remote employees—and the businesses that employ them—choose to use. We think it's important to keep a few principles in mind when choosing the right software for you:

- **Employer restrictions.** Before you start looking into software alternatives, it's important to understand your employer's policies and guidelines. They may insist you only use certain types of software, for privacy, security, quality, or other reasons. You'll need to learn about any restrictions they have in place, and talk to your supervisor if you have any questions.
- **Individual needs.** Because you're a remote worker, you have slightly different needs than people who work in a traditional office. The right types of software can help you manage your tasks, stay in touch with colleagues, and maximize productivity.

Although some software will be specific to your particular business, there are more general areas where it's important to find the right solution:

- **Communications platforms.** These help you remain in close touch with your colleagues, supervisors, and team members (Slack, Microsoft Teams, Twist, et cetera).

32. You might think this is strange, but plenty of people in creative roles need this. Editors at Holloway have been known to print out entire Guides from time to time!

- **Project management software.** Allows you to stay on top of multiple projects and track all the tasks you're managing or have been assigned to you. (Asana, Basecamp, Microsoft Project, and others)
- **Backup software.** You'll need something that copies your local data to the cloud or possibly to an external harddrive. You'll want to check your employer's policies about data management and privacy before selecting.
- **Time tracking.** There are plenty of options to help you maintain your schedule and understand how you're spending your working day (Toggl, Harvest, Clockfy, and more).
- **To-do lists.** Pick your favorite tool that helps you maintain focus and ensure nothing gets missed. (Todoist, Trello, Tick tick, et cetera)
- **Your devices.** Some software works better on specific types of devices. Although mobile phones and tablets are becoming increasingly popular for working on the go, you'll often get better productivity by working from a desktop or laptop. You can try out software across multiple types of devices and learn how easy it is to use.
- **Try before you buy.** Choose any type of software—communications, project management, to-do lists, email, document creation, accounting, time tracking—and you'll find dozens or hundreds of options for each one. So many options can be overwhelming, so we recommend talking to your other team members, reading reviews, and using trial versions of applications before you commit.
- **Integration and automation.** The prevalence of cloud computing and "Software as a Service" have made it much easier to automate interactions between the software services you use. Services like Zapier and IFTTT make it easy to automatically transfer data between applications. For example, if you get an email assigning a task, an automation service could add it to your project management, calendar, to-do list, and time tracker apps. Zapier gives a great overview of how to use its services. Again, check with your employer to understand their software-use policies.

26 Being Professional When Working From Home

When you're working from home, it's easy for the lines between your personal and working life to become blurred. But it is important to maintain an appropriate level of professionalism in all of your interactions with your peers, supervisors, and others in your business.

26.0.1 BEING ACCOUNTABLE AND RESPONSIVE

While remote work rejects the notion of presence as a measure of your productivity, it's conversely easy to become virtually invisible when you're working from home. Being accountable means that you do what you say you will, so your team can depend on you and not need to check in outside planned standups or asynchronous mechanisms they have in place. You can ensure your team knows you're on track by:

- **Using the best channels for communications.** We recommend following your team's agreement or, if you don't have one, asking your colleagues how they want to be communicated with. Ideally most of your communication will be asynchronous, but this will vary depending on your company.
- **Responding appropriately.** This includes replying to emails, calls, and other communications according to your team's agreed-upon protocols, and keeping your messages focused and on-point. You'll want to keep an eye out for the ways your team asks questions or needs clarification on any work or projects in process, but it's important to be careful not to overdo it. Many remote workers report overcompensating for fear of not being visibly available,[33] which could lead to pestering members of your team or distracting yourself from getting necessary work done.
- **Managing your role.** This means maintaining a level of autonomy over your work, knowing when to involve a manager, and helping your peers if they're struggling. You also will want to ensure you stay on track with everything you're responsible for, meet your targets, and deliver to deadlines.

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33. Numerous private conversations with Holloway.

- **Be transparent about your hours.** While you may thrive on taking advantage of the flexibility that remote work offers, it's important that you don't just disappear! While some all-remote teams operate almost entirely independently, it can't hurt to let your team know if you're off to walk the dog, have some family time, or run some errands. As long as you're getting your work done, and your team knows they'll get answers to any questions within whatever time frame you've all agreed to, you can be free to adjust your schedule as needed.

What accountability looks like will vary, depending on the type of company you work for. A remote-first company will have the expectation that the whole team will be remote, and have the necessary structure and documentation to support autonomous, asynchronous work. With traditional companies that are transitioning to remote working, you'll need to pay particularly close attention to your accountability.

26.0.2 PROJECTING A PROFESSIONAL WORKING ENVIRONMENT

Even if you don't have a separate home office, there are steps you can take to project professionalism when you're working:

- **Dressing for your role.** You might dress a little more casually than if you're going into a traditional office, but putting on decent clothes each day can help with your mindset and image. You may also want to consider whether you'll be talking with outside clients, interviewing candidates, or using other forms of external communication that would benefit from you looking more polished.
- **Keeping the background appropriate.** You might need to join video conferences and be on webcam. It's wise to make sure that you don't mind your colleagues or supervisors seeing the background behind you.
- **Minimizing noise and distractions.** You'll want to try to limit distractions wherever possible, but that's doubly important if you're on a video call. It's good to let others around you know you're attending a meeting and ask them to keep extraneous noises to a minimum.

◇ IMPORTANT It's worth noting, however, that more companies are embracing remote work as a way to rethink traditional office perspectives on what is and isn't acceptable. Remote work also provides a less demanding environment for people with physical disabilities and mental health needs such as anxiety and depression, and in many cases, this includes a reduced need for in-person or face-to-face communication. Companies will have their own standards and expectations (and ideally, a code of conduct) for whether people need to have their video turned on for meetings, and what is or isn't "professional."

> STORY "Remote work provides a more inclusive approach that is an opportunity to break free of the sterile co-located environment. This means that working parents need not be mortified if their children pop into a meeting. Instead, celebrate that! Co-located spaces require you to check the real you at the door, which is a tragedy. With remote, you bring your full self, background and all, so long as it doesn't infringe on a code of conduct. You shouldn't be embarrassed if your background is a mountain range or a beach. It's actually really hard to work on the beach, and takes an exceptional amount of focus, maturity, and drive." —Darren Murph, Head of Remote, GitLab

26.0.3 HAVING A BACKUP PLAN

IMPORTANT It's important to have a backup workspace. If you lose power, the internet goes down, or you can't work from your usual spot, you'll need to have a contingency in place. It's worth spending a little time seeking out other areas you can work from to reduce stress if there's an emergency. In general, you should have a go-to list of other places you know you can work that have reliable wifi and the kind of environment you'll need (for example, co-working space with booths or rooms for video calls and meetings).

27 Personal Health for Remote Workers

Physically and mentally taking care of yourself is vital as a remote worker, and requires good self-management. We'll explore the practical techniques you can use to stay healthy.

27.1 *Physical Health*

Remote workers have more freedom to take care of physical health than traditional, office-based roles. Much of the advice below applies to anyone really, but people with more flexible remote schedules hopefully are able to take better advantage of these opportunities.

27.1.1 GETTING ENOUGH SLEEP

Insomnia and not getting enough sleep is a major issue for many people, with 35% of Americans sleeping less than they should. * Remote workers are no exception, and a lack of clear boundaries, anxiety about your work, or feelings of loneliness can all contribute. There's lots of advice out there on dealing with insomnia. Here is our best take on how remote workers can get enough sleep:

- **Set a clear schedule.** This includes allowing for when you will and won't be available to work, and ensuring you have enough time to wind down each night.
- **Turn off work notifications.** Silence these when you finish for the day, so you're not tempted to look at work-related interruptions when you should be relaxing.
- **Create evening and morning routines.** Routines help set boundaries between your work and personal life that let you prepare to unplug from work properly. *
- **Minimize screen time.** Putting devices down an hour or two before bed is good advice for anyone, not just remote workers. *
- **Clear your brain.** A good method is to write down what you need to do the day before you need to do it, so you're not kept awake thinking about it.

27.1.2 GETTING REGULAR EXERCISE

It's easy to be sedentary as a knowledge worker, and you may be less inclined to "get out of the office" if you're working from home. Exercise is one of the very best things you can do for your overall health, and here's some advice for remote workers who want to get moving:

- **Get up and move.** It helps to get away from your desk for five to ten minutes each hour and take a walk around your home or otherwise separate yourself from work. This can include taking some time to stretch and do strength exercises, especially if you're sitting for long periods of time.

- **Go for a walk.** We recommend leaving your house for at least 30 minutes a day to go for a walk—not only is this good exercise, but it also helps you feel more connected to the world around you, which can boost your mental health.
- **Take a class.** You may find it beneficial to try out an exercise class, running club, or sports team to connect with others while getting fit.

27.1.3 TAKING TIME OFF IF YOU'RE SICK

Remote workers don't run the risk of infecting coworkers if they get ill, but that doesn't mean you shouldn't take time off. If you're sick, it's best to let your colleagues and supervisor know, and take some time to get better.

27.1.4 EATING HEALTHY MEALS AND SNACKS

It seems obvious that we all should be eating healthily, but it's harder than you think as a remote worker. Here are recommendations based on our conversations with a host of people working remotely:

- Making a conscious effort helps you avoid highly processed foods like chips and cookies.
- It's good to have fresh fruit and veggies on hand for a quick snack when you get away from your desk for a break.
- Staying healthy includes keeping an eye on your energy levels, and having a bite to eat if you feel yourself flagging.
- Batch cooking food for lunches and dinners at the weekend lets you save time and always have something delicious on hand so you can spend time actually enjoying it.
- A meal planning app is a good investment for easier grocery shopping and preparation.
- It's best not to eat at your desk!
- Pre-preparing your lunches helps you expend minimal effort to make sure you eat—and that way you can also spend some quality time away from your desk.

27.2 *Mental Health*

> "*Finding work-life balance isn't about prioritizing your mental wellbeing at the expense of your work. It's acknowledging that, in the long-term, all areas of your life are better off when you put your mental health first.*"
>
> — Amir Salihefendic, founder and CEO, Doist *

27.2.1 BURNOUT IN REMOTE WORKERS

IMPORTANT This section contains information for remote workers to help them focus on their mental health. But it's important to note that mental health is not solely the responsibility of individual employees. Burnout in particular is a systemic problem that more often stems from organizational priorities and dynamics, and only somewhat relates to individual overwork. We cover this in depth in Morale, Mental Health, and Burnout in Remote Teams, notably in regard to what managers and leadership can do to ensure the mental health of their remote teams. It's critical that remote employees are not left isolated and expected to monitor and manage their mental health on their own.

When it comes to what remote workers can control, unplugging after work and managing feelings of loneliness and isolation are two key things that individuals can focus on. *

27.2.2 UNPLUGGING AND CREATING CLEAR BOUNDARIES

> "*[The transition from home to work] is more difficult where the borders between home and work are intentionally blurred, as is the case for remote workers. The effect is that work pressures spill over into non-work life as reflected in the inability to 'switch off,' and [in] the difficulties encountered in unwinding at the end of the work day.*"
>
> — Alan Felstead and Golo Henseke, *New Technology, Work and Employment* *

CAUTION It's easy for a remote worker's home and work life to bleed into each other. This makes it difficult to switch off, can increase anxiety, and may be a potential contributor to burnout.

There are several practical steps for helping you to get good boundaries in place (a number of which we covered in the productivity and time management sections as well):

- **Having a defined work routine.** You will need to be proactive about not working outside those hours.
- **Managing expectations around your availability.** This is important both at home—to reduce distractions—and for your team, so you have established norms for when you'll be available for meetings or collaboration, and when you need uninterrupted time to focus.
- **Managing device interruptions.** Set the "do not disturb" mode on your mobile devices to prevent you from being bothered by notifications outside working hours. It helps even more if you have a separate phone for work, and keep all work-related apps off your personal phone.
- **Clear goals and expectations for your role.** If you don't have these, or they aren't clear, you'll want to set time to discuss with your manager. A lack of clear goals and outcomes is a strong contributor to overworking or working on the wrong things, both of which can lead to exhaustion, frustration, and a lack of motivation.
- **Connection outside work.** You can build connections by planning activities with your family and friends, and being vigilant about not being tempted to "just check" your work tasks or communications.
- **Staying focused and productive.** The more you set yourself up to get everything done each day, the less you'll feel guilty about closing down the work computer at the end of the day.
- **Taking regular breaks.** An office provides lots of built-in reasons to get away from your desk and computer, so you need to plan and stick to options that work for you to be able to clear mental space away from your work.
- **Taking time off.** Remote workers tend to take less time off than their in-office colleagues. Whatever your company's vacation policy is, it's a good idea to make the most of it. The more remote employees model this behavior, the more it will be an established norm that taking vacation helps make you a better remote worker.

> STORY "I find that it's helpful to have a ritual of some kind that signals to your brain that it's time to shift into or out of "work mode." When I used to work in an office, this was a lengthy process of getting

> dressed in business casual clothing, commuting to the office, checking voicemails and turning on my computer. (Then the reverse in the evening.) Now that I work from home, it's much more casual, but I drop my kids off at school, go for a brainstorming walk, update my to-do list for the day, then sign into Slack to get my mind focused. In the evening, I "clock out" with a similar routine—I create a to-do list for the next day, report on my accomplishments and say goodbye to teammates on Slack, then leave my workspace at a certain time and immediately start a personal activity (like cooking dinner, running an errand, or going to the gym). It might sound too rigid for some people, but after years and years of falling into the remote work trap of overworking, this is what helps me personally stay accountable and balanced." —Laurel Farrer, CEO, Distribute Consulting[34]

27.2.3 MANAGING LONELINESS

Loneliness can be a persistent problem when you're working from home. A lack of interaction with others, limited social contact, and just you in front of your desk can drive feelings of isolation. Fortunately, you can take steps to connect and feel a part of something bigger:

- **Reflect.** Not everyone spends time thinking about how they prefer to communicate, if they have more energy at certain times of the day, and whether interacting with other people recharges or drains them. Introspecting about yourself this way helps you think about how to structure your day, when and how you should reach out and get some personal communication and connection, and whether you should mix things up and not stick to the exact same routine day after day.
- **Move.** If you work from home, it will help to get out of your office at least once a week. You could try working from a communal space or a coffee shop, or even go into your company's office(s) if that's a possibility. Many remote workers factor in daily walks, dog outings, gym sessions, or other forms of physical activity, which research shows is a key part of maintaining good mental health.
- **Talk with your team.** It's easy to start feeling like a lone wolf, so it's important to talk to your peers and team members—especially other remote workers—about how they deal with feelings of isolation. Many companies create virtual (or real life) groups where you can check

34. In conversation with Holloway, 2020.

in and chat. And we advise people not to hesitate to use interactive, synchronous communications, like video conferencing or phone calls, rather than less personal tools like Slack or email. Building social time and chatting into your day will help you feel a part of something bigger.

- **Connect outside work.** It's wise to plan time to spend with friends and family during a lunch break or when the work day is over. Social activities are an important type of self-care that is even more important for remote workers. You can develop creative outlets and hobbies to enjoy outside work, especially if they have a social element. This can include checking Meetup and similar sites to see if there are groups with your interests meeting in your area; perhaps there's even a group of remote workers where you live.

Because loneliness and isolation are issues for remote workers, we talked to some experts about practical advice for dealing with them.

27.2.4 FURTHER READING ON PERSONAL HEALTH FOR REMOTE WORKERS

- "What Most Remote Companies Don't Tell You About Remote Work" (Doist)
- "Remote Work Issues" (Luke Thomas)
- "Science Says You Have to Stop Taking Breaks Wrong to Be More Productive" (We Work Remotely)
- "9 Tips to Disconnect and Recharge for Remote Workers" (Remotive)
- "10 Tips to Avoid Loneliness When Working From Home or Working Remotely" (Owl Labs)
- "A Guide to Conquering Remote Work Loneliness from Remote Workers Around the World" (Buffer)
- "How to Thrive as an Extrovert on a Remote Team" (Zapier)
- "Slack Communities for Remote Workers" (Owl Labs)
- "Five Super Sites for Remote Workers and Digital Nomads" (Make Use Of)
- "Communities, Forums, and Chat Groups for Remote Workers" (No Desk)
- "Forums and Communities for Digital Nomads & Remote Workers" (The Final Monsoon)

Now you should have a clear idea of what your remote working will consist of, together with advice and techniques to maximize your chances of success. Remember, too, that nothing about your approach to remote work is set in stone. Each person has different ways of working, and tweaking these approaches to your unique needs will be an ongoing process.

LEGAL, TAX, AND OPERATIONAL CONCERNS

This section was written by Courtney Nash and Haley Anderson.

> "*With a remote-friendly company, you can hire people from anywhere in the world.*"
>
> — Everyone

In nearly every blog post about remote work, and during almost every conversation we've had with remote workers, leaders, and company founders, this is a common refrain. The world is your oyster; no longer are you constrained to competing with Google or Facebook for engineering talent. If that growth marketer you really want is in Nigeria, just hire her!

But the reality is more complex than that.

You *can* try to hire people from anywhere in the world, but some places are too difficult (or in a few cases, too risky) to be worth it. *How* difficult depends both on the size of your company and its risk tolerance. If you're only hiring one or two people in a new location, and you have a small startup, you are less likely to run into any major problems or face significant liability. From what we've seen, most remote companies (especially remote-first or all-remote) are operating this way. Only a handful of companies are at a size where it makes sense to invest time and money in more formally establishing their workforce across a number of international locations.

◇ IMPORTANT We could simply tell you to "go talk to your lawyer(s)," and not include this section at all. And the reality is, there's no way to hire remotely without at least some legal (and financial or operational) advice and assistance. This section certainly can't replace that advice—nor should it—but there is knowledge you can gain from other companies that have navigated this already to help you know what the common pitfalls and pain points are. We're also presuming you have basic experience with founding and operating a business.

In this section, we highlight the main areas you may need to pay attention to when employing remote workers, starting with hiring across the U.S.; and describe the variations across federal, state, and sometimes county or municipal lines. This set of considerations is also useful for areas you'll need to think about for any new foreign country in which you plan to hire people, and we also cover some of the key complexities when hiring outside your own country generally. While we can't cover the details of every single country in this guide, we can give you an overview of the various options you have available, with the pros and cons of each, along with some resources to help you accelerate any research you need to do.

28 Hiring Remote U.S. Employees

28.1 *Remote Employees vs. Contractors: An Important Distinction*

Companies typically hire employees and engage a mix of freelancers or contractors. Until more recently in the U.S., this was simply a matter of cost and strategy—hiring contractors helped outsource some work, especially to accelerate a specific project or initiative.

CAUTION For U.S. businesses, hiring contractors is financially appealing, as companies don't need to handle payroll and tax withholding, or provide healthcare or other benefits. It might seem like an easy and less expensive way to expand your remote workforce. But there are federal laws about when someone can be considered a contractor vs. an employee, and getting this wrong can be very painful and expensive.

The IRS worker classification rules suggest that companies consider three aspects of their relationship with someone they are employing:

- **Behavioral control.** "A worker is an employee when the business has the right to direct and control the work performed by the worker, even if that right is not exercised."
- **Financial control.** "Does the business have a right to direct or control the financial and business aspects of the worker's job?"

- **Relationship.** "The type of relationship depends upon how the worker and business perceive their interaction with one another."

Here's set of questions companies can use to help evaluate this relationship with someone they're going to hire:

- Do they have control over how their work is conducted? Are they subject to instruction over process or other work rules? Are they under direct supervision?
- Can they set their own schedule?
- Do you provide any benefits or holiday pay?
- Are they paid only for the work they complete?
- Can they freely work with other employers?

Violation of these laws can lead to a number of financially significant consequences: [*]

- $50 per Form W-2 that was not filed.
- Penalties of 1.5% of the wages, plus 40% of Social Security and Medicare taxes (FICA) that were not withheld from the employee, and 100% of matching FICA taxes that were not paid by the employer. Daily accrued interest may also be added.
- Penalty under Section 6651 for failure-to-file Form 941 employment tax return, 5% of the tax amount per month, up to 25%.
- If the IRS suspects intentional misconduct or fraud, there could be additional fines.

In 2015, home cleaning startup Homejoy shut down after failing to raise enough additional money while grappling with four separate legal cases of employee misclassification based on Homejoy classifying all of its cleaners as contractors. Around the same time, other startups like DoorDash, Caviar, GrubHub, and Instacart were all grappling with existing or imminent lawsuits from contractors arguing they should be classified as employees. [*]

In 2015, home-cleaning startup Homejoy shut down after failing to raise enough additional money while grappling with four separate legal cases of employee misclassification based on Homejoy categorizing all of its cleaners as contractors. Around the same time, other startups like DoorDash, Caviar, GrubHub, and Instacart were all grappling with existing or imminent lawsuits from contractors arguing they should be classified as employees. *

NEW California recently passed a sweeping new law (AB5) that makes it significantly harder for companies to employ contractors by closing the gap between what constitutes a contractor and an employee. California makes it close to impossible for employers to engage gig workers (for example, drivers for ride-hailing services like Uber or Lyft) and many other types of service providers (such as freelance writers and editors) as independent contractors. If they don't have their own independent business, are doing the core work of your company, and you exercise direction over what they do, they must be employees.

As of January 1, 2020, for someone to be classified as an independent contractor in California, they must meet all of these requirements: *

1. The worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact;
2. The worker performs work that is outside the usual course of the hiring entity's business; and
3. The worker is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

CAUTION Violation of contractor classification according to AB5 could result in fines between $5K and $25K per violation.

NEW This is becoming more prevalent elsewhere: the New Jersey legislature is debating a law very similar to California's, and New York is considering one as well.

Other states have similar, albeit less strict, laws and their own variation of an ABC test like California uses. Be sure to check with the state's employment bureau or department when considering hiring in a new state.

IMPORTANT The remainder of this section applies to full-time employees only, not contractors or freelancers.

Once you hire a remote employee, it's imperative that you pay attention to the federal, state, and municipal regulations for each new location in which a remote employee works. The laws you are accustomed to complying with where you are located, may be applied, interpreted, and enforced in different ways based on where the worker is. This applies even to federal laws.

◇ IMPORTANT In general, California, Massachusetts, New York, Delaware, and New Jersey have the strictest rules. So whenever you're considering state variations, those are the ones you definitely will want to pay attention to.

CAUTION You'll also want to have a company policy established for how you handle variations in things like parental leave or other benefits that may be mandated by state law—in these cases, some employees may have very different levels of coverage based on where they live. Many remote companies handle this by ensuring everyone is brought up to the best level of coverage across the entire workforce[35]—but regardless of what you do, ensure that all employees are aware of the policy.

By default, the controlling laws include federal, state, and local. The emphasis is on where the employee works, even if temporarily. This applies to most basic employment rights (such as minimum wage, overtime, and safety issues). * For example, Oracle Corporation learned the hard way that California's overtime rules applied to its traveling instructors when they worked in California, even though they lived in Arizona and Colorado.[36]

But some state laws only apply to remote employees as long as they report to a worksite in that state (for example, see the Massachusetts Equal Pay Act).

35. In conversation with Holloway, 2020.

36. *Sullivan v. Oracle* (CA 2011)

28.2 *Keeping Track of Remote U.S. Employee Requirements*

When it comes to keeping up with all the laws and regulations for remote U.S. workers, you have roughly three options:

- **Track everything yourself.** This means that for every location that you have a remote employee, you manage payroll, benefits, and so on with your own internal HR employees or via external accountants, benefits administrators, lawyers, et cetera. This was what many businesses had to do before more recent SaaS-based HR-service providers came on the market.
- **Mix advisors with services.** This typically is a mix of contract legal and financial help paired with some form of service provider that handles most of the payroll, benefits, and related overhead (like Gusto, Zenefits, Bamboo, et cetera—see Tools and Services for Remote Work for a list of all these providers).
- **Outsource everything.** Give all the tracking, implementation, and ongoing management to a Professional Employer Organization (PEO).

A **Professional Employer Organization (or PEO)** is an outsourced solution for HR, including payroll, benefits, workers' comp, and compliance. A PEO is a co-employment model,* in which the PEO takes on the responsibility for a company's HR, including any liability; and payroll is processed through the PEO's tax ID, not the company's.

◇ IMPORTANT In general, what we've seen mostly for remote companies—especially startups or small organizations—is the second option above. With the advent of modern SaaS-based HR tools, the vast majority of payroll and benefits oversight is easily managed via these services. But they don't necessarily handle everything (for example, registering new employees in their state), so you will want to be sure to ask what is and isn't handled. (You can use the checklists below to help with this.)

When it comes to outsourcing via PEOs, there are multiple pros and cons.

28.2.1 PEO BENEFITS

The primary benefit of going with a PEO is that it dramatically reduces a company's payroll and HR overhead. They handle all your HR needs while you focus on the business. A few other benefits include:

- **Monitoring laws and regulations.** PEOs stay up to date on all the state and municipal rules and regulations, many of which can change often and quickly.
- **Liability assurance.** The PEO takes responsibility for any issues related to staying compliant. Should an employee or local jurisdiction take issue with certain administrative issues, the PEO may be ultimately responsible for resolving the situation.
- **Compliance.** PEOs handle all payroll and tax-related compliance needs, including:
    - new-hire reporting
    - workers' compensation
    - W-2 and 1099 filings
    - Employment Practices Liability Insurance (EPLI)
    - unemployment-insurance filings.
- **Employee benefits.** PEOs are also responsible for your employees' benefits, like health insurance. Because PEOs serve a large client base, they have greater purchasing power and can negotiate better coverage.

28.2.2 PEO DRAWBACKS

Many of the potential downsides of PEOs are the flip side of the benefits coin:

- **Lack of control.** Due to the co-employment model—which is a contractual agreement between the PEO and your company—and a PEO's assumption of liability, companies give up a certain amount of control. This can amount to a company having to adopt the PEO's policies and procedures, and potentially even their employee handbook terms. The PEO can also be involved in performance-related and firing decisions.
- **Cost.** Someone else is doing all that work, and you have to pay them for it. PEO pricing typically falls into one of two categories:
  - **Percentage of payroll** is a PEO pricing model that charges a percentage—typically about 2–12%—of a company's total payroll amount per pay period for its services. Many PEOs also include an administrative fee on top of this per pay period as well.
  - **Per-employee (or PEPM or PEPY)** is a PEO pricing model that charges a fixed dollar amount per employee either monthly or annually for their services. This is similar to many SaaS-based "per-seat" pricing models. Per-employee pricing varies quite a bit across PEOs.
- **Limited healthcare choices.** While the rates PEOs negotiate may be better than what your company can, you have little say about which providers they choose. When it comes to remote employees, this can be a significant issue, as some companies may not have good options for out-of-state employees.
- **Outdated tooling and customer service.** Startups and tech-savvy companies that are used to modern, SaaS-based tools may be frustrated with most PEOs. Internationally, this can be even more exaggerated, with some still operating largely via phone calls, and in some cases even via fax. (See Working with a GEO.)

28.2.3 FURTHER READING ON PEOS

- "Third Party Payer Arrangements—Professional Employer Organizations" (IRS)
- "Voluntary Certification Program for Professional Employer Organizations (CPEOs)" (IRS)

- "The Use of Third-Party Employees and Joint Employer Status Under Fair Labor Standards and Family Medical Leave Acts" (Lindabury, McCormick, Estabrook & Cooper)
- List of Certified PEOS (IRS)
- Suspended and Revoked CPEOS (IRS)
- "The Best PEO Service Providers of 2020" (Business.com)

In the next section, we lay out the various aspects of employing remote U.S. team members you'll either have to track, or ensure is handled by whichever third party or service you use. We include checklists of what to look out for for each section, and where possible, matrices of jurisdiction (federal, state, municipal) related to each of the areas.

28.3 *Hiring and Firing*

28.3.1 RECRUITING

In order to protect candidates from discrimination, U.S. federal law, as well as many state and local laws, prohibits companies from recruiting new employees in a discriminatory way, * making hiring decisions on a discriminatory basis or using hiring practices that have an especially negative effect on relevant groups, * and asking certain questions during interviews. *

Federal law prohibits or strongly discourages asking certain questions because of their connection to discriminatory hiring practices:

- Whether a candidate has a disability. If the candidate's disability is obvious or disclosed, it is permitted to ask about providing assistance with the application process or changing the environment or way in which the work is done to accommodate the candidate; *
- About the candidate's genetic information; *
- About the candidate's race, religion, or ethnicity; *
- About the candidate's age, unless that information is being used to verify that the candidate meets any age-related legal requirements; * and
- About the candidate's pregnancy or plans to start a family. *

CAUTION State and local laws add to these bans, meaning that your interviews of remote employees may operate under rules you're not accustomed to. These prohibitions include "ban-the-box" laws that prohibit companies from asking candidates about their criminal history (prior to a conditional job offer), and restrictions on questions about candidates' salary histories. * *

NEW States and localities differ in their treatment of non-compete agreements, so if a candidate has such an agreement in place, you'll want to consult applicable laws to determine whether it will prevent them from working for your company. As of April 2019, the Center for American Progress reported that three states (California, North Dakota, and Oklahoma) have outright bans on non-compete agreements (except in limited circumstances), while another 26 will enforce some non-compete agreements, but not others.

28.3.2 THE HIRING PROCESS

For all employees in the United States, employers must verify employees' identity and employment authorization. * This process includes physically examining, with the employee physically present, each document the employee has provided. Doing so can be more difficult for remote employees because reviewing documents via webcam is explicitly prohibited, but employers can designate an authorized representative to perform the examination and fill out the necessary forms. Authorized representatives can include personnel officers, foremen, agents, or notaries public. * *

A few things you'll need to pay attention to for remote hiring:

- **Contracting.** It's important to make sure that your contract or offer letter with the employee spells out the relationship between the company and the employee, and provides for any state or local legal requirements. * If your remote employee is in a different place than the bulk of your workforce, this may mean that your contract with the remote employee differs in some ways from your standard employment contract.
- **New hire reporting.** Employers are required to report basic information on new and rehired employees to the state where the employee works shortly after the hire or rehire is made. Federal law requires that reporting be completed within 20 days, * but some states require faster reporting. *

For the federal government, the purpose of new-hire reporting is to help locate noncustodial parents to establish and enforce child support orders. * States also have an interest in determining which of its residents are currently employed to appropriately administer unemployment benefits, workers' compensation, and other entitlement programs.[37]

◇ IMPORTANT For links to each state's new-hire reporting websites, see the U.S. Department of Health and Human Services' Office of Child Support Enforcement page.

28.3.3 FIRING

Certain reasons for firing employees are always illegal in the United States. Federal law prohibits employers from terminating employees because of their age, race, color, religion, sex, ethnic/national origin, disability, or veteran status. * Employers are also prohibited from firing an employee for asserting their right to be free from discrimination. * The Equal Employment Opportunity Commission (EEOC) refers to asserting these rights as "protected activity," which can include:

- "filing or being a witness in an EEO charge, complaint, investigation, or lawsuit
- communicating with a supervisor or manager about employment discrimination, including harassment
- answering questions during an employer investigation of alleged harassment
- refusing to follow orders that would result in discrimination
- resisting sexual advances, or intervening to protect others
- requesting accommodation of a disability or for a religious practice
- asking managers or co-workers about salary information to uncover potentially discriminatory wages." *

NEW States and localities can also enact anti-discrimination laws that make further reasons for termination illegal, and/or expand the employers included in these restrictions. For example, while there are ongoing cases disputing whether discrimination on the basis of sexual orientation and gender identity is prohibited by federal law, twenty-one states and D.C. prohibit such discrimination. *

37. See, for example, the described purposes of Alabama's New-Hire Act of 1997.

◇ IMPORTANT The National Conference of State Legislatures compiled a chart outlining state-level discrimination laws across the country; this is a useful place to start, but it's wise to always check for updated information in any state where you're hiring.

Except for Montana,* all states in the U.S. recognize **at-will employment**, which allows employers to terminate employees at any time, as long as the reason they're firing the employee is not illegal.* In the states that recognize at-will employment (all states other than Montana), there are two ways that the freedom of employers to terminate employees is restricted: The employment contract can include an implied higher bar for termination, and/or state and local law can provide greater restrictions.

- **Implied contract.** Even if it isn't written down, if an employer has given an employee reason to expect a particular term of employment or only to be fired for just cause, then the parties may have what is referred to as an "implied contract" and the employer may not be able to terminate the employee at will. Most states recognize an implied contract exception, but states treat the exception differently, and this is a developing area.*
- **Public policy.** This means that an employee cannot be fired if their termination would "violate a public interest."* States can define this narrowly and broadly, but generally if the employee engages in one of the following four categories of conduct, the public policy exception applies:
    - refusing to perform an act that's legally prohibited
    - reporting a legal violation
    - engaging in acts that are in the public interest, such as performing jury duty
    - exercising a statutory right, such as filing a worker's compensation claim.
- **Implied covenant of good faith and fair dealing.** A relatively small number of states include this final exception. As the National Conference of State Legislatures explains, "judicial interpretations of this covenant have varied from requiring just cause for termination to prohibiting terminations made in bad faith or motivated by malice."

The flip side of the at-will employment coin is that employees are also free to leave at any time for any or no reason. The state-by-state exceptions that limit employers' ability to terminate employees don't apply to employees leaving, though, so this element of the relationship with your employees shouldn't differ between on-site and remote.

When it comes to the firing process, there is no federal requirement as to how much notice a company needs to provide before firing someone, and the same is true for at-will employment states. However, some states require that the employers provide specific documents to the employee when they are terminated. For example, Illinois requires employers to provide a pamphlet, and California requires employers to provide notice of termination and information about unemployment benefits.

◇ IMPORTANT After firing an employee, you will need to be sure to issue their final paycheck following the applicable rules and regulations. For more information, see Payroll and Taxes.

As with individual employees, employers are prohibited under federal, state, and local law from laying off groups of employees for discriminatory reasons. * Federal law, through the Worker Adjustment and Retaining Notification Act (WARN), also requires employers with 100 or more employees to provide at least 60 calendar days' advance written notice when laying off 50 or more employees at a single site, 50 or more employees in any locations if they constitute at least a third of the company's workforce, or more than 500 employees. *

◇ IMPORTANT For the first type of layoff—of 50 or more employees at a single site—remote employees may be counted toward the site from which they receive assignments or to which they report. Unfortunately, however, courts in different jurisdictions disagree as to how remote employees should be counted.[38]

Some states also have laws that adjust the circumstances in which an employer must give notice. For example:

- California expands WARN to apply to companies with at least 75 employees and requires notice whenever 50 or more employees are laid off, regardless of their location or percentage of the workforce.

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38. Baer, Lawrence J. et al. "The Issue of Telecommuters Under the WARN Act: When the Office Place Becomes Virtual." *Weil Gotshal Employer Update*, Summer 2008, pp. 13–17.

- Illinois expands WARN to apply to companies with at least 75 employees and requires notice whenever 25 or more employees are laid off if they are at a single site and constitute at least a third of the company's workforce at that site, or if 250 or more employees at a single site are laid off.
- Tennessee expands WARN to apply to companies with at least 50 employees and requires notice whenever 50 or more employees at a single site are laid off.

28.3.4 HIRING CHECKLIST

Thorough checklists for the steps you will need to take when recruiting and hiring include:

Recruiting

- Learn what kinds of discrimination are illegal in the candidate's state, and design policies to avoid these in hiring decisions.
- Make sure your interview questions are in line with the laws in the state where the candidate lives, as well as federal law and your company's state laws.

The Hiring Process

- Determine whether the candidate has a non-compete agreement in effect, and if so, whether it is enforceable under state law.
- Verify the employee's identity and work authorization by physically examining the employee's relevant documents with the employee present, or by designating an authorized representative to do so.
- Make sure that your contract with the employee spells out the relationship between the company and the employee and provides for any state or local legal requirements.
- Report the new hire to the state where the employee will be working by the deadline created by that state, 20 days or fewer from the date of the hire.

Firing

- When considering terminating an employee, ensure that the reason for termination is allowable under federal and state law.
- Research and comply with state laws that require employers to provide employees with certain documents when they are fired.

- If the employee is being terminated as part of a layoff, review federal and applicable state rules that may require written notice 60 days before the employee will be terminated.
- Issue the employee's final paycheck on the timeline required by applicable law (see Payroll and Taxes).
- If your company provides a group health plan, notify the plan that the employee has been terminated and, if your company administers the plan, notify the employee of their COBRA eligibility (see Benefits).

28.4 *Compensation*

Compensation is a complicated topic in its own right, and crossing state lines impacts what kind of pay and associated benefits you offer employees in a number of ways. You'll need to factor in state and local laws regarding minimum wage and overtime, among other things. And to do that, you'll need to know which kind of employees you have.

28.4.1 EXEMPT VS. NON-EXEMPT EMPLOYEES

Although it might be tempting to think of minimum-wage and overtime rules as applicable to all workers, this isn't the case. Instead, they apply to some workers (non-exempt employees) but not others (exempt employees and independent contractors) based on classifications that are initially set at the federal level. *

Exempt employees are excluded from minimum-wage and overtime regulations, along with other rights and protections afforded nonexempt workers. Employers must pay a salary rather than an hourly wage for a position for it to be exempt, and exempt employees are expected to complete their duties irrespective of the amount of time required to do so.

Non-exempt employees are generally subject to coverage by the Fair Labor Standards Act (FLSA), which establishes mandatory minimums for minimum-wage and overtime pay.

For most employees, whether they are exempt or nonexempt depends on:

1. how much they are paid
2. how they are paid
3. what kind of work they do.

With few exceptions, to be considered exempt, an employee must a) be paid at least $684 per week,* b) be paid on a salary basis, and c) also perform exempt job duties. Of the many categories of exempt employees, you are most likely to encounter the federal exemption for salaried employees in executive,* administrative,* professional,* computer,* and outside sales* roles. For computer workers specifically, the exemption applies even if they are paid on an hourly basis, as long as they are paid at least $27.63 per hour.*

◇ IMPORTANT States and localities can set their own requirements for their minimum-wage and overtime laws, so it's important to be familiar with the rules in all the states and localities where you have employees. For example, in California an exempt employee must be paid at least twice the state minimum wage.*

28.4.2 MINIMUM WAGE

If a remote employee is non-exempt, they must be paid at least the amount of the highest minimum wage that applies to them based on their location.*

◇ IMPORTANT Federal law does not consider equity compensation to be a form of wage, so even if you're offering employees primarily equity, you will still need to meet minimum-wage requirements,* or pay your employees enough that they qualify as exempt.* Also, state and local laws may treat equity compensation differently than federal law,* so it's essential to consult a local expert.

28.4.3 OVERTIME

Federal law requires overtime pay for non-exempt employees who work more than 40 hours in a week, but state and local laws can be more generous. For example, California also considers any work beyond eight hours in a day to be overtime, and an employee gets whichever overtime amount is greater between daily hours (beyond 8) and weekly hours (beyond 40).

28.4.4 EXPENSE REIMBURSEMENTS

Federal law generally does not require employers to reimburse employees for business expenses, but the FLSA does require reimbursement if the expenses reduce an employee's pay below minimum wage.*

Additionally, some states, such as California and Illinois, require employers to reimburse "necessary expenditures."

28.4.5 COMPENSATION AND LOCATION

Once you're above the required thresholds for exemption or satisfying minimum-wage and overtime requirements, there's a further question of how you want to gauge the appropriate amount to pay your employees. This is less a legal question than a question of company philosophy and policy; but briefly, your options include:

- Paying all employees a global salary as if they were based where your company is based (as Chef does).
- Paying each employee a local salary based on the market rate where they are based (as GitLab does).

See our section on Compensation for Remote Employees for a more detailed discussion of these various compensation philosophies and practical considerations.

◇ IMPORTANT You should not use compensation to discriminate between employees based on their race, color, religion, sex, national origin, age, or disability. A number of federal laws prohibit discrimination in compensation. *

- Equal Pay Act. This law requires all employers to give men and women equal pay for equal work in the same establishment. Generally speaking, "establishment" is understood to mean worksite, so differences in remote employees' pay according to their location may be acceptable under these terms. The Equal Employment Opportunity Commission advises that "workers at different worksites sometimes may be compared if the same managers oversee the operations of both locations and workers frequently transfer between the two locations."
- Title VII of the Civil Rights Act, the Age Discrimination in Employment Act, and Title I of the Americans with Disabilities Act. These laws prohibit employers with a certain number of employees from discriminating between employees in compensation on the basis of their race, color, religion, sex, national origin, age, or disability.[39]

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39. An employer must have fifteen or more employees to be covered by Title VII of the Civil Rights Act and Title I of the Americans with Disabilities Act, and twenty or more employees to be covered by the Age Discrimination in Employment Act.

◇ IMPORTANT State and local governments may supplement federal protections on equal compensation. For example, Oregon's Equal Pay Act requires all employers to provide comparable pay for comparable work to all Oregon-based employees regardless of race, color, religion, sex, sexual orientation, national origin, marital status, veteran status, disbility, or age. This goes beyond federal requirements because it has no minimum employee count and extends rules about equal pay beyond the issue of sex.

28.4.6 COMPENSATION CHECKLIST

A thorough checklist to use when determining compensation would include:

- Determine whether an employee is exempt or non-exempt under federal and applicable state and local laws.
- Ensure that non-exempt employees are paid at least minimum wage and are paid overtime as required by applicable laws.
- Ensure that any business expenses incurred by non-exempt employees are reimbursed if deducting them from the employees' pay would mean their compensation does not adhere to minimum wage and overtime requirements.
- Ensure that your employees' compensation is not discriminatory, including by complying with federal and state laws that require employees to be paid comparable pay for comparable work.

28.5 *Benefits*

Benefits can vary significantly at state and local levels, so this is one area where it's important to be aware of a host of differences (or ensure whatever third party or service your using is doing so adequately instead).

28.5.1 PARENTAL LEAVE

The United States does not guarantee paid family leave, a fact that makes it unique among industrialized countries. * Instead, federal law provides unpaid family leave for approximately 60% of the workforce through the Family Medical Leave Act (FMLA) (see more on this in the following section). *

NEW As of August 2019, eight states and the District of Columbia offered paid parental leave, which would cover eligible employees working from those locations. *

NEW Late in 2019, Congress passed a measure that will provide twelve weeks of paid parental leave to federal employees who have held their job for at least a year. * While this does not apply to private-sector employees, it may signal a shift towards increased parental leave coverage at the federal level.

28.5.2 MEDICAL AND OTHER LEAVE

The Family Medical Leave Act is a federal law that "entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave." *

Eligible employees may take up to twelve weeks of FMLA leave in a twelve-month period for the following reasons:

- The employee's child being born, or a child being placed with the employee for adoption or foster care.
- Caring for an immediate family member who has a serious health condition.
- Having a serious health condition that "makes the employee unable to perform the essential functions of his or her job."
- Having a "qualifying exigency" related to the fact that an immediate family member is an active-duty military member. "Qualifying exigencies" include making arrangements for a child or parent of the military member, attending certain military ceremonies and briefings, spending time with the military member on R&R leave, and so on. *

Eligible employees may take up to 26 weeks of FMLA leave in a twelve-month period to care for an immediate family member who is a servicemember and incurred serious injury or illness while on active duty.

In order to be eligible for this leave, the FMLA specifies that an employee must be "employed at a worksite where 50 or more employees are employed by the employer within 75 miles of that worksite." *

◇ IMPORTANT This can lead to the mistaken impression that many remote employees aren't covered. However, for FMLA purposes, an employee is included in a particular office's headcount if they report to that site; or, if they don't report to any particular site, their work is assigned from that site. *

Here's a useful example:

> *Consider an employer who has an office in South Carolina with 40 employees, an office in Oklahoma with 20 employees, and has 15 employees who work from home and reside in New York, Mississippi, and California … If all 15 remote employees report to or have their work assigned from the South Carolina office, their worksite will be considered South Carolina under the FMLA. Therefore, all the employees in South Carolina and all the remote employees (despite how far away they are) would be eligible for FMLA leave.* *

Many states also have their own medical-leave laws that expand on the FMLA. States can lower the eligibility requirements that:

- **Qualify more employees for protected leave**, as California's New Parent Leave Act does.
- **Expand the types of leave that are protected**, as Massachusetts domestic-violence and abusive-situation leave does.
- **Increase the length of the leave**, as Connecticut Family & Medical Leave Act does.
- **Provide that the leave must be paid in whole or part**, as New York Paid Family Leave does.

For some state leave laws, an employee may only be eligible if they are *not* eligible for FMLA leave. For others, an eligible employee may be able to take both federal and state leave. *

Similarly, state laws differ in exactly who they cover. A remote employee who lives in a state will be covered by whatever leave laws that state has if they otherwise meet eligibility requirements. However, some leave laws may also cover remote employees who live outside the state if the employer has its primary office in the state. *

◇ IMPORTANT To get an overview of laws in each state where you have or are considering hiring remote employees, you can check out aggregated resources like these:

- "State Family and Medical Leave Laws" (Nolo)
- "Employee Leave Laws by State" (Helpside)
- "Leave Laws by State and Municipality" (XpertHR)

Because there are so many laws to keep track of and they can change on different schedules, we always recommend consulting an attorney for current advice.

28.5.3 HEALTH INSURANCE

Federal law is the primary source of health insurance requirements for employees, so this is one area where you don't have to worry about differences between on-site and remote workers within the United States.

If a company has at least 50 full-time employees in the United States, the Affordable Care Act requires that it provide at least 95% of its employees and their dependents with healthcare insurance that pays for at least 60% of covered services. *

While not required to provide health insurance, some smaller companies do qualify for a tax credit—the Small Business Health Care Tax Credit—if they provide health insurance. To qualify, a company must:

- Have fewer than 25 full-time employees
- Pay average wages below a certain amount[40]
- Offer a qualified health-care plan to its employees
- Pay at least 50% of the cost of the employee's health-care coverage (but not family members or dependents)

Recently terminated employees may also qualify for health insurance for a certain period after they leave the company.

Federal law, through the Consolidated Omnibus Budget Reconciliation Act (COBRA), requires employers who have more than twenty employees and provide private-sector group health plans to give certain employees who would otherwise lose their coverage the option to temporarily extend.

40. The average wage limit is $50K, indexed annually for inflation beginning in 2014. By tax year 2017, the limit had increased to $53K, and it can be expected to continue to increase. https://www.irs.gov/affordable-care-act/employers/small-business-health-care-tax-credit-and-the-shop-marketplace

Employees who qualify for COBRA benefits include those who lost their job for reasons other than gross misconduct or had a reduction in hours.[41] COBRA has a few notable requirements:

- If COBRA applies to your company and you fire an employee, you must notify the group health plan within 30 days.[42]
- If your company is administering the health plan, then you are also responsible for notifying the employee of their eligibility.[43,44]
- COBRA requires health plans to offer continuation coverage to terminated employees for 18 months or, if the employee became entitled to Medicare less than 18 months before they were fired, for 36 months.[45]

For more information on employers' obligations under COBRA, we recommend the Employee Benefits Security Administration's "An Employer's Guide to Group Health Continuation Coverage Under COBRA."

◇ IMPORTANT Most states offer state continuation coverage, sometimes referred to as "mini-COBRA," that applies to employers with fewer employees and/or expands the coverage offered.

For example, Texas offers a mini-COBRA plan that offers continuation coverage to employees in companies with between two and fifty employees. If the employee does not qualify for federal COBRA, Texas offers nine months of continuation coverage; if the employee does qualify for federal COBRA, Texas offers an additional six months on top of the federal continuation coverage. *

41. U.S. Department of Labor, Employee Benefits Security Administration, FAQs on COBRA Continuation Health Coverage for Workers, p. 3.
42. U.S. Department of Labor, Employee Benefits Security Administration, An Employer's Guide to Group Health Continuation Coverage Under COBRA, Sept. 2018, p. 5.
43. This notice must be given within 60 days of either the day the employee is fired or the day they lose coverage, whichever is later. U.S. Department of Labor, Employee Benefits Security Administration, An Employer's Guide to Group Health Continuation Coverage Under COBRA, Sept. 2018, p. 6.
44. Most private-sector group health plans must be administered by a plan administrator, and this is often the employer that sponsors the plan. Whoever is the administrator has the responsibility to carry out COBRA requirements, including notifying the employee of eligibility. https://hrsimplified.com/employers/cobra-guide-for-employers/
45. U.S. Department of Labor, Employee Benefits Security Administration, An Employer's Guide to Group Health Continuation Coverage Under COBRA, Sept. 2018, pp. 8–9.

In addition to offering different coverage, states that offer mini-COBRAs may have different ways of administering the program or different notice requirements,[46] so it's important to be familiar with the rules in the states where your employees receive coverage.

◇ IMPORTANT The states that currently do not offer COBRA continuation are Alabama, Alaska, Hawaii, Idaho, Indiana, Michigan, Montana, and Nevada. *

28.5.4 **FRINGE BENEFITS**

Certain locations require employers to provide employees with commuter benefits, which generally allow employees to pay for certain commuting costs using pre-tax money, but may also include further benefits like offering a subsidy for commuting or an actual transit service.

◇ IMPORTANT Some of these laws do apply to at least certain remote employees:

- **New York City.** This applies to all employees who worked an average of 30 hours or more per week in the most recent four weeks if any portion of that time was in New York City and their employer has 20 or more full-time employees. *
- **Washington D.C.** This law requires companies with 20 or more full-time employees to offer commuter benefits, and applies to employees who perform the majority of their work in the district. *
- **Seattle.** This law applies to remote employees who work an average of ten or more hours per week in Seattle.[47]

But other commuter laws do not apply to remote workers:

- **New Jersey** only covers employees "who [report] to the employer's work location." *
- **San Francisco** does not include "employees who always work remotely, and do not commute to a physical office or work on-site in the San Francisco Bay Area" among the "covered employees" or "full-

46. For example, in California insurers—rather than the employer or a third-party administrator—may administer continuation coverage. https://www.blueshieldca.com/employer/administrator-resources/reference/topics/COBRA-CalCOBRA.sp
47. Seattle Office of Labor Standards, Questions & Answers: Commuter Benefits Ordinance. May 2, 2019, p. 3.

time employees” for the purposes of the Bay Area Commuter Benefits Program.[48]

28.5.5 BENEFITS CHECKLIST

You’ll want to include the following on your benefits checklist:

Leave

- If you have a remote employee in one of the eight states that offer paid parental leave, or Washington D.C., ensure you offer leave that complies with the relevant law(s).
- If an employee needs to take another kind of leave that is covered by either FMLA or a state protected leave law, ensure that they are able to take the leave to which they are entitled and that their position is available upon their return.

Health insurance

- If your company has at least 50 employees, provide health insurance that pays for at least 60% of covered services to at least 95% of your employees and their dependents.
- If your company has fewer than 25 employees, consider whether you might qualify for Small Business Health Care Tax Credit if you provide your employees with health insurance.
- If your company provides a group health plan, notify the plan that the employee has been terminated; and if your company administers the plan, notify the employee of their COBRA eligibility.

Fringe benefits

- Determine whether the location(s) where your remote employees work requires your company to provide commuter benefits.

◇ IMPORTANT Also be sure to establish and enforce a policy for how you will handle differences in benefits across states (and countries, if applicable) for different remote employees.

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48. Bay Area Commuter Benefits Program: Frequently Asked Questions, Aug. 29, 2019, p. 3.

28.6 *Policies and Miscellaneous HR*

This section covers a collection of concerns that would largely be covered in a company's employee handbook. For state-based variations on these categories, pay attention to New York and California, which have the most unique laws about these kinds of issues.

28.6.1 EQUIPMENT GRANTS

Many states, notably California, require companies to reimburse employees for any equipment or other things they are required to purchase in order to do their job. * This can range from office equipment to even something like the cost of opening a bank account in order to receive direct deposits.

It's good policy to ensure remote workers have equally as comfortable and well-equipped work spaces as they would have in a corporate office.

28.6.2 WORKPLACE SAFETY AND INJURY

The Occupational Safety and Health Act, administered by the Occupational Safety and Health Administration (OSHA), is a federal law that requires employers to provide safe and healthful work environments by "setting and enforcing standards, and by providing training, outreach, education, and assistance." *

◇ IMPORTANT OSHA issued guidance in 2000 stating that it would not conduct inspections of remote employees' home offices; but employers are still responsible for keeping records of work-related injuries and illnesses for these employees.[49]

Twenty-one states and Puerto Rico currently operate their own workplace safety and health programs that cover private-sector employees. OSHA monitors these plans and requires them to be at least as effective as OSHA in protecting workers. * For a full list of and links to the state plans, see OSHA's State Plans site.

◇ IMPORTANT Some states—notably California, Michigan, Oregon, and Washington—have state plans that have significantly more stringent requirements than OSHA. If you have remote employees in any of the locations that have state plans, you should become familiar with those

49. For more on the history of this guidance, see Findlaw's "Work at Home: OSHA's About-Face on Home Offices."

states' rules, particularly regarding reporting, training, and inspections for remote employees.

28.6.3 DISCRIMINATION

Federal, state, and local laws provide that employees should be free from discrimination not only during the hiring process and potential termination, but also during the course of their employment. Among other things, the law states that employers should not discriminate on these bases when making decisions about which employees will be allowed to work remotely. *

The Equal Employment Opportunity Commission (EEOC) enforces federal anti-discrimination laws. For companies with at least twenty employees, * the EEOC specifies that "it is illegal for an employer to make decisions about job assignments and promotions based on an employee's race, color, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, age (40 or older), disability or genetic information."

NEW There are currently cases before the Supreme Court questioning whether gender identity and sexual orientation are protected from discrimination under federal law, which would affect employers with fifteen or more employees.[50]

◇ IMPORTANT State and local laws can expand protections against discrimination for employees. For example, while there are ongoing cases disputing whether discrimination on the basis of sexual orientation and gender identity is prohibited by federal law, twenty-one states and D.C. prohibit such discrimination. *

The National Conference of State Legislatures has a chart outlining state-level discrimination laws across the country, which is a useful place to start; but you should always check for updated information.

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50. The reason for the question is that the text of the relevant federal law refers only to discrimination "because of sex," so the Supreme Court is now asked to decide whether discrimination on the basis of gender identity and sexual orientation is discrimination "because of sex." For more information on the cases, we suggest Amy Howe's argument preview for SCOTUSblog, "Justices to consider federal employment protection for LGBT employees."

28.6.4 SEXUAL HARASSMENT

Although sexual harassment is considered a form of discrimination, it is worth considering separately here because of the many specialized laws that address it. Harassment of remote employees is both feasible via a variety of channels provided by modern tools, and potentially less visible, as well. * *

Federal, state, and local laws prohibit harassment against applicants and employees because of their sex. Under federal law, conduct must rise to a certain level to be considered sexual harassment; it must "explicitly or implicitly affect an individual's employment, unreasonably interfere with an individual's work performance, or create an intimidating, hostile, or offensive work environment." *

◇ IMPORTANT State and local laws may expand sexual harassment protection beyond what federal law provides. For example, California has indicated that a "single incident of harassing conduct" would constitute sexual harassment, even if it did not affect the employee's employment or unreasonably interfere with their performance.

◇ CAUTION Critically, employers can be held liable for sexual harassment that occurs in their company if they do not take adequate steps to prevent and punish it. * Some states and localities require employers to provide sexual harassment training to their employees. For example, New York requires all employers who employ anyone in the state to provide annual training to their employees, even if the company has no other contact with New York. *

28.6.5 DISABILITY

Under federal law—specifically, the Americans with Disabilities Act (ADA)—employers with fifteen or more employees must provide "reasonable accommodations" to individuals with disabilities. *

Allowing an employee to work remotely can itself be considered an accommodation under the ADA if a medical condition interferes with the employee's ability to do their job in the workplace. *

◇ IMPORTANT Employers may be required to provide accommodations like a computer stand that would allow a remote employee to enjoy equal employment opportunities and would not cause the employer undue hardship.

28.6.6 EXPENSES

The federal Fair Labor Standards Act (FLSA) does not require employers to reimburse employees for business expenses. However, many states do have laws enforcing this, notably California. The California Labor Code (section 2802) stipulates that employers must reimburse employees for "all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties." * For remote employees, this can include things such as cell phones, laptops, and any home office equipment they may require to work remotely. California has some of the strictest labor codes in the country, so if you're abiding by them for everyone, you should be well covered across the board.

28.6.7 POLICIES AND MISCELLANEOUS HR CHECKLIST

An effective checklist for policies and miscellaneous HR issues will include:

- Establish reporting and record-keeping policies to comply with federal workplace safety rules.
- Check the workplace safety laws that apply in the states where you have remote employees; determine whether they apply to those employees; and ensure you comply with relevant regulations.
- Put in place policies to ensure that decisions about promotions, assignments, raises, and so on are not made on discriminatory bases.
- Put in place policies to prevent workplace sexual harassment, ensure that employees know how to report complaints, and provide effective remedies for harassment.
- Determine whether the states or localities in which you have remote employees have any specific anti-sexual-harassment training requirements and provide such training as appropriate.
- Provide reasonable accommodations to remote employees with disabilities so that they can enjoy employment opportunities equal to those of employees without disabilities.
- Have a policy in place for expense reimbursement that reflects potential state-based variations.

28.7 *Payroll and Taxes*

In general, most basic employment rights (including minimum wage, overtime, and more) are governed by the laws of the state where an employee works. * When it comes to payroll and taxes, this is very much the case. If your company is in California, but you have an employee in New York, they will need to pay local New York-based taxes, and you will be responsible for tracking and withholding those. You'll also need to be aware of withholding requirements for things like workers comp and disability insurance. Below we list all the payroll and tax requirements you'll need to track, noting whether they are merely federally mandated or whether they might vary down to the state, county, or municipal level.

28.7.1 MINIMUM WAGE

The Fair Labor Standards Act (FLSA) sets a national standard for minimum wage for non-exempt employees. *

Minimum-wage laws can get quite complicated, with variations at the state, county, and city level; they can also vary by company size (for example, 20 or more employees) and age of employee. *

While many companies supporting remote work will be doing so largely for exempt, salaried employees, you will have to be aware of these laws in detail for any remote non-exempt, hourly employees.

28.7.2 PAY STUB

While you do have to maintain records related to payroll, companies are not federally mandated to provide a pay stub, * and the vast majority of people get paid via direct deposit. *

◇ IMPORTANT Pay-stub laws vary by state as regards to whether an employer is required to provide a pay stub, and may dictate what information must be included. Some states will also allow you to make direct deposit mandatory. *

28.7.3 PAYDAY FREQUENCY

The cadence of paydays at your company isn't federally mandated, but federal laws do say you must keep a consistent pay frequency once you set it. At the state level, you are required to follow any laws regarding paying employees semi-monthly, monthly, weekly or biweekly. *

28.7.4 FINAL PAYCHECK

The federal government has no oversight regarding when you send a final paycheck, but states have varying rules about this. * The timeframe may also vary if the employee quits or is fired.

28.7.5 INCOME TAX WITHHOLDING

Income tax is one area of remote work that can be quite complicated. Along with standard federal income-tax requirements, * an employee's income is taxed at the state level based on a "physical-presence rule," meaning that employees have to pay taxes for the state in which they reside. Employers will generally also pay taxes on wages paid to these workers to the same state, even if the employer has no physical presence in that state. *

Two notable exceptions to this general rule exist:

- **Reciprocal agreements.** In the rare event that someone lives in a state that has a reciprocal agreement with the state where their employer is located, they can file a Certificate of Non-residency, which exempts them from paying taxes in the employer's state and instead pay taxes in their home state. These states include:
    - Illinois, Indiana, Iowa, Kentucky, Maryland, Michigan, Minnesota, Montana, New Jersey, North Dakota, Ohio, Pennsylvania, Virginia, West Virginia, Wisconsin, and the District of Columbia
- **Convenience vs. necessity test.** Five states—New York, Nebraska, Pennsylvania, Delaware, and New Jersey—may require that workers be taxed based on their employer's location. * If you work remotely for a company in one of those states, and working from home is a matter of convenience for you rather than a necessity for your employer, you could end up getting taxed twice—for that state and the one you live in (if it has state income taxes).

28.7.6 FICA (MEDICARE AND SOCIAL SECURITY)

This is one area where you don't have to worry about anything beyond federal regulations. Withholding rates for Medicare and Social Security are set at the federal level * and don't have any variations at the state or local level. Withholding is split between the employer and employee, but the employer is responsible for processing the withholding on the employee's behalf.

28.7.7 WORKERS' COMP AND DISABILITY INSURANCE WITHHOLDING

Workers comp is required for any company with one or more employees, but is not a federal program. Benefits are usually paid by a private insurance company or state-run workers' comp fund.

Disability laws may vary by state, and then by size of company and industry. Five states have laws about disability insurance: California, New Jersey, Rhode Island, Hawaii, and New York. * In New York, paid family leave is included as a rider to the disability benefit, and employers can charge employees for a portion of that coverage.

28.7.8 UNEMPLOYMENT TAXES

The Federal Unemployment Tax Act (FUTA) requires that each state's taxable wage base must at least equal the FUTA wage base of $7K per employee, although most states' wage bases exceed the required amount. FUTA is 100% employer-paid. *

State unemployment taxes (SUTA) varies by state. Some states use various formulas to determine the taxable wage base; others use a percentage of the state's average annual wage; and many simply follow the FUTA wage base. You can download a table of the state rates from the American Payroll Association.

◇ IMPORTANT Employers can claim up to 5.4% credit for FUTA, as long as all of the SUTA taxes were paid on time. This deduction reduces the net rate for FUTA to 0.6%.

28.7.9 TAX DEDUCTIBLE CONTRIBUTION LIMITS

The IRS dictates the maximum amount that employees can contribute to retirement plans like IRAs and 401Ks. These limits are only mandated at the federal level, * and don't vary by state.

28.7.10 OVERTIME

Federal law contains requirements for how overtime is calculated. If state laws are different from federal, the employer must follow the law that is most beneficial for the employee. * *

28.7.11 PAID AND UNPAID BREAKS

Certain federal laws govern the number and duration of breaks and whether they constitute compensated time or not; * however, implementation of these laws is largely state-specific. * In general, these laws apply to non-exempt or hourly workers. This means that if, say, you hire a customer-service company in California and your company is in Idaho, failure to be aware of and adhere to these laws would expose you to penalties. But for any exempt workers you hire, you don't have to worry about these laws as they won't apply.

28.7.12 TAXATION OF BONUSES

The federal government stipulates that businesses pay a 22% flat tax rate for bonuses,* including signing bonuses, vacation pay, and most other forms of payment that fall outside an employee's regular paycheck. There also are state-specific variations that apply to employers, including whether or not state income tax needs to be withheld as well.

28.7.13 REGISTERING YOUR BUSINESS

Companies must register as a business with the appropriate federal authorities and with the state tax agency for any state in which it has employees.

28.7.14 REPORTING REQUIREMENTS

Businesses have five types of reporting requirements they must follow:

- **New hire.** Report to the appropriate state or federal Department of Health and Human Services within 20 days of the hiring date. Some states may require faster reporting of new hires.
- **Form 941.** Federal income tax, Medicare, Social Security, and tipped wages must be reported quarterly.
- **Form 940 (FUTA).** File annually by January 31.
- **Wage detail reports.** State income taxes, unemployment, and other requirements must be filed quarterly.
- **Year-end W-2s.** These must be sent to employees and filed with the Social Security Administration by January 31.

28.7.15 TABLE: FEDERAL, STATE, AND LOCAL LAWS GOVERNING PAYROLL AND TAXES

PAYROLL AND TAXES CHECKLIST	FEDERAL	STATE	COUNTY	CITY
Minimum wage	Yes	Yes	Yes	Yes
Pay stub	No	Yes	No	No
Payday frequency	Yes	Yes	No	No

PAYROLL AND TAXES CHECKLIST	FEDERAL	STATE	COUNTY	CITY
Final paycheck rules	No	Yes	No	No
Income tax withholding	Yes	Yes	Yes	Yes
Medicare and Social Security withholding	Yes	No	No	No
Workers' comp and disability withholding	No	Yes	No	No
Unemployment taxes	Yes	Yes	No	No
Tax-deductible contribution limits	Yes	No	No	No
Overtime	Yes	Yes	No	No
Paid and unpaid breaks	Yes	Yes	No	No
Taxation of Bonuses (IRS)	Yes	No	No	No
Taxation of Equipment Grants?	No	No	No	No
Registering Your Business	Yes	Yes	No	No
New hire reporting	Yes	Yes	No	No
Form 941 (Quarterly Tax Form)	Yes	No	No	No
Form 940 (FUTA)	Yes	No	No	No
Wage detail reports	No	Yes	No	No
Year-end W-2s	Yes	No	No	No

Source: Holloway

28.7.16 FURTHER READING ON PAYROLL AND TAXES

- "The Manager's Guide to Payroll and Taxes for Remote Workers" (Groove)
- "United States Payroll Taxes by State" (Wagepoint)

28.8 *Security, Data Protection, and Compliance*

When everyone worked in the same office, maintaining good data privacy, security, and compliance practices was fairly straightforward (and the requirements were much simpler!). Everything was stored on central servers; no one lugged their desktop computer home to work for a few more hours; and few people even knew what a "hacker" was. The largely good news for remote workers is that in the intervening few decades, the explosion in smartphones, laptops, and cloud-based services means that most organizations had to rapidly adapt to an increasingly mobile workforce and rapidly changing regulations regarding protecting consumer data.

Given that this guide is largely for startups and high-growth companies, it's outside our scope to delve beyond the basics of data security and privacy.

What's important to know is that generally speaking, privacy and security laws apply more to where your customers are, not where your employees are. If you have solid policies and practices for everyone in your company, remote or otherwise, then you should largely be in good shape.

◇ IMPORTANT There's one noteworthy exception, which doesn't fit squarely within data protection or privacy per se, but does govern invention assignment agreements.

An **invention assignment agreement** is a contract that grants an employer certain rights to inventions created or conceptualized by an employee while they were working for that employer. The two most common forms of invention assignment agreements are patentable inventions and copyrightable works.

At least nine states have statutes governing employee invention assignment agreements. Seven of those states—California, Delaware, Illinois, Kansas, Minnesota, North Carolina, and Washington—all have nearly the same set of requirements. If your agreements are in line with any of those, you should be similarly covered in any other states with comparable laws. Foley & Gardner provide a good summary of what may vary in these cases.

28.8.1 NOTABLE PRIVACY AND SECURITY LEGISLATION

Adhering to a general set of guidelines—which we lay out below—will get most organizations where they need to be. That said, in the U.S., as of 2020 there's one new development that companies of a certain size will be required to pay attention to, regardless of where their employees are, and it's worth mentioning because it's likely to set the stage for other state-based regulations.

NEW The California Consumer Privacy Act (CCPA) went into effect as of January 2020. It applies to companies that:

- serve California residents

- have at least $25M in annual revenue, or
- have personal data on at least 50K people, or
- collect more than half of their revenue from the sale of personal data.

Companies don't have to be based in California or have a physical presence there to fall under the law. They don't even have to be based in the United States. In many ways, this is much closer to the General Data Protection Regulation (GDPR) laws that rolled out in 2018, which also affect any company with over 250 employees that does business with residents of the European Union over the internet. * (GDPR does stipulate requirements for businesses with fewer employees—even sole proprietorships or other small entities—they just have less strict reporting requirements. *)

A couple other states have their own noteworthy data protection and security laws, including Massachusetts * * and New York. * The burden of these data privacy and security breach disclosure requirements is generally alleviated to some extent for a "small business," which in the New York statute is defined as a "person or businesses with fewer than 50 employees, less than $3M in gross annual revenue, or less than $5M in year-end total assets."

28.8.2 DATA PRIVACY AND SECURITY GUIDELINES FOR REMOTE COMPANIES

This is a set of practices that any company should follow, but with remote and more mobile employees, it's especially important to have these in place:

- **Device security.** It's critical to be clear what your company's device policies are. Can people use their own phones and laptops (aka "bring your own device" or BYOD)? If they are, it's even more important that any data or tools they're using have appropriate information management (see below) to ensure that access could be shut down in the event that their device is lost or stolen. Many companies side-step this by offering their own laptops and cell phones for employees to use.
- **Passwords.** Make sure everyone is using a password manager, and never share passwords in writing or locations where guests or non-authorized people might have access (like Slack).

- **Two-factor authentication (2FA).** 2FA requires people to use a code sent to their phone or some other kind of authentication device, or another type of authentication service, in order to log in to any tools, portals, or services for their work.
- **Wifi/VPNs.** It seems like common knowledge that employees should refrain from using unsecured wifi networks, but that's painfully tone-deaf advice for remote or mobile employees. Providing guidance around not accessing certain information or systems when on unsecured wifi is far more helpful for most growing companies. Companies can also consider providing VPN solutions to help when wifi network security isn't guaranteed.
- **Information management (or access control).** Information management aims to make sure people are who they say they are, and that they have the appropriate access. A simple example is: who is invited to specific channels within Slack, or who has access to company data and/or tools? Access control can become significantly more complex for larger, enterprise companies, but for growing remote organizations, what matters most is to make sure people only have access to tools and data that they explicitly need to do their job.
- **Cloud-based storage.** Employees shouldn't be storing sensitive information on their own devices. Thanks to the widespread availability of cloud services, this is much easier than it used to be. Using tools like Google Suite, Docusign, Dropbox, and similar services—with appropriate information management and access controls—allows remote workers to access documentation and data they may need without storing it locally.
- **Write it down.** Document what your data privacy and security measures are, making sure it's included in your onboarding material and company handbook, and revisiting these policies with everyone at a cadence that makes sense for the growth of your company.

- HIPAA, ITAR, PCI-DSS, GLBA, SOX, ISO 9000, et cetera.
  - Why these can be important (for example, to get certain customers you might need documentation or certification)
- Organizational controls
- Financial controls
- Physical security (perimeter, MFA, biometric, et cetera.)

- Mandated trainings

28.8.3 FURTHER READING ON DATA PRIVACY, SECURITY, AND COMPLIANCE

- "How Remote Work Affects IT Compliance and Data Security" (FTP Today)
- "Top Data Protection Worries for HR Professionals in the EU and US" (Squire Patton Boggs)
- "Managing the Impact of GDPR on Remote Workers" (Cloudpay)

29 Hiring Remote International Employees

Accessing pools of talent outside your home country is one of the more appealing aspects of remote work for companies, especially when considering the U.S., where competition for talent is fierce. Being remote-friendly enables companies to cast the widest possible net to find the people they need. This can allow you to hire people at comparable wages outside the competition pools with large companies in expensive urban centers, which can help change people's lives for the better and bring more mobility and opportunity to underserved communities. Additionally, if your company is aiming to expand into new markets, hiring locally means bringing in people who live and work in the region, who are more likely to know their market incredibly well.

This sounds great on paper, but the reality is far more complex. Hiring internationally means weighing nearly the entire list of considerations from the previous section on U.S. employees, and having to solve for all that in every new country.

◇ IMPORTANT While U.S. companies can hire from any state without needing a physical presence there, it's not so straightforward internationally. If you aren't incorporated in a given country, then you can't hire someone as a full-time employee.

29.1 *A Common International Hiring Approach*

How do you decide to approach hiring internationally ultimately comes down to your company's philosophy, growth rate, and risk tolerance. Smaller startups often fall below the threshold for certain kinds of benefits requirements or privacy and data security laws—as they grow and scale their remote workforce, their risk exposure grows, but they also then tend to have more capital and people to invest in establishing and scaling programs to ensure compliance with local laws.

You have a few options for how to proceed:

- Hire people as contractors.
- Hire through a temp agency or local business partner.
- Work with a PEO or GEO.
- Incorporate your company in that country.

Some companies, like website optimization tool company Convert, prefer to employ everyone as a contractor. It's logistically easier, and for them supports a philosophical belief that grants everyone the same status. They're also only about 40 people total, and not growing at an aggressive pace.

Companies also need to consider the costs—incorporating in another country is expensive and time-consuming; and working with a PEO can also be quite costly (though Remote Year CEO Greg Caplan suspects these prices will start to come down as competition in this space increases in the coming years[51]).

In talking to dozens of remote companies, the pattern we've seen appears to be:

1. Dipping a toe in with contractors in new countries. Many remote startups start here, and choose to stick with remote employees as contractors as their long-term strategy.
2. Working with a PEO either as they add more people, or if that country has trickier local laws with which to keep up.
3. Officially incorporating in countries where they have achieved critical mass (typically over ten employees). All the ins and outs of international incorporation are outside the scope of this guide, but what we have seen is that most companies start researching incorporation as an

51. In conversation with Holloway, 2020.

option when they reach around 5 contractors in the same country, and typically move forward once they get to somewhere between 10–20 people there.

While some companies persist with a model where everyone is a contractor, more seem to be following in GitLab's steps and mixing in different approaches at different stages of growth or for different business needs. GitLab is arguably the largest remote company that has pioneered this approach—they still have a mix of all three options and are incorporated in ten regions.

◇ IMPORTANT One notable thing GitLab does is to pay contractors 17% more than they would receive as a salaried employee. That helps them cover all the things they're responsible for, making it less of a burden to remain employed as a contractor.

> *The easiest, quickest, no-frills way is to tell people up front when you're interviewing them, "We'll just pay you more." Setting up an entity is expensive; PEOs cost a lot of money as well and have a ton of unknowns. Having contractors becomes a big deal when there's 20–25 people, and that's when the economics flip towards thinking about incorporating.*[52]

◇ IMPORTANT Thanks to GitLab's dedication to public, open documentation, you can get a leg up on figuring out which countries might be trickier than others by checking out their Hiring Status page. It shows how many employees they have in each country, whether they work with a GEO or not, and if they have any "holds" in regions due to complexities hiring or establishing an entity there.

Let's look more closely at the two most common approaches: hiring international workers as contractors, or working with a third-party company.

52. In private conversation with Holloway, 2020.

29.2 *Hiring International Workers as Contractors*

International contractors offer many of the conveniences that U.S.-based contractors do: they're typically responsible for their own taxes, health care, et cetera; and are subject to their national and potentially municipal regulations for compliance. But unlike in the U.S., even if you are hiring a contractor, you're often still responsible for ensuring they receive all their benefits, including paid leave, minimum wage, holidays, and anything else stipulated by their local laws.

◇ IMPORTANT DLA Piper provides an excellent resource for researching employment laws by 60 different countries.

A few notable categories that differ outside the U.S. include:

- **Overtime pay.** Other countries tend to be far more generous with their overtime pay than in the U.S. In Europe, for instance, usually only very senior executives are considered exempt. * Some countries, like Britain, have their own exceptions. *
- **Paid absences and sick time.** The U.S makes no difference between personal days, sick days, and vacation days, and scarcely allows carryover of untaken days into the following year. In contrast, most foreign countries separate vacation leave from sick leave and personal leave. These countries permit employees a certain number of paid vacation days per year, and vary in their annual limits and salary caps for paid sick and personal absence.[53] In some countries, this maximum entitlement increases with service, while in others it depends on the employee's age. * Further, the laws of carryover of unused leave vary in each country, with most countries permitting it. *
- **Vacation bonus.** Some countries, like Belgium and the Netherlands, require employers to pay employees a "vacation bonus"—usually 25-33% on top of the normal wage. *
- **Breaks and mealtime.** Other countries are far more generous in their breaks to employees and the amount of time workers can take off than the U.S. is. * For example, in Mexico, certain types of workers get eight to nine hours of breaks per week. Mexico also gives its workers one out of every six days as paid leave. *

53. See the ELA Global Employer Handbook.

CAUTION Contractors who don't keep up with local tax and withholding compliance laws can find themselves in trouble with local authorities even when companies aren't required to provide this. If they're in certain countries in the Middle East, they can even land up in jail. It's worth making sure any contracted remote workers are aware of their local laws and are keeping up with them.

Hiring people as contractors appears to be the prevailing approach of most smaller remote-friendly companies with an international workforce. If you choose this route, there are a few things you'll need to pay attention to on top of all the local payroll and benefits laws.

29.2.1 CLASSIFYING INTERNATIONAL CONTRACTORS

As in the U.S., when you're hiring a contractor internationally, you will want to ensure you're within the local laws that clarify the difference between employees and contractors. In general, in order to not be considered an employee, the contractor must be in control of their schedule, be able work with other clients, and not have any benefits or performance goals provided by the company they are contracting with. Sometimes there are revenue limitations as well. What you put in your contract matters, but most countries also have multi-factor tests that you'll need to be aware of.

Velocity Global provides an example multi-factor test from Australia:

- "The employer stated at the beginning of the working relationship that the worker was an independent contractor.
- There were multiple independent contractor agreements between the employer and contractor. This means that both parties were fully aware of the working relationship.
- The contractor was able to work with other clients.
- The contractor's net personal income was only a third of the gross revenue of the employer. This suggests that the work provided by the contractor was not solely responsible for the success of the firm."

Additionally, many international companies have even stricter laws than the U.S. about classifying employees as contractors vs. full-time employees. Both France and Spain have laws in place to protect independent contractors. In both cases, companies are expected to provide benefits and make payroll withholdings for contractors as though they were a regular employee:

> *A salesperson who represents product lines for a variety of companies in addition to yours might be able to be paid as an independent contractor, but if someone's title is executive vice president and the person is on your organizational chart, that's not going to fly.* *

CAUTION If a contractor takes a company to court over any details of their status as a contractor, they are likely to win and be reclassified as an employee. * The company is then responsible for all the benefits entitled to employees per their local laws, including:

- tax withholdings
- Social Security contributions
- insurance contributions
- pension payments
- vacation and holiday payments.

29.2.2 INTERNATIONAL CONTRACTS

When hiring international contractors, employers need to pay extra attention to how they structure their contracts in order to avoid potentially time-consuming and expensive legal battles.

IMPORTANT Local laws will override whatever might be in your U.S.-based contract. All the "at-will" language you might have used in U.S. contracts won't apply outside the U.S. For instance, in Brazil causes of dismissal are mostly limited to cases of gross misconduct and exclude terminations for poor performance or for economic reasons.[54]

To be effective, the agreement should clearly state the scope of services and compensation. It must also indicate the contractor's independence and the hiring company's lack of control regarding how the contractor performs the work.

54. "Brazil: Employment and Labor Law"

Law firm Jiah Kim & Associates provide a handy list of what a typical international contract should include, which we're excerpting in its entirety here:

- "**Confidentiality and/or non-disclosure clauses.** These protect the company's information from disclosure or misuse by contractors.
- **Indemnity clauses.** These protect the company from being liable for any violation or infringement by a contractor.
- **Intellectual property transfer clauses.** These transfer copyrights from a contractor to the company. In the U.S., independent contractors own the rights to the work done for the principal, unless it is transferred in writing. In some countries, certain intellectual property rights stay with creators and cannot be transferred, even in writing. International independent contractor agreements should reflect local laws related to intellectual property ownership.
- **Notice clause.** Too often, contractor agreements mirror at-will employment agreements, where either party can walk away at any time, without reason nor notice. If the company relies on contractors for important tasks, this could result in interruptions in business. It's helpful to include a clause that requires a written notice in advance by either party terminating an agreement.
- **Dispute resolution clauses.** These are about resolving disputes when they arise. When multiple countries are involved in the work relationship, selecting governing laws and a forum in advance can save a great deal of time and resources in any future litigation. Parties can also choose to have alternative dispute resolutions, such as mediation or arbitration, instead of lengthy litigation. It's best to determine if the contractor's country of origin requires the use of local laws and courts in work agreements."

There's a few other things you should consider with international contracts:

- **Severance pay.** Laws regarding what an employee is due upon termination vary by country. Be sure to research the local laws to inform details you'd include about this in the contract.
- **Liability insurance.** Companies often expect contractors to have this coverage in case anything goes wrong during their employment that could put the company at risk (or harm anyone else working there).

> But in some countries, like the U.K., insurance companies are wary of providing insurance to contractors working with U.S. companies, or at least, they charge more for that coverage. *

◇ IMPORTANT It's also important to specify the contractor's responsibility to comply with local tax requirements, and to request proof of their tax compliance. This will vary country by country, so you'll want to consult with local counsel to ensure you're in the clear.

◇ IMPORTANT You'll also want to consider whether any contractor you hire carries liability insurance. In the U.K., for example, it is quite common for companies to expect contractors to have this coverage in case anything goes wrong during their employment that could put the company at risk (or harm anyone else working there). But U.K. insurance companies are wary of providing insurance to contractors working with U.S. companies; or at least, they charge more for that coverage. *

Even with a clear contract and ensuring you're complying with local employment laws, you still have to figure out how to pay people, and that can also get tricky.

29.2.3 PAYING INTERNATIONAL CONTRACTORS

One additional hurdle when hiring international contractors is how you'll pay them. For a U.S.-based company, this isn't as simple as just using the same bank or payroll company you're using for your U.S. employees. Odds are, your local bank doesn't handle international payments; nor do many popular U.S. payroll services like Gusto, * so you're going to have to find a different solution. And depending on where those people live, you may need different solutions for different countries. For example, PayPal operates in Nigeria, however Nigerians are not able to receive that money directly, they can only use it to pay for things via PayPal. *

In general, you have three main options for paying international contractors:

1. Have contractors sign up for a platform like Upworthy (if they haven't already), which supports paying international freelancers and contractors.
2. Use wire transfer.
3. Work with an international payments service provider.

You'll want to consider a number of factors when choosing an international payment method: *

- **Currency.** Where is the service available, and what currencies are supported?
- **Transfer fees.** What fees are associated with sending and receiving money?
- **Conversion fees.** These are often built into the exchange rate offered by a company, so it's not always easy to figure out how much they are.
- **Ease of use for sender.** Cheaper services may not be worth the time or complexity involved in using them. Factors making this challenging could include having to maintain a balance to cover payments, whether or not you can use a credit card, and whether automation or recurring payments are supported.
- **Ease of use for the receiver.** Would your contractor need to create an account with the service to receive payments? And do the payments go directly to them, or to some kind of balance or other kind of account that may not be easy for them to draw from?

The main service providers people use include:

- Paypal
- Bill.com
- Transfermate
- Transferwise
- Payoneer
- Skrill
- Braintree
- Xoom
- Alipay
- Deel.

HubSpot, which offers its own employee time tracking and payment processing system, has a useful guide for evaluating international payment options.

◇ IMPORTANT Different countries may also have their own specific requirements for what information contractors have to include on their invoices.

The EU provides its own set of rules and a useful tool for searching for specific info on invoice detail requirements for various countries.

> STORY We had issues with both Indian and Romanian contractor invoices. Contractors have to have really specific information on their invoices. We currently have someone working for us from Romania, and he had to decide whether to form his own LLC or work through his brother to get paid. We also had someone in London (a U.S. citizen) who had to fill a W8BEN-E form to work through a company there to get paid and be able to claim tax exemption on U.S.-sourced income."
> —Judy Williams, Operations Manager, The New Stack

29.2.4 INTERNATIONAL TAX FORMS

When hiring internationally, you'll need to file specific tax forms for any contractor you employ. The W-8BEN and W8BEN-E forms help establish that someone is a foreign individual (or an entity) and that their work is not being performed in the U.S.

The forms take into consideration a number of things:

- **Earnings.** These typically are categorized as business earnings, royalties, capital gains, and other forms of income. The earnings of contractors working remotely for your company will be in the form of business profits.
- **Foreign payroll.** Some countries, for example some in Africa, allow an individual employed by a foreign employer without an entity in the country to self-declare as "foreign payrolled" to the local tax agency.
- **Type of legal entity.** This could be an individual, or some form of entity (see below).

- **Country.** Your company may need to withhold taxes on behalf of the contractor or entity, which depends on whether or not there is an existing treaty between the U.S. and the country where the contractor is based. An existing tax treaty offers a reduced rate of, or possibly a complete exemption from, U.S. income tax for residents of that particular country. *

In order to choose which form to file, you first need to establish if you're working with someone as an individual contractor, or an entity. There are a variety of entity types across different countries, but they tend to fit into one of a few types. The U.S. variations of these include:

A **C corporation (or C corp)** is a type of stock corporation in the United States with certain federal tax treatment. It is the most prevalent kind of corporation. Most large, well-known American companies are C corporations. C corporations differ from S corporations and other business entities in several ways, including how income is taxed and who may own stock. C corporations have no limit on the number of shareholders allowed to own part of the company. They also allow other corporations, as well as partnerships, trusts, and other businesses, to own stock.

A **sole proprietorship** is an unincorporated business owned by a single person. Legally, a sole proprietorship does not exist separately from the owner—and hence is not technically an entity—and is subsequently liable for all debts associated with the business.

A **partnership** is a business owned by two or more individuals. There are three forms of partnerships: **general partnership**, **joint venture**, and **limited partnership**.

For the purpose of hiring international employees as contractors vs. entities, you're most likely to work with a limited partnership in the form of an LLC.

A **limited liability company (or LLC)** is a business entity that combines elements of sole proprietorship, partnership, and the limited liability aspects of a corporation that limit the owners' liability when it comes to debt and other legal issues.

A **local business partner** is a company that has existing business contacts or partners in a country, and is willing to put another company's employees on their payroll. This type of arrangement is also known as **leased or assigned employment**.

We're not aware of many startups or smaller companies that have this kind of arrangement. It's much more likely to be feasible for a larger, multi-national company or an organization with large customer or partner companies in multiple countries.

If there's no local business partner, companies can also employ remote workers through temporary agencies like Adecco, Manpower, or Kelly. This is likely less common now due to the proliferation of freelance platforms like Upworthy, however.

Wikipedia has a handy list of the type of entities across all countries, roughly mapped to the above categories.

Once you've established which type of arrangement you'll have, the next step is to file either the W-8BEN form for an individual contractor, or W-8BEN-E for an entity. You'll also need to determine whether there's an existing tax treaty between the U.S. and the contractor's country.

◇ IMPORTANT In most cases, the contractor or entity is responsible for handling their own taxes. But it pays to research whether there is an existing treaty between their country and the U.S. The IRS provides a resource for researching tax treaties by country. Note that many countries exempt contractors from tax withholdings as long as they are not in the U.S. for longer than a certain period, are paid by an entity outside the U.S., and do not have "permanent establishment or a fixed base" for employment in the U.S.

Individual tax laws in different countries can get complex and confusing for contractors. For example, U.K. and European contractors will be used to adding Value Added Tax (VAT) to their invoices, or accounting for VAT under the Reverse Charge rules when invoicing a client in a European country other than their own. In the case of a U.K. or European contractor invoicing a US company, then the place of supply is deemed to be where the customer is, * which means that no VAT is chargeable. * If in the future the US business were to incorporate in the country where the contractor lives, and the contractor then invoiced their local office, they would need to apply VAT to their invoices.

◇ IMPORTANT The above scenario should not be confused with the VAT rules for the provision of digital services. In that situation, if a US company sells an e-book or subscription software to a European customer they are supposed to charge VAT based on the customer's location and pay it to the customer's country via the VAT MOSS system. *

◇ CAUTION If you don't file either an W-8BEN or W-8BEN-E form for a contractor you bring on, you will be responsible for withholding 30% of their income for taxes. It's important not to neglect the research to get this right for each new country you hire in—once you've done it, it's much easier to bring on new people in the same country.

29.2.5 NOTABLE EXCEPTIONS

Three notable exceptions to traditional contractor arrangements exist: *

- **Foreign employer exception.** In the U.K. and Thailand, if your company doesn't have a local entity, you can hire and pay local staff without making local withholdings and contributions. Typically, the worker bears the burden of tax and social security filings as if they were self-employed. But in the U.K., there are some upcoming changes to this that places more liability on the company to establish that the contractor could not instead be an employee, rather than penalizing the contractor. *
- **Payroll law compliance.** France, Estonia, Sri Lanka and some other countries offer the option for foreign employers with no in-country premises to make special "payroll-only" registrations with in-country tax and social security agencies so they can issue a legal local payroll.
- **Foreign payroll.** Some countries, like South Africa, allow an individual employed by a foreign employer without an entity in the country to self-declare as "foreign payrolled" to the local tax agency.

> STORY "A client once essentially forced me to register with a U.K. LTD company to be paid through. I think this was actually due to a slight misinterpretation of the law on their part. They did increase my contract rate to reflect the hassle, but that contract is now over. There are various strange issues with the status of contractors in different countries—in the U.K., it's whether the individual is paid as a "sole trader" or through a separate company entity. These have different legal implications. The contractor may not be aware of these and just expect to be paid as a sole trader for example, so the hiring company definitely needs to be aware and not assume the contractor knows the best thing to do." —Rachel Andrews, technology editor and speaker

29.3 *Using a Local Business Partner or Temp Agency*

A company can avoid hiring people as contractors by hiring through a temporary employment agency or a partner business that hires the workers as employees.

A **local business partner** is a company that has existing business contacts or partners in-country and is willing to put another company's employees on their payroll. This type of arrangement is also known as **leased or assigned employment**.

We're not aware of many startups or smaller companies that have this kind of arrangement. It's much more likely to be feasible for a larger, multi-national company or an organization with large customer or partner companies in multiple countries.

If there's no local business partner, companies can also employ remote workers through temp agencies like Adecco, Manpower, or Kelly. This is likely less common now due to the proliferation of freelance platforms like Upworthy, however.

29.4 *Working with a GEO*

Earlier we covered the pros and cons of working with a PEO. Many PEOs also support hiring international employees, and you may also see a similar option with GEOs.

A **global employment organization (or GEO)** is a form of professional employer organization that is an **employer of record (EOR)** that employs people in foreign countries on behalf of a company that is not incorporated in that country. A GEO processes payroll, withhold taxes and contributions, and ensures compliance with local country employment laws.

There's ultimately no difference between a PEO, GEO, or EOR—it's all semantics; they provide the same services. That said, many remote companies that we spoke with found working with PEOs or GEOs for international hiring to be challenging. The key issues are:

- **Transparency.** Some PEOs or GEOs may employ other companies behind the scenes, and remote companies have little visibility into whether this is happening or not.
- **Usability.** Most PEO/GEO companies lack modern tools and online services. Modern startups are likely going to be frustrated with conducting business via phone and even in some cases, fax machines.
- **Price.** While using a PEO/GEO can be less complex and expensive than incorporating yourself, pricing can be opaque and still relatively high.

NEW According to Darren Murph, Head of Remote at GitLab, vetting a GEO is a critical part of the process. This can be time-consuming and costly in terms of legal counsel—typically companies will need to work with multiple GEOs as they expand to more countries. Currently, no single GEO covers every country on the planet, though Remote Employ—which launched in early 2020—aims to provide universal GEO coverage within a matter of years.

IMPORTANT Remotive.io also offers a paid Slack channel where remote leaders can ask questions about and compare their experiences with various PEO/GEO companies.

APPENDICES

30 Tools and Services for Remote Work

This section is available in the digital edition.

About Holloway

Holloway publishes nonfiction reference works that help readers level up their careers, on topics ranging from tools and technology to teamwork and entrepreneurship. Holloway's book-length resources are published on a digital web platform where readers can easily discover what they need, and authors and editors make ongoing improvements.

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