At XYZ, we’re working to build an inclusive company with a value-driven culture. That’s an easy thing to want and say, but it’s difficult to practice because exclusion is the default in our industry. It takes active effort to find the hidden biases in our companies and remove them.

As we started growing our team this year, we looked for a starter-kit of inclusive policies. A lot of great work is being done to discuss cultural problems and their solutions, but it’s coming from a lot of different voices around the web and very little is written in the form of policy.

We wanted to put what we've learned into practice, so we decided to write our own handbook and open source it.

This repository contains all of the policies that we use at XYZ. It represents many hours of research, lots of thoughtful debates, and some serious introspection. It’s certainly not perfect, but we think it’s an exciting place to start.

Feel free to fork this repository and use any or all of these policies, and to modify them in whatever way makes sense for your company. We hope that by publishing them, other companies can benefit from our research and make their own policies more inclusive.([mccv](https://github.com/clef/handbook/blob/master/github.com/mccv) has created [a templatized version of the XYZ handbook](https://github.com/turbinelabs/handbook-template) to make it easy to use this handbook as a starting point for your own)

All feedback and suggestions (especially in the form of pull requests) are very appreciated. We’ve gotten several different perspectives to help arrive at these policies, but we are certainly missing many more and making mistakes as a result. This is a work in progress that we hope will get better with more time and more contributors.

**Mission Statement**

**Our mission is to empower everyone to own their identity online.**

We build a secure standard of identity for businesses to replace passwords, allowing users to have an authentic and personal relationship with the technology they use. Our core values guide our strategies and individual actions so that we create a company whose character is as radical as our product.

**Operations Documents**

**Budgeting**

Budgeting (all spending except salaries, which, for the first 10 employees will not be included in these budgets) is done by the founders immediately after the company OKRs are set so that the budgets can reflect the company's goals for the quarter. The budgets will be quarterly and will initially be broken down into:

* Technical Infrastructure
* Marketing
* Business Development
* Community Outreach
* Security
* Rent
* Administration
* Design Resources
* Legal

One person will be responsible for each area of spending, and all related expenses should be approved by that person. They will also be responsible for reporting the expenses at the end of the quarter.

The budget will be internally public so all employees can see where the company resources are going.

**Effective meetings and group work**

To increase flexibility in how and where employees at XYZ work, we agree on a shared set of constraints for group work and meetings.

**Meeting Ettiquette**

**Meetings start on time**

If you're leading a meeting, it's your responsibility to start the meeting on time. If you're attending a meeting, you are responsible for showing up on time.

**Meetings happen in regular hours**

All team members should make themselves available for face-to-face meetings between 10:30am-1:00p Pacific Time, as long as they are scheduled at least 24 hours in advance. If a meeting needs to happen outside of these hours, the meeting organizer should scheduled it a week in advance.

**Meetings should have a video option**

If you're hosting a meeting with a remote worker invited, it's your responsibility to provide a video link before the meeting starts for them to join.

If you're attending a meeting remotely, you should join the video call before a meeting starts. It's your responsibility to ensure this is possible — this means being in a quiet place with a fast internet connection before the meeting starts. Calling into a meeting via phone or from a public place is unacceptable.

For some meetings, voice calls will be sufficient - this decision is up to the meeting organizer when they create the meeting.

**Prerequisites for successful meetings**

The following things are pre-requisites for successful group work:

* A fast, reliable internet connection. Remote employees should make all efforts to mitigate video call lag.
* A quiet place to take meetings

If you're planning to work with another person on the team (i.e. for a meeting during meeting hours or to pair program), you should make sure these are available.

**Hack Weeks**

The sixth week of every quarter at XYZ is a hack week. We stop working on our normal projects and create small teams to work on little projects that we are excited about and can finish in a week. Anyone can propose a project, and there are no rules about what is allowed to be worked on except that it should be related to XYZ. Every employee decides what they want to work on, so projects that require more than one person also need to convince other employees to work with them. Anyone can work on a project solo, but teams are encouraged and can be up to 4 people working on the same project. As much as possible, teams should be cross-organizational to give people a chance to work with folks who they don’t work with on a daily basis.

Lunch should be ordered in or prepared as group so that everyone eats together. This is meant to be a communal week where everyone is working, talking, and thinking together. Getting projects finished in a week will be tight, and the goal is for everyone to work on projects that they’re excited about, so there should be a general buzz of energy.

We’ll also experiment with doing some of these hack weeks off site, and bringing in interesting speakers to spark some creativity at the beginning of the week.

At the end of the day on Friday, each team will present their project to the rest of the company, and then we’ll host a hack week celebration.

**Interview Process**

Every candidate should go through three interviews that help us find the right person for the job.

Before they are interviewed, the candidate should show some relevant work that will help give us an initial screen and something to talk about in the first coffee interview. They should also get a blurb about XYZ, the position, and our values so that they can self-screen if our culture doesn’t match the kind of company they want to work for. **Values in particular should be emphasized here so that they understand how important they are to the XYZ team and make sure they align.**

**Informal/Coffee — 30 Minutes**

A resume or online profile can tell us a lot about what a candidate has done, but the first thing we need to find out is what they want to do next, and whether that matches what we’re looking for at XYZ. This interview can happen over the phone, Skype, in the office, or out at a coffee shop.

The idea is to spend 30 minutes getting to know the candidate and letting them ask questions about XYZ and the position. This has screened about 80% of candidates so far, which seems about right. It should be pretty transparent if the candidate’s experience or interests are misaligned for the job.

This interview should also focus on selling XYZ and recruiting promising candidates, as this is their first real contact with XYZ and their desire to work here will be formed in this meeting.

This interview can take place over video chat, though we should work to have it in person when possible.

**Technical Interview — 2 Hour**

The technical interview is a chance to dive into the candidate’s ability at the job they’re interviewing for. The lead on this hire should prepare two exercises which will each take 45 minutes, one which goes into high level thinking for the position and the other which focuses on more low level implementation.

The last 30 minutes should be used for questions and answers from both sides. This interview should filter out 50-70% of candidates (of the remaining 20%), and by the end of it, the lead interviewer should have an opinion on whether or not the candidate is the right person for the job.

This interview can take place over video chat, though we should work to have it in person when possible.

**Team Fit — Full Day**

Finally, the candidate should come in for a whole day of talking to and working with the team. In the morning they'll drill into a much more challenging problem than they had to deal with in their technical interview. We want to get a sense for how candidates handle something out of their comfort zone, how they ask for help, etc. It’s also important that candidates feel like they’ve earned their offer by the time they get it, so this part of the process should be hard!

After the morning exercises, candidates go out to lunch with the team before coming back to the office for one on ones with everyone. As we get a little bigger, this might need to be one on twos to fit conversations into a reasonable amount of time.

This interview should always take place in the office, with all travel expenses covered by XYZ.

**Onboarding**

This document is about the general priorities and policies for how we as a company bring new employees onto the team. As a new person on the team, if you have questions about starting at XYZ, check out [Your First Day at XYZ](https://docs.google.com/document/d/1vvJfWH7lP808mAlKPr8JwUx0HvkiidzS_bkwB8wqA7M).

We may also create specific onboarding recommendations for different roles in the future.

**Before Arrival**

After a candidate accepts an offer to join XYZ, there are a few things that we can get out of the way before they show up.

1. Employment paperwork (these should end up in their Personnel folder, which should be shared with them in Google Drive)
2. i. Signed Offer Letter
3. ii. Signed Proprietary Information and Inventions Assignment Agreement
4. Creating accounts
   1. Google Apps account
      1. Gmail [NAME@getXYZ.com](mailto:NAME@getclef.com)
      2. Google Drive (base folders should be pre-configured for them)
      3. Calendar (follow team’s calendars)
      4. Two-factor auth should be set up with them
   2. Slack
   3. Trello
5. Background reading
6. vi. A talk Jesse gave about cryptography
7. vii. A pretty good article about the public key crypto XYZ uses
8. viii. A great explanation of Bitcoin
9. Payroll, benefits, etc. set up -- introduce to Patricia, who will manage this process
10. Put 3 events on whole team’s calendar -- NAME’s First Day, Team Lunch to welcome NAME, and Team Celebration of NAME’s First Day.

**The First Day**

A new employee’s first day is critical to making them feel welcome at XYZ. The goals of the first day are to help them get set up, situated, and comfortable with the team. It is the responsibility of the person who led their hiring process to make sure that happens.

Some guidelines for the first day:

* The day should start at 10:00 — this lowers the commute stress and gives us time to set up their desk and get the team ready for them.
* The new employee should arrive to a desk with their new computer, monitor, keyboard, mouse, etc. set up and ready for them. So far, we have opened the computer, updated software and installed tools, then reboxed it (because the unboxing process of a new computer is nice, but this helps save them annoying time on the first day). There should also be a nice note signed by the team, a copy of Daring Greatly, and anything else that feels welcoming or personal to them.
* Everyone in the office should know that they are starting, their name, their gender pronouns, and what they’re doing. There is one person in charge of the onboarding process, but it is everyone’s responsibility individually to make the new employee feel welcome.
* The person in charge of onboarding should block out the whole day and plan to spend it with the new employee helping them get set up. In practice, they won’t need the attention for the entire day, but should never be stranded when they do need it.
* The employee should push something public live during their first day. That might be a code commit, a design change, or a blog post depending on their position, but publishing something is important. This ensures that they’re getting set up to contribute and that they don’t feel restricted while they get up to speed.
* The whole team should eat lunch out together, and this should be put on calendars as far in advance as possible so people don’t schedule other meetings.
* The day should end at 5, and at the end of the day, the new employee has the option of how to celebrate (a team high five, a drink out, or dinner). They should pick one before the day starts so the team can plan, but they can also change their answer at the end of the day.

**The First Week, Month, Beyond**

The first week of working at XYZ should be focused on learning -- learning the company norms, learning how to work with everyone, learning the tools we use, etc. New employees should be contributing a little bit all week, but the expectation is that they ask questions and get set up, not that they immediately assume leadership.

After a week, the new employee should have their first one-on-one meeting. This meeting should go over all of the normal things that we cover in [One on Ones](https://docs.google.com/open?authuser=b%40getclef.com&id=1yVp1XzfjmHkwf_vQf-COInCHj2xd3b7ne_77YSleRgc), but should also probe about any gaps in their knowledge. Importantly, it should also cover [OKRs](https://docs.google.com/open?authuser=b%40getclef.com&id=1ZpDWejQiU5gDWz2mFPvOhdf1g2Xc6vu1kdrlCp3SimU), and go over the company’s objectives. After this meeting, the new employee should write their OKRs for the rest of the quarter (this fractional quarter should be viewed as a sort of practice run). Another meeting to talk about the OKRs should be scheduled for the next day or two.

From there, the process should merge towards the normal process. It’s important to set reasonable expectations and be very supportive for as long as it takes for the employee to feel comfortable at XYZ (this might be a week for some and a month for others).

**Sharing Files at XYZ**

**Base Directories**

At the base of every member of the XYZ team’s directory, there should be 6 directories:

1. **XYZ Handbook** -- a collection of documents about how we do things at XYZ, which anyone can comment on
2. **Active Projects** -- All project folders will be shared globally in this folder
3. **Inactive Projects** -- projects which aren’t currently under development
4. **Resources** -- common resources which will be shared across projects -- like logo design resources, press clippings, etc.
5. **OKRs** -- everyone at XYZ’s objectives and key results.
6. **[Your Name]** -- every employee should have their personnel folder in the root directory with contracts, offer letters, etc. inside (shared only with you)

**Creating New Projects**

When a new project is started, a folder should be created with the format:

\*\*Project Name\*\*

in the Active Projects folder so that it will be shared with everyone else on the team.

When the project is complete or paused, it should be moved to the Inactive Projects folder and labeled with the date when it was archived with the format:

**YYYY-MM Project Name**

The current structure doesn’t have a lot of built-in support for teams, since each project is autonomous. This will probably need to be fixed later as we grow and divide our functions into teams.

**Sourcing Candidates**

Building a great team starts with attracting great candidates, and there are three channels we can use to attract candidates: referrals, outbound recruiting, and inbound interest. We should keep all three channels open, but be thoughtful about the biases that result from each channel so that we can make them work for our team-building goals and values.

**Referrals**

Referrals from people who already work at XYZ are one of the best signals we can get about whether or not a candidate will be successful at XYZ. XYZ employees understand XYZ’s needs and what it’s like to work at XYZ, and their relationship with the candidate means they know a lot more than we can learn during an interview process.

In order to get good referrals, everyone needs to know which positions are open, know how to start the recruiting process, have time to search their network, and feel aligned with the company incentives. Open positions should be posted on getXYZ.com/about and also in the #hiring channel so that everyone sees who we’re trying to hire. We’ll host a company lunch with food on the second Tuesday of every month where we talk about which positions are open and go through everyone’s online networks looking for and thinking about candidates. Employees will do initial outreach to interesting connection, which will give us a good space to talk about how we start the recruiting process.

We also offer a [$5,000 referral bonus](https://github.com/clef/handbook/blob/master/Benefits%20and%20Perks/Referral%20Bonuses.md) for any new hire that comes from an employee referral to help align company incentives with individual incentives.

**The danger with referrals is that we are most likely to refer candidates who are like us, which can result in a homogenous team instead of the diverse one we want to create.** We should emphasize diversity as a priority in our referral lunches and also search the local networks we are involved in. We should also continue to look for other ways to offset this bias on an organizational level.

**Outbound Recruiting**

For every position open at XYZ, there should be one team member (a founder for these first 10 employees) who is in charge of the recruiting efforts for that position. This starts with writing the job description and publishing it on the getXYZ.com, but also means proactively searching for people who might be a good fit, looking for pools of candidates that we can recruit from, and asking friends for introductions to promising candidates.

It is critical that we find talent pools of diverse candidates to pull from, and that our outbound recruiting intentionally target underrepresented groups. If we are recruiting from universities, we need to be careful about which schools we draw from. If we are pulling people from other companies, it’s important that we are thoughtful about the location and industry biases of those companies. XYZ works with and supports many local and national organizations that focus on growing the number of underrepresented minorities in the tech industry, including Hack the Hood, Women Who Code, and Qeyno Labs. Our work with these communities should help us find pools of candidates to recruit from.

**Inbound Applications**

All of our job openings and descriptions will be posted on getXYZ.com, and some will be posted on other sites where we can advertise our open positions. Careful thought should be given to where we post job openings, as traditional boards have homogeneous audiences. We will also have people reading about XYZ through our blog and social media, developers working with our tools and participating in our community, and a broad audience hearing about XYZ through news or using the product.

Inbound applications give us the highest number of candidates that are outside of our personal networks, but also have the lowest initial filter because no one at XYZ is making any judgment about the candidate before they enter our pipeline. Because of the light filter, it can be tempting to dismiss these candidates, but an inbound application is a strong signal that the candidates believe in what we’re doing at XYZ. This means that a smaller percentage of candidates from a broader pool will progress through our interview funnel. Regardless, we still need to treat inbound applications with respect.

Every inbound application should receive a response from the XYZ team within 3 days so that they feel heard and like they were able to reach us personally.

Note: We use Workable to manage candidates, but when you "Disqualify" a candidate on Workable, it does not send the candidate an email or let them know that they have been disqualified. You should always send the candidate an email before you Disqualify them.

**Onboarding Documents**

**Communication and Transparency**

The best way for you to make a decision about what’s good for XYZ is to have all of the information about what’s going on at XYZ. The same is true for everyone else you work with, so it’s important that we’re all up to date about what’s happening, even with the areas of XYZ that we’re not actively involved with.

Transparency may seem like a passive process, like "don’t hide anything," but it’s actually a big challenge to keep everyone up to date and on the same page, especially on projects they’re not working on on a daily basis, even for a company the size of XYZ. These are some of the policies we use to make information more accessible, but our work is ongoing.

**Communication**

**Friday #Updates**

Every Friday, everyone on the team posts an update in the #updates channel in Slack that includes:

* What they accomplished this week
* What they hope to accomplish next week

This makes it easy to keep in the loop on projects and also keeps everyone at XYZ accountable to everyone else to do their part.

**Pro-active checkins**

When we're all in the office, it's easy to see when a teammate is around or available. When an individual is out of the office, this visibility immediately drops to 0. When we're working remotely, it's our responsibility to let our teammates know when we're around and available.

**Doing this is as easy as posting a message in Slack to say when you drop in or leave.**

It's also a good idea to be proactive about letting teammates know what you're working on and how it's going. 18F has a great paragraph on this:

*Proactively communicate. As Kate Garklavs, a content designer who lives in Portland, puts it: “Because I'm remote, I've taken to sending short, proactive progress updates to my teams ("Hey, all — wanted to let you know that I finished writing XYZ and sent it to so-and-so for approval — should hear back by Friday."), even when daily standups aren't required. By sending these short updates throughout the day, I hope to keep folks in the loop with regards to what I've been up to.”*

With increased individual flexibility, since we're all working at the same time less, it's important to go above and beyond in letting people know when we are around.

**Calendar Updates**

If you're working remotely or from home, you should put a calendar event indicating where you are working from for all the time you are out of the office.

**Slack**

**Slack Names**

Slack names are an easy way to communicate where you are located and when you are away from your desk. If you are working from home, taking PTO, or sick, you should update your Slack last name to reflect name to reflect this.

**Slack Status**

There are 4 states in which a teammate can be in on Slack:

1. *Active (green)*. Similar to when someone is sitting at their desk in the office, they are considered available and can be expected to respond in the range of a few minutes to an hour.
2. *Do not disturb (green)*. This teammate is at their computer, but focusing. Expect a response when they are done with whatever they are focusing on, but don't wait for them.
3. \*Do not disturb (gray). \*This teammate is away from their computer and off work. Expect a response the next work day.
4. *Away*. This teammate is off work or temporarily away. Check the #office channel — when a user goes away, whether it's during their work day or when the day is ending, they should post a message letting the team know they are stepping out. If they posted a message in #office saying they were stepping away but coming back, expect a response when they get back. If they posted a message saying they were done for the day, you should expect a response the next work day.

Obviously, edge cases exist, but it's important that on both ends of our communication (both asking and responding) we uphold these expectations so that everyone on our team can plan their work effectively.

**Transparency**

**Public Slack Channels**

Almost all Slack conversation should happen in public Slack channels where the rest of the team can see it. You may not subscribe to or pay attention to every channel, but conversations that happen in public channels are searchable and readable by the whole team, so when someone wants to know how we decided on some course of action, Slack gives them a place to look back at the conversation.

Not every ping or question needs to happen publicly, but when in question, you should err on the side of posting publicly. Currently about 60% of our conversations happen in public channels, which is a number we hope will keep growing.

**Public Calendars**

Work calendars should be shared to make scheduling meetings really easy and also to let the rest of the team see where we’re spending our time. Personal calendars often have sensitive information, and should be kept separate. Work calendars are documentation of how we’re budgeting our hours and are useful for the rest of the team.

**Open Stats**

When we measure something, it should be visible to everyone on the team. Our stats will be great sometimes and disappointing others, but when we hide or silo the hard stats, fewer people can help fix them. We’ll try to keep the most critical stats posted in the office, but any data that we’re collecting should be open to everyone.

**We Succeed Together When We Trust Each Other**

Communication and negotiation among groups of people is difficult, but the more honest we can be with each other, the easier it will be for us to trust one another and work together as a team. Openness and honesty will be critical to our success, which is why this is one of our core values, and why it’s a mantra we repeat in many conversations.

**Direct Reports**

Everyone who works at XYZ should report to Mark, Jesse, or B. The goal of this relationship is to provide support and guidance to the employee -- this is the person they will talk to about their goals, meet with regularly, and go to first with questions. We are not doing any official performance reviews yet, but this is also the relationship where employees will get feedback on how they are doing and areas where they can improve.

These relationships are one to one and are not meant to divide the company into teams. Though we certainly have distinct business functions, we should all try to operate as a single unit wherever possible. At this size, XYZ’s organization doesn’t need to go any deeper than this first level, so everyone should feel as if they are on even footing.

**Objectives and Key Results**

Objectives and Key Results (OKRs) is a method for defining and keeping track of goals and their outcomes. They organize our goals by breaking them into high-level aspirations (objectives) and the measurable results that determine whether or not we’ve reached them (key results). OKRs are set at the company and individual level to help everyone see how their personal goals align with XYZ’s goals, and also see how other people in the organization are working for the same outcomes from a different perspective.

**Examples**

Objectives are the high level achievements you are shooting for, like:

* Grow our audience in the Bitcoin community
* Increase engagement with the content we produce
* Improve the first time experience of using XYZ (onboarding)
* Speed up deploy process for our engineering team
* Lower the average wait time for a support ticket response
* Develop better networking skills

Key results are the measurable outcomes that define success for the objectives. **Key results must be measurable on a scale from 0-10**, so for the third example objective, the results might be:

* Interview 20 users after they go through the onboarding experience (% completion)
* Pick 3 places where we can make the biggest improvements and write specs for all three improvements by July 31 (-2 points for each day late)
* Ship those improvements by September 15 (-3 points for each week late)
* Increase conversion through signup process by 10%, starting at 50% (% completion)

**Setting OKRs**

Everyone at XYZ sets their OKRs quarterly, writing them in the first week of the quarter and then evaluating them in the last week. At a startup it’s easy to focus on the immediate problems, but by setting our goals quarterly we ensure that everyone spends some time thinking about the challenges at least 3 months out.

Each person should set 3 to 5 objectives for the quarter, and each objective should have a maximum of 4 key results. Each objective also has a Description explaining what it means and an Alignment that explains how it aligns with company-wide goals. Each key result should explain how it will be scored at the end of the quarter.

For every quarter, one goal should always be a learning or improvement objective. It should describe some skill or area of knowledge you want to expand, and then the concrete steps that you will complete in order to succeed at learning or improving it.

**Tracking OKRs**

Every employee should keep track of their OKRs in their own Google Spreadsheet in the OKRs Folder. Within the spreadsheet, there should be a new sheet for each new quarter.

OKRS should be talked about every week in 1:1s to consider how each objective is progressing, places where help may be necessary, and how well they reflect current objectives.

**Scoring and Evaluating OKRs**

OKRs are scored at the end of the quarter, with a score generated for each Key Result. The average of the key results give a score for each Objective, and the average scores of the Objectives gives an overall score for the quarter.

A key result can be scored in any way that makes sense for the result, but there are a few common ways to score a Key Result:

* **% completion** -- if the goal is to do some number of actions, or achieve some number of results (post 3 blog posts or get 300 views), then the Key Result can be scored according to the % that were completed. Posting 2 results out of 3 would earn a score of ⅔ x 10 (because 10 is the total possible number of points) or a 6.7.
* **Due date** -- if a resource should be delivered on a given day, then a fixed number of points can be docked based on how many days late the resource is finished. The penalty should be set with the key result and should vary depending on how time-sensitive the result is. For instance, if my coworker needs me to finish something on time so that they can use it, then there should be a heavy penalty for being late. If the penalty for an item is -2 points per day, then finishing it 3 days late gives a score of 4.
* **Deviation** -- if you are trying to hit a precise target, and do not want to go above or below it, then the score can be based on how far off you were.

The scoring method should be included with each key result. If two people independently evaluated your OKRs at the same time, they should be sure to get the same scores because the criteria for evaluation should be unambiguous.

OKRs should never be used in evaluating employee performance, and should be ambitious. An average score of 7 is ideal, and no one should ever get to a full 10. If they do, their goals were set too low.

**One on Ones**

Every week, every member of the XYZ team meets with their manager in an open ended meeting that lasts at least thirty minutes. The agenda for the one on one is set by the employee and its primary intention is to build a trusting relationship. This is not a status check-up or performance evaluation, it’s dedicated time where the manager is available to hear what each member of their team is excited or frustrated about, what is blocking or scaring them, and what’s going well or could use improvement.

Trust is the fundamental currency of teams, and these meetings are the easiest place to earn trust. Managers are making time for every direct report, every week, so that they build an individual relationship with each one and establish a reliable channel for communication.

**Scheduling**

One on ones should be a recurring calendar event at the same time every week, but the schedule is meant to be regular, not rigid. The meeting can be moved if another event is happening at the same time or if the team member feels like they need more time on a given week. The important thing is that the manager makes it a priority to find time for the meeting.

Making time for one on ones helps every team member feel like their manager cares about the relationship with them and that their manager is prioritizing their needs.

**Agenda**

Agendas for different one on ones can vary widely, but this is the team member’s meeting, so they should have ultimate control. One on ones should be a mix of present problems/resolutions and future goals/plans. What is blocking today and how can it be resolved or worked around? What do you want the future to look like, and what are the concrete steps you’ll take to get there?

One on ones are also a good place to give and receive feedback. Talk about what’s working well and why it’s particularly effective. Ask what you can be doing better and where the team can improve.

Managers should probe throughout the meeting. Ask follow up questions, dig deeper, and restate complicated ideas to make sure you understand correctly. This is an invaluable time to learn, and you’ll earn more trust by listening than by talking.

**Following Up**

It’s useful to take notes during the meeting, so that you can ask about how things have changed in the future. It’s also useful to take notes during the week -- if you notice something that you’d like to talk about, a note will make sure you address it in your next one on one.

If an employee is having a problem with a coworker, make sure to ask before you intervene. In some cases, intervention will make the complainant’s work situation worse. Always defer to their needs and aim for their goal for resolution.

When you do act, remember to follow up and talk about the resolution. This gives you a chance to show that you take their problems seriously and also opens the opportunity to talk about the potential causes of the problem and how to avoid them in the future or improve the way they’re handled.

**Product Manifesto**

Working on XYZ, it is tempting to optimize for some of the metrics which have been important to other companies like ours. We can use these metrics to compare ourselves against passwords and traditional two-factor authentication, and eke out incremental benefits for users or sites who decide to use XYZ. Those metrics might include:

* The level of security we are able to offer customers
* The speed of each login
* The ratio of time logged in with XYZ to time managing XYZ
* The number of taps between each login

For the first two years of XYZ’s existence, we often found ourselves following our guts in the wrong direction on each of these metrics but were unable to articulate why. We looked at other solutions that out-performed us in each of these categories and worried about whether we were overlooking optimizations that would make XYZ a better product. We kept making decisions that felt right, but weren’t backed up by the core metrics we "should" have been measuring.

Even as we seemed to be working in the wrong direction, people were choosing XYZ over the other options and connecting with it in a way that was radically different. We discovered that while people *used* other options, they *loved* using XYZ.

We came to realize that while each of those core metrics might map to a frustration with passwords and/or other existing ways of logging in to an app or service, none of them truly addressed the real pain people were experiencing.

Passwords take time and are fundamentally insecure, but most people log in pretty quickly and don’t know enough to understand the security minutiae. What we found to be more important are the things people *feel* when logging in:

1. **Guilt** that they are not protecting themselves with the "best practices" which they are told over and over again.
2. **Anxiety** that they may not remember their password, and therefore won’t be able to access something important and/or urgent.
3. **Fear** that they are not protected by their passwords and that their identity may be at risk, often fueled by media coverage around breaches and identity theft.

Identity is something that’s fundamental to being human. And it’s because of this that passwords — be that logging in or signing up — can often trigger emotional responses. The constant repetition of emotional responses associated with guilt, anxiety, and fear can force us to associate *shame* with identity.

The solution to the "password problem" isn’t faster logins or additional layers of security. Instead, we have to work to dismantle the negative, or shame-based, associations with identity by both empowering our users and delivering an experience they can understand and feel positively about.

**At XYZ, our core product value is clarity.**

Prioritizing clarity means that XYZ will always be accessible and unscary for our users. It empowers them to feel in control of and protect their identity, as well as understand and engage with the concept of security online. Done with beauty, the experience of logging in with XYZ creates a sense of magic and wonder that is impossible to fake.

Clarity requires deep empathy and constant refinement. It does not always make XYZ faster or safer, but instead, has a positive impact on the way our users *feel*. This positive feeling is the key to our success, both as a team and a company, and it’s what we should strive for every time we ship something new.

**Product Manifesto**

Working on XYZ, it is tempting to optimize for some of the metrics which have been important to other companies like ours. We can use these metrics to compare ourselves against passwords and traditional two-factor authentication, and eke out incremental benefits for users or sites who decide to use XYZ. Those metrics might include:

* The level of security we are able to offer customers
* The speed of each login
* The ratio of time logged in with XYZ to time managing XYZ
* The number of taps between each login

For the first two years of XYZ’s existence, we often found ourselves following our guts in the wrong direction on each of these metrics but were unable to articulate why. We looked at other solutions that out-performed us in each of these categories and worried about whether we were overlooking optimizations that would make XYZ a better product. We kept making decisions that felt right, but weren’t backed up by the core metrics we "should" have been measuring.

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**Hiring Documents**

**Acknowledgement of Receipt of Changes to the Employee Handbook**

I acknowledge I have received a copy of the changes to the XYZ Employee Handbook that will take effect on **DATE**, have read them, and understand their provisions. I further understand that if I have a question, I am obligated to ask one of the founders for clarification of any provisions in the Employee Handbook.

I further understand that the statements contained in the handbook do not create any contractual or other legal obligations of employment. I also understand that XYZ may at any time modify, rescind, or revise any policy, benefit, or practice described in the handbook, except for its policy of at-will employment.

I acknowledge that it is my responsibility to read and become familiar with the contents of the handbook.

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Acknowledgement of Receipt of Employee Handbook**

I acknowledge I have received a copy of the XYZ Employee Handbook, have read it, and understand its provisions. I further understand that if I have a question, I am obligated to ask one of the founders for clarification of any provisions in the Employee Handbook.

I further understand that the statements contained in the handbook do not create any contractual or other legal obligations of employment. I also understand that XYZ may at any time modify, rescind, or revise any policy, benefit, or practice described in the handbook, except for its policy of at-will employment.

I understand and agree that my employment with XYZ is at-will and can be terminated by either me or the company without cause or notice and that nothing in the handbook should be interpreted to the contrary. This is the entire agreement between me and XYZ on this subject; it supersedes any prior inconsistent representations or agreements and may only be modified in a writing signed by me and the CEO.

I acknowledge that it is my responsibility to read and become familiar with the contents of the handbook.

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Contents of the XYZ Employee Handbook**

This handbook is hosted online at [github.com/XYZ/handbook](https://github.com/handbook), along with several other policies. The *XYZ Employee Handbook* consists of only the policies listed below.

**Introduction**

**Employment Policies**

**• Equal Opportunity Employment**

**• At-Will Employment**

**• Salary and Equity Compensation**

**• Code of Conduct in the Community**

**• Complaint Policy**

**• Drug and Alcohol Policy**

**• Employee Privacy**

**• Working RemotelyBenefits and Perks**

**• Health Care and Disability Insurance**

**• Vacation and Sick Leave**

**• Holiday List**

**• Referral Bonuses**

**• Continuing Education**

**• Sabbatical**

**• New Parent Leave**

**• Other Protected AbsencesXYZ Offer Letter**

Welcome to XYZ, **FIRST\_NAME**!

We are excited to extend an official offer for you to join the XYZ team as **a/the TITLE**. This offer letter will go over the basics of working at XYZ, but there are a lot more details in our [Employee Handbook](https://github.com/clef/handbook). If you have any questions that aren’t in this letter or the handbook, please let me know.

In our conversation, you said you wanted to take the **EQUITY/SALARY** heavy offer, so your starting salary will be **SALARY** per year and you will be recommended for an option to purchase **SHARES** shares of XYZ’s common stock. There are **OUTSTANDING SHARES** shares of XYZ common stock outstanding, and your shares will vest over six years, with a one year cliff.

Equity at startups is complicated, so we’ve created a [Guide to Your Equity](https://github.com/clef/handbook/blob/master/Hiring%20Documents/Guide%20to%20Your%20Equity.md) that explains how options are issued, exercised, and what they might be worth if XYZ is successful.

The best perk of working at XYZ is your incredible new coworkers, but you’re also entitled to all of the benefits that apply to you from our benefits plan. These currently include:

* Healthcare, Dental,Vision

• Short and Long Term Disability Insurance

• Three weeks vacation (15 days PTO)

• Holidays

• A quarter-long (12 week) paid sabbatical every 5 years working at XYZ

• 12 weeks paid new parent (maternity/paternity) leave

• Continuing education stipend for industry-related conferences, seminars, coaching, or mentorship activities

• Flights and hotels covered for speaking at industry conferences

The benefits we offer will adapt to the team’s needs over time and we evaluate and adjust compensation at the beginning of each year (around January).

This position is full-time, so you should not take any other jobs without talking to us first. It’s also important that you avoid any work (paid or free) that interferes with your responsibilities at XYZ or that might create a conflict of interest (like helping out or investing in a competitor or preparing to compete with XYZ) unless XYZ approves it in advance.

XYZ is an "at-will" employer, which means that both you and XYZ have the right to stop working together at any time, with or without advance notice, and for any reason (or for no reason). We also reserve the right to modify the terms and conditions of employment including your position, pay, and benefits offered depending on the growth and needs of the company.

Our [Employee Handbook](https://github.com/clef/handbook) goes over the general policies and practices for working at XYZ. This letter is specific to you and it supersedes the handbook if they conflict -- otherwise, the handbook is the authority on working at XYZ.

But this letter doesn’t mean anything unless you sign it! And before this takes legal effect, you’ll need to fill out our [Proprietary Information and Inventions Agreement](https://github.com/clef/handbook/blob/master/Hiring%20Documents/Employee%20Proprietary%20Information%20and%20Inventions%20Assignment%20Agreement%20(NDA).doc.md) and establish your identity and authorization to work in the country.

It has been great getting to know you through the interview process. The whole XYZ team is convinced that you’re the right person for this job, and we can’t wait to work with you!

XYZ, Inc.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

B Byrne

**Acceptance**

I accept this offer to work for XYZ under the terms described in this letter. I acknowledge that this letter is the complete agreement and supersedes all other agreements (except the ones referenced in this letter). I understand that the terms of this letter cannot be changed except by written agreement signed by XYZ and me. I sign this letter voluntarily and not in reliance on any promises other than those contained in this letter.

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Employee Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Start Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Employee Proprietary Information and Inventions Assignment Agreement**

**XYZ, INC.**

THIS EMPLOYEE PROPRIETARY INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT (this "Agreement"), is made by and between XYZ, Inc. (the “Company”), and the undersigned individual (“Employee”). In consideration of Employee’s employment with the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Employee hereby agrees to the following restrictions placed on Employee’s use and development of proprietary information, technology, ideas and inventions:

1. Proprietary Information.
   1. Restrictions on Proprietary Information. Employee agrees that, during the term of employment with the Company and at all times thereafter, Employee will hold the Proprietary Information of the Company in strict confidence and will neither use the information nor disclose it to anyone, except to the extent necessary to carry out Employee’s responsibilities for the Company or as specifically authorized in writing by a duly authorized representative of the Company. Employee understands that "Proprietary Information" means all information pertaining in any manner to the business of the Company or its affiliates, consultants, or business associates, unless: (i) the information is or becomes through lawful means publicly known and generally known among businesses similar to the Company; (ii) the information was part of Employee’s general knowledge prior to being employed by the Company as demonstrable by documentary evidence; or (iii) the information is disclosed to Employee without restriction by a third party who rightfully possesses the information and did not learn of it from the Company. The term “Proprietary Information” shall specifically include, but not be limited to: (A) technical data, research, product or service ideas or plans, software codes and designs, algorithms, developments, inventions, patent applications, office notebooks, processes, formulas, techniques, designs and drawings, hardware configuration information, schematics, development tools, computer printouts, computer programs, design drawings and manuals, electronic codes, formulas and improvements, ideas, methods, and know-how; (B) business plans and methods, research and development information, marketing strategies and techniques, agreements with third parties, lists of, or information relating to, suppliers and customers (including, but not limited to, customers of the Company on whom the Employee called or with whom Employee became acquainted during the term of employment), price lists, pricing methodologies, cost data, market share data, marketing plans, licenses, contract information, business plans, financial forecasts, historical financial data, budgets or other business information disclosed to me by the Company either directly or indirectly, whether in writing, electronically, orally, or by observation; (C) information about costs, profits, markets, sales, and bids; (D) lists of existing or potential customers and strategic partners; (E) information concerning the Company’s patents, patent applications, copyrights, trademarks, tradenames, trade secrets, and know-how; (F) employee personnel files and information about employee compensation and benefits, lists of, or information relating to, employees and consultants of the Company (including, but not limited to, the names, contact information, jobs, compensation, and expertise of such employees and consultants); and (G) all information and documents (electronic or otherwise) relating to, making known, or making knowable (alone or in combination with any other source of information) any of the foregoing.
   2. Prior Actions and Knowledge. Except as disclosed on **Schedule A** attached hereto, Employee does not know (or, in the event this Agreement is being executed subsequent to the commencement of Employee’s employment by the Company, did not know) anything about the Company's Proprietary Information, other than information Employee has learned from the Company in the course of being hired by the Company.
   3. Third Party Information. Employee recognizes that the Company has received and will in the future receive confidential or proprietary information from third parties, including, without limitation, customers and strategic partners of the Company. Employee will hold all such information in the strictest confidence and will not use the information or disclose it to anyone (except as necessary in carrying out Employee’s work for the Company consistent with the Company's agreement with such third party).
2. Inventions.
3. Assignment of Inventions. All Inventions created or prepared by Employee either (i) in the course and scope of Employee’s employment with the Company, (ii) during the Company’s normal business hours during the term of Employee’s employment by the Company, or (iii) while utilizing any of the Company’s Proprietary Information or resources (collectively, "Assigned Inventions"), shall be considered specially commissioned works and works made for hire, and regardless of whether works made for hire, the Company shall exclusively own all Assigned Inventions and all rights, title, interests and privileges therein, including, but not limited to, all patent rights in all countries and jurisdictions. Employee agrees to assign, and upon creation of any Assigned Invention does hereby assign, to the Company, without further consideration, the entire right, title, interest, and privilege (throughout the United States of America and in all other countries and jurisdictions), free and clear of all liens and encumbrances, in and to all Assigned Inventions. Employee further agrees to execute any documents that may be necessary or desirable to effect, enable, confirm, or evidence such assignment. Notwithstanding the foregoing, the Company may, in its discretion, agree to provide consideration for certain Inventions through a written agreement between the Company and Employee which specifically provides for such consideration; in all other cases, no consideration shall be paid. The Assigned Inventions shall be the sole property of the Company, whether or not patentable. In addition, Employee agrees to maintain adequate and current written records on the development of all Assigned Inventions, which shall also remain the sole property of the Company. Employee understands that “Inventions” means all ideas, processes, inventions, works of authorship, technology, designs, formulas, discoveries, devices, symbols, marks, methods (of doing business or otherwise), and all subject matter that may be protectible by patent, copyright, trade secret, trademarks, or by any other proprietary rights, along with all applications, registrations, government grants, and rights to the same, and all improvements, continuations (of any form), rights, and claims related to any of the foregoing, that are created, authored, made, invented, discovered, conceived, developed, or reduced to practice by Employee alone or with others, except such specific items as are excluded with particularity in **Schedule A** attached hereto. The Company’s right, title, interest, and privilege in and to Assigned Inventions shall not be affected in any way by the termination of Employee’s employment with the Company (for any reason whatsoever or for no reason).
4. License for Other Inventions. If, in the course of Employee’s employment with the Company, Employee incorporates into Company property an Invention owned by Employee or in which Employee has an interest, the Company is hereby granted a nonexclusive, royalty-free, irrevocable, perpetual, worldwide license to the fullest extent of Employee’s interest and rights in the Invention to make, modify, use, sublicense and sell the Invention as part of and in connection with the Company property or modifications thereof.
5. Assist With Registration. In the event any Assigned Invention shall be deemed by the Company, in its sole discretion, to be patentable or otherwise registrable, Employee will assist the Company (at the Company’s expense) in obtaining and maintaining letters patent or other applicable registrations and in vesting the Company with full title. Without limiting the generality of the foregoing, Employee will execute all documents that may be necessary or desirable to apply for, prosecute, obtain, or enforce any patent or other right or protection relating to any Assigned Invention. Should the Company be unable to secure Employee’s signature on any document necessary or desirable to apply for, prosecute, obtain, or enforce any patent or other right or protection relating to any Assigned Invention, due to Employee’s incapacity or any other cause, Employee hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as Employee’s agent and attorney-in-fact to do all lawfully permitted acts to further the prosecution, issuance, and enforcement of patents or other rights or protection with the same force and effect as if executed and delivered by Employee.
6. Disclosure. Employee agrees to disclose promptly to the Company all Assigned Inventions and relevant records.
7. Former or Conflicting Agreements.
   1. Former Agreements. Employee represents and warrants that Employee’s performance of the terms of this Agreement will not breach any agreement to keep in confidence proprietary information acquired by Employee prior to Employee’s employment by the Company. Employee has listed in **Schedule A** attached hereto all other agreements concerning proprietary information or inventions to which Employee is a party. To the best of Employee’s knowledge, there is no other contract between Employee and any other person or entity that is in conflict with this Agreement or concerns proprietary information, Inventions, assignment of ideas, or any intellectual property.
   2. Obligations During Employment. During Employee’s employment with the Company, Employee will not disclose to the Company, or use, or induce the Company to use, any proprietary information or trade secrets of others.
8. Termination.
9. Return of the Company’s Property. Employee agrees to return promptly to the Company upon termination of Employee’s employment with the Company (for any reason whatsoever or for no reason) all Proprietary Information, all tangible things from which Proprietary Information may become known or knowable, and all personal property furnished to or prepared by Employee in the course of, as a result of, or incident to Employee’s employment with the Company. Following Employee’s termination (for any reason whatsoever or for no reason), Employee will not retain any written or other tangible material containing any Proprietary Information or information pertaining to any Assigned Invention.
10. Termination Certificate. In the event of the termination of Employee’s employment with the Company (for any reason whatsoever or for no reason), Employee agrees, if requested by the Company, to sign and deliver the Termination Certificate attached hereto as **Schedule B**.
11. Subsequent Employers. Employee agrees that after the termination of Employee’s employment with the Company (for any reason whatsoever or for no reason), Employee will not enter into any agreement that conflicts with Employee’s obligations under this Agreement and will inform any and all subsequent employers of Employee’s obligations under this Agreement.
12. Solicitation of Employees, Consultants and Other Parties. Employee acknowledges and agrees that the Company’s Proprietary Information includes information relating to the Company’s employees, consultants, customers and others, and that Employee will not use or disclose such Proprietary Information except as authorized by the Company. Employee further agrees as follows:
13. Employees, Consultants. Employee agrees that during the term of the employment, and for a period of twelve (12) months immediately following the termination of employment for any reason, whether with or without cause, Employee shall not, directly or indirectly, solicit, induce, recruit or encourage any of the Company’s employees or consultants to terminate their relationship with the Company, or attempt to solicit, induce, recruit, encourage or take away employees or consultants of the Company, either for myself or for any other person or entity.
14. Other Parties. Employee agrees that during the term of the employment, will not negatively influence any of the Company’s clients, licensors, licensees or customers from purchasing Company products or services or solicit or influence or attempt to influence any client, licensor, licensee, customer or other person either directly or indirectly, to direct any purchase of products and/or services to any person, firm, corporation, institution or other entity in competition with the business of the Company.
15. At-Will Employment. Employee recognizes that nothing in this Agreement shall be construed to imply that Employee’s employment is guaranteed for any period of time. Unless stated in a written agreement signed by a duly authorized representative of the Company, Employee’s employment is at-will, and either the Company or Employee can terminate the employment relationship at any time, for any reason or for no reason, with or without cause or advance notice.
16. Remedies. Employee recognizes that nothing in this Agreement is intended to limit any remedy of the Company under any federal or state law concerning trade secrets. Employee further recognizes that Employee’s violation of this Agreement will cause the Company irreparable harm and that monetary damages will be inadequate to compensate fully for such breach. Accordingly, it is understood and agreed that the Company shall be entitled, in the event of a breach or a threatened breach by Employee of any of the provisions of this Agreement, to a temporary restraining order, preliminary injunction and permanent injunction in order to prevent or restrain any such breach by Employee. These remedies are in addition to any remedies available at equity or at law. Employee agrees to reimburse the Company for any and all costs and expenses, including reasonable attorneys’ fees, incurred by the Company in enforcing Employee’s obligations hereunder.
17. Miscellaneous Provisions.
18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to any choice of law rules that may direct the application of the laws of another jurisdiction.
19. Severability. In the event that any provision or portion of this Agreement is held to be illegal, invalid or unenforceable, in whole or in part, for any reason, under present or future law, Employee agrees that such provision or portion shall be severable and the remainder of this Agreement shall not be invalidated or rendered unenforceable or otherwise adversely affected. Without limiting the generality of the foregoing, if a court should deem any provision of this Agreement to create a restriction that is unreasonable as to scope, duration or geographical area, Employee agrees that the provisions of this Agreement shall be enforceable in such scope, for such duration and in such geographic area as any court having jurisdiction may determine to be reasonable.
20. Entire Agreement. The terms of this Agreement are the final expression of Employee’s agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous agreement. This Agreement shall constitute the complete and exclusive statement of its terms. Employee acknowledges that the Company has not made any other representations concerning the subject matter of this Agreement.
21. Amendment; Waivers. This Agreement can be amended or terminated only by a written agreement signed by both parties. No failure to exercise or delay in exercising any right under this Agreement shall operate as a waiver thereof.
22. Successors and Assigns. This Agreement shall be binding upon Employee and Employee’s heirs, executors, administrators, and successors, and shall inure to the benefit of the successors and assigns of the Company, including, without limitation, any purchaser of all or substantially all of the Company’s assets or a majority or more of the Company’s outstanding common stock.
23. Effective Date. In the event that Employee is executing this Agreement subsequent to the commencement of Employee’s employment with the Company, Employee hereby agrees that this Agreement shall be effective as of the date on which Employee commenced Employee’s employment with the Company. Without limiting the foregoing, Employee agrees that the terms of this Agreement shall apply to all Proprietary Information received by Employee, and all Inventions created or prepared by Employee, at any time during the course of Employee’s employment with the Company.

EMPLOYEE HAS READ THIS AGREEMENT CAREFULLY AND UNDERSTANDS ITS TERMS. EMPLOYEE HAS COMPLETELY NOTED ON **SCHEDULE A** TO THIS AGREEMENT ANY PROPRIETARY INFORMATION, IDEAS, PROCESSES, INVENTIONS, TECHNOLOGY, WRITINGS, PROGRAMS, DESIGNS, FORMULAS, DISCOVERIES, PATENTS, COPYRIGHTS, OR TRADEMARKS, OR IMPROVEMENTS, RIGHTS, OR CLAIMS RELATING TO THE FOREGOING, THAT EMPLOYEE DESIRES TO EXCLUDE FROM THIS AGREEMENT.

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Employee Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE A**

**EMPLOYEE'S DISCLOSURE**

1. Proprietary Information.

Except as set forth below, Employee acknowledges that at this time (or, in the event this schedule is being executed subsequent to the commencement of Employee’s employment by the Company, at the time of commencement of Employee’s employment by the Company) Employee knows nothing about the business or Proprietary Information of XYZ, Inc. (the "Company"), other than information Employee has learned from the Company in the Prior Inventions.

Except as set forth below, there are no ideas, processes, inventions, technology, writings, programs, designs, formulas, discoveries, patents, copyrights, or trademarks, or any claims, rights, or improvements to the foregoing, that Employee wishes to exclude from the operation of this Agreement:

1. Prior Agreements.

Except as set forth below, Employee is aware of no prior agreements between Employee and any other person or entity concerning proprietary information or inventions:

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Employee Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE B**

**TERMINATION CERTIFICATE CONCERNING**

**COMPANY PROPRIETARY INFORMATION**

This is to certify that I, the undersigned, have returned all personal property of XYZ, Inc.(the "Company"), including, without limitation, all source code listings, books, manuals, records, models, drawings, reports, notes, contracts, lists, blueprints, and other documents and materials, Proprietary Information, and equipment furnished to or prepared by me in the course of or incident to my employment with the Company, and that I did not make or distribute any copies of the foregoing.

I further certify that I have reviewed the Employee Proprietary Information and Inventions Agreement (the "Agreement") signed by me and that I have complied with and will continue to comply with all of its terms, including, without limitation, (i) the reporting of any idea, process, invention, technology, writing, program, design, formula, discovery, patent, copyright, or trademark, or any improvement, rights, or claims related to the foregoing, conceived or developed by me and covered by the Agreement and (ii) the preservation as confidential of all Proprietary Information pertaining to the Company. This certificate in no way limits my responsibilities or the Company's rights under the Agreement.

On termination of my employment with the Company, I will be employed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \*\*[Name of New Employer] \*\*and I will be working in connection with the following projects:

**[generally describe the projects]**

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Employee Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Guide to Your Equity**

There are currently **4,662,658** shares of XYZ common stock outstanding.

Our 409A Valuation Report, which discusses the price per share of employee shares, is available (to employees only) [here](https://drive.google.com/open?id=0Bwj0rVaUQUXPaXREcklsZ0xuNTA). Any employee with questions about the report, our share price, or valuation should ask B.

**This guide is meant to help you understand the piece of XYZ that you’re going to own!** Its goal is to be more straightforward than the full Stock Incentive Plan and Award Agreement, which both go into the full legal details. You should consult an employment attorney if you have any questions about navigating your stock options and before you make important decisions.

Owning stock in XYZ gives you a stake in our success. As XYZ grows and increases in value, you will own a piece of that growth and increased value. XYZ is pretty small today, but if things go well, your stock could be worth many times more. However, you are gambling with this portion of your compensation -- if XYZ decreases in value, then your options won’t be worth anything.

**Stock Options**

At XYZ, we give equity grants in the form of Incentive Stock Options (ISOs). It’s called an option because you have the *option* to buy XYZ stock later at the same price it was worth when the option was granted. So if a share of XYZ stock is worth $1 today and we grow so it’s worth $20 in a few years, you’ll still be able to buy it for $1 (and then sell it immediately for a profit of $19).

The reason we give stock options instead of straight stock is that it keeps you from being taxed on the stock until you actually use it.

If we gave you $10,000 worth of XYZ stock today, you would have to pay thousands of dollars in taxes this year. If we give you options for $10,000 worth of stock, you don’t have to pay any taxes until you exercise them (more on exercising later).

**Vesting**

Instead of giving you all of your options on day one, you get them over time. This process is called vesting and different companies offer vesting schedules of different lengths. If you had a basic 2 year vesting period, you would own a quarter of your stock after 6 months, half of your stock after a year, and all of it after 2 years.

The industry standard right now is 4 years, but at XYZ, employees’ stock vests over 6 years. We offer much higher equity grants than the industry standard (about 2x in most cases), but it takes longer to earn them. This works out so that employees always come out ahead, even if they leave before their stock has fully vested, but helps us communicate that we’re looking for employees who want to build longer careers at XYZ.

Vesting happens on a monthly basis (so you vest 1/72 of your options each month), but many vesting schedules include a cliff.

A cliff is a period at the beginning of the vesting period where your equity does not vest monthly, but instead vests at the end. At most companies, including XYZ, this cliff happens at one year. This means that if you leave your job before you’ve worked for a whole year, none of your options will be vested. At the end of that year, you’ll vest the entire year’s worth of equity all at once. This helps keep the ownership of XYZ stock to folks who have worked at the company for a meaningful amount of time.

**Dilution**

When XYZ raises money from outside investors, it needs to create new stock to sell those investors. You will own the same number of shares as you did before, but there will be more total shares of XYZ available, so you will own a smaller percent of the company -- this is called dilution.

If we get a fair valuation for the company, then the value of your options stay the same when we raise outside money because the company’s new valuation will be equal to the old value of the company + the new capital raised. For example, if XYZ is worth $20m and we raise $5m, we are now worth $25m. If you owned 5% of $20m before, you now own 4% of $25m (we sold 20% of the company, or, said differently, diluted you by 20%). The 5% stake was worth $1m before the fundraise and the 4% stake is now worth $1m.

You can also be diluted as we give equity to employees. XYZ gives stock option grants to new employees out of an option pool, or a group of options that the XYZ board of directors creates all at once. This means that you will not be diluted each time we hire a new employee, but only when we need to create a new option pool. XYZ’s current option pool is intended to cover the first 10 hires (after the three founders) before it needs to be refreshed. For some high-level executive hires, the board might approve stock option grants outside of the equity pool. In both cases, the hope is that employees add more value to the company than the equity they receive.

Investor dilution won’t affect the value of your stock, but the valuation that we raise money at definitely will. Valuations (how much a company is worth) in private markets are highly unpredictable and subjective -- a share of XYZ stock is worth whatever someone will pay for it. Competition between investors, general market performance, perceived future value, and our negotiation skills all play into that valuation and the value of your options will be affected by those forces.

**Exercising Your Options**

"Exercising your options" means buying the stock guaranteed by your options. You pay the exercise price that was set when the options were first granted and you get stock certificates back. You can only exercise stock that has vested, but you can do it at any time by filling out a form and paying the cash amount for the stock.

You will usually only want to exercise the stock when you have the opportunity to sell it for a higher price than you are buying it for or when it is expiring.

Your stock options expire 10 years after they were issued. You have 7 years to exercise your options after you stop working at XYZ, but by law the options only count as ISOs for 90 days after you stop working. Once those 90 days are up, the options count as non-qualified stock options, so they count as income and are subject to income tax when you exercise them.

Traditionally, employers have made options expire quickly after employees stop working at the company because the company also has to pay tax on the options when they are non-qualified and considered income. However, this means that many cannot afford to exercise their options and so either a) leave the company and lose the equity they worked hard for or b) stay at the company until they can afford it (this situation is often referred to as "golden handcuffs"). At XYZ, we want our employees to keep the equity they earn, and we don't want to keep anyone working here if they're not happy, so we give employees the option to exercise their options up to 7 years after they leave XYZ.

However, there is a very significant increase in the tax burden of exercising options 90 days after leaving XYZ that we cannot control. This means that while you have more options regarding your equity, you will lose a significant amount of your options' value if you wait. In weighing your different options, you should consult a tax attorney to help decide what path makes the most sense for you.

**Exercise Prices and 409a Valuations**

The exercise price is how much XYZ stock was worth when you received the stock option grant. Figuring out the right number for this (one that keeps the IRS happy, but also helps make option grants valuable) is important. Investors in XYZ get *Preferred Stock* with some special privileges (more on that below) so we don’t want to use the same valuation they paid to price your Common Stock.

The lower the exercise price for Common Stock, the more money your options will earn you, so it’s in our best interest to make this price really low. Traditionally, companies would divide the Preferred Stock price by 10 or more and use that price, but the IRS decided that was unfair, so now private companies are required to undergo something called a 409a valuation to determine the exercise price of our stock. The valuation is good for a whole year or until we raise more money. (We are currently in the process of getting our 409A Valuation)

**Taxes**

**Tax law is complex and you should consult a tax attorney who is familiar with startup stock options before making any decisions.**

With Incentive Stock Options (ISOs), you aren’t taxed when you exercise your options, and the profit you make between the exercise price and the price you sell your stock for is taxed as capital gains (much lower than income tax). *However*, because you’re not paying income tax on this gain, this money is counted as a "tax preference" towards the [Alternative Minimum Tax](http://www.irs.gov/Businesses/Small-Businesses-&-Self-Employed/Alternative-Minimum-Tax-%28AMT%29-Assistant-for-Individuals) limit.

This changes if you exercise stock less than 2 years after the grant was made because then the options are automatically treated as Non-qualified Stock Options (NSOs) instead of Incentive Stock Options (ISOs). NSOs are treated much less favorably under tax law because they can be given to people who don’t work at XYZ. This complicates the tax law and is beyond the current scope of this document.

**Classes of Stock**

When XYZ raises outside capital, investors will buy a form of Preferred Stock that gives them special rights on top of their ownership of the business. Each subsequent round of funding will create a new class of stock with its own rights -- these are usually named by the rounds of funding (ex. Series A Preferred Stock, Series B Preferred Stock, etc.). Here are a few example rights that preferred stock may have.

**Board seats:** A class of Preferred Stock may elect, independent of the other shareholders, a certain number of board seats. For instance, the Series A Preferred Stock holders may be able to elect one person to XYZ’s board of directors.

**Liquidation preferences:** In a liquidation event (XYZ is sold or goes public), investors with liquidation preferences get paid back first. These favor the investor and lower the value of the stock. They usually cascade from the later rounds backwards, and can be a multiple of the money raised. For instance, if our Series A investors invested $5m with a 2x liquidation preference and XYZ was bought, then $10m would go back to the Series A investors before anyone else got any money back. If XYZ was sold for $10m or less, that would mean that everyone with common stock (founders and employees) would get nothing. If XYZ sold for $15m, then $5m would be distributed among the common stockholders.

**Outstanding Convertible Notes**

XYZ has raised $1,858,555 to date, all as convertible notes.

A convertible note is a popular way for startups to raise money because it lets us delay picking a valuation for a company. Instead of selling equity for a fixed price, we borrow the money as debt. Then, next time we raise money, that debt converts to equity at a discount. The discount rewards the initial investors for investing in the company early, and usually comes in 2 forms: a discount and a cap.

The discount is a fixed percentage (20% for XYZ) that the investors will get when the debt is converted into equity. The cap is a maximum valuation that the first investors will have to pay for the stock. The debt converts to stock at whichever is lower: 80% of the price of the next round or the valuation cap.

For XYZ’s fundraise:

$175,000 was raised on notes with a cap of $5m

$1,683,555 was raised on notes with a cap of $6m

Anyone is always welcome to ask B, our CEO, any questions they have about their options, XYZ’s fundraising, or anything else related to equity at XYZ. However, everyone should also consult a lawyer before making important financial decisions, especially regarding their equity because there are complex legal and tax requirements that may apply.

**XYZ Policies**

Welcome!

We are pleased to have you join XYZ Inc. (“XYZ” or the “Company”). We are building a team that understands our mission and core values and will help us to advance these objectives. The purpose of this handbook is to familiarize you with the way we do business and engage in the community. Your suggestions, questions or comments are welcome at all times and will help us to improve as we grow.

Each employee is responsible for reading, understanding, and complying with this handbook. Our goal is to provide you with a work environment that is constructive and supports both personal and professional growth.

As a small company, we anticipate changes will be made to this handbook in the future and reserve the right to amend, revise and/or withdraw the provisions set forth in the handbook

B Byrne

CEO of XYZ

**Employment Policies**

**At-Will Employment Policy**

Your employment with the XYZ is at will. This means that you are free to terminate your employment at any time, with or without cause and the company has a right to terminate your employment at any time as well, with or without cause. No one in the company other than the CEO has the authority to alter your at-will status or to enter into any agreement for employment for a specified period of time or to make any agreement contrary to this policy. Only the CEO may do so, and only in a written agreement signed by both the CEO and you.

**Code of Conduct**

This code of conduct applies to community members and XYZ team members in all XYZ communities online (including but not limited to IRC, support chat, the XYZ Community Slack group, Twitter, and Facebook), in the XYZ office, and at all events hosted by XYZ.

Our community is dedicated to creating an inclusive environment for everyone, regardless of race, ethnicity, nationality, religion, color, sex (with or without sexual conduct and including pregnancy and sexual orientation involving transgender status/gender identity, and sex-stereotyping), national origin, age, disability (physical or mental), genetic information, sexual orientation, gender identity, parental status, marital status, and political affiliation as well as gender expression, mental illness, socioeconomic status or background, neuro(a)typicality, physical appearance, body size, computing experience, or clothing. Consider that calling attention to differences can feel alienating.

We do not tolerate harassment of community members in any form. Harassment includes offensive verbal comments related to the protected classes above, sexual images in public spaces, deliberate intimidation, stalking, following, photography or audio/video recording against reasonable consent, sustained disruption of talks or other events, inappropriate physical contact, and unwelcome sexual attention. Harassment does not need to be recognized as unwanted or unwelcome by anyone other than the person being harassed.

Be careful in the words that you choose. Remember that sexist, racist, and other exclusionary jokes can be offensive to those around you. Offensive jokes are not appropriate and will not be tolerated under any circumstance.

Participants asked to stop any harassing behavior are expected to comply immediately. Community members violating these rules may be sanctioned or removed from community spaces. If you are being harassed, notice that someone else is being harassed, or have any other concerns, please contact B ([b@getXYZ.com](mailto:b@getclef.com)) or one of the other founders immediately.

Adapted from the [Hack Code of Conduct](http://hackcodeofconduct.org/).

**Complaint Policy**

XYZ is committed to creating a safe work environment that is free of threats to the health, safety, and wellbeing of the people who work here. That includes (but isn’t limited to) harassment, discrimination, violation of health and safety rules, and violence.

XYZ has an open-door policy, so employees are encouraged to report work-related concerns. If something about your job is bothering you, or if you have a question, concern, idea, or problem related to your work, please discuss it with the founder you report to as soon as possible. If for any reason you don’t feel comfortable discussing it with them, feel free to raise the issue with any founder.

Any employee who witnesses or is subject to inappropriate conduct in the workplace can report it to B ([b@getXYZ.com](mailto:b@getclef.com)) or any of the XYZ founders. We encourage employees to come forward with any workplace complaint, even if it’s not about something that’s explicitly covered in our written policies.

Once a complaint has been made, the founders will meet and determine how to handle it. If one or more of the founders is the subject of the complaint, the remaining founder(s) will determine how to handle it. Any reports of a founder engaging in harassment or gross misconduct will trigger an outside investigator. With the employee’s permission, we will conduct a complete and impartial investigation, which may involve an outside investigator in serious cases. All complaints will be handled as confidentially as possible. When the investigation is complete, the company will take corrective action if appropriate.

We will not engage in or allow retaliation against any employee who makes a good faith complaint or participates in an investigation. If you believe that you are being subjected to any kind of negative treatment because you made or were questioned about a complaint, report the conduct immediately to the founders.

Currently, XYZ is too small to have an internal group or department that can independently respond to complaints, so if the founders are named in complaints, they will do their best to hold one another accountable. Where appropriate, the founders will engage a third party to conduct a thorough investigation and recommend corrective action, where necessary.

**Drug and Alcohol Policy**

Our priority at XYZ is to create a safe, comfortable, and productive environment for everyone we work with. We realize that drugs and alcohol can contribute to a culture of harassment or one that feels unsafe for some employees, even as it can foster camaraderie and friendship among others. Above all other considerations, our drug and alcohol policy is intended to preempt and avoid harassment and make work at XYZ feel safe.

**It is the responsibility of every employee to ensure that their individual consumption is not making anyone else feel uncomfortable or unsafe.** Employees who violate this policy may face disciplinary action, up to and including termination. Alcohol in the form of beer or wine may occasionally be brought into the office to celebrate an accomplishment, birthday, or other milestone. Though events at the XYZ office will be presumed dry until otherwise discussed, there may also be events in the office after work where beer or wine are available.

Illegal drugs should not be used, bought, sold, or distributed while at work, either in the office or outside of the office while representing XYZ.

**Employee Privacy**

**Workspace Privacy**

As an employer, it is XYZ’s goal to monitor or track our employees in as few ways as possible. We want XYZ employees to feel a sense of ownership towards their personal workspaces and be comfortable at the office. However, in order to ensure the safety and wellbeing of XYZ employees, company property (e.g. desks, laptops, and other devices) is subject to search. For instance, this might be used if management learns that an employee has brought a gun to work or has stolen company property.

This means that while the company will always try to respect employee privacy, employees do not have a right to privacy in their workspaces in any property that belongs to XYZ. XYZ reserves the right to search company property at any time, without warning, to ensure compliance with our policies, including those that cover employee safety, workplace violence, harassment, theft, and possession of prohibited items. If you use a lock on any item of company property, you must give a copy of the key or combination to one of the founders.

**Email and Internet Privacy**

XYZ email and Internet are not being actively monitored by anyone, but because they are company resources that are managed according to company policy, you should not expect privacy from either. The company has both the ability and the right to look at employee usage for both in order to protect employee safety and wellbeing, as well as company property and interests.

**Email Is Not Private**

Email messages, including attachments, sent and received from a XYZ email address are the property of XYZ. We reserve the right to access, monitor, read, and/or copy email messages at any time, for any reason. You should not expect privacy for any email you send using your XYZ email, including messages that you consider to be personal or label with a designation such as “Personal” or “Private.”

**Use of the Email System for Personal Email**

The email system is intended for official Company business. If you send personal messages through the Company’s email system, you must exercise discretion as to the number and type of messages you send. You must also ensure that your personal use of the email system does not interfere in any way with your job duties or performance.

**All Conduct Rules Apply to Email**

All of our policies and rules of conduct apply to employee use of the email system. This means, for example, that you may not use the email system to send harassing or discriminatory messages, including messages with explicit sexual content or pornographic images; to send threatening messages; or to reveal company trade secrets.

**Professional Tone and Content**

We expect you to exercise discretion in using electronic communications equipment. When you send email using a XYZ email address or XYZ social account, you are representing XYZ. Make sure that your messages are professional and appropriate, in tone and content. Remember, although email or social media may seem like a private conversation, they can be printed, saved, and forwarded to unintended recipients. You should not send any email/message/update/etc. that you wouldn’t want our team, your family, or our competitors to read.

**Email Security**

To avoid email viruses, phishing for account information, and other threats, employees should not open email attachments from people and businesses they don’t recognize, particularly if the email appears to have been forwarded multiple times or has a nonexistent or peculiar subject heading. Even if you know the sender, do not open an email attachment that has a strange name or is not referenced in the body of the email; it may have been transmitted automatically, without the sender’s knowledge.

If you believe your computer has been infected by a virus, worm, or other security threat to XYZ’s system, you must inform the founders immediately.

Employees may not share their email passwords with anyone, including coworkers or family members. Revealing passwords to the Company’s email system could allow an outsider to attack the XYZ network

**Internet Use Is Not Private**

We reserve the right to monitor employee use of the Internet at any time. You should not expect that your use of the Internet—including but not limited to the sites you visit, the amount of time you spend online, and the communications you have—will be private.

**Equal Opportunity Employment**

XYZ is an Equal Opportunity Employer. The company supports diversity and inclusion in its core values and does not discriminate against qualified employees or applicants because of race, color, religion, gender identity, sex, sexual preference, sexual identity, pregnancy, national origin, ancestry, citizenship, age, marital status, physical disability, mental disability, medical condition, military status, or any other characteristic protected by federal or state law or local ordinance. When necessary, the company will reasonably accommodate employees and applicants with disabilities if the person is otherwise qualified to safely perform all of the essential functions of the position.

#**Salary and Equity Compensation**

The following policy will apply to compensation offers for the first 10 employees at XYZ. After we have hired 10 people, we will likely revise the salary rubric and equity amount.

##Salary

Fair compensation is critical to making XYZ a desirable place to work and helping our employees lead happy, healthy lives inside and outside of the office. When used as a motivational tool, though, it can incentivize the wrong kind of optimizations. Our goal with salary is that it checks the box of "enough" for folks who are excited about working at XYZ (because of the people, product, and opportunity for growth) and then fades into the background.

Traditional salary negotiations are also heavily biased because they rely on individual gut feelings and negotiation. This favors candidates who come from more privileged backgrounds and are afforded more confidence during the hiring process.

To avoid that bias, and to better align motivations, we have a standard rubric that determines all employee salaries. Everyone in the company falls into one of four options based on their job description and years of past experience as follows:

|  |  |  |
| --- | --- | --- |
| Years Experience | Technical | Non-Technical |
| More than 5 Years Experience | $120k | $100k |
| Less than 5 Years Experience | $100k | $70k |

We count experience as any time doing the same category of job at a company similar to XYZ (such that the experience is relevant to the job being offered at XYZ).

The offer also comes with the option to take $5k less salary in exchange for ~.1% more equity.

At the beginning of each year (in January), we will adjust this rubric to make sure it stays at market rate.

Note: The three XYZ founders' salaries do not follow this rubric and are all $50k per year.

##Equity

Every employee will be offered 41,963 XYZ stock options (~.9% of outstanding shares, including the option pool these are drawn from). As mentioned above, they can also choose to reduce their salary by $5k/year in exchange for 4,663 more options (an additional ~.1%, totaling ~1% of outstanding shares).

These equity grants are larger than industry standard, but also vest over a longer period of time. Employee equity vests over 6 years with a 1 year cliff (while 4 years with a 1 year cliff is standard).

At XYZ, we’re hoping to build a team that stays with the company and grows with us, so offering larger ownership of the company over a greater period of time aligns with our goals. If employees leave XYZ before the 6 years, they will still own more of XYZ than if we offered less equity that vested more quickly, but the longer vesting schedule makes our goal more explicit in the initial offer.

All new employees should also check out our [Guide to Your Equity](https://github.com/clef/handbook/blob/master/Hiring%20Documents/Guide%20to%20Your%20Equity.md), which walks through the nuances of owning XYZ stock options.

**Working Remotely**

**Scope**

This policy is written in the context of our current company setup, which is that every employee works in the same office for the most of the work week. Specifically, this document addresses working from home on a regular basis and/or working remotely for up to one week out of any given month. It does not address:

* A fully remote employee
* An employee who works from the office 1wk/month or is remote for the majority of their time
* A team that is distributed

If and when the current company setup changes, we should address the above situations. For the purpose of this document, we interpret remote work as as a co-located employee of XYZ working from home or from somewhere irregular.

**Approach**

We treat working remotely as a privilege that comes with both benefits and costs.

The benefits are primarily ones of flexibility: as individuals, we are able to work when we want to and where we want to. This lets us do our best work and contribute to our team in a custom-crafted framework that lets us lead more fulfilling lives. The costs are primarily ones of communication: being out of the office means more base-line work and incidental complexity for all employees. More is required of both the remote employee and the employees in the office to keep in sync, collaborate, and own the work we do in a visible way.

When we work remotely, it's our responsibility to accept the benefits graciously, and go above and beyond to not let the costs affect our work or the work of our teammates. A remote workday:

* is not shorter than a day at the office
* is not less productive
* is not an excuse for missing commitments (be they meetings or deadlines).

Even when we aren't in the office, our teammates are still counting on us and it is our responsibility to make sure we are exceeding their expectations.

At the same time, it is the responsibility of workers in the office to reasonably accommodate remote workers. This means being willing to schedule meetings in light of timezone differences and to manage expectations around immediate feedback.

The guidelines in this document (and the handbook at large) give us tools to make remote work easier, but tooling is only a small part of the solution. Every employee needs to complement these tools with extra work to make remote work effective for the employee working remotely and the rest of our team.

**Policies**

The majority of policies that support remote work in XYZ apply to everyone at XYZ, not just remote workers. The primary documents that outline these policies are:

**•** Effective Meetings

• Communication and TransparencyExtended Remote Work

**Extended remote work**

***An extended remote work period includes anything longer than 2 days or any period of time where we work from somewhere irregular.***

If you're planning to work remotely for more than two consecutive days, or you're planning to work remotely from a place that's not your home (i.e. from a partner's home in a different city), you'll need to follow these additional guidelines. Even more than standard remote work, working remotely for an extended period of time is a privilege — it **will** require a large amount of extra work from you to make sure that the team is effective with you working remotely.

Get Approval From your manager

You need your manager's approval before you can work remotely for an extended period of time. This check-in should happen at least two weeks in advance, before you make any travel arrangements, and you should come prepared with a plan for how you will handle the logistics and extra communication work involved in extended remote work. In order for an employee to work remotely for an extended period of time, they should have demonstrated in the past that they are effective working remotely and upholding their quality of work. If that's not the case, the manager can and should veto the option.

**Give the team heads up**

You should give everyone on the team as much notice as possible, but at least 7 days. This will ensure everyone can plan their meetings and work accordingly.

Always take the following steps to let the team know:

* Post in #office with a @channel tag so everyone sees the notification
* Communicate verbally with the people you work closest with
* Update your calendar to mark which days you are working remotely

**Plan & Prepare Beforehand**

It's your responsibility to both make sure you are effective and don't let your teammates down — regardless of the location you work from. This means that you should plan & prepare in your free time before you leave to work remotely.

A non-exhaustive list of things to ensure are in order are:

* You will have a fast, consistent wi-fi connection
* You will have a distraction-free environment to work in
* You will have a quiet, private place to take phone calls and meetings
* You will be able to work a full workday every day you're working remotely

**Co-working Space Subsidies**

Working remotely can add a financial burden on an individual. At the same time, it is also a privilege. While XYZ is on its seed extension, XYZ will subsidize co-working space costs for up to $10/day. Once XYZ reaches profitability or raises its next major fundraising round, we will revisit this subsidy.

**Manager Retrospectives**

**Regular 1:1s**

If an employee works remotely, they should make the topic of their remote work a regular part of weekly 1:1s.

This is a time where employees can voice concerns about constraints that are limiting their ability to work effectively: this could be concerns about structures inside of XYZ that limit their flexibility, concerns about how the way other teammates work, or anything else that might affect how they work. It's also a time where managers should give concrete feedback on whether an employee is upholding their responsibilities when they are working remotely.

**Dedicated Retrospectives**

Before an employee works remotely for an extended period of time (defined below), they should schedule a retrospective with their manager for when they get back.

This meeting is essential for debriefing what did and didn't work in the time they were gone and ensuring lessons learned are rolled back into the way we work at XYZ.

**Loss of the privilege**

Having the flexibility to work remotely is a privilege. If an employee's unable to uphold the responsibilities that go along with that privilege, their manager should work with them through their 1:1s and dedicated retrospectives to resolve the issue. If the employe cannot resolve the issue, their manager can revoke the privilege.

**Benefits and Perks**

**Continuing Education**

One of XYZ’s core values is “Be better today than yesterday,” so it’s important that we support our employees’ efforts to learn, grow, and improve. These are some of the key benefits of working at XYZ, and are central to our company culture.

**Learning Budget**

Every employee has a company budget to support any learning activity that they want to pursue related to the work they do at XYZ. This doesn’t need to be a class explicitly linked to their current role, but it should help them improve a skill that will be useful for them at XYZ. Each employee has an annual budget of $4,000 which can be spent towards program fees/tuition, tickets, flights, and hotels for industry conferences, classes, mentorship programs, books, programs, videos, or other places that they feel will provide valuable learning experiences. These expenses should be discussed in one-on-ones and approved by the founder to whom the employee reports. This budget resets at the beginning of every calendar year and does not roll over. The learning budget will be limited to $2,000 during the first year of implementation and for employees joining the company after the month of May in the calendar year.

Employees can also use work hours to work on learning projects, though this should be limited to four hours a week.

**Mentorship**

XYZ understands the value of mentorship. We will work with every employee to make sure they have a mentor in their field outside of the company who they can regularly meet with and get advice. Mentorship goals will be discussed in one-on-ones, possible mentors from our industry or networks will be chosen, and everyone on the team will help make and support the connection with the mentor. Employees are also encouraged to meet with their mentor during normal work hours. In the future, we will explore a more comprehensive resource or platform for helping employees find mentors.

**Speaker Support**

It makes XYZ look great when our employees speak at industry conferences, so we love to support XYZ employees who are invited to speak to their peers about their area of expertise. For each event, XYZ will pay for the flights and hotel up to $1,000 dollars, and employees are each eligible for this benefit 4 times per year (this budget is separate from the learning budget). Employees should get approval from the founder they report to about which conferences are appropriate to speak at, and to make sure that conference dates don’t interfere with important company dates.

Speaker support will be limited to two event during the first year of implementation and for employees joining the company after the month of May in the calendar year.

**Healthcare and Disability Insurance**

XYZ’s priorities with benefits are wellness and education, so it’s important that we offer our employees great medical coverage and disability insurance.

We offer medical, dental, and vision coverage at XYZ for employees and their dependents. Through TriNet, many plans are available to all employees, and XYZ has chosen a baseline plan for which it contributes 85% of the cost for all employee policies and 50% for dependents. The available plans range in cost, and if employees choose a plan that is more expensive than the baseline plan, they will be responsible for the difference. All employees are eligible for coverage on the first of the month following their hire date. These policies are all managed through TriNet, which is where you can find more details about the plans, costs, and coverage.

All employees receive Short Term Disability Insurance and Long Term Disability Insurance. All employees are also covered by Death and Dismemberment Insurance coverage at one times earnings (with some age restrictions that start at age 65).

XYZ offers a medical waiver allowance of $25 per month for employees who have other medical coverage and choose to waive medical coverage through TriNet.

**XYZ Observed Holiday List**

|  |  |
| --- | --- |
| New Year’s Day | January 1 |
| Birthday of Martin Luther King, Jr. | January 19 |
| President’s Day | February 16 |
| Cesar Chavez Day | March 31 |
| Memorial Day | Last Monday in May |
| Independence Day | July 4 |
| Labor Day | First Monday in September |
| Indigenous People’s Day | Second Monday in October |
| Veterans Day | November 11 |
| Thanksgiving Day and Friday | Fourth Thursday in November and following Friday |
| Christmas Eve | December 24 |
| Christmas Day | December 25 |

If a holiday falls on a weekend, we’ll let you know when the holiday will be observed. Usually, if a holiday falls on a Saturday, we will observe it on the Friday before. If it falls on a Sunday, it will be observed on the following Monday.

**New Parent Leave**

XYZ offers 12 weeks of paid leave for all full time employees, regardless of gender or sexual identity, after the birth or adoption of a child. This time is for the new parent to welcome the newborn or newly adopted child or children into their home and family. The leave should be taken within a year after the birth or adoption of the child.

Employees should give the rest of the team as much notice as possible before they take new parent leave, though there is no requirement for how far in advance notification needs to be given. Parenthood can be unexpected and sensitive, but the more that a team can anticipate the absence, the easier it will be to handle.

Paid time off of any kind, including New Parent Leave, does not accrue additional paid time off in the form of vacation days, sick days, or time towards sabbatical. For instance, an employee who has worked for XYZ for 4 years will be eligible to take a sabbatical after 1 more year of work. If they took 12 weeks of new parent leave, when they returned they would still have 1 full year of work before they were eligible for their sabbatical.

In California, State Disability Insurance and Paid Family Leave programs will pay part of an employees salary who are unable to work due to pregnancy and childbirth. It is illegal for an employer to overpay an employee while they are using those programs, so XYZ will supplement them to maintain the employee's salary instead of paying the full salary on top of them.

**Other Protected Absences**

**Pregnancy Disability Leave**

California law entitles a childbearing employee to take Pregnancy Disability Leave (PDL) if they are disabled because of pregnancy, childbirth, or a related medical condition, including prenatal care and severe morning sickness. The length of leave will be up to 4 months or the equivalent number of days the employee would normally work within the 4-month period. Intermittent leave or a reduced work schedule may be taken. Employees should give notice to the founder to whom they report.

**Bereavement Leave**

An employee who wishes to take time off due to the death of an immediate family member should notify the founder to whom they report. Paid bereavement leave will be granted up to three consecutive days for the death of a family member including the following: spouse, domestic partner, cohabitant, child, stepchild, grandchild, parent, stepparent, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandparent, great grandparent, or sibling.

**Jury Duty or Witness Summons**

Employees will be granted up to 3 days paid time to serve on a jury or as a witness. In order to minimize disruption in the office, employees are requested to check in with the founder to whom they report when jury duty or witness testimony lasts less than four hours per day and may be requested to work remotely. A copy of the jury duty or witness summons and all associated documents must be presented to the founder to whom you report as soon as reasonably possible.

**Other Leaves of Absence**

XYZ will grant leaves of absence for other activities as required by law. Unless otherwise required by law, employees will not be paid for such leaves of absence.

**Referral Bonuses**

Referrals from people who already work at XYZ are one of the best signals we can get about whether or not a candidate will be successful at XYZ. XYZ employees understand XYZ’s needs and what it’s like to work at XYZ, and their relationship with the candidate means they know a lot more than we can learn during an interview process.

In order to get good referrals, everyone needs to know which positions are open, know how to start the recruiting process, have time to search their network, and feel aligned with the company incentives. Open positions should be posted on getXYZ.com/about and also in the #hiring channel so that everyone sees who we’re trying to hire. We’ll host a company lunch with food on the second Tuesday of every month where we talk about which positions are open and go through everyone’s online networks looking for and thinking about candidates. Employees will do initial outreach to interesting connection, which will give us a good space to talk about how we start the recruiting process.

**We offer a $5,000 referral bonus for any new hire that comes from an employee referral to help align company incentives with individual incentives.** All employees (except the founders) are eligible for the referral bonus. The referral date can’t be earlier than the date the job is posted and the hiring of the referred employee has to happen within 180 days (six months) of the initial referral. The referral must represent the candidate’s first contact with XYZ, and only the first employee to refer a candidate can get the bonus. The referrer should send the candidate’s information to Brennen, should make an introduction to the candidate, and should expect to be engaged during the recruiting and interview process. The referring employee must still be employed by XYZ during the hired candidate’s first 30 days of employment, and will be paid within 90 days of the referred employee’s first day. Any disputes or interpretations of this program should be sent to B.

**Sabbatical**

After every 5 years of working at XYZ, employees are encouraged to take a one-quarter (12 contiguous weeks) paid sabbatical.

During this sabbatical, they should work on passion projects -- something outside the scope of their normal work that is interesting and exciting to them. This could be researching a topic of interest, working for the US Digital Service, helping a nonprofit, or something else altogether.

The sabbatical should be a time of self-improvement and exploration with a central activity or theme. At the end of the sabbatical, the employee should put together a presentation about their sabbatical and present it to the team when they get back to the office.

The sabbatical is meant to help further our core value of improvement by letting the employee explore and learn about another area of interest. It may also help some employees avoid burnout from working on one thing for too long.

To make sure that sabbatical is not overly disruptive to their team, employees should have taken fewer than twelve weeks of paid time off in the year before a sabbatical. They should also notify the team that they will be taking the sabbatical at least 4 weeks in advance.

There is an expectation that employees return to work at XYZ after their sabbatical, and not use it as a soft exit from the company. We may set some policy to enforce this later.

Paid time off of any kind, including Sabbatical, does not accrue additional paid time off in the form of vacation days, sick days, or time towards sabbatical. For instance, an employee who has accrued 3 sick days before taking a 12 week sabbatical will still have 3 available sick days when they return.

**Vacation and Sick Leave**

Taking time off and recharging is critical to doing your best work at XYZ, so in addition to the recognized [Holiday List](https://github.com/clef/handbook/blob/master/Benefits%20and%20Perks/Holiday%20List.md), XYZ offers 3 weeks (15 days) of paid vacation every year that accrues 1.25 of a day per month of work. Employees should schedule their vacations, let the rest of the team know, and add it to their shared work calendar at least a week in advance.

Employees also accrue 1 hour of sick leave for every 30 hours of work, but cannot accrue more than 5 days of sick leave.

Employees should report vacation and sick days to the founder they report to, who will mark it in the payroll system (which keeps track of accrued days and should include them on every pay stub).

Employees with chronic or terminal illnesses should talk with the founder they report to about their needs for remote work, flexible time, disability leave and/or other support.

**XYZ Core Values**

**Be better today than yesterday.**

Being better is more important than being the "best", because "best" means complacency and better means progress. We are always improving. Improvement requires reflection, so we take ownership of our mistakes and question our habits.

**Treat others the way they'd like to be treated.**

Our customers and teammates have different needs from our own, so we must consider their perspectives to communicate effectively. We work best together when we empathize with one another, and we create the best product when we understand the people we are building for.

**Fight the default of exclusion.**

Inequality and exclusion are the defaults of our industry. Without intentional effort, we will inherit those failings and worsen the problem. Building a diverse team is a moral imperative and we build a better business and product by bringing different perspectives to the table. We look for voices unlike our own because they are the only ones that help us grow.

**We succeed together when we trust each other.**

Trust is the currency that powers every interaction on teams. Only when we trust each other can we share the candid feedback and opinions that let us be creative and successful. We give our coworkers deep visibility into how our decisions are made and easy outlets to help them give input and guide our course. When we build trust through good communication, we create an environment for better communication in the future.