Is Your Business Ready for Remote Employees?

In the last few columns I have focused on the challenge that small business CEOs face in attracting and keeping employees. In this column I will consider with you one of the biggest changes to business within the past decade. That is the ability for employees to clock in from anywhere around the world. A recent Gallup report points out that remote work has seen a massive spike in popularity, and many businesses are considering more opportunities for a remote workforce.

Some employees prefer the freedom and flexibility a remote work lifestyle can offer—some may even be able to work while taking a vacation. For others, their home environment may be less distracting than the office.

However, the business itself needs to consider whether remote work is mutually advantageous. “Remote workers aren’t a perfect solution for every business and do come with their fair share of challenges” suggests Katie McBeth recently in a piece that she wrote on this topic as included in the SCORE resource library. She is part of the TSheets by QuickBooks marketing team, and previously spent her time writing for various blogs across the web, including Quiet Revolution, Fortune Magazine, SCORE and many more.

So, in this column I ask CEOs to consider this: Will remote employees prove to be more productive, inexpensive and knowledgeable for your business or create more challenges that you may not have the resources to handle? McBeth presented several points to consider.

**Benefit: Broadening your recruitment pool and attracting talent.** Remote workers can provide businesses with the opportunity to increase their recruitment radius, hire more diverse employees, and attract talent that isn’t limited by distance to the office. As the Forbes Technology Council highlighted, “Instead of taking the mediocre candidate in your area, you can hire the superstar who lives on the other side of the country. Limiting yourself to hiring within your locality restricts you to a small talent pool.”
Concern: Productivity. Concerns about remote workers’ productivity are common. More than three-quarters of employers believe their employees do personal tasks while on the clock, according to a survey by TSheets by QuickBooks conducted in January 2019. But just over half of responding employers believe their employees are “highly productive,” while the rest believe their employees “could be more productive” (41%) or are “not very productive” (5%).

Perhaps the best solution to the productivity debate is to test it out with your own staff, and for managers to have regular check-ins with their team to ensure everyone’s on schedule.

Benefit: Retaining top talent. Forbes Technology Council notes that remote policies can help retain skilled workers, especially those that may be considering a move. If someone’s spouse is offered a job in another state or an employee moves to be closer to family, the business will be less likely to lose the talent. Those employees’ institutional knowledge can be retained as they will be able to still work for the company, no matter their location.

Decreasing employee turnover rates is always good for business. High turnover can easily ruin a business’ reputation as an employer and replacing employees can cost significantly more money than retaining existing skilled talent.

Concern: Complying with labor laws. Hiring remote workers means that bookkeepers or accountants may face additional hurdles with paying out-of-state employees. With the different federal and state labor laws in place, it can be overwhelming to try to parse through them all, determine how your employees should be paid, and decide what laws they are subject to.

If employees work in a different state from the business’s location, then they are subject to their state’s overtime, minimum wage, and other labor laws. Additionally, when running payroll, accountants have to withhold that employee’s state taxes—primarily income tax, although some states may also require unemployment tax as well.

Some considerations before you start. If you find the benefits outweigh the challenges of utilizing remote workers, then you may need to make some adjustments to ensure your remote workers fit with your business strategy.

- How will you build “community” in your workforce? Often the biggest complaint made by remote workers is the lack of community they feel with those in the office.
• How will you deal with internal communications to maintain your remote workforce? Your business’ communication style and methods are essential to consider when first beginning to work with a remote workforce.

The pros and cons of remote workers are something businesses should consider. Luckily, there are some solutions that may work even for small businesses on a tight budget.

If you can’t go big with hiring employees from another state, a small business may be able to hire employees from other towns around the state, which still widens the net of recruitment for skilled workers. Additionally, as coworking spaces become increasingly popular, employees may find a new sense of community as well as new ideas that can further develop their employers’ company culture.

Whether remote employees work for your business right now, it is a growing trend that is here to stay. If you’ve been eager to modernize your business, making the adjustments necessary to include remote employees in your workforce may prove to be an investment worth making.

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