From an Office in San Francisco TO 100% Remote, Splice Machine’s Remote-First Journey

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Splice Machine ranked #3 “Best Big Data Companies To Work For Based On Glassdoor” by Forbes Magazine May 2020
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Splice Machine’s Journey to Remote

Articles and tips on the topic of working remotely influenced by COVID-19’s social isolation mandates are growing at a rapid rate, but there are few stories published by companies who describe their move from an on-premise office space work model to a fully remote model like Splice Machine, especially before the pandemic.

What You Will Find in This Ebook

Splice Machine transitioned from a traditional office environment to a fully remote work environment in August 2018. We decided to publish our remote-first journey as an ebook to help people leaders who are building early-stage startups or are looking for ways to promote a more flexible workplace with remote-first policies and programs. In this ebook, we will refer to resources we consulted, trade-offs we weighed, and the decisions we made. We will also share samples of proposals, policies, and programs we wrote, and some tools and measurements we have implemented to support the change.
CHAPTER ONE

Using Remote-First to Gain a Competitive Edge

Before rounds of layoffs resulting from COVID-19, companies worldwide have been struggling to grow their teams on time and at budget. Even with a temporary flux of available talent, conventional methods of hiring and building teams are no longer practical and companies must adapt to the “new work normal.” This is especially true for early-stage companies developing next-generation technology that find themselves competing for the same talent as thousands of other larger businesses with better-known brands.
Defining Remote-First

To combat many talent challenges, companies have been hiring remote workers and building operating infrastructure to support distributed teams. This business strategy referred to as "Remote-First" is described as "A team or company of remote workers, working from home or shared workspaces, utilizing processes and tools designed to operate seamlessly across time zones.". Some remote-first companies are a hybrid of on-premise sites and remote workers working on distributed teams. Other remote-first companies like Splice Machine have no permanent office space and everyone works remotely. Doist has identified some common characteristics shared by Remote-First companies.

Common Remote-First Characteristics

- Employees are empowered to work remotely.
- Asynchronous communication is pervasive.
- Process and tools support all time zones.
- Meetings are rotated and staggered.
- Communication is posted on public channels.
- Decision making is transparent and inclusive.
- Career advancement is not biased toward the office worker.
CHAPTER TWO

What's Driving the Popularity of Remote-First Teams?
Demand For Talent

As the technology industry continues to advance at a rapid rate globally, the demand for talent, especially with niche expertise, is growing much faster than the supply of talent. This is forcing companies to rethink how they can attract the most qualified individuals to keep up with their growth plans while retaining their team of top performers. Offering people the flexibility to work from home is one of the best ways to solve several challenges employers face.

According to a survey published in November 2018 by Indeed,

47% said a remote work policy is important when looking for a new job

40% said they would consider a pay cut for a job that allows them to work from anywhere

In 2016, TinyPulse conducted a survey of over 500 remote employees and found that they were happier, felt more valued, and were overwhelmingly more productive than their on-premise peers, resulting in lower turnover.
Better Work Tools

At the same time, the gig economy has surged as better, less expensive, and often free enterprise-grade communication tools make it possible to work from anywhere in the world. According to an Intuit May 2017 publication, the percentage of Americans in the gig economy was 34% in 2016 and is expected to grow to 43% by 2020. Attending a team meeting on video conference versus huddling up in a cramped conference room is becoming the norm. And since COVID-19, most people have experienced first-hand how accessible and easy this technology is to use.

Expensive Office Rental Rates

Cost of operations is another compelling reason why many companies of all sizes are embracing a remote-first distributed workforce model. Some of the largest technology companies are based in big cities like San Francisco, New York City, Seattle, London, Tokyo, and Munich that also have some of the highest corporate real estate costs in the world. In the top 25 tech cities, as defined by Cushman & Wakefield’s Tech Cities 2.0 report, the cost-per-square-foot for office space has risen 59% between 2000 and 2018, and from an average of $199 per square foot to $316. This exorbitant rise in cost has challenged companies like Dell and Aetna
to look for alternative solutions. According to Global Talent Trends Report 2019, Dell’s flexible program has saved an average of $12 million annually since 2014 due to reduced office space requirements. 47% of Aetna’s employees use flexible workspaces, saving Aetna 2.7 million square feet of office space and about $78 million annually.

A shortage of good talent, new and better communication tools, and costly office space are challenging companies to rethink how they operate. Even amid layoffs, there is always a demand for top talent and they are more apt to join a company that offers a flexible work option over a competitor with less flexibility.

Statistics Validating Remote-First Works

As the use of distributed teams continues to increase in popularity by companies of all sizes, statistics report high levels of communication, productivity, and employee loyalty at companies that have implemented remote-first business practices pre-pandemic. Companies like Automattic and InVision that started 100% distributed have hit the 1000+ employee mark world-wide and are demonstrating the model’s scalability and sustainability. The use of remote-first, partially-distributed teams is growing equally in big corporations like Dell, Aetna, Salesforce, Cisco, Adobe, and Rackspace. Publications like Stanford’s two-year study show astonishing productivity boosts when employees are given the flexibility to work from home.
Implementing Remote-First

Building a remote-first company can create a major competitive advantage in today’s new work age. It is a tactic many companies started to employ before the pandemic in order to broaden their talent pool, stay ahead of their hiring forecasts within budget, reduce their operating costs, and retain their employees. It is achieved by offering greater flexibility in the workplace and when implemented correctly, companies using a remote-first strategy have demonstrated great success.
Remote-First Advantages

Usefyi lists several statistics supporting the following advantages

- **Productivity:** 72% of companies with remote-work policies believe that remote work makes workers more productive.

- **Cost Savings:** A remote worker saves their company $11,000 annually on average costs.

- **Employee Loyalty:** 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.

- **Health:** Stress and anxiety affecting the productivity of the worker was 35% in the office and only 26% for those working outside of the office.

- **Better for Environment:** At a major enterprise corporation, remote workers drove 92 million fewer miles, saving 4.6 million gallons of gas, and reducing carbon dioxide emissions by almost 41,000 metric tons.

Early Stage Companies

If you are a founder of a startup or an executive at an early-stage company, now is the time to start building a remote-first distributed workforce. A startup based in a city where the cost of living and corporate rental rates are high, can quickly burn through a modest capital raise before attaining minimal viable product. A remote-first model can help you offset operations expenses and some labor costs, allowing for more months of run-rate before your next capital fundraise. It can also help you hire more qualified talent and give your company a competitive edge over other companies competing for the same talent that offer less flexibility.
Later Stage Companies

If your company is more mature and has not intentionally supported remote workers or distributed teams in the past, now is the time to start. Odds are that many of your employees worked from home during the pandemic and you have put some good remote-friendly practices in place. Take the next step and commit to becoming a remote-first company. In order to achieve remote-first success, it is crucial that your team thoroughly discuss all the changes that should happen within your organization, and your executives actively support the transition. A remote-first model will not succeed if a company does not have commitment throughout the organization to change how they set goals, manage, make decisions, measure progress, and most importantly communicate.

Be forewarned, there will be a learning curve for everyone in the company but particularly for managers who will need to rethink how they hire and manage remote teams. If everyone doesn’t use remote-first practices, people will be left out of communication and decision making, and the strategy will fail. The executive team will need to lead by example and hold everyone accountable to use remote-first best practices in their daily operations.
Steps to Implement Remote-First

Any company wanting to implement a remote-first strategy should

• Thoroughly evaluate how business gets done.
• Identify cases for change.
• Discuss as a group in detail what operations need to change.
• Outline those changes.
• Make decisions as a group.
• Identify and universally adopt new tools to support remote-first.
• Finalize plans and build new policies.
• Promote and practice these new changes daily.

Communicate, Set Goals and Trust

If you decide to build or move to a remote-first work model, make sure communication, clear measurable goals, and trust remain your key drivers as you build your infrastructure, craft policies, and select tools. These factors are essential to the success of any company but are especially important if you want to succeed as a remote-first organization. You will want to hire people that have either worked successfully in a remote role and used tools to support an asynchronous environment or can demonstrate that they could be successful on a distributed team by using a recruiting and interview strategy that vets for success.
CHAPTER FOUR

Splice Machine’s Case for Remote-First
Meeting Hiring Goals

Many companies that take a hard look and compare job vacancy status reports against hiring plan schedules, realize that their recruiting strategy could be more effective, less expensive to scale, or both.

Containing Recruiting Costs

Every company faces costs associated with recruiting in addition to salaries, including recruiting agency fees, talent brand marketing, job advertising, referral incentives, and recruiter salaries. When we looked at Splice Machine’s hiring statistics competing in the hyper-competitive AI/Big Data market and its overall effectiveness, we decided it was time to change our strategy. Before becoming a remote-first, fully distributed company, we were competing with an endless list of companies for the same local talent in the Bay Area. Instead of relocating our office to another less expensive city or sacrificing great talent for mediocre, we looked for alternatives.
Building Our Case for Change

We began the process of finding a more effective strategy to recruit and hire by making a list of some of Splice Machine’s unique cultural traits and key strengths. Knowing our core strengths helped us select possible alternatives and pass on others.

Splice Machine had a great communication infrastructure in place and a seasoned team of people who were already building a collaborative and autonomous work environment. This was largely due to Monte Zweben, CEO of Splice Machine, who hired the founding team. He sought out professionals with specific values and critical soft skills in addition to hard skills, knowledge, and experience. As Splice Machine grew and a People Ops team was hired, these values and soft skills were woven into Splice Machine’s recruiting process.

Remote-First as a Solution

Once we identified some of our team’s core strengths; communication, collaboration, and working autonomously, the suggestion was raised by the People Ops team, “Why not broaden our reach and become a fully-remote company?”. The idea made sense, but before making such a major organizational change, People Ops spent almost a year researching and debating the advantages and trade-offs of a remote-first model with various stakeholders in the company.
Remote-First Case Studies and Data Sources

Zapier made a splash in the media and caught our eye when Wade Foster published his “Delocation” blog in March 2017. Zapier, like hundreds of other companies, has always been 100% distributed. We read through their generous list of blogs and resources including their survival guide to working remote as well as their list of “25+ Fully Remote Companies That Let You Work From Anywhere” which pointed us to a broader group of remote-first companies and tools. People like Adin Hodovic and companies like Remote.io maintain comprehensive lists of remote-first companies and point you to numerous resources from other companies including Gitlab’s Remote Work Resources, and Buffer Remote Work Archives.

Researching the topic of remote work was both fun and overwhelming, the volume of content was endless then and has since grown, especially after COVID-19. Splice Machine’s People Ops team sought out use-cases and data on remote-first advantages and disadvantages from companies who either started as a remote company or had implemented a remote-first strategy at their company. When researching, our goal was to understand the variables that impacted the successes and struggles of other remote-first companies, assimilate the data to determine if remote-first was right for Splice Machine, and make our proposal. In the long run, all the research benefited the People Ops team because by the time we presented our proposal, we had a pretty good grasp on what to expect and how to achieve success.
CHAPTER FIVE

Key Remote-First Considerations
Time Zones, Compensation and Compliance

When adding remote-first or even remote-friendly infrastructure to your company's business operations, you will want to thoroughly discuss the trade-offs of time zones, revisit your compensation practices and ensure your employment operations are legally compliant before hiring. Too broad of time zones could mean someone sacrifices sleep, keeps untraditional core hours, or can't attend a meeting live which may lead to unwanted turnover. Compensating someone too little or too much creates both short and long term issues internally and externally. Not following local rules when hiring or terminating someone could create costly unintended blowback.

Time Zones

One of the most obvious reasons for moving to a remote-first work model is to broaden the talent pool without asking someone to commute an unnatural distance or to relocate. Splice Machine's headquarters was in San Francisco and 2/3 of the companies we were targeting to recruit from were headquartered in the South Bay region, 45 miles from the office.
Relocating Splice Machine’s office was not an option so anyone we hired living in the South Bay could plan on commuting 60-90 minutes to get to work. Even though commuting is not unusual and many companies even offer shuttle services to pick up employees from their doorstep, a commute away from home, kid’s schools, pets, and local doctors become challenging over time. A study published by the Washington Post in 2014 showed that the average worker commuting 26 minutes to work one way spends nine days a year commuting. For people in the Bay area commuting 60 minutes twice a day, this works out to 36 days a year commuting, almost two full working months.

Allowing employees to work from home has the obvious advantages, it broadens the talent pool and attracts more talent. It also has some disadvantages that can hamper and even hurt your company’s productivity and culture if your company is not thinking and operating remote-first.
Time Zone Checklist

If your company wants to encourage remote working

• Discuss in advance how many time zones your company is comfortable with and build a comprehensive communication policy in advance.

• Build a people and project management structure, communication infrastructure, and select tools that support your team’s needs.

• Choose tools that work globally. Not all countries are Google-friendly so if you are a Google shop, prepare to run into internal and external challenges.

• Recognize that work cultures differ from region to region and country to country. For example, Jeff Bezos’ 2 pizza rule is not standard practice in all parts of the world.

Compensation

In addition to competing with database and AI platform companies, Splice Machine also competes with FAANG companies, Uber, Lyft, Cloudera, Nvidia, Adobe, LinkedIn, and businesses whose core solution relies on Big Data and AI. If you are like Splice Machine using a new and popular software stack and need highly skilled and specialized talent, don’t expect to save a lot of money by hiring someone outside the more popular tech hubs.

Other compensation points to consider

• Many tech companies are not adjusting compensation based on the regional cost of living.

• San Francisco Bay Area and New York City compensation rates are commonly offered even in less expensive pockets of the US and worldwide.

• Stock options are becoming universally more interesting to workers, so agree in advance on how your company intends to use stock and distribute equity.
Employment Compliance

As Splice Machine hires in multiple US states and countries, our appreciation of PEOs continues to grow. Even your best employment law specialists struggle to stay current on employment compliance in today’s fast-changing employment climate. A PEO (professional employer organization) is an outsourcing firm that provides HR and payroll administration services to small and medium-sized businesses. Splice Machine partners with Trinet for US support. Internationally, we use Papaya Global and iWorkGlobal to act as the Employer of Record and manage health benefits, payroll, deferred savings, employer payroll tax filing, workers’ compensation insurance, and regulatory compliance assistance. Hiring and terminating workers is heavily regulated in most countries outside the US. A PEO will help ensure your company handles employment correctly, saving your company from future legal issues and unexpected additional costs.

Remote-first companies should audit for compliance

- **Work Contracts** - Update employment agreements so each employee’s work matches what is listed in their contract.
- **Occupational Health And Safety Standards** - Provide regular training and reminders to decrease the risk of a home office “workplace” accident and a worker’s compensation claim.
- **Information Security** - Ensure compliance with global information security laws.
- **Immigration** - Stay on top of immigration laws and remote work, there may be retroactive consequences.
As Splice Machine navigated from on-premise to a fully remote workplace, we identified and updated policies that needed to change then and continue to update our people policies to meet our team’s needs and stay compliant. When implementing remote-first business practices, there is no “one size fits all” plan. The company’s leadership, culture, work style, and product should all play a part in how you hire, manage, and reward a team. Making thoughtful and compliant decisions now will help you scale quickly without grievous ramifications down the road.

85% of businesses say that implementing flexible work locations have made their company more productive.
- Gallup January 2020
CHAPTER SIX

Remote Working And Office Alternatives
Downsides of Operating an Office

The costs of operating an office can be crippling, especially when a company is committed to a multi-year lease and the office space is either underutilized or over capacity. A company whose employees work from home or a temporary shared workspace can significantly reduce a business’s operating costs and mitigate operating expense risk.

Splice Machine’s Office Space

Before Splice Machine moved to a remote-first work model, we leased modest “Class B” commercial office space in downtown San Francisco running in the low $100s per square foot, and costing the company more than a half-million dollars per year in rent. Our headquarters office space was conveniently located to public transportation, with great natural light, plenty of conference rooms, a fully-loaded kitchen, and space to hang out and relax.

When People Ops began researching remote-first strategies, we started paying closer attention to our team’s daily work habits and noticed that our office hang-out spaces were collecting dust. Our teams, like many teams at other companies, were spending most of their day discussing work and socializing on Slack channels, email, or Zoom, often when in the same room with one another.
88% Preferred to Work From Home

Since so much daily communication was already happening around the virtual water cooler, we began to question how important the proverbial ping pong table and unlimited snacks were. Was it worth a commute? When we surveyed the team, 88% said if given the choice, they would prefer to work from their home rather than commuting to an office.

Shared Workspace Alternative

Even though the majority of the company wanted to work from home, we believed it was important to offer people the flexibility to work from a shared workspace as an alternative. Shared workspace is like a SaaS solution for office space, you pay for what you use on a monthly basis. There are a number of shared workspace providers and a variety of options and services offered per vendor to consider before you pick your location.
During our first year, Splice Machine rented a few permanent desks and a small office at Galvanize to use for meetings and storage. Galvanize attracts early-stage startups, VCs and incubators, complementing Splice Machine’s tech startup culture. It also has many other sites in the US, making it easy to host last-minute meetings in other parts of the country.

Home Office Perks

Splice Machine will pay for an employee’s membership to a shared workspace like Galvanize if that is their preferred place to work. To support employees who prefer to work from home, Splice Machine offers benefits that advocate a productive and clean workspace. Each team member working from home is eligible for an “Office Set Up or Spruce Up” allowance and a monthly house cleaning allowance because as Brian Sansoni says, “Tidy house, tidy mind”.

Common Shared Workspace Options

- Cost model (hot seat, permanent desk, office room).
- Permanent virtual mailbox.
- Support services (copiers, FedEx, wifi, beverage services, refrigerators, showers, bike racks, cafes).
- Conference space (helpful for board meetings, team retreats).
- Storage space for tradeshow booths, extra hardware, swag.
- 24/7 access and secured floors.
- Near public transportation and places to grab food and drink.
- Office culture in sync with your team members.
Splice Machine’s number one driver to change to a remote-first workplace was to have access and hire from a larger pool of qualified talent. Moving to a remote-first work model has not only helped us hire great talent on time and at budget, but it has also helped us save money on costly operating expenses like office space so we can focus our spending on the two most important parts of our business, our people and our product.

- New hires in the last year who live outside Bay Area: 76%
- Time to fill job requisites decreased by more than 50%
- Average cost per salary went down approximately 17%
- Average business costs decreased by 77%
In 1990, Bill Gates was quoted “Companies that give extra flexibility to their employees will have the edge.” Ever the visionary, Bill Gates’ emphasis on the importance of flexibility rings truer now than ever. The use of distributed teams continues to increase in popularity and more recently by need. These drivers are fueled by a growing list of statistics demonstrating distributed teams often outperform non-distributed teams. Like any significant business operations change, implementing remote-first operations requires planning, commitment and adoption to succeed.
Devise a Remote-First Plan

After compiling our research on remote-first use-cases and survey data, Splice Machine’s People Ops team drafted a proposal identifying our perceived advantages and risks of moving to a distributed remote-work model, along with our recommendation to proceed. In our proposal, we listed many of the common reasons distributed teams struggle or fail, and described our detailed plan to introduce policies, programs, and new tools designed to minimize these potential risks or to avoid them altogether.

Our plan to support a distributed work environment required updating our communication infrastructure, revising our work processes and decision making, replacing existing work tools with better-suited global-friendly tools, setting clear expectations with our current team, implementing new interview tactics to evaluate future hires, and updating our business goals to measure engagement and productivity.
Vet Plan to Gain Buy-In

Splice Machine’s People Ops’ proposal to move to a fully distributed remote-work model was presented first to the CEO and CFO for their review and input. After getting their feedback, discussing their concerns, and eventually gaining their full support, the proposal was put in front of the rest of the executive staff. They were asked to read the proposal in advance and prepare for a thorough discussion that would lead to voting on moving to a distributed work model or not.

Common Reasons Remote-First Fails

- Communication gaps. Companies lack the proper communication tools or people don’t use the communication tools effectively, leading employees to feel disconnected, disengaged, isolated, or lonely.
- Employees depend on water cooler conversations to feel connected because other communication outlets are limited or don’t exist.
- Supervisors are not given enough training or tools to manage distributed teams effectively making it easier to manage local teams.
- Supervisors don’t assign measurable goals and lack visibility to their team’s productivity resulting in a lack of trust.
- Employees and supervisors don’t establish core working hours for an asynchronous environment and work longer hours.
Vote on Plan to Win Commitment

Most of Splice Machine’s executive team has worked in companies with multiple offices and co-located teams, and they were aware of the growing success of distributed work models. People Ops’ proposal addressed many of their concerns, so much of the meeting was spent discussing, debating, and elaborating on details like “what constitutes core working hours”, “what time zones should we rule out”, “where to memorialize tribal knowledge”, and “should compensation be adjusted based on geographic location”. This leadership discussion was one of the most important steps we took because it required everyone at the table to participate in the discussion, share their opinions, and ultimately commit to a successful rollout.
CHAPTER EIGHT

Commit to Change

If your company has operating policies in place like Splice Machine did, your leadership team will need to identify which policies must change before moving to a remote-first model, commit to making appropriate changes, publish the changes, and put the changes into action daily. If you are in the process of building your company or do not have core company policies already in place, invest the time to create them now and start by defining what remote-first means in your organization. A global perspective minimizes the chances of leaving someone behind when new policies and programs to hire, onboard, train, and measure performance are implemented.
Put Remote-First In Action

• Define what remote-first success means to your company. Why are you doing it and what needs to change?
• Describe how and when changes should begin and should be completed.
• Map out a plan and select tools to support the rollout.
• Provide training to managers and to employees that cover communication, how to use new tools, and adapt goal setting, continuous feedback and performance, and measurement.
• Get feedback from the team during the rollout to correct blockers before they become problematic.
• Memorialize decisions and publish them for company-wide transparency.

Everyone Must Participate

One of the key reasons why Splice Machine experienced a successful transition to remote working is because our entire team engineered remote-first operations practices into all aspects of their routine. They adopted the new tools we introduced to support a remote-first work environment and use them daily to communicate with their team on Slack and email, record meetings when the whole group can’t attend, and trust their teammates to act and operate in similar transparency. This additional layer of transparency and trust has elevated our work environment to a new level of productivity and comradery.
Establish Remote-First Communication Expectations

Good communication is one the most critical factors for a project to succeed and without it projects often fail. Proponents of remote-first work environments will tell you that one of the best outcomes of the COVID-19 pandemic is a heightened awareness and broader use of communication technology to enable better communication and remote working. Many companies were unexpectedly forced to come up with a plan for their employees to work from home. Though more time to prepare would have been preferable, this forcing factor helped a very large group of people get comfortable communicating virtually, using video, email, and chat to meet, plan projects, problem solve, and make decisions outside the office.

Fortunately, Splice Machine initiated its move to a remote-first, distributed work model long before COVID-19, giving us ample time to research, plan and roll out our remote-work initiative versus other companies that had no time to prepare. Our remote-first strategy included a schedule and a description of our critical path to success, identifying different roles, responsibilities, and assignments for team members to complete. We also announced and later published a Company Playbook containing communication expectations so everyone understood and could anticipate the changes that would impact their workday. A sample of our communication expectations is listed below.
Team Communication Expectations

Splice Machine expects our team to
• Agree to be available (not necessarily working) during core hours when necessary.
• Acclimate to asynchronous collaboration.
• Use cameras during meetings and record when appropriate.
• Use dedicated Slack channels to communicate, collaborate, and memorialize important conversations versus direct messaging.
• Pay it forward. Add new and update outdated content to benefit others.

Management Communication Expectations

Splice Machine expects managers to
• Rethink and adjust learning, training, and coaching techniques.
• Set goals that are measurable, encourage collaboration and autonomy.
• Host regular 1:1 meetings and team meetings weekly to discuss progress.
• Host and stagger meetings to accommodate multiple time zones.
• Record on Zoom for team members unable to join.
• Always ask for feedback.
Memorialize Expectations

To further help everyone in the company better understand what would be expected of them in our remote-first distributed work environment, and to combat common problems that have derailed other distributed teams, the People Ops team wrote a comprehensive Company Playbook. Our Company Playbook describes – oftentimes in granular detail – how to operate and conduct day-to-day business at Splice Machine.

Splice Machine’s Company Playbook Covers

- Communication expectations designed to work in an asynchronous environment.
- Memorialization of communication so it is easy to access and learn from.
- Using goals to measure company, team, and individual performance.
- Recruiting and onboarding best practices.
- Career advancement and compensation philosophy.
- Splice Machine’s company values and its commitment to a safe culture.
Our goal when writing the company playbook was to suggest best practices designed to capture our culture of trust, autonomy, and engagement as a distributed team for our team to use. Besides creating elaborate descriptions of how to use our communication and performance tools, we also spent quite a bit of time thinking about and publishing a protocol to address and resolve conflict. This is particularly important in a company representing global nationalities and cultures. We realize it is easy to take a written comment out of context, so we strongly encourage people to use their camera to gauge reactions while discussing weighty ideas, comments, and questions.

**Define How Your Company Recognizes Remote**

Whether you are writing your first company playbook or updating your existing playbook, handbook, or remote-first policies, it is critical that you describe and publish your company’s interpretation of remote work if you plan on operating remote-first. Setting guidelines, boundaries, and expectations is the first step. Owl Labs’ [Ultimate Guide to Crafting Remote Work, Flexible Schedule, and Working from Home Policies](#) is a great document to refer to get started.
CHAPTER TEN

Recruiting
Removing Recruiting Barriers

Splice Machine removed two significant recruiting barriers, relocation and commuting, when we moved to a distributed remote-work model.

As an on-premise company, we had a high-performing recruiting process in place using an applicant tracking system, detailed job descriptions, interview panels, customized interview scorecards, panel preps, and debrief discussions for each candidate we interviewed. Once we moved to a remote-first work model, we added to our list of soft-skill requirements a few critical skills that every candidate needs to demonstrate during the interview process in addition to the hard skills and experience required for the role they are pursuing at Splice Machine.

Critical Soft Skills for Remote Working

We identified three critical attributes to succeed in our distributed work culture.

**Self-starter**

We don’t expect people to save their questions until their next meeting or 1:1 with their manager. A candidate must demonstrate that they are a proactive self-starter who initiates activity and asks questions when blocked.
OPERATIONS MINDSET

Working in an asynchronous team environment requires an intuitive sense for what is important and what isn’t, and a drive to get things completed on time. Our technology development and sales cycles are complex with a lot of moving parts, requiring many interdependencies with a variety of people. If one person is behind, it will often set a number of other people back. A candidate must demonstrate that they have a “get it done well” operational mindset.

WRITING SKILLS

Most of our team members speak at least two languages and often English is not their first language. At least 50% of our employees’ day-to-day communication is written and Splice Machine’s designated language is English. A candidate must demonstrate proficient written skills and be comfortable using tools like Slack to communicate.
Opening a New Job Requisite

When opening a new job requisite, the hiring manager and People Ops team have a planning meeting to discuss the following.

1. Time zones that will work or not work.
2. Budget to hire the role.
3. Target companies to source passive talent.
4. Key requirements and responsibilities to do the job. This is important to attract qualified candidates to “self-select in”.
5. The interview panel. Selected to evaluate and excite the candidates about the role.
6. Customized interview questions for each member on the interview panel to ask all candidates.
7. A technical challenge. Designed so candidates can demonstrate their abilities doing something similar to what they would do on the job at Splice Machine.
Skills That Will Get You Hired

Since we became a remote-first, distributed team, the importance of some soft skills has increased and the way we evaluate candidates’ soft skills has evolved. Like many early-stage companies that are more impacted by change, it is important for our team to remain flexible, view change as an opportunity, and adapt quickly. Assessing a candidate’s comfort to communicate on video, capability to take written direction without a lot of prompting, sense of urgency, and ability to write clearly and cohesively helps us hire people equipped to adapt to change and perform in our remote-first work environment.

Splice Machine Interview Process

At Splice Machine, each candidate goes through four interview stages which gives us an opportunity to interact with the candidate while observing their communication skills and initiative. Every interview is held on Zoom with cameras on unless the candidate has an extenuating circumstance. We are a “cameras on” company so this gives candidates a good feel for our work culture. At each stage during the interview process, the interviewer is asked to take a few minutes to share what it is like to work at Splice Machine. They also offer to answer questions about the distributed team experience, the role, product, and people. We want everyone who joins Splice Machine to be excited about our company culture and have a good understanding of what to expect.
Research by Glassdoor found that organizations with a comprehensive onboarding process improve new hire retention by 82 percent and productivity by over 70 percent. Onboarding is a critical time for any new hire and is especially important when onboarding a remote worker. Remote-first onboarding should include training that compensates for on-the-job learning that traditionally happens through observation. Use onboarding as an opportunity to connect the new hire with each member on their team.
Splice Machine’s Onboarding Priorities

Splice Machine’s top priorities when onboarding new team members are to make them feel like an important contributing member of the team; introducing them to all of their teammates, giving them access with directions to all the content and tools they need to get up to speed quickly, and presenting a clear set of measurable goals to complete during their first 90 days. Onboarding begins days before a new hire’s start date to help them prepare and stay excited about joining Splice Machine.

What a New Hire Receives Before Their Start Date

• A personalized New Hire Cheat Sheet containing a list of important contacts and links, and the name of their Splice Machine buddy.
• A personalized Onboarding Workbook containing three tabs used to list their training materials, their training schedule, and 90-day goals.
• A copy of the Splice Machine Company Playbook that gives a detailed play-by-play on how to work in our remote-first environment.

New team members are mailed a welcome box before they start that contains a Patagonia sweater jacket and a Timbuk2 backpack embroidered with Splice Machine’s logo. The box also contains a welcome card, stickers, pens, and other swag to build their anticipation to start.
First Day at Splice Machine

On their first day, the new team member’s manager sends a welcome email to the entire company that shares a few fun personal details about the new hire and the role they will be performing. At the same time, the new hire is encouraged to jump on a designated Slack channel to say “hi” to the company and introduce themself.

New hires start meeting their teammates on their first day. The new hire’s manager and People Ops create a knowledge-share training schedule assigning each team member a topic to cover during their half-hour session. The knowledge-share sessions serve two specific purposes; to begin building rapport with each team member in days that might otherwise take weeks, and to teach the new hire about something the presenter is either working on or has deep subject matter knowledge in.

The Buddy Program

Each new hire is assigned a buddy who welcomes the new teammate before their first day and continues to check in with them throughout their first few months. A buddy’s role is to answer questions and help their new teammate settle in by “showing them the ropes”, pointing them to team Slack channels, confirming that all their logins and tools work, and making sure they are invited to important recurring meetings. The buddy system is great because it provides another designated person to regularly check in with the new teammate as they get acquainted with Splice Machine’s remote culture.
People Ops Check-Ins

People Ops informally checks in with new team members during their first few weeks and schedules 30-60-90 day check-ins designed to collect feedback on the new hires’ experiences with training, learning, productivity, and overall happiness in their new role. If People Ops observes any signs for concern, they notify the manager and take action quickly. The average US employer spends $4000 and 24 days to hire a new employee whereas Splice Machine spends 3X - 4X the average time and expense on our new hires, not to mention the unforeseen cost of vacancy and lost productivity. While there is no guarantee that every new hire will be successful at Splice Machine despite how successful they were at their last company, we are committed to helping them achieve a successful and rewarding career at Splice Machine.
CHAPTER TWELVE

Managing Distributed Teams
Managing Remote Workers

Managing people is challenging. Managing a partial or whole team of people working remotely requires a manager to rethink how they lead, communicate, set goals, coach, teach, and measure performance. The people we hire at Splice Machine, especially managers, have either successfully worked on distributed teams in the past or have demonstrated during the interview process to have the aptitude to be successful in a remote-first distributed work environment.

Accommodating Time Zone Differences

Before opening up a new job requisition, Splice Machine’s People Ops team has an in-depth conversation with the hiring manager to discuss among other things time zones to focus on or avoid. At Splice Machine, some teams and specifically some jobs need to be strategically located to support customers or meet service level agreements. Other roles rely so heavily on their team members that too much of a time difference can hinder productivity. Managers at Splice Machine who have people in enough time zones that meeting at one hour in a day isn’t feasible, must rethink meeting schedules. They will often rotate meeting days and times so everyone on the team gets to participate in at least a few live meetings a month. Meetings scheduled outside a teammate’s core hours may skip the live meeting and view the recorded discussions posted by the manager.
Virtual Meetings

At Splice Machine, most of our managers host standup meetings a few times a week on Zoom. Standups serve two purposes; to give progress updates and to give the team time to connect socially. At standups, everyone is encouraged to use their cameras and everyone is expected to give a brief summary of what they accomplished since the last standup. The manager begins meetings with a little chit-chat to gauge the temperature of the team, watching body language, eye contact, and energy levels for signs of frustration, loneliness, or other problems.

Recent Graduates

Managers of recent graduates have created tools and spend extra time to help junior talent learn, adjust to full-time working life, and become productive in our asynchronous work environment. In some cases, our recent graduates have opted to work at a shared workspace which gives them a place to work outside their home and offers a similar on-prem office social-experience.
Remote-First Results

Although distributed teams have not significantly lowered salary costs, our managers report a notable difference in talent and performance. Many of our managers believe that since we broadened our recruiting scope, they have interviewed and hired more qualified professionals who demonstrate greater attitudes of loyalty and higher performance than teams they have managed at previous companies.

Remote Work Improves Engagement

• Flexible work arrangements can actually improve the effectiveness of both individuals and teams—with 91% of HR professionals reporting that employees were more engaged and satisfied. Source LinkedIn

• Millennials are much more likely to stay in a role for more than five years if their company is flexible about where and when they work. Source Deloitte

• 76% of millennials would take a pay cut of at least 3% to work for a company that offers flexible office hours. Source Maggie Overfelt, special to CNBC.com.

• The top reasons people are interested in flexible work are; work-life balance (69%), money/cost savings (51%), time savings (50%), and stress (40%). Source FlexJob’s Work-Life Relationship Survey
CHAPTER THIRTEEN

Goal Setting and Continuous Feedback

One of Splice Machine’s greatest learning moments when researching remote-first companies was a conversation on measuring performance with Julie DeBuhr, Sr. Director of Employee Engagement at InVision, a company that started as 100% remote and is now over 1000 employees. Julie gave us some valuable tips and squashed many of our productivity and accountability concerns. She reminded us that we will never really know how productive someone is unless we are measuring their progress against a clear set of goals. “Standing over someone’s shoulder is no guarantee that they are productive or effective.”
Set Measurable Goals

Effective goal setting requires everyone to be present and to participate, so remote-first companies must be more disciplined about how they plan, post, track, and discuss progress. Effective goals must also be measurable. The combination of these two best practices quantifies productivity, ensures no one inadvertently gets left out and builds trust throughout the team.

Objectives and Key Results

Splice Machine has been using Objectives and Key Results (OKRs) as our goal-setting methodology nearly since the company was founded. OKRs is a popular agile goal-setting process based on company, department, and individual goals that are measured frequently and refreshed quarterly. Before Splice Machine committed to a remote-first, distributed work strategy, we published our OKRs in a Google spreadsheet. The spreadsheet was cumbersome to review and inadvertently deterred people from viewing and updating their goals frequently.

When moving to a remote-first work model we invested in a tool, Ally.io, to manage our OKRs. Ally.io makes it easy for everyone in the company to add their own quarterly goals and view company, department, and other team members’ goals at a glance. The system is easy to quantifiably update and make comments on progress which becomes useful when comparing performance against previous quarters. Goal setting is only meaningful if goals are getting updated and progress is discussed regularly, so Splice Machine published a list of best practices in our Company Playbook for our team to follow. An excerpt is below.
Establish Goal Setting Expectations

OKR discussions at Splice Machine

- You meet with your manager weekly/bi-weekly for a minimum of 25 minutes.
- You update your status in our OKR software, Ally.io, before your meeting.
- You prepare to talk for 15 minutes, starting with your OKRs progress while your manager listens.
- Your manager responds after you are finished with comments, suggestions, and direction.
- You and your manager review takeaways from the meeting and put them into action.
Continuous Feedback to Operate Better

While managers seek feedback from their team, the People Ops team has its own schedule and arsenal of methods to collect feedback from Splice Machine’s members. We make a point to connect with teams monthly to ask how they are doing and use tools like our Happiness Survey to solicit anonymous feedback. Our surveys often incorporate Employee Net Promoter Scoring (eNPS) to measure the team’s sentiment towards their work, their manager, their team, and how effectively they feel the company is communicating.

The most meaningful feedback People Ops surveyed was collected a year after Splice Machine moved to our fully distributed remote-work model. Our survey focused on “How Well We Were Communicating” and our overall score was a 4.7 out of 5. Many who opted to work from home versus a shared workspace indicated that they loved working from home, and had no interest in returning to an office environment, either at Splice Machine or at a future job. The small group that originally chose to work at a shared workspace had started working from home at least part of the time. Most resoundingly, our team’s communication and trust scores remained high.
Some people fear that when you lose the proverbial water cooler in a remote-workplace for conversations, communication and performance will suffer. Employees often depend on water cooler conversations to feel connected because other communication outlets are limited or don’t exist. Growing statistics gathered by companies like Remote.co indicate that communication, trust, engagement, and performance can actually improve in a distributed team environment because the teams use communication tools designed to memorialize discussions and are accessible to a broader group of people. FlexJobs’ annual survey found that 65% of respondents are more productive in their home office than working at an office space.
Communication Outlets

Splice Machine’s values influence almost every aspect of our company, so we turned to our values when building our remote-first strategy. As we wrote our strategic plan, we brainstormed on ideas to weave our values and existing culture into new remote-first operations. We looked for opportunities to extend trust, autonomy, and engagement throughout our organization by enabling new and updating existing communication outlets, especially those that directly influenced people; recruiting, onboarding, learning & development, total rewards discussions, and performance reviews. We have created layers of communication that vary in frequency, written versus oral, camera versus in-person that are all designed to help our team connect and share information.
Splice Machine’s Communication Outlets

- “Fun” Slack channels used to share random thoughts, photos of pets, and play games like GameMonk.
- “Company” Slack channel used to share important general information company-wide.
- “PeopleOps Announcements” Slack channel used for announcements like Open Enrollment, performance reviews, and training.
- Onboarding knowledge-share meetings for new hires designed to train and build team rapport during their first few weeks.
- Weekly team standups.
- Weekly/ bi-monthly 1:1s.
- Monthly Town Halls to discuss quarterly goals.
- Annual in-person All Hands event.
- Mid-year team retreats.
- +2-1 notes from the CEO featuring company highlights.
- Weekly fireside chats on Zoom led by the CEO.
Communicating Asynchronously

When working in an asynchronous environment, many conversations are written and posted on public channels. This may sound a little anti-social but it’s actually remarkably inclusive and useful for everyone, even for teammates working in the same time zone or in the same workspace. Conversations shared on a tool like Slack become memorialized and accessible to anyone, even years later. Not only is it helpful to refer to past discussions on Slack to solve new problems on a similar topic, Slack also serves as a great learning tool when onboarding new team members.

In-Person Gatherings are Vital

Few people on high performing teams will dispute the effectiveness of off-site team-building events and how they contribute to increasing a team’s overall performance. Trust and respect grow as you get to know the whole person. When Splice Machine decided to move to a distributed remote-work model, we set the expectation that in-person gatherings would be the rule versus the exception. We host an annual four day “All Hands” event at the beginning of the year for everyone world-wide to attend, and mid-year “Team Retreats” for small team breakouts.

Like many other distributed companies, we believe in-person events are important to build rapport with team members who might otherwise not meet or work with one another during the rest of the year. We know in-person get-togethers are a great way to inspire in-the-moment group conversations to innovate and to problem solve.
Annual All Hands

During our 2019 and 2020 Annual All Hands, the company reviewed and discussed what we learned from the prior year’s OKR achievements. We rolled out new company and team goals, had department discussion breakout sessions, team brainstorm sessions, hosted hackathons, and offered several “off-the-clock” team-building events. At the end of each All Hands, People Ops surveys the team looking for suggestions to add or improve upon for next year’s event. Brainstorm break-out sessions always rank high as a favorite activity.

People Ops, Communication Connector

In addition to our communication outlets, the People Ops team makes a point to connect with the team monthly to ask how each person is doing. The People Ops team focuses on enabling and facilitating conversations. We serve as a second set of eyes and ears to bridge communication gaps, helping managers and their teams work together better. To date, this extra initiative is demonstrating meaningful value.
Good remote-work cultures are based on deep-rooted trust. At Splice Machine trust building begins during the interview process when managers explain the role’s goals, how their team communicates, and how they talk about and measure performance in an asynchronous environment. Once we hire someone, we invest the time to onboard and equip them with the knowledge and tools needed to succeed. Our remote-work culture encourages sharing knowledge, helping someone when they ask, celebrating small wins, and taking time to thank those who made it possible. Our remote-work culture inspires trust, collaboration, creativity, and fun which we achieve by operating remote-first.
Signs of Good Remote-First Culture

- Trust prevails.
- Discussion is encouraged.
- Work processes and tools support all time zones.
- Asynchronous communication is pervasive.
- Meeting schedules are rotated and staggered.
- Facetime is the rule versus the exception.
- Conversations are memorialized in public channels.
- Feedback comes from a good place.
- Progress is measured.
- Mistakes provide learning opportunities.
- Decision making is transparent and inclusive.
- Career advancement is not biased.
- Wins are celebrated.
- People matter.
Closing

When Splice Machine moved to a fully remote work environment to help our company overcome hiring challenges, we unexpectedly reaped the benefits of greater communication and productivity.

We hope that after reading our journey you will better understand the options, challenges, and advantages of building a remote-first company. Our People Ops team is available for any questions which may be directed at peopleops@splicemachine.com. We also encourage people leaders to visit https://www.remoteworklab.io, an idea incubator committed to building remote-first cultures, enabling the remote worker and scaling distributed teams.