TURNINGPOINT QUARTERLY TALENT REPORT (Q2 2016)

Making Remote Work Work: How to Successfully Lead a Virtual Team

The Changing Landscape of Business

Blame it on the millennials or blame the rapid advancement of mobile technology. No matter who or what is at fault, the reality is that the landscape of business has changed. And, it continues to evolve at a blinding pace. Gone are the days of "business as usual." These days, everything about business is *un*usual. As employee and marketplace demands evolve, many companies face the issue of remote work, asking the big question: *Do we need to be in the same room to work together?*

At TurningPoint, we interact with organizations—large and small—representing a range of industries, from cybersecurity to environmental services. While the majority of these companies still operate in a traditional brick-and-mortar workplace, a few have adopted a remote work structure, and many more are exploring the benefits of remote workers. These companies recognize that the value of allowing teams and individuals to work from remote locations can outweigh the perceived challenges.

TurningPoint has enjoyed the benefits of remote work as well. We are a 100% remote company—operating since our inception with virtual employees and no corporate real estate to call "home." In many ways, we've taken the path less traveled compared to other executive recruiting firms that boast an elegant corporate workplace to woo clients and candidates. While our approach may have appeared risky at the onset, we've found that being a virtual operation not only differentiates us, it's made us more effective and successful in what we do.

Embracing the Value of Remote Work

When it comes to remote work, there is significant value—and not just for employees. Companies benefit too! Today's employee craves better work-life balance. In fact, a recent Microsoft study reveals that 71 percent of employees say that work-life balance is the most important aspect of their job. The same study shows that employees are twice as likely to have their best idea at home compared to the office. Maybe there is truth to the idea that *Ah-ha!* epiphanies happen in the shower.

If work-life balance matters to employees, then it should matter to employers. After all, your people are the lifeblood of your company. Without their active engagement, achieving challenging corporate objectives will be a lot like pushing a 10-ton boulder up a very steep mountain. Offering a remote work option not only demonstrates your support of greater work-life balance, it has other benefits as well, including:

- **Increased productivity**. Employees who work from home avoid loud colleagues, impromptu meetings, and "water-cooler gossip"—three top productivity busters according to a recent survey. Plus, when given the choice, many employees prefer to work alone, especially when they need focused time to maximize their output. Managers tend to agree, discovering their remote employees are overall more productive.

- **Lowered stress**. The financial strain and stress of commuting to work is a primary concern to employees, according to PGi's 2015 Global Telework Study. Enabling employees to work remotely—full-time or part-time—can minimize stress associated with sitting in hours of traffic and arriving to work frazzled.

- **Reduced employee turnover**. A Stanford University study of a 16,000-employee, NASDAQ-listed company offers compelling data about remote work and its affect on attrition. According to the research, turnover fell by more than 50 percent after implementing remote work options in the organization. That's no small potato when you consider the cost of losing and replacing valuable employees.

- **Decreased real estate costs**. American Express' remote work program has saved the company $10 – 15 million annually. While you may not operate in a massive organization like American Express, imagine how much your company can save simply by reducing its brick-and-mortar footprint. Now, imagine how you might use that savings to develop and nurture other critical areas of your company. That's tangible financial value derived from remote workers.

> *"I want to hire A-players regardless of where they live. Today's technology allows me to do that through remote work management."*
>
> ~ Pete Elmgren, SVP Worldwide Sales, iBoss

- **Enhanced Attraction, engagement, and retention of top talent**. Deloitte's latest Human Capital Trends report cites the biggest concern for CEOs is finding and keeping the best talent in a market of disruptive change and high demands. A remote workplace is attractive to potential employees, especially high-value candidates who want to work for your company but don't want to relocate. And, once you've successfully on-boarded top talent, research shows that remote work keeps them engaged.

Remote Won't Work Because…

It's not hard to see the value of remote work. But naturally, remote work isn't without its challenges. Here are the most common concerns we hear from clients:

- **I can't manage what I can't see**. Many organizations focus on managing an employee's "face time." There is a perception of greater control over an employee's work if you can see him or her. We prefer to focus on employee performance and productivity. Those are metrics that you can see whether your employee is working in the office or from a remote location, and gives employees control over their success based on clearly defined expectations.

- **I'm not comfortable managing remotely**. The management principles you use to successfully lead employees in person are very similar to those you would use for remote workers. However, the tools you'll use will be different and you may experience a small learning curve. But we promise, it's not difficult!

- **Remote work just won't work for us**. Every company has a unique culture, or the "way things get done around here." Changing that culture by integrating a remote work option may sound daunting, but it doesn't have to be. In many ways, most companies are already remote and just don't realize it. For example, if any part of your business "lives in the cloud," chances are, you're primed to become a remote workplace. Adopting remote workplace practices may be easier than you think.

Ready to Make Remote Work Work?

Now that you know some of the pros and cons of remote work, you may be wondering how to make it happen in your company. You can choose to go all-in and begin a plan to be a 100% remote workplace or maybe you test the waters by allowing one employee or a small team to work remotely a few days a week. Regardless, read on to discover how to successfully make remote work work!

## Trust: A Foundational Ingredient for Remote Work Success

The foundation for any successful workplace—traditional or remote—is trust. While this may sound like common sense advice, our experience is that it's not always common practice. Managers and leaders often talk about trust,

but the real-life execution falls short, creating an environment where employees are micro-managed and eventually become emotionally disconnected from their work.

Before you entertain the idea of creating a remote workplace, take the sometimes difficult, but important, step to explore your beliefs around trust. In some cases, trust has less to do with your team's behaviors and more to do with your perceptions or what Stephen Covey, author of *The 7 Habits of Highly Effective People*, calls paradigms.

> *"Companies that foster a trusting culture will have an advantage in the war for talent: Who would choose to stay in a stressful, divisive atmosphere if offered a productive, supportive one?"*
>
> ~ Robert F. Hurley, The Decision to Trust, Harvard Business Review, September 2006 issue

SEE
(Paradigm)

DO
(Behaviour)

GET
(Result)
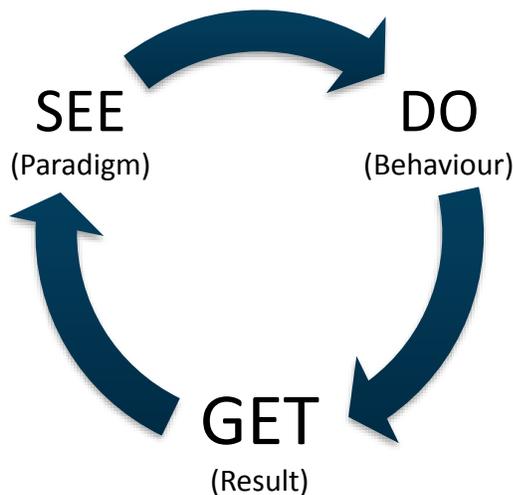
What you **see** (paradigms) influence what you **do** (behaviors) which creates the results you **get**. The See-Do-Get model is useful when reflecting on how trust is built (or broken down) in your organization. For example, if you see your employees as incapable of effectively working outside the office–read "outside your line of sight"–you may allow them to work only one day a week from home, constantly checking in, and verifying the work is getting done. As a result of your interruptions, their productivity will go down and you will have proven that they are incapable of working from home.

Perhaps there is another option! If you see your employees as *capable* of working from home, you will equip them with the proper tools, resources, and expectations to be successful. You'll trust them! And in return, they will work even harder to validate that trust. You will also establish a half-hour, weekly check-in meeting to report progress and reaffirm expectations. As a result, your employees' performance increases and you're a happy manager.

Covey's See-Do-Get model is one way to approach building trust in your organization. There are countless other approaches that help foster a greater sense of trust. Here are some of the strategies we find most effective in working with our clients and our own remote team:

- **Be vulnerable**. Cohesive teams have one another's best interests in mind, so have a natural willingness to share mistakes, doubts, and fears in an effort to get feedback, learn, and grow.

- **Have affinity**. Identify and recognize what you have in common with your team. Trust builds when you're able to share similar experiences or interests. Plus, it makes working alongside your team—whether they're on site or remote—a lot more fun!

Appreciate differences. At the same time, it's important to recognize and value the unique attributes of everyone on your team—from personality traits to communication style. Everyone contributes to the success of your team in a distinct way. Are you aware of those distinctions? Do you support these unique traits or attempt to replace them with *your* style?

Apply the 4Cs to Make Remote Work Work!

With the foundation of trust built, you're ready to take steps to design a remote team. The strategies TurningPoint and other remote companies use to successfully navigate the twists and turns of a virtual team can be summed up into the 4Cs: Culture, Clarity, Communication, and Collaboration.

CULTURE

What is your company's culture? In other words, how, when, and where do things get done in your company? When you can answer that question–honestly–you will have discovered what makes your company tick. In most cases, a great culture is built on six factors, according to Harvard Business School contributor John Coleman:

1. **Vision**. What is the driving mission and purpose of your company? This vision orients external stakeholders, like customers and investors, but also gives employees the direction they need.

2. **Values**. Your company's values establish the accepted "rules of engagement." It showcases the personality of your organization, conveying the behaviors and mindset of your people, and the enterprise as a whole.

3. **Practices**. Does your company walk the talk? How you execute on the company's vision and values demonstrates the practices, or habits, that make up your culture. For example, if one of your corporate values is innovation but ideas are constantly squashed in team meetings, then that contradiction will be revealed in the corporate culture.

4. **People**. Your employees are the driving force of your company's culture. You may have your vision and values written down, but it's your people who have the job of delivering on them each day. That means you must be diligent about hiring people who are not only talented, but are also a good cultural fit for your organization.

5. **Narrative**. Your company has a unique story to tell—whether it's a founder's story or one that is developed around a specific campaign. And there is always more than one story. The collection of stories is called your narrative and weaved throughout it is your culture.

6. **Place**. Finally, where you conduct business says a lot about your culture. For instance, Google's offices are designed to inspire innovation, big ideas, and community—from offering employees sleeping pods to creating open spaces for Googlers to think. If people aren't already enamored by the idea of working for Google, those perks make the company's culture more attractive.

Your company culture is an important consideration when you're thinking of going remote. While we'd like to believe that any company can successfully go remote, it's not always easy to break traditional ways of doing business. Plus, if a big part of your culture depends on having people experience your company within perfectly designed four walls, then being 100% remote may not be ideal. But it might be something to consider for a small segment of your workforce.

To help you decide, ask yourself these questions to determine if remote work can work in your company:
- What is our company's DNA or culture?
- How could remote work benefit our organization?
- In what ways might we build a thriving culture that embraces remote work?
- Is our workforce asking for a "work from home" option and if so, what is *their* strategy to make it work?

CLARITY

Once you've clarified your company's culture and have determined that remote work is possible, it's time to gain additional clarity around responsibilities, roles, and boundaries.

- **Responsibilities**. Be sure that you have a defined description of what each employee does in his or her job. Responsibilities are the nuts and bolts of your employees' day-to-day work. When defining responsibilities, it's critical to know individual and collective strengths. Then leverage and hire to those strengths.For remote employees, a key responsibility is the ability to effectively and efficiently navigate a remote environment. Ann O'Neill, VP of Sales and Marketing for REV, notes that four of her nine remote employees had previously worked from home, making the on-boarding process faster. Those who didn't have experience working from a home office needed more ramp-up time.

- **Roles**. Conversely, an employees' role is about the bigger picture and describes that unique contribution he or she makes to your team. For example, Elaine Rosen's role in TurningPoint is to oversee corporate branding, marketing, social media, web site management, daily operations and human resources. But her responsibility is to manage the tools, data, and processes that allow our recruiters to match the best sales, marketing, and operations talent to the best companies.

> **Interview Questions When Hiring Remote Employees:**
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> - Where do you derive your energy and drive?
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> - Do you have a dedicated workspace at home? Please describe it.
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> - Are you comfortable working from another co-worker's home occasionally?
>
> - What is your level of expertise with (*list the key virtual tools you use*)?
>
> - If you had an extra hour in your work day, how would you spend it?
>
> - What do you do to stay focused and minimize distractions?

- **Boundaries**. While there are numerous benefits of remote work, for both employees and employers, there can be challenges with managing boundaries between home and work. It is important to establish guidelines that enable business to get done, but also honors everyone's personal time. Employees working from home must realize that their personal space is now their professional space, and vice versa. It takes an extra degree of discipline to mentally separate the two. You must also design boundaries around how you'll manage remote employees. We suggest focusing on driving employee outcomes, not managing their process. Trust that you've hired the right person for the job. Hopefully, you've hired a person who is competent, fits well in your culture, and subscribes to the company's values. If that's true, then how they arrive at an outcome is less important than the outcomes they deliver.

COMMUNICATION

A common challenge in many organizations is communication. People are overwhelmed by emails and frustrated by everyday misunderstandings that create a domino effect of other problems. It may seem as if these challenges will worsen when you add a remote team, but not necessarily. In fact, we've found that communication improves! This may be because remote teams tend to be more thoughtful and intentional with communication. For many, communicating with remote co-workers is the only connection to other human beings for an entire workday—they make it count!

Ensuring clear communication between members of your remote team starts with creating a process for effective communication. For example, you should be able to answer these questions:

- What is our primary mode of communication—email, IM, Skype, Google Hangouts, phone, etc.?
- When there is an urgent need, what is the best way to reach another team member?
- What are our normal work hours? Are we expected to respond to incoming emails, phone calls, texts, etc. outside of those hours? If so, under what circumstances?
- How do we schedule a virtual team meeting?
- Who needs to be included in communications? Should I CC my boss, just in case or only when necessary?

Once you've nailed down the how-to process of your communication, spend time considering how often you'll connect with remote co-workers, ensuring everyone has a virtual seat in the office. Alina Caceres, who leads a hybrid team of remote and San Diego-based sales and marketing professionals at Procede Software, says she asks remote employees to visit her office once a quarter. She and her team members find that spending periodic face time with one another helps increase the connectedness and cohesiveness of the team.

Some companies organize a "work vacation" for remote employees—bringing remote team members together for a weekend of team building and professional development a few times each year. At a minimum, plan to check in with remote employees once a week, either by phone or email. Although, employees often beg to telecommute, the reality is that working at home can be isolating and lonely. Make sure that your remote employees don't feel forgotten or left out by consistently reaching out to them.

> **Handle Email With Care**
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> *"Don't rely solely on email to communicate, which can be easily (and unintentionally) misunderstood. I encourage remote team members to pick up the phone if things begin to go sideways."*
>
> ~ Alina Caceres, Director of Sales & Marketing, Procede Software

Collaboration

A key concern for those in the early phases of designing a remote team is how collaboration can work when people are geographically dispersed. Fortunately, there are a number of online tools that enable you to recreate in-person meetings in a virtual workspace. For instance, Buffer, a 100% remote social media services company with 85 employees, uses Trello to collaborate on projects and iDoneThis to share updates on what everyone is working on.

At TurningPoint, we rely on email and phone calls to collaborate, but also schedule monthly in-person meetings in San Diego (we're remote, but everyone happens to live locally). O'Neill uses Insightly CRM and GoToMeeting to connect with her virtual team. You might consider using other tools like Slack, Basecamp, or the suite of apps available from Google for Work.

As you can see, there is no shortage of collaboration tools available for remote teams. But be careful to avoid Shiny Object Syndrome. Otherwise, you may find yourself juggling more tools than you can effectively manage, not to mention the added cost of having multiple subscription-based cloud services. To maximize your team's productivity and minimize the potential for overdosing on collaboration software, follow these steps:

1. **Identify the most effective way your team connects**. O'Neill considered using video conferencing to communicate with her team, but discovered challenges in connecting using tools like Skype due to inconsistent Internet speeds and the difference in technical ability across her team.

2. **List the collaboration features your team needs most**. Unless you plan to program your own collaboration software, you'll quickly discover that there is not a one-size-fits-me solution available. You'll either run into too many features or not enough. Having a list of your must-haves and your nice-to-haves will help you choose the solution(s) that works best for your team.

3. **Remember, less is more**. Collaboration tools are meant to simplify your work life, not make it more difficult. Integrating existing tools with new ones can also become a hassle. To resolve this, consider what you need to achieve maximum efficiency and effectiveness using the least amount of resources—financial, human and software. Only add tools that you believe will truly add value to your remote team. And if it stops working, get rid of it.

> **Positive Trade-Offs**
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> For some leaders, a heavy travel schedule is the trade-off for employing A-players that work remotely. "I oversee nearly 50 professionals, across 15 offices and four countries," says Seattle-based Pete Elmgren, SVP Worldwide Sales for iBoss, a company headquartered in San Diego. "I end up traveling roughly 80% to stay in touch with my team and see them in action. However, it's well worth it as it allows me to hire for talent, not proximity."

What are you waiting for?

Deciding to make part or all of your company's operations remote isn't easy. There is a lot to consider—from figuring out the basic logistics to understanding how to motivate a team you can't see every day. At the same time, offering a remote work option can open a window of opportunity for your organization, especially as you compete to attract top talent and build sustainable business success.

If you're thinking about going remote, let's talk. We're happy to share best practices we've discovered working with clients that employ remote teams, as well as our own experience as a 100% virtual company. With 80 to 90 percent of the U.S. workforce saying they would like to telecommute at least part time, the remote work trend is not going away any time soon.

Remote Work Resources

Here are some of our favorite resources that can help you as you design your remote team or organization:

Rework by Jason Fried

Remote: Office Note Required by Jason Fried

The Ultimate Guide to Remote Work by Wade Foster, Co-Founder/CEO of Zapier

The Joys and Benefits of Working as a Distributed Team by Joel Gascoigne, Co-Founder/CEO of Buffer

Work+Life Fit blog by Cali Yost

Remote.co

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