

5 Reasons Why Great Teams Work Remotely



Advances in enterprise software from recent years triggered an explosion in remote work adoption rates. According to this report, the number of remote workers in the US has increased by 115% since 2005. And while small companies and startups are key factors in this increase, many large organizations from different industries also contribute significantly to this trend.

But why is that? By the end of this article, you'll have five solid reasons why great teams work remotely. You'll also find out why remote work is seen as a necessity by many young companies around the world – not just an employee perk. So without further ado, here are 5 reasons why great companies hire remotely:

1) Lower business costs

The most widely cited reason for going remote is the reduction in business costs. While remote work can bring other types of expenses, they are nowhere near what you would pay for a physical office and all associated expenses with it. Rent, utilities and office amenities can form substantial business costs, especially when you take into account the often long lease agreements. This leads to a lot of risk and potential headaches if the company enters a period of financial trouble. Not having an office can help mitigate such risks.

2) Access to a bigger talent pool

Another important benefit of working remotely is the access to a huge talent pool. Doing business from a physical office requires you to look for employees in on or around your area which makes it harder to find suitable candidates. When you allow remote work, you can choose from a global talent pool of experts in practically any area. This is especially useful for companies based in competitive labor markets, such as Silicon Valley for example. It makes a lot of sense to hire remotely instead of competing with the lucrative packages Google or Facebook can provide.

3) Remote workers are equally or more productive than on-site employees

According to this report, there isn't a negative effect on productivity when working remotely. In fact, some employees produce a higher output due to fewer time-wasting meetings. Other factors include a better sense of career satisfaction and the ability to work during the most productive times for the particular

person. While some people are early risers, others are night owls who are more active and alert during the typical out-of-office times. Why waste all that potential?

4) Faster hiring process

Fully distributed companies take 33% less time to hire a new employee. As one of the prime concerns for any business, hiring frequently takes a lot of time and resources. However, new technology platforms and the access to a bigger talent pool can make things much more efficient. With on-demand freelancing services and the ability to quickly write job descriptions the hiring process is greatly improved.

5) Lower employee turnover

Companies that support remote work have 25% lower employee turnover than companies that don't. Remote workers say that avoiding the daily commute and the flexibility to work when they're most productive are key factors for deriving more job satisfaction. Therefore, it's not surprising to find that on average people stay longer at distributed companies.

Conclusion

There are clear benefits to allowing remote work at your company. From reduced business costs to a greatly enhanced hiring potential, there is clear evidence that remote work is here to stay. And with more and more people preferring their home or a coworking space to the office, remote work can often turn into a business necessity rather than a choice.

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