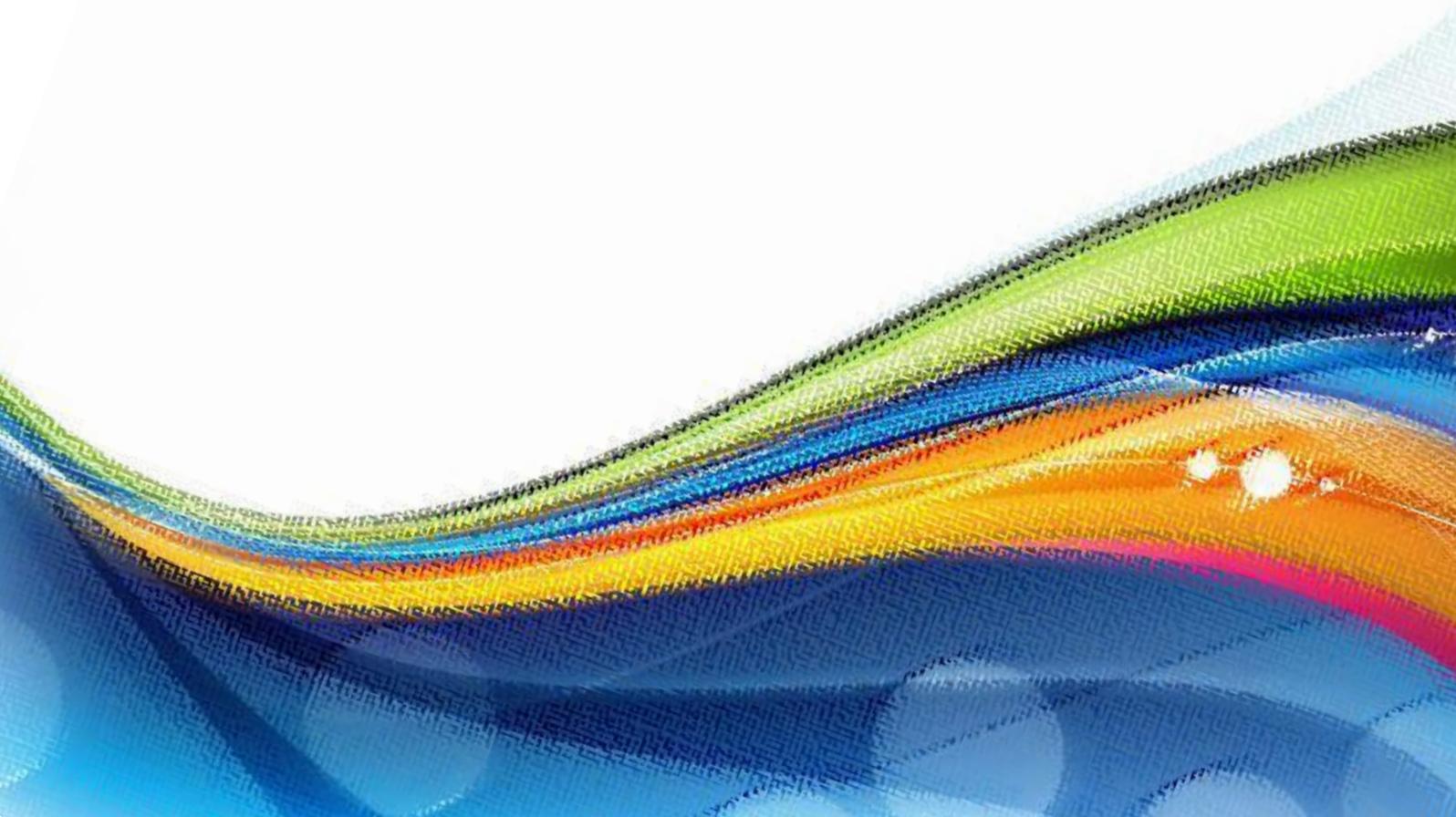


October 25, 2013

How to Systematize and Scale Your Business with Outsourced Staff from \$2 per Hour

By Robert Rawson



Foreword

This is an inside guide on how to build systems and hire great staff at affordable rates. In this eBook, you'll learn the exact step-by-step process of how you can do it yourself.

There are two powerful strategies for how to scale and build a very profitable business that we are going to talk about:

- Building systems
- Hiring low-cost employees to work on y
- our systems

We're putting these two strategies together because you really need both of them together to achieve significant success. You can hire low-cost employees, but if you don't provide a written process for them to follow it can quickly become a big mess.

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About the Author



Rob Rawson has built a business with 48 staff in the Philippines and around the world. He has done this while travelling and working in multiple locations, without having a central office.

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Terminology in this book

We're going to use the words "**System**", "**Process**" and "**Procedure**" interchangeably in this book.

All of those words simply mean "a written step-by-step procedure of how to do something in your business".



Using Systems to Scale your Business

Proper documented systems can make the difference between remaining a 70-hour-per-week “wantrepreneur” making little money, and building a scalable business that works without you. You want to build your business so that you can step away for a week, a month or even a few months and the business still works.

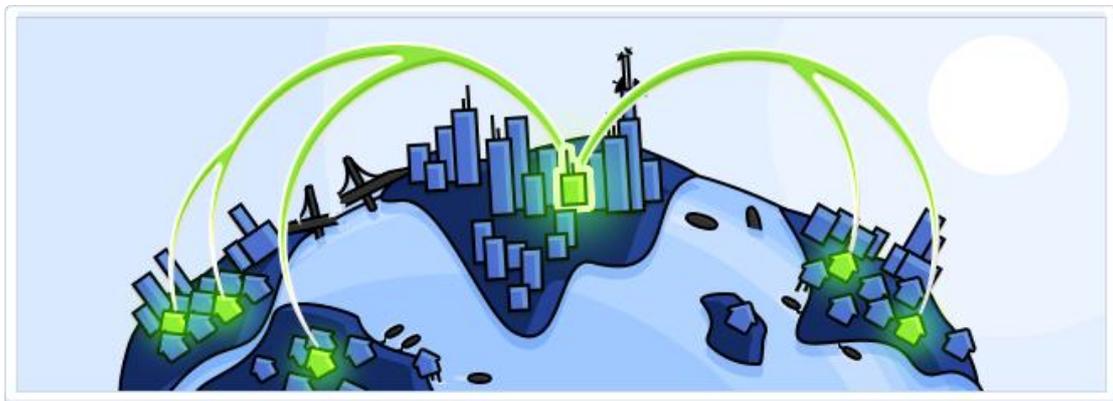
Systems are essential if you also want to build a scalable business where the business doesn't just depend on YOU but where you can get team members to execute your plans and build your business for you.

This strategy is even more powerful when you can hire outsourced staff from as little as \$2 per hour to help build your business.

This is NOT easy. It's not going to be walk in the park to build your systems and then find great affordable people to execute on these systems.

But it's definitely worth it.

Hiring globally can make the difference between MASSIVE profits and business failure



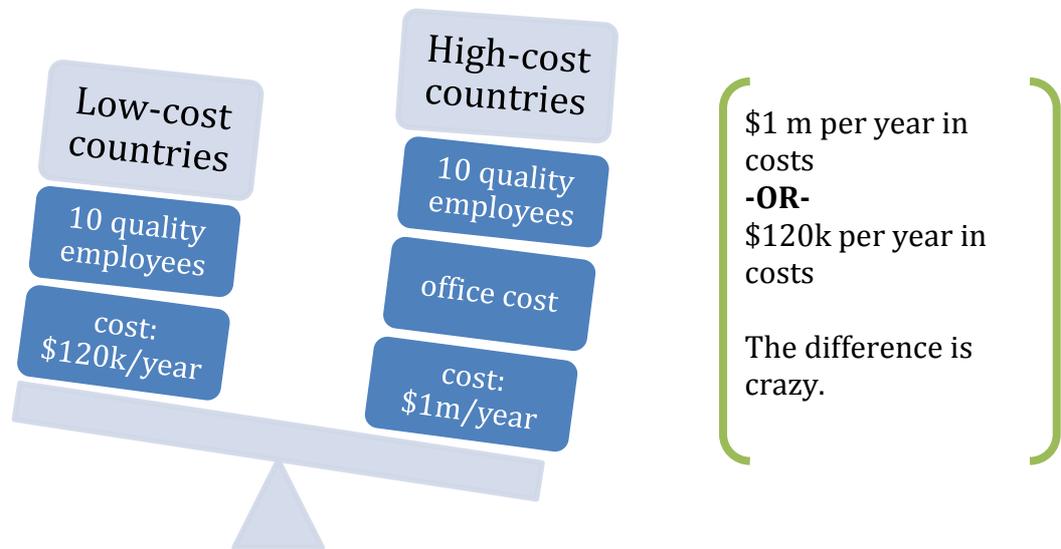
Hiring people from around the world makes it a lot more affordable. Think about the difference this way:

You hire 10 great people in “rich” countries such as the US, Australia, UK or Canada at a cost of, say, \$6k per month per person (it's hard to get someone with skills & experience for less than \$6k/month including benefits).

That's \$60k per month or \$720k per year. Add in an office, electricity, computers and other costs and you're looking at over \$1 million per year. The cost might be less if you're located in low cost areas of the US, but it's not going to be a whole lot less (maybe it'll cost you \$700k in total if you're in Austin Texas for example).

Compare that with hiring 10 people in the Philippines or other low cost countries. You're looking at \$1,000 per month for great people. That's \$120,000 per year.

Just think about the difference that this makes in your business:



To get these benefits from hiring a low cost team of outsourced staff, you must develop systems. Let's take a look at all of the benefits of building systems in your business.

The benefits of developing systems in your business

It takes time to build effective systems, but the benefits are enormous. With the right systems in place, you'll find that:

- **New employees are easier to train**

Without systems it's a mess. You have to start over again every time you hire a new person. If you have great written systems you can simply give your employee the system and they will have a precise guide of what they should be doing on the job.

- **Much easier to scale the business**

Systems allow you to build your business much faster. Since you don't need to spend as much time training employees, and since they'll get up to speed more efficiently with documented systems, you can hire new people quickly when it's time to scale your business.

- **Work more easily with remote employees**

If you're in an office and have a small company you can sometimes get away with not having documented systems because your team will bump into each other and learn how things are done by osmosis. When working remotely it's critical to have written systems, otherwise your entire business becomes disorganized very quickly.

- **Proactively prevent problems before they arise**

As you standardize each part of the business you can identify the cause of problems more easily and apply a fix to your system. This prevents problems from occurring repeatedly. It takes a lot of time to deal with problems, and if you develop a system that prevents the problem in the first place it saves you all that wasted effort.

- **You're able to make constant incremental improvements**

When you standardize the way you do things you can look for small improvements to each step in your procedures. Each improvement might make a tiny 1% or 2% difference in your business's profits. The effect of each small improvement may be hard to notice, but when you combine 50 small improvements over time the difference can be dramatic.

Key principles of systems

There are some keys ingredients that you need to make sure that you develop effective systems in your business:

- 1. Systems must be written down**

It won't work to have them only in your head. They must be written down. We'll talk later about how to create a wiki to do this or you can use Google Docs.

- 2. You ALREADY have systems!**

You're already using systems, even if you haven't written them down yet. The first step to improve your systems is to write them down exactly how they are now.

Don't try to make improvements yet, or try to create a new system from scratch because that will take too long and will likely be very theoretical and not grounded in the reality of your business. If you already have a business then you already have systems, so the first step is to write down what you are already doing (NOT to create something new).

If you're starting a new business, then it's ok to create new systems, but make sure that you start small and write down something close to what you are actually doing in real life, rather than a theory of how you think things should be.

(We'll include some examples of systems later in this book)

3. Make small changes (incremental improvements)

Start with what you are doing right now and then make small improvements. Don't try and improve everything at once. Actually if you have a successful business then you already have successful systems (by definition!), so it's a matter of just constantly tweaking them. Even if you don't have a successful business (yet!), it's still important to make incremental changes.

4. Systems are constantly evolving

The point is not to create the system and consider it done. Instead you want to be looking for constant small improvements. You also want to look at how to make your systems simpler and more efficient (without sacrificing the results). The simpler a system is the more likely you and your employees will actually do it and the less time it will take to read and follow.

5. Systems must be specific

You want to make sure that any reasonably intelligent person with the requisite background can walk in off the street, read your system and understand what to do. The exception is those areas of the business where unexpected issues pop up. You can't create a system for these once-a-year or once-ever type of issues, and instead will need to develop a general guide of how to deal with less common situations.

6. Get your whole team involved in creating systems

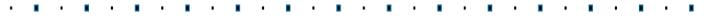
Your systems won't be as effective if you create them all on your own. You need to get your team involved in creating the systems, and seek out their feedback.

If you already have a team, you may not be aware of all the systems they're using. In that situation it may be best to have them write out the systems and then you can review them, rather than writing the systems yourself and then asking your team for input. It's important that the person who is actually doing the work is actively involved in building and modifying the associated systems. Otherwise the written systems become too theoretical and less grounded in reality.

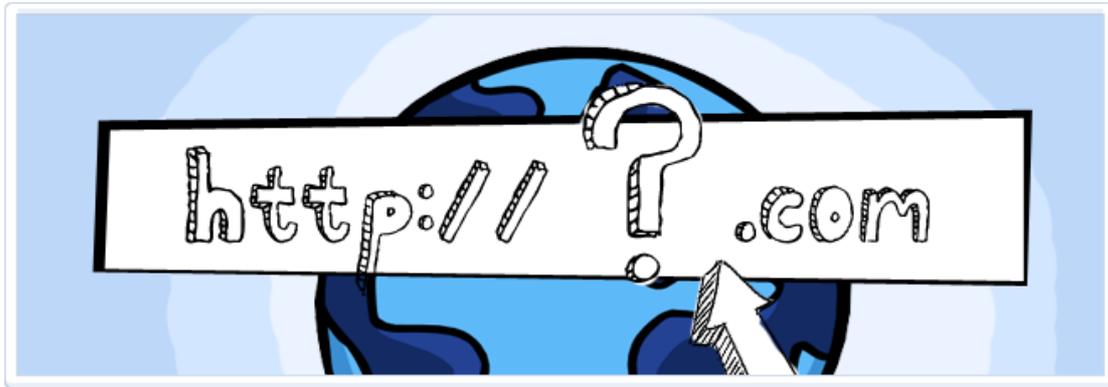
7. Constantly reinforce the systems with your team

Your team is likely not going to follow the systems at first. You need to provide constant reinforcement of the concept that they should either FOLLOW the system or IMPROVE it. In other words if someone is not following the system you need to identify if the reason is because the system needs to be improved. If the system needs to be improved then go ahead and improve it. If the system is working but the person is just not following it then you need to reinforce with your team member the importance of following it exactly.

Sometimes you'll get people who are just too independent or rebellious and they just can't stand the idea of following a standard process. These people are not going to be the right people for your team and it might be that you have to part ways. But this should not happen often. Most people enjoy following systems especially when they participate in improving them and are invested in the process of building them.



Getting Started: How to Develop Your First System



It can feel daunting to start writing down your systems. Where do you begin? A business is complex, and there is so much that you can build systems for.

The good news is that you don't have to do everything at once. Just get started and then gradually write more systems as you go.

1. Start with an easy win

A great place to start is something simple that won't require a huge effort on your part to identify and write down the system. For example, how do you answer the phone in your business? Or do you have a process for chat support on your website?

2. Build systems for common processes...

Start with activities that happen every day in your business. Some examples are: Calling clients, answering support tickets, online marketing activities, posting to your blog, etc.

3. ...then move to less common processes

If there is a situation you encounter less frequently in the business it's not as important to document it immediately. After you've built out systems for the more common issues in your business, then you can start to work on these less common situations.

4. Constantly connect your systems with what you are REALLY doing in your business

Sometimes there can be a disconnect between the reality of what you're doing in your business and the written systems. If this happens, the systems become useless and the process is a waste of time. You need to make sure that your written processes match exactly what you're actually doing (or should be doing) in your business.

If they do NOT match then ask yourself why you, or your, team are not following the system.

- Is it because the system is too long and difficult to read and follow? If so you need to simplify it.
- Is it because the system is too theoretical and not grounded in what you actually do in your business? In this case you need to rewrite your system so that it follows the actual steps that you take in your business.
- Is it because your team is lazy and cannot be bothered to follow the system? If this is the case you need to constantly reinforce the importance of following the system until it becomes a habit for everyone. Is it because your team has enough experience with the system that they think they "know" it but are making mistakes? Encourage them to constantly review the written system so that they can remind themselves of the steps.

If you continue to have difficulty getting your team to follow your written systems, consider creating a checklist that they need to check off each time they go through a process.

Types of systems

There are many different types of systems you can build in your business.

1. Simple things that you do every day

Even something as simple as answering the phone is a great place to start, assuming that you do answer the phone in your business!

2. Complex processes

The most important processes to build systems for are where there are many moving parts and many chances for something to go wrong. For these areas of the business a written system can help you to prevent errors and standardize the complex procedures. A complex process can be difficult to write down and standardize, but it's invaluable once you get it right.

3. Critical processes

Also anything that is critical to the success of your business should also be systematized. An example is billing clients and following up to make sure you are paid. It may not be a complex process, but it's critical to get it right. If you don't bill your clients then you quickly go out of business! Preventing and fixing any occasional errors will make a big difference in important areas of your business.

4. Systems to train new Staff

If you're hiring a lot of staff then you'll need a system for training them. Don't spend a whole lot of time preparing a fancy video education series.

Instead, just do it as you go: when you hire a new employee, record yourself training the new employee. Then you can use this video or screen capture recording to give to other new staff. We'll talk about software you can use for this in the resources section of the book.

5. Systems to find Staff

When your business is a bit larger you'll also want to develop other systems such as a process for finding and evaluating potential candidates for specific types of positions.

6. Some examples of systems you can build:

- Answering the phone
- Follow up emails and calls with clients that did not buy
- Bookkeeping
- Billing clients
- Following up with clients who did not pay on time
- Getting feedback from clients that you have lost
- SEO processes

Specific details on how to build your systems

Let's take a look at how to actually write down your systems. A business with a small physical office can write them on paper, but that's old-school and makes it very difficult to edit and improve the systems.

Instead, you'll want to have:

- Something collaborative, where anyone can edit the system and improve on it.
- A history of past changes so that you can see previous versions of a process and revert back to a previous version if someone makes a mistake when editing the document.
- Private access so that you can invite individual people to view your systems, and can remove them when they leave the company.

We have basically two main suggestions for writing down the systems:

- **Use Google Docs**

[Google Docs](#) is a great way to collaborate on documents and it's totally free. You can create spreadsheets or other documents and then share them with specific people on your team.

Make sure that you make a complete list of systems in one document with links to all the other documents (basically a table of contents).

Google Docs lets you control who can view or edit each document, and the owner of the document can see the revision history and revert to an earlier version.

- **Use a Wiki**

A wiki is like an internal website that anyone can edit. You can also create links within the wiki to different pages or sections. This is similar to using Google Docs; however a wiki has a couple of advantages:

- It can be hosted on your company domain
- It can be organized and linked together more easily & effectively.

As with Google Docs, you can also choose who has access to which sections of the wiki. Restricting access can be useful if you have a larger company and want to make sure that each person in your company does not have access to every system and process. Perhaps you're worried that they can take this information and use it to create a competing company of their own!

A good option for creating a wiki is twiki.org, which is an open source wiki script. You'll need someone technically proficient to help install this on your server.

Some examples of systems and written processes

Sometimes it's hard to get your head around the concept of systems until you see a real life example. Here is a list of some of the different systems we have in our businesses:

- Initial client contact
- Website chat process
- Contacting clients after they buy
- Finding staff
- Posting jobs
- Searching on LinkedIn
- Interviewing
- Setting up someone who has been hired
- Ending a contract
- Dealing with clients who want a refund
- Dealing with staff who are unproductive or don't work their required hours
- Delivering products

A working system example:

Here is an example of one of the written processes we use, to give you an idea how to write processes in your company:

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Contacting clients after hiring process

Part 1: Client Relationship Specialist should have already done the following steps immediately after hiring. LINK TO RELATED PROCESS

- a) Requested client to add credit card details to their account (if they have not yet done it)*
- b) Explained the charging system*
- c) Offered the free one-hour consultation*
- d) Gave client the contact details of the staff member (if they didn't already have it)*

Part 2: Client Relationship Specialist sends emails and makes calls to client following specific schedules.

- a) 1-2 days after staff started working - LINK TO EMAIL TO SEND*
- b) 3-4 days after staff started working - LINK TO EMAIL TO SEND*
- c) 5-7 days after staff started working - CALL*

Client Relationship Specialist calls client and fills out use this spreadsheet {LINK TO SPREADSHEET} to record the client's answers. We will later put it on the admin system.

Here are the questions to ask in the call:

- a) Are you generally happy with {his / her} performance so far?*
- b) Does {he/ she} have enough work to do? Have you given {him / her} a full schedule of things to do?*
- c) How are you communicating with {him / her}? Is that communication working?*
- d) Do you have any questions or issues about {him / her} that you need to discuss with me?*
- e) Are you generally happy with Staff.com's service? In a scale of 1-10 (with 10 as the highest), how likely are you on a scale of 0-10 to refer Staff.com to a friend or colleague?*

NOTE: For anyone that has 6 or below please email Liam and Rob immediately. If rating is 9 or 10, ask this:

By the way do you have the testimonial for us already? smile

NOTE: If you make 2 attempts at the call and can't get through then send an email instead. You can see the emails to send here:

- a) 10 days after staff started working - LINK TO EMAIL TO SEND*
- b) 30 days after staff started working - CALL*
- c) Client Relationship Specialist calls client and fills out this spreadsheet {LINK TO SPREADSHEET} to record the client's answers.*

The questions to ask are:

- a) What are the improvements in {Staff Name}'s performance since your last feedback to us?*
- b) Do you see {him/her} working for you for the long term? If not, please cite reasons.*
- c) Do you have plans to provide {him/her} with more trainings to improve her skills and productivity?*
- d) After one month, are you generally happy with the Staff.com services? Any suggestion for improvement?*

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You can see that this is a very detailed process and includes the exact details of every email to send and call to make. (We have this in a Wiki with links to the template for each email).

The process is not perfect and there is room for improvement. For example some of these emails could be automated by building or buying an improved CRM system. Technical systems are generally a BETTER option than building a process that relies on people, as computers are more reliable and cheaper! But often you'll want to start by creating a process that your team does manually and then move to a more automated process as your business grows.

Of course some parts of your system can never be fully automated and so you need staff to make things happen. For example you might want to call your customers to find out how they feel about your product. Calling your customers can make a huge difference to your retention and can increase the lifetime value of your customers.

With the current state of technology it's not possible to get a computer to effectively do those calls for you! So you need to do it yourself, or hire someone to do it.

Finding Staff from \$2/Hour to Execute on Your System



Once you have written processes for at least some parts of your business, it's time to start hiring team members to make it happen and duplicate your efforts. It might seem impossibly cheap to hire someone at \$2/hour. Obviously at that rate we are not talking about hiring in the US. We're talking about hiring from lower cost countries such as the Philippines.

\$2/hour is really the starting rate. In the Philippines this is the equivalent of around 13,000 pesos, which is a reasonable salary for a graduate in a smaller city. Salaries for staff with a lot of experience and salaries in major cities such as Manila are higher.

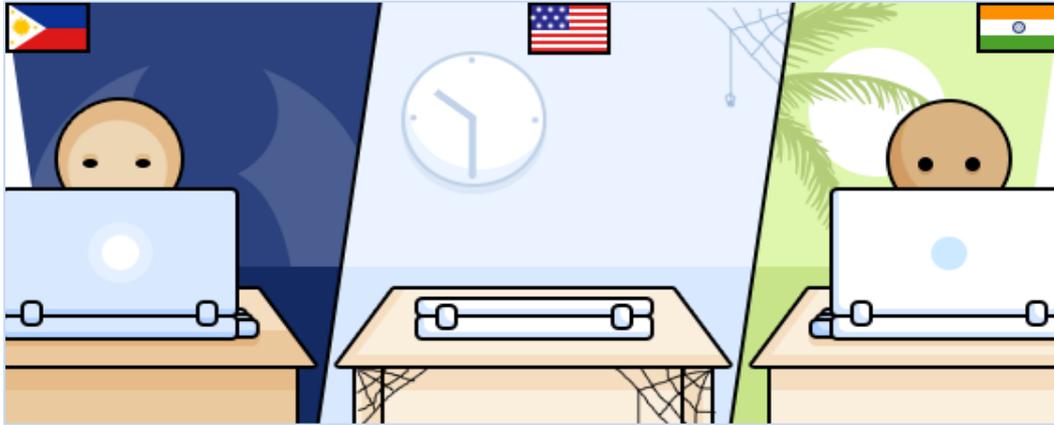
Example Rates for staff in the Philippines

Here are some comparison salaries to give you an idea of how much it costs to hire staff in the Philippines:

- **\$2/hour or \$320/month** – employee who can do general labour and has average to reasonable English language skills. This type of employee is going to be good for jobs that do not require specialist skills and do not require advanced knowledge of the English language.
- **\$3-4/hour or \$480-\$640/month** – medium level employee with good spoken or written English skills. Can handle phone calls and more complex tasks.
- **\$4-6/hour or \$700-1000/month** – perfect spoken English without much of an accent or close to perfect written English. If your job requires constant contact over the phone you might want to look at someone in this salary range.
- **\$6-9/hour or \$1000-\$1500/month** – PHP developer or Wordpress developer. Someone who can manage your website. It is possible to find

someone lower cost in rural areas or smaller cities but they are unlikely to be as experienced.

Costs in different countries



The Philippines is a great country to start with because their English language skills are strong and their work ethic is pretty good compared to other countries you can target.

Some alternative countries where you can look for talented and affordable people are:

- **Bangladesh** – similar cost to the Philippines, good software developers. Spoken English is not as strong as the Philippines.
- **India and Pakistan** – usually a little higher cost than the Philippines, but depends on the region that you are targeting. There are very talented people in India but my experience is that it's more difficult to get access to them unless you have local contacts. Also these countries are not as good for spoken English because Indian people have a stronger and more noticeable accent.
- **Russia, Ukraine and Eastern Europe** – great choices for finding talented developers.
- **USA** – If you can afford to hire someone in the US you can target great people in lower cost regions such as South Carolina for example. The costs are never going to compare with the Philippines but you can find amazing people, and when you look for someone working from home, the rates can be quite reasonable. If you're on a budget you can also look for US expats living in Mexico for example where the cost of living is lower, but where these people have grown up in the US and have perfect spoken English.

Finding long-term staff versus short-term contractors

There's an important distinction between hiring someone full-time and just getting someone in for a short-term contract.

If you need a logo designed, that's easy and you can get it done by an expert logo designer (i.e. on 99designs.com). You don't want to hire the logo designer full time!

When you want someone to work day to day implementing your business systems, it's totally different proposition. You NEED this person to work full time for you so that they are focused and dedicated to your needs. Or at the very least if you don't have the budget then hire someone half-time (20 hours per week).

Although you may sometimes need short term contractors, they're generally less effective. They won't get to know your systems and processes. They won't get to understand your business properly and they won't be able to contribute to constantly improving your business systems.



Where to Find Great People?



You want to attract as many qualified people as possible into your funnel. You also want to target the correct countries that are appropriate for the role.

Let's say that you are hiring for a customer support role, and you've chosen the Philippines as the primary country to hire from (due to the best combination of cost and English language skills).

Here are a few options for hiring:

[LinkedIn](#) – great for hiring in any country. LinkedIn requires a lot of work to go in and contact the relevant people, so it's actually better for job roles that require a very specific skill and where it's harder to find the right person.

[Staff.com](#) – specifically targeted to long-term hires and most of the database is in the Philippines. Also there is a membership site (<http://members.staff.com>) where you can get unlimited access to the database for \$197/month. However we have a code you can use to get a **discounted price of \$97/month**. The code is **mga950**

[Bestjobs.ph](#) – a free job posting site in the Philippines.

[oDesk.com](#) – a big platform for finding mostly short term contractors but you can also find someone longer term here as well. They charge 10% on top of the person's salary.

[Elance.com](#) and [Freelancer.com](#) – two other outsourcing platforms that also have a wide range of talent.

[Craigslist Philippines](#) – they have a number of available jobs mostly for offshore companies that want to hire in the Philippines.

[Sulit.com.ph](#) – a very popular free classified site. They have some difficult questions you need to answer about the local Filipino language if you try and post a job from outside of the Philippines so you might need a local person to post here.

Job specifications

Your job postings should be detailed and specific to ensure you get the right people. Here are a few things to make sure you do:

- **Mention the salary or a salary range** – if you can start with this it will set expectations, but realize that if you set it too low you might not get the most talented people.
- **Mention full time or part time** – make sure you set expectations around working full time if that's what you are looking for. Also note that if you want to hire someone great they often will already have a job. So you'll need to give them some time to move out of their current job and into working full time for you.
- **Ask them to include something specific in their application** – sometimes you will get standard automatic replies from job applicants who didn't bother to read your job description. To prevent this, ask them to start their reply with a certain phrase such as "I am great for this job because". Then you can automatically remove any applicants that did not use that phrase when applying.

Evaluation and testing of potential staff



This is probably the hardest part of finding great people. You can't just accept the first person that applies to your job (unless you happen to be lucky and get someone great as the first applicant!)

Usually you are going to have to select from a number of mostly mediocre applicants to find the right person. This is a long and difficult process but it is totally worth it. You can't expect it to be easy to find someone great at really low

rates! Get ready to put in effort and time for you to find the right people, because having great people will make a massive difference in your business.

The beginning of the evaluation funnel

At the first stage you want some way to compare that takes little time for you to sort through the initial batch of applicants. There are a few ways to do this but my favorite method is to get them to take a very simple test that is directly relevant to the type of work they will be doing on the job. This isn't enough to thoroughly assess whether someone is right for the job, but it's enough to at least get rid of some unsuitable candidates. If the job involves talking to customers on the phone, then their first task can be to record a 30 second audio clip explaining their qualifications and why they'd be great for the job. It takes only 30 seconds for you to then review their recording and eliminate them or pass them on to the next round.

In some cases you can make the first step to review their resume to determine whether they may be a fit for the role. This is the more conventional way of doing things and it's ok, but you might find that it selects for people that are great at making nice resumes and not as much for the specific job skill (unless you run a resume business and their job is to create resumes for you!) However it does test their general English skills, their level of education and job history and it's not a bad way to start.

What you DON'T want to do on the first step of your hiring process is to interview all of the candidates over the phone. That would take a huge amount of your time. If you have 50 candidates for the role you'll spend 1 week of your time in interviews with (mostly) unsuitable candidates. If you don't have 50 candidates then go back to the first stage and post the job in more places until you have more candidates. You really do want to have enough initial candidates to find someone great, although for some jobs that require super-specific job skills it's going to be a lot more difficult for you to find a large number of candidates. For easy-to-fill roles such as customer support and basic online marketing you should try to get a lot of candidates to make sure you find someone great.

So your first evaluation should narrow your candidates down from about 50 to perhaps around 10 potential candidates.

Creating practical tests

The best indication of a candidate's suitability for the job is for them to work in the job and see how they perform. However it can strain your business if you get too many people to start working at the same time. They'll be constantly asking questions and distracting you from your normal work.

An easier option is to create more detailed tests that exactly match the skills that they'll be performing on the job. For example if you want them to write, give them a test where they need to write. If they will speak to customers over the phone, give them a test where they need to do a mock discussion with a customer and either do this as an interview or get them to record it and send it to you. If they are a software developer, get them to develop a small piece of software.

Creating these tests does take time but once you've got the test you can use it to evaluate any new candidates that you have in future.

Here are also some resources that can help you in developing tests:

[Interview Street](#) –provides coding tests where developers can actually do real-live coding and then the test is automatically scored and the result sent to you.

[Smarterer.com](#) – provides tests not just for developers but a number of different jobs such as Social Media, Wordpress, Google Analytics, SEO ... all sorts of different topics

Try to develop a practical test that will further narrow down your candidate list and focus on those candidates who have scored well on the tests.

Interviews

At some stage you'll need to interview people to get a feel for their spoken communication and so that you get to know them a bit better.

The biggest mistake that managers and entrepreneurs make when interviewing is that they try to “wing it”, making up questions as they go. Don't do this! Use a structured approach where you identify the types of questions that you want to ask the candidate. Here is an idea for a structured interview:

- Welcome the candidate
- Ask the candidate about what they are looking for in a job
- Brief history of their previous work
- Quick overview of the job role
- Ask technical questions related to skills they will need
- Ask for specific times they have demonstrated the behavior that you want (I'll explain this one a bit more below)
- Answer any questions
- Explain why your company and this job is a great opportunity for them

Ask questions that will allow the candidate to demonstrate not just for the skills you're looking for but also their right attitude and behavior. For example you might be looking for someone who is very organized. You can test this in an

interview by asking for specific times in their past jobs where they were organized.

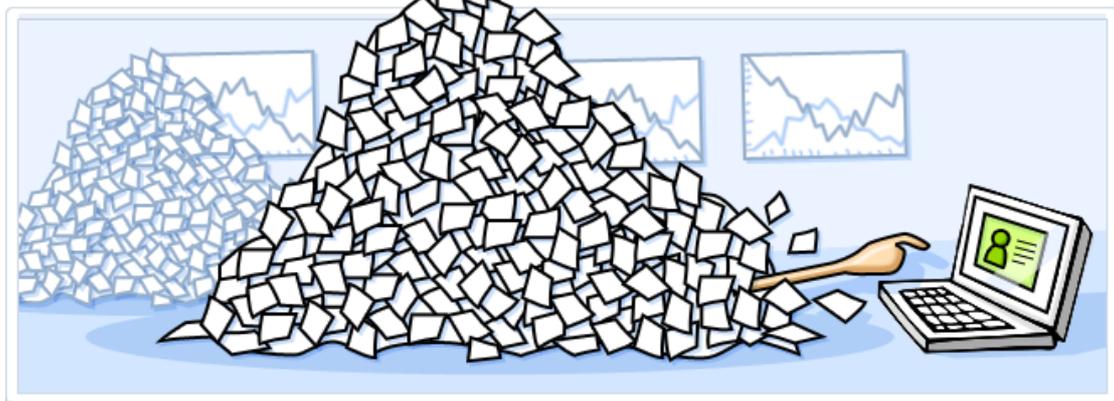
For example you can ask, “Tell me 2-3 specific examples in your previous job when you were organized”. Do not accept a generalized answer. You need a super-specific example of what they have done in their previous job that demonstrates that they are an organized person. If they don’t have an example, or if their example is really vague or sounds like it was made up, then they are NOT an organized person.

If you’re looking for a person who can overcome objections, ask them to tell you 2-3 specific examples of where they overcame objections in their previous work.

Trial period

Now you should be ready to narrow down the candidates to just a few people that you like - perhaps 2-3 people. When you’re working with remote people, you don’t truly know if it’s going to work out until you start working together. If you select only one person you might be disappointed. It’s much safer to hire 2-3 people on a trial basis, with the understanding that after a certain period (perhaps 1-2 weeks), you’ll select the person you like best.

Spend a LOT of time and energy on your recruiting and selection process



The process we've explained so far probably sounds like a lot of steps to go through to hire someone. It IS a lot of steps! It's critical when hiring remotely to choose great people.

Actually it's critical for any business to hire great people, whether local or remote, but you'll suffer a lot more if you hire poor quality people who are working remotely.

Management of Remote Employees



As you build up your team, you'll need to start thinking about how to manage them. Managing people who are working remotely around the world is quite different to managing a team in an office. So we're going to look at some of the ways to successfully manage your remote staff members.

The on-boarding process for your remote employees

If you work in an office and you hire a new person for your team, you'll welcome them, introduce them to everyone and show them around. You'll have some kind of introduction process, whether it's formal or informal.

When working remotely it's easy to skip those introductions because the person is not sitting with you in the same office. However it's really important to introduce them and make them feel like they're part of the team. Show them your relevant systems and processes. Give them some videos to watch to learn about your business. Also maybe even have a bit of an informal introduction and chat to get to know them on a casual and friendly basis.

Over-communicate

In an office you tend to bump into each other and just naturally start discussing and communicating. When working remotely this doesn't happen naturally. You're all operating in your own separate world and might not notice that the other team members are even there! This has some advantages because you have less impromptu meetings and less distractions. It can be more productive to work in this way. But you do need to communicate as a team, and because you're working remotely you need to compensate for the remote working style and deliberately make an effort to communicate.

Daily phone meetings

Each team in your company should have a daily voice meeting of 5-10 minutes where you get in sync. This can be as simple as “What is the top priority you are working on today?” and “Is there anything that might prevent you from achieving this priority?” Focus on just one top priority for the day to keep the meeting short and focused. It doesn’t mean that the person only does one thing the entire day, it just means that they choose one important task that they’ll mention in the meeting.

Using chat rooms

Chat rooms are a good way to keep the whole team connected and communicating. Skype is an easy option for this and it’s free. You can create a discussion in Skype for each team, include the relevant team members and then add the discussion as a “Favorite” so you have it ready to go back to when you want to chat with that team.

It’s also great to have a “chill out” or “watercooler” chat room where anyone in the company chat casually about non-work related topics. When working remotely it’s hard to get that personal connection that comes from bumping into each other and talking about more personal things. A chill out room is a great way to simulate the experience you get in an office of casual conversation when you bump into each other at lunch or on a break.

Tracking attendance and productivity

If you’re working in an office you get to see each day who comes into the office and what they’re working on. When working remotely you don’t have that same visibility. As a manager you don’t really know if your team is actually working or just chatting with friends or watching TV. So you’ll want to use some kind of software for tracking exact hours worked and verifying that your people are really working.

[Time Doctor](#) is a great option for this. The software will give you an exact idea of time worked and it takes screenshots of your employee’s screens every few minutes. It will also automatically monitor whether the person is on their computer and away from their computer, and will record which websites and applications they use when working. You can use this software to calculate how much to pay the person each week or month.

When you use Time Doctor with new team members you’ll very quickly see whether the person you are hiring was planning to do multiple jobs at the same time. This is a tempting option for people working from home - some of them try to get 2 or even 3 jobs and manage them all at the same time. This software will prevent this from happening. You may have a small percentage of new

employees who quit pretty soon after using it because they realize that they are really going to need to work hard on the job, which they may have never intended to do.

Training remote employees

In an office, you can train employees by having them look over your shoulder. When they're working remotely this is not possible. So you'll need to develop a system to train them properly. There are many tools you can use for creating videos of your computer screen, and you can create an orientation video of yourself explaining your business, how it works and what your new employees should expect. The trick with these videos is to keep them casual, don't make it into a big deal, and instead just record a quick casual video in a similar way that you'd explain everything to a new employee in person. A great method is to you record a real interaction with one of your new employees.

How to pay staff in different countries

If you're working on a platform such as Staff.com or oDesk you'll have the payment taken care of. If you're paying directly you will need a way to do that. Don't pay them in advance! You can pay weekly at first to keep them comfortable, and then move to bi-monthly or monthly if they are happy. Usually monthly is not frequent enough for people to plan their expenses properly.

A few options for paying are:

- **Wire transfer** – only good for larger payments approximately over \$2,000 because there is a minimum fee of around \$25 to send and \$15 to receive with most banks.
- [Paypal](#) – works in most countries but can be expensive - up to 6% in costs (3% for currency conversion and 3% fee)
- [Payoneer](#) – need a special relationship with them and only works if you have 20 or more employees.
- [Western Union](#) –sometimes the cheapest option for making payments, but only if you're paying from a US bank account.

Tools and Resources



Here are some of the different software tools and other resources you can use to help manage your outsourced staff.

Communication tools

- [Skype](#) – free and a great way to chat via text or voice.
- [Google Hangouts](#) – another option for free video chat. This is better than Skype when you have a large group that you want to chat with.
- [Jing](#) – this is a free tool that's great for taking and sharing screenshots & videos of your computer screen and adding notes to the screenshots. As an example, you can use Jing to explain to a designer or developer where to move something on the screen.

Screen-sharing and web conferencing tools

These tools allow you to share your screen with others and can be useful for web conferences or when providing technical support within your company.. There are a lot of alternatives including Skype and Google Hangouts, both of which have a screen sharing feature. You can also try [TeamViewer](#) (allows remote viewing AND remote mouse & keyboard control) or [Join.me](#). Another tool is [Screenhero](#) which is similar to TeamViewer but allows each user to control their own mouse cursor on the screen that is being shared.

Tracking attendance, time and productivity

We've already mentioned [Time Doctor](#), which allows you to take regular screenshots of your employees' computer screens and also records automatically whether they're working on or away from their computer.

Building video and screen recording trainings

You can use Jing to record videos of your screen, but you might want to try [Camtasia](#) as a more powerful way to record longer and higher quality videos. You

can then easily upload these to YouTube so that anyone can view them. You can make them private on YouTube so that only people with the link can view them. [Screenflow](#) is another great option for screen capture videos on Mac.

It's simple (and free) to record and host videos on YouTube, so this is probably the best option for hosting your video content. If you want a little more control you can pay for an account on [Vimeo](#) where you can password-protect your videos.

Project management

There are many options for this type of software, but [Asana.com](#) is one of the best and is available for free for up to 15 people. [Podio](#) and [Basecamp](#) are two other great and popular options.



Systems give you freedom to create the life you want



If you want to create a successful business - a business that can scale with people and that makes a difference in the world - you need systems and you also need great people. Even if you're looking to build a smaller lifestyle business and you don't have employees, systems are still helpful because they help you to standardize the way you do things and to constantly improve.

If you're planning to hire and work with offshore team members then you **NEED** systems to make sure that your business runs smoothly. The combination of great systems and great low cost staff is powerful. You can literally run a business with 10 people, costing you \$120k per year, for the **SAME** cost as other companies that pay \$1 million per year by hiring expensive local employees and renting an office with all the associated costs such as benefits, computers, electricity, payroll taxes etc.

Let's say both of those companies generate \$1 million in annual revenue before employee costs. The high cost company is going to break even (zero profits), whereas your low cost company produces \$880k in profits.

Just imagine the type of business you can create with great people at a low cost.

It's not easy. A great business is something you need to work hard to create. But it's totally worth it!

You've learned what you need to do to make this happen. All the best for your business and life!

