# Lessons Learned: 1,000 Days of Distributed at Atlassian



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### A note from our Founders



M. Cara

Mike & Scott Co-Founders and co-CEOs

Team Anywhere is one of the biggest bets Atlassian has made in our 20 year history.

We believe that work is distributed and that it will be even more so in five and ten years. So we decided to chart a new course by building the future of work while living it.

Three key ambitions drove us to design a new distributed world for Atlassian.

- We wanted to offer employees more flexibility. Team Anywhere means that Atlassians can choose where they work, every day.
- We saw this as an opportunity to hire more diverse talent. Proximity to an office is not a defining factor on if you would be a great fit for Atlassian.
- We knew we had to live the realities of being highly distributed ourselves so we could create products and practices to help others do this well, too. Why would you buy teamwork software from a company that doesn't understand how teams collaborate online?

It's bold to make a dramatic change to how a company operates. There are trade offs that every company has to consider, including Atlassian. But it was important to us that we put a stake in the ground even if we didn't have it all figured out.

We didn't, and still don't, have all the answers. We are experimenting with how to foster cohesion, support new graduates, and keep teams humming effectively across time zones.

For leaders, our biggest call out is this: the flexibility to choose where to work is not a perk - it fundamentally changes how people live and how your company operates.

Today, 92% of our employees say that the way we work makes them more productive. Can your company say the same? Something that impactful shouldn't be put in the "too hard" basket.

We're excited to share all that we've learned over the past three years. As we explore this new way of working, we'll continue to be open about what's going well and where we have can improve.

Here's to the road ahead. 🚀

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Being distributed is not controversial. It's just a word that describes how almost all work gets done today: on the internet.

> Annie Dean Global Head of Team Anywhere, Atlassian



### Team Anywhere: A snapshot

Team Anywhere is Atlassian's approach to distributed work. Since 2020, Atlassians have been able to choose to work from home, one of our 12 global offices, a mix of both, or somewhere else entirely.

This decision means our workforce has become highly distributed: we went from contained to 12 locations to spread across 10,000+.



Atlassians save **~10 days per year** in time they would have previously spent commuting That's nearly **half a billion minutes of saved time** for our entire workforce since 2020



## 1,000+ days

of being all-in on distributed work We've hosted **1,600 team gatherings** over the past year, with an average of 16 attendees at each





Additionally, Atlassians have attended **5,000+ social gatherings** in their local areas Given that we're highly distributed, we need to get *really* good at collaborating online. We don't have everything figured out, but we're already seeing clear business benefits to the evidence-based approach we've chosen to take.



#### We're bringing on top talent faster

The number of candidates per role is **more than 2x higher** since Team Anywhere

Candidate offer accept rate has increased 20%

#### **Consistent performance**

We haven't seen any dips in productivity

### We're **saving money** on real estate while **still investing** in thriving offices **v**

**Over 80% of Atlassians** visited one of our offices at least once each quarter over the past year

Without Team Anywhere, we believe we would need 2x the office space we have today, which translates to meaningful annual savings

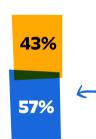


#### People want to work here

92% of Atlassians say our distributed work policy allows them to do their best work
91% say it's an important reason why they stay at Atlassian



We jumped **up 40 spots** on Fortune's 100 Best Companies to Work For list (from #47 to #7) in one year for "leading the charge when it comes to employee flexibility in the new era of work"



#### We have greater access to talent

Our workforce is 40% remote, up from just 25% remote 2 years ago; in the past year, **57% of our new hires were remote** 

Representation of women at Atlassian in India is more than 2x higher now

#### We're figuring out **more effective** ways to work

We've helped Atlassians spend 13% less time in meetings and report a 32% improvement in focus

Our intentional team gatherings **boost connection by 27%** 



### Stories from Atlassians



Being able to work flexibly was **my safety net** after facing health issues.

In 2022, Tarra suffered a stroke. As she recovered, Team Anywhere allowed her to return to work parttime from home and still attend all her rehab sessions. "The flexibility to set my schedule allowed me to still provide for my family (we are a single income family), which would not have been possible without Team Anywhere."

Tarra, Head of Design

As a single mom, Team Anywhere gives me the flexibility to **enjoy my life – and my son's life** – on my own time. That is priceless.

Amelia is an extrovert who enjoys working from an office. But in previous jobs that required her to go in from 9 to 5 every day, her rigid schedule meant she wasn't able to spend much time with her son. With Team Anywhere, she can still see her colleagues at the Austin office, but also has the flexibility to head out in the afternoon to pick up her son. "He is at at an age where he wants to tell me everything about his day. And I want to listen. Back in the day, I didn't get the chance to do that."

Amelia, Partner Specialist

Team Anywhere for me is flexibility, autonomy, and the pursuit of a life. **Happiness**.

Darryl and his wife love to explore the world. Three years ago, they took an adventurous leap and moved from Taiwan to Amsterdam. Darryl credits Team Anywhere with allowing him to experience a different culture and form relationships with new colleagues (he usually works from the Amsterdam office) while still being able to easily visit his friends and family back in Taiwan.

**Darryl ,** Pre-Sales Solutions Engineer

### Stories from Atlassians



I'll always feel indebted to Atlassian for making it possible for us to work in a distributed way, which has such a **positive impact** on my and my family's life.

When Niraj's wife was admitted to the prestigious business school IIM Indore, it was a dream-come-true moment. But as parents of two toddlers, the couple worried about how they would balance work, school, and childcare. Because of Team Anywhere, Niraj was able to move back in with his parents so that they could help with the children while his wife continued her education. "Team Anywhere was the single factor that made this possible." Today, Niraj's wife has an MBA, is working as a product manager, and says she will always be grateful that Atlassian made it possible for her to achieve her dreams.

Niraj, Principal Engineer



I'm grateful to **balance family time** with my child and elderly parents, **whilst fully contributing** to my team and customers.

Team Anywhere is the primary reason Pooja jumped at the chance to work at Atlassian. She saves 3 hours of commute time every day, which she is now able to spend digging deeper into her work and with her family. Distributed work also gave her the flexibility to travel back to her hometown and help her elderly parents without taking a lot of time off work.

Pooja, Engineering Manager

### Your teams are (already) distributed

In September 2023, we surveyed 200 US enterprise executives about:

- 1. How their teams collaborate
- 2. Their biggest organizational challenges

Every Fortune 500 executive told us that their teams work in a distributed way, whether they have an in-office policy or not. And almost all (99%) agreed that work will only become more distributed in the future.



#### **Distributed work**

A term that describes how work gets done, not where. Distributed work is done online (vs shoulder to shoulder). Most knowledge workers use the internet to collaborate across a distributed network, most of the time, regardless of where they're working.

Modern teams almost always collaborate across floors, offices, and time zones-not to mention that their clients and other partners are usually spread out all over the world. In fact, industry research shows that only 19% of teams are co-located. And at Microsoft, though 61% of the company's teams sat shoulder-to-shoulder pre-pandemic, that figure dropped to just 25% today.

But even the few teams that are colocated are likely not working "together" in the traditional sense. Research has long shown that we don't talk regularly to colleagues who sit more than 30 feet away, even if we technically can.

In other words, we can't rely solely on offices to solve the challenges of modern work.

The biggest blockers to productivity, connection, and innovation are not location-based. They center around how work gets done: back-to-back meetings, vague priorities, confusing email threads, and streams of distracting notifications. All knowledge workers face these challenges, regardless of where they work.

**98%** ×

of executives agree that where teams work isn't the problem, it's *how* 

### **Executives' top** challenges are how to work problems

Enterprise leaders say their organizations are struggling with productivity, collaboration, and tracking progress against goals. These are how to work problems that are not automatically solved by office attendance.

#### 3x

Executives are 3x more likely to say that how teams work is a bigger problem than where they work

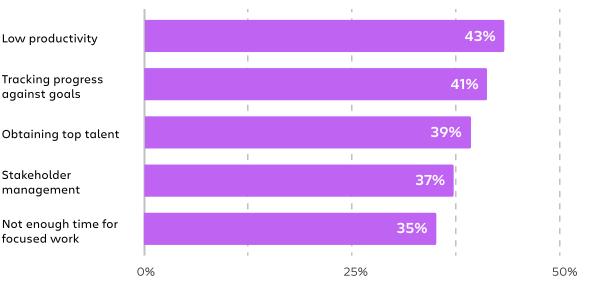
#### 1/3

Only a third of executives with an inoffice mandate think that their inoffice policy has had any impact on productivity

#### 99%

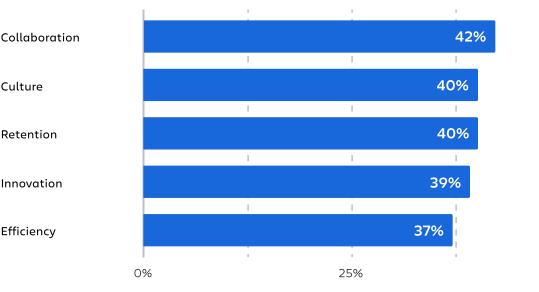
99% of execs say that the future of work will only become more distributed

#### Top organizational challenges



#### Top organizational priorities

Culture



Methodology: We surveyed 100 Fortune 500 and 100 Fortune 1,000 executives in September 2023. Some questions asked leaders to rank their top three answers, and some asked them to choose one option.

50%

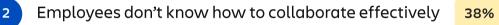


of executives say their teams do not have visibility into each other's goals

#### SURVEY RESULTS Biggest barriers to collaboration



Employees don't know who to collaborate with 39%





Lack of ownership over tasks 37%

#### SURVEY RESULTS

Top challenges when teams aren't together in person

1	Less organizational loyo	alty	41% ag	gree		
2	Cross-functional silos	38%	agree	٢	It's a tie	It's a tie
2	Harder to coordinate we	ork	38% ag	gree	$\leftarrow$	

Methodology: We surveyed 100 Fortune 500 and 100 Fortune 1,000 executives in September 2023. Some questions asked leaders to rank their top three answers, and some asked them to choose one option.

So what can leaders do to create more focus time, drive clear goals, and easily coordinate work? The answer lies in helping their teams adopt strong distributed-first norms.

### ell

Our research shows that highly distributed teams with well designed timezone principles (members are spread across timezones but have at least 4 overlapping work hours per day) establish more productive ways of working.

#### M

At Atlassian, we're taking an evidence-based approach to determining the exact distributed norms that lead to effective, high-performing teams.

# Going all-in on distributed work

"Most modern teams work in a distributed way. We want to help them do this well - and the best way to do that is to live it ourselves."

Scott Farquhar co-founder and co-CEO, Atlassian At Atlassian, our goal is to build a company that thrives over the next 100+ years. Executives agree that work is only going to become more distributed as time goes on, so we decided to build for the future, not the past.

Atlassian is the largest known enterprise company explicitly committed to advancing how distributed teams collaborate. We are distributed-first, meaning that Atlassians choose where they work, every day.

Our workforce is now spread across 13 countries and more than 40% of Atlassians live 2+ hours from one of our 12 offices.

But our approach comes with tradeoffs. Getting 10,000 people based all over the world to connect and collaborate is no small feat. Distributed work can make it challenging to keep teams aligned or help each person feel a sense of belonging. Because we've given Atlassians flexibility in *where* they work, we've had to be slightly prescriptive about *when* they work (e.g. a team whose members are spread across the US needs to be mindful of time zone differences), and fairly prescriptive on *how* they work.

We're taking an evidence-based perspective to determine the best how. And because we're in **the business of collaboration**, we're committed to sharing what we learn.



## How to use this report

Our aim is to offer useful insights to any executive at a large organization, whether you're curious about implementing a similar location policy, helping your global teams collaborate more effectively, or looking for ways to improve productivity. Depending on your goals, here is how to make the most of this report:

- If you want to implement a similar location policy, see page 16.
- 2 If you're happy with your location policy, but are interested in learning how to solve for challenges like productivity, connection, and culture, see page 18.
- If you want a brief overview of what we've learned so far, see page 38.

### How Atlassian is designing better ways of working

The fastest way for a transformation to fail is to make it everyone's part-time job.

We knew that committing to a fully distributed model wouldn't be easy. We've invested heavily in experimentation and hired practitioners to help us learn by doing.

In 2021, we brought on Annie Dean, our Global Head of Team Anywhere, whose mission is to build out a team focused on designing and validating evidence-based solutions to distributed challenges.

#### Our approach

#### **First-hand experience**

Our dedicated leaders in real estate, workplace experience, and business transformation help us learn through execution.

#### Evidence-based

The Team Anywhere Lab, a group of behavioral scientists, conducts research to design distributed work solutions.

#### Customer first

We solve the challenges our customers face by taking what we learn to shape what we build.

Several key groups within our Team Anywhere team help us form and test databased hypotheses about distributed work.



#### The Team Anywhere Lab

These dedicated behavioral science PhDs run experiments with the goal of designing and validating smarter ways of working.

#### Workplace Experience

This group takes a hospitality-driven approach to developing and facilitating experiences that increase connection among Atlassians.

#### **Real Estate & Design**

Our experts in real estate and design use data and feedback loops to ensure that our physical spaces are meeting the evolving needs of Atlassian.

### **X** Transformation

Our strategy and development leaders partner with teams across Atlassian to maximize operating efficiency and ensure our approach works for our business.

# Tradeoffs and open questions

Any transformation involves tradeoffs, but we're more than happy to accept a few shortterm costs as we design a more human way to work. Here are a few areas we're studying.



#### Supporting young employees

About **60% of new graduates who live near an office come in weekly or more,** making them our highest office attendance population at the company. We want to support new graduates wherever they live, which includes developing a learning program and high quality in-person experiences.

#### \_C\_\_ Spontaneity

We're optimizing for intentionality, not spontaneity. We don't believe spontaneous moments have as much impact as corporate folklore would have you think. We're focused on bringing teams together through intentional gatherings, but making sure that everyone has consistent access is a learning curve.

#### Outcomes-focused management

Leaders often feel they know more about how their teams are performing when they can see their people working. **We don't believe that presence is a good proxy for productivity**, and are optimizing instead for accountability to documented goals and a culture of feedback. We're still discovering the best ways to do this, and the transition may feel uncomfortable for leaders and their reports.

#### Onboarding

It can be hard to onboard virtually and into a highly distributed company. We're currently studying "time to value" - how can we get Atlassian up to speed and connected as quickly as possible? We also want to make sure that the experience helps new hires feel connected to our mission and excited about our products.

#### • Working across time zones

Our internal data show that collaborators need about 4 overlapping work hours per day to be effective (new graduates need more and senior leaders need fewer). We're still building guardrails to ensure these principles are implemented consistently to avoid negative outcomes to team effectiveness, including employee burnout.

## Key decisions

Post-pandemic, every company had to make decisions about their location policy. We opted to let Atlassians choose where they work, every day.

These are the 7 key decisions we made to establish a location policy that feels great to Atlassians and works for our business.

### Atlassians can choose where they work, every day

Almost all Atlassians have the choice to work from an office, from home, or a combination of the two (we do have a few office based roles that include on-site safety and operational support). Atlassians can work in 13 countries. We have registered entities and developed the infrastructure to support pay, equity, benefits, and other employment perks no matter where the employees live and work in these locations.

#### 4x increase

After implementing Team Anywhere, the percentage of our remote (2+ hours from an office) hires went from 14% in FY 2020 to 57% in FY 2023. That's an almost 4x increase.

#### 40% remote

Today, 40% of our employees live more than 2 hours away from any office, and that percentage is increasing over time.

### 2 Offices are an important part of our strategy

We have 12 global offices. Despite the fact that Atlassians can choose where they work, over 80% of Atlassians visited one of our offices at least once each quarter over the past year.

#### What we learned

After we implemented Team Anywhere, we saw no drop-off in work activity. In fact, hours worked went up. That doesn't mean Atlassians are working significantly longer days, but that they are remixing the hours in their days to fit their lifestyles.

"People work about 40 minutes extra per day and they commute 2 hours less per day. That's a pretty good tradeoff. We get about a third of that time for us as a business. And Atlassians get all the lifestyle benefits that come with flexibility."

Mike Cannon-Brookes co-founder and co-CEO, Atlassian

### 3 In-person time is critical for our teams and our business

We know that coming together matters, but we don't believe that teams need to sit together 260 days a year. We have teams meet inperson at one of our offices a few times a year, and we are intentional about how we use that time.

We've also invested in other types of gatherings to give every Atlassian the support and resources they need to feel connected to the broader organization.

#### What we learned

Team Gatherings lead to a 27% increase in feelings of connection, and this boost lasts 4-5 months. Based on this finding, our aim is to bring our teams together in person about 3 times a year.

### 4 Atlassians can relocate as long as it doesn't disrupt the team

Atlassians can choose to relocate within or between the 13 countries where we have registered entities and can employ them. For these selfinitiated moves, we require that the employee have working rights in their target location, manager approval, and enough overlapping working hours with their primary collaborators.

### 5 Atlassians can work from somewhere else for 90-days per year

Atlassians can stay and work from somewhere else (i.e. not their home location) for up to 90 cumulative days in a rolling 365-day period. They must have working rights in their temporary location and gain manager approval before traveling. There are exceptions and limitations to this rule based on legal, tax, and security regulations.

We've found that Atlassians often use this opportunity to be closer to family around the holidays, explore a new place, or to stay with loved ones during a crisis.

### 6 Our benefits and programs support distributed work

These include a recurring subsidy intended to cover a range of remotework expenses (mobile phone, home internet, utilities) and an annual stipend that Atlassians can use to improve their personal work setup or book local co-working space. We're also updating our onboarding, new graduate, and mentorship programs to better serve the needs of a distributed workforce.

#### 7 We need to be more prescriptive with how we work

At Atlassian, we're extremely flexible with where people work. That means we can be somewhat flexible with when they work, but less flexible with how. In other words, we need to understand and validate how to keep our distributed workforce connected and advance how we collaborate.



# The challenges of distributed work

Over the past three years, we've come across challenges that all distributed teams face. We've responded by experimenting with new ways to collaborate and connect.

In this section, you'll learn about the top 4 challenges we've encountered or been asked about, and the insights we uncovered. You'll also get research-based advice you can share with managers at your organization.

### **#1** Productivity

We've found that our teams do great work from anywhere, but the first question we get from customers is how to keep distributed teams productive.

The biggest barriers to productivity (e.g. vague goals and processes) don't magically disappear the moment an employee walks into an office.

That said, some elements of productivity do get harder within a distributed workforce. Here is what we've learned and how we solve for those challenges.

Enterprise executives rate low productivity as their **#1 challenge**, followed by tracking goals against progress.

**Only 1 in 3** executives with a RTO mandate thinks that their in-office policy has had even a slight positive impact on productivity.



### **Our approach**

A key part of our approach is to measure productivity with outcomes, not tasks. We set clear, ambitious goals and make sure they're visible across all of Atlassian.

#### Company OKRs

Objectives and Key Results (OKRs) are a goal-setting system we use to align on and achieve a single, big company milestone. Every OKR ladders up to our company-level focus.

- **Objectives** define a desired outcome with measurable business value, sometimes with a deadline.
- **Key Results** are specific, time-bound, and measurable actions that fulfill the Objective.

For clarity and consistency, our OKRs are written as: [We will] *verb* [the] *business value* [to] *metrics* [by] *date*.

#### HOW TO OKR

"Improve CSAT from 7-to-9 by FY23, Q3" Great verb and measurable business value with clear date

#### "Increase CSAT score to 9"

Great verb and measurable business value, but no date

"Delight our customers"

Ambiguous verb, no measure or date

Each objective and key result has a single, sufficiently dedicated leader and we consider key results immutable once created they are never edited, only retired and re-created.

#### **2** Rolling 4

Each quarter, teams at Atlassian are encouraged to run a process called Rolling 4 to:

- Clarify direction by planning and prioritizing their most important work
- Use learnings from the previous quarter to course correct work if needed
- Assess the health of business areas through Quarterly Business Reviews

Each team collaboratively fills out the table below. Tables are then reviewed by leadership to ensure workstreams are aligned and on track.

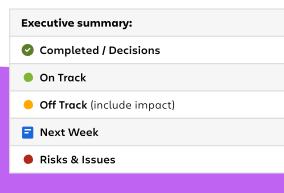
OKR			
Learnings from last quarter			
Prioritized projects			
Risks			
Funding asks			

#### **3** Tracking progress

We track our work against our OKRs weekly and score our progress monthly. Updates can be viewed by anyone in the company. To learn how we use Atlas to track progress and make it visible, see the case study on page 22.

- Weekly updates: Every Friday, the person leading a project writes a brief progress report.
- Monthly scoring: At the end of every month, we predict what we expect to achieve by the OKR expiration date. Forecasting encourages us to think about the work we need to do to hit our goal, rather than just reporting on where we're at today.

#### Our weekly update template



#### Our monthly scoring template

Actual result & score

Why did we perform this way? Target <50 words (excluding prompts)

#### **OVERPERFORMING / ON TRACK**

What we learned this month:

Implications from what we learned:

#### OFF TRACK

Root cause (why is this happening):

Impact (data):

Path to green (including specific dates, action items):

What are we doing to improve our KR? Target <35 words

Are there any significant risks on the horizon? Target <35 words



- 1. Set clear goals, and share with your team how they fit into the bigger picture.
- 2. Ensure that each team member sees how their work supports the team's goals - and help them prioritize the work that matters most.
- **3.** Regularly ask yourself:
  - a. Are we focused on what will drive outcomes?
  - b. When I look back at the end of the year, will I feel that my team did the work that mattered most?
- **4.** For more, see our Objectives and Key Results play.

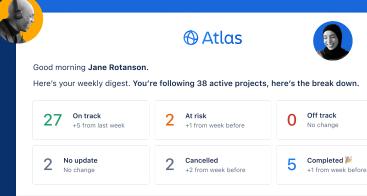
#### CASE STUDY

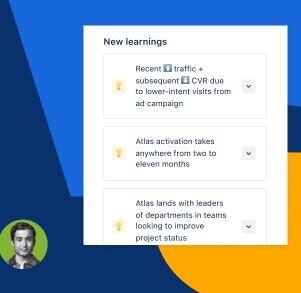
### How we use Atlas to track progress and drive clarity and visibility

<u>Atlas</u>, one of our work management products, allows us to create the kind of organizational alignment that's critical to achieving big goals in a distributed environment. Atlas enables us to:

- Give teams the autonomy to use the tools and processes that work best for them
- Align teams with a common vocabulary and synchronized habit for communicating the context and progress of their work
- Provide Atlassians with a teamwork directory that connects the dots across teams and their work

We keep our OKR weekly updates and monthly scoring in Atlas, and Atlassians can follow any OKR to receive regular summaries that contain this information. All OKRs are linked so it's easy to see how each one ladders up to our single, big company goal.





#### **OUR APPROACH**

### Structure time around top priorities

To better understand how distributed teams can be effective, the Team Anywhere Lab is starting to conduct experiments within Atlassian.

A recent experiment focused on how to help Atlassians intentionally structure their time around their most important work.

Participants were split into two groups: both received guidance on how to timebox their top priorities, and one group was also encouraged to track their top work priorities at the end of each day. Our guidance included the following recommendations:

- Meetings should take up no more than
   30% of the week. Decline any meetings
   that are not mission critical.
- Open collaboration should account for 10 - 20% of the week. Open collaboration is when an employee blocks off (i.e. keeps free of standing meetings) time when they know their key collaborators will also be online. These calendar holds give teams the flexibility to jump into highpriority work together as it comes up.
- Focus time should be about 30-40% of the week. These blocks should be at least 90-minutes and spent on work that requires deep thinking.
- → Limit responding to messages to no more than 20% of the week. Blocking time to do this removes the temptation to constantly check notifications.

#### What we learned

#### Timeboxing top priorities works

67% of individual contributors and 71% of managers who took part in the experiment said they made more progress on top priorities than in a typical week. They declined 17% more meetings than usual and spent 13% less time in meetings, a trend that continued even after the experiment ended.

### Tracking progress daily adds a productivity boost

Compared to Atlassians who only restructured their time, those who also made it a point to track how they were doing every day reported 16% more goal clarity, a 30% larger boost in workload sustainability, and 31% more progress on top priorities than in a typical week



- Encourage team members to block off time for heads down work, and create a norm where people don't schedule over those blocks.
- 2. Conduct calendar audits. If someone on your team is visibly stressed about not making enough progress, go through their calendar together and help them delete anything that is not urgent or high-priority. For more, see our Ritual Resets play.

#### **OUR APPROACH**

### Treat time as your most valuable asset

Top performing distributed teams focus on how their time apart can support their time together. Different types of work should take priority depending on whether or not your key collaborators are online.

#### Sync vs async time

Sync work happens anytime people are working together, at the same time. Async work happens when people are not working at the same time.

#### Sync best practices:

Use sync time for creativity, navigating complexity, driving momentum, and bonding. To make the most of this time:

#### Get clarity by kicking off with a question

If you're unsure about a higher-level issue, set up semi-unstructured time with key stakeholders and start with a specific question. Think something like, "What is the main message of our upcoming campaign?" When you rally people around a question, you are more likely to end up with an answer.

The benefit to bringing a group together for this type of exercise is the chance to collaborate and get creative, which is why we recommend not setting a detailed agenda in these situations.

#### **2** Facilitate most meetings with pages

For the following types of meetings, we recommend facilitating the discussion

with a well-written page:

- 1. You need to make a decision
- 2. You want to drive clarity and/or alignment

Before creating a page, jot down the answers to these questions:

- Who's my audience?
- What action do I need them to take?
- What evidence do I need to get to the outcome I want?

Turn your answers into a page written specifically for your audience. Prioritize the conclusion (don't start with context or background info). During the meeting:

- Kick off by asking the group to review and comment on the page (we recommend everyone mute themselves and go offcamera so they can more easily focus)
- As a facilitator, review and react to comments as they're made
- Make key decisions and align on next steps
- Document all key decisions and rationale on the page, and then make the document available to all relevant stakeholders

#### **3** Don't default to 30 minutes

Different types of meetings require different amounts of time. It's okay to hop on a 5 minute call if you just need to quickly clarify a task-related misunderstanding. If you need to convene a larger group for a brainstorm, you may want to schedule a 2+ hour session.

#### **4** Block off "open collaboration" time

Put holds on your calendar at times when your teammates will also be online so that you can be responsive, jump on a call, or make decisions together quickly.

Note that you should not fill this time with scheduled meetings. You need a certain amount of sync time each day for tasks that weren't pre-planned and to discuss and solve questions that come up in the flow of work.

#### Async best practices:

#### Prioritize focus time

And make the time count. Set clear goals for yourself, work on your top priorities, and turn off notifications to avoid distractions. Don't just use the time to clear out your inbox.

#### **2** Share context and repeat

Assume that no one has the same information at the same time. Important information needs to be repeated and reinforced across different channels and mediums.

#### 💙 What good looks like:

For important decisions or changes:

- Post in a group Slack channel, often more than once, and possibly also via direct message for more individual actions
- Link to a Confluence page with more information and the ability to comment
- Consider a 2-3 min Loom to provide additional background (some things are easier said and understood via video)
- Share the information live in a team meeting on Zoom

#### What causes confusion:

- One message that some people may miss
- Using only text-based formats.
   Some people understand better via audio or visual mediums

#### **3** Agree on collaboration norms

With your key collaborators, discuss how you'll hand off important work and coordinate across non-overlapping work hours. For more specific guidance, see our Working Agreements play.

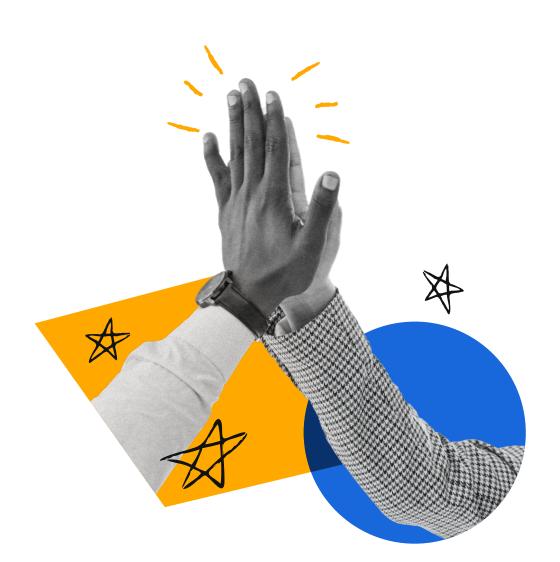
#### 4 Make your progress visible

Share async work early on. This increases knowledge sharing, improves trust, and invites input. Find a way to make weekly and monthly project updates public so that everyone can quickly jump in and understand what's been happening and what still needs to be done (see page 22 for how we use Atlas to do this).



We know that in-person time matters, but we don't believe that teams need to sit together everyday.

In fact, we've found that because most teams are not co-located, intentionally bringing teams together ~3 times a year has a greater impact on connection than sporadic office attendance.



### **Our approach**

To create connection within Atlassian, we pivoted our Workplace Experience team from managing our offices to owning our new Intentional Togetherness Gatherings (ITG) program. The program's main goal is to facilitate bonding among Atlassians.

#### 96% satisfaction rating

Since we launched the ITG program in August 2022, more than 10,000 Atlassians have participated in at least one gathering, and team gatherings have achieved a 96% satisfaction rating.

#### **Team connection**

Teams at Atlassian get together a few times a year for what we call intentional team gatherings. These events take place at one of our 12 offices and tend to be 3-5 days long. Managers are encouraged to prioritize forging relationships, sharing meals, and advancing important projects.

#### What we learned

Team gatherings lead to an average **27% increase in feelings of connection**, and this boost lasts 4-5 months. In contrast, our research shows that sporadic office attendance has no impact on team connection.

We also see that **new hires\* and new graduates\*\* especially benefit from meeting in person**. These groups experience bigger boosts in team connection following in-person gatherings.

\* Atlassians who joined the company within the last year \*\*Atlassians who graduated from university within the last year

#### Connection boost and decay from team gatherings



To support team gatherings at our offices, we've redesigned our spaces to offer large groups more open, flexible areas and ensure that out-of-town visitors have ample storage for their luggage.

For example, our Austin offices, which opened in September 2022, were specifically designed and optimized for team gatherings. They feature several spacious meeting rooms and a conference center where Atlassians can connect and collaborate.

Our Workplace Experience team also helps managers organizing team gatherings book spaces, make reservations at local restaurants, and reconfigure furniture to fit the needs of a given session.

### For your managers

In-person time is a scarce resource. We recommend that managers answer the following three questions 8-12 weeks in advance of their team event.

#### 1. Why are you meeting?

Clarify the purpose for your gathering. What mix of social, team building, strategy, breaks, and recharge time is suitable for your event?

#### 2. What's the ideal group size?

*Groups of 3-6*: Conducive to intimacy, high levels of sharing, and discussion through storytelling.

*Groups of 12 to 15:* Small enough to build trust and intimacy but large enough to offer a diversity of opinion and allow for constructive unfamiliarity.

*Groups of 30:* Starts to feel like a party, whether or not your gathering is one. At this size, you'll benefit from busyness but may want to break people out into smaller groups throughout the event.

### 3. How should you structure your time?

In-person time is most valuable if you are initiating something, like forming a new team, or you have a creative or complex problem that needs to be solved. Consider that several unstructured hours in a row, and the richness of context in an in-person setting, can be useful to ignite creativity or resolve complexity.

This framework is adapted from Priya Parker's The Art of Gathering.

#### **2** Company connection

The value of connection extends far beyond immediate team members. To support company connection, we invest in:

### Regional Connection Gatherings (RCGs)

Approved, self-organized social meetups between groups of Atlassians who do not live near an office. While we fund these events, they are hosted and designed by an employee volunteer and do not take place at our offices. For example, Atlassians in Melbourne frequently get together for lunches held at different restaurants and cafes across the region.

#### Atlassians on Tour (AoT)

The AoT program offers experimental pop-up-style events in locations that do not have an office but do have at least 50 Atlassians living within a 2hour radius. Each AoT features a half day of programming and takes place at an external venue like a theme park or gallery.

Since 2022, we've hosted AoTs in 14 locations. We set parameters around these events to ensure each one successfully improves company connection. For example, if attendance drops below 25, those locations will be put on hold.



The pandemic proved that great work happens outside of an office. That doesn't mean offices don't matter. So what *should* you do with your physical locations?

To answer this question, we designed a data-based method to confirm that:

- 1. Our offices are meeting Atlassian's needs
- 2. Our real estate footprint is a good financial value
- 3. The changes we make lead to clear improvements



### **Our approach**

People will be much more willing to visit an office when the experience feels meaningful.

At Atlassian, our offices serve three purposes:



#### Connection

In-person time is critical to building and reinforcing relationships at work. At Atlassian, we use our offices to host Intentional Togetherness Gatherings, when teams come together in person to bond and advance important work.

For more on team gatherings, see pg 27.

#### **2** Company belonging

Our offices should foster a sense of belonging at Atlassian, and create connection to our values and culture. Teams can theoretically get together in any location, but a branded, dedicated, intentionally designed space helps build belonging in addition to team connection.

We encourage teams to host gatherings at the same time so that Atlassians from different parts of the company can get to know each other at evening social events and as they spend time in the office throughout the week.

#### 3 A place to get sh\*t done

Some people - such as some new graduates or employees who like the energy boost they get from being around other Atlassians - want a place to work that is outside of their home. We want to provide that for them.

#### 67%

of people who attended a team gathering connected with at least 5 Atlassians outside of their team during the event.

#### 3,600 connections

Hosting multiple team gatherings at our offices and at the same time has driven 3,600 additional connections within Atlassian\*.

\*From July 1st, when we began tracking this metric, to November 7th, 2023.

### **Measuring ROI**

To better assess if our offices are meeting Atlassian's needs, we brought our transformation experts together with our real estate and finance teams to create three new, proprietary metrics.



#### Visitor engagement

Helps us determine why employees are visiting a given office and to what extent each office is achieving its purpose.

**How we calculate it:** We gather frequency data based on WiFi pings and anonymized IP addresses, which allows us to understand if the employees visiting the office are local or have traveled in for a team gathering. We also look at what percent of the local population - defined as living within 2 hours in Monday morning traffic via the Google Maps API - visit in a given time period.

Why it matters: Visitor engagement helps us meet employee needs.

**Decisions it enables:** Knowing who is coming in and for what reason allows us to optimally design spaces. For example, our analysis showed that a full 50% of our NYC visitors were coming from out of town to get together with their teams. To optimize for this need, we are converting desk space to a 65-person capacity Intentional Togetherness space for larger teams to connect.

#### What we learned

26% of Atlassians who live near an office (within 2 hours) visit at least 1-2x per week.

We typically see about a 30/70 split between travelers coming in for a gathering vs. locals choosing to use the office in a given quarter.

#### **2** Cost per visit

Tells us how much it costs each time an employee visits an office. This metric is measured in dollars.

**How we calculate it:** We divide the total cost of operating the office by the total number of employee visits in a quarter. Cost includes expenses like leasing, food, security, services provided, and electricity.

Why it matters: Cost per visit helps us compare apples to apples investments in new types of offices. If a visit costs \$350 at your corporate office, but only \$30 at a co-working space, you may want to explore co-working options further. **Decisions it enables:** Cost per visit allows us to plan our spend and determine if we need to improve, reduce, or close a space. We set a threshold: if we observe that the cost per visit has increased by more than 3x for a specific office over the past 3-4 years, that means that the cost is no longer justified by the volume of employees using the space to connect. A high cost per visit (combined with low utilization and visitor engagement) led us to close a few floors of our San Francisco office.

#### **3** Utilization

Shows how much square footage is occupied by our visitors, which helps us understand if we have the right amount of space. This is different from cost per visit, as it looks exclusively at square footage.

**How we calculate it:** We divide the daily average visits in an office by the capacity of that office, assuming a density of 150 square feet per person.

**Why it matters:** Utilization helps us flag if we need more or less space in a particular location.

**Decisions it enables:** We track this metric quarterly to confirm that we have the right footprint and to inform future decisions. We also track "high tide" occupancy of each office, such as days of the month when we hold social events like a holiday party. We both want to ensure our space is right-sized for daily average usage and can accommodate an influx of visitors when needed.

#### Improvements

Our metrics enable us to make datadriven decisions about our real estate. Here are some of the key changes we've made.

#### We're opening new offices

- We have a fast-growing employee population living in the greater Seattle area. We'll be opening our first Seattle office in February 2024.
- We broke ground on our new Sydney HQ, which will eventually serve as a major hub for gatherings.

### We're reinvesting our savings into office redesigns

- We're building new kinds of private spaces for heads down work and video calls that we call focus booths.
   Focus booths feature updated details like vanity lighting and backgrounds that support all skin tones.
- We've redesigned our reception areas to be hospitality-driven. When people

visit an office, a host welcomes them and offers a quick orientation. We're also adding storage for out-of-town visitors coming with luggage.

#### We're thinking beyond traditional offices

• We're kicking off several co-working pilots to provide more Atlassian communities access to dedicated spaces where they can collaborate and connect.





## Cultures change. Values shouldn't.

Most companies are operating differently than they were prepandemic. Since 2020, we not only went all-in on distributed work, but also grew from 3,000 Atlassians to 10,000+ to meet our business needs.

These are meaningful transformations that have shifted how we work and connect.

Through any change, we aim to keep how it feels to work at Atlassian consistent. We do this by weaving our values into the way we collaborate.



### **Our approach**

To extend our values well beyond the walls of our offices, we integrate them into how work happens.

Our 5 values are:

#### 1 Open company. No bullshit

Openness is root level for us. Information is open internally by default and sharing is a first principle. And we understand that speaking your mind requires equal parts brains (what to say), thoughtfulness (when to say it), and caring (how it's said).

**Example**: We often share information via Confluence pages and encourage others to leave comments if they have questions or suggestions. This enables us to have rich, two-way discussions that ensure we're creating something useful and inclusive.



"Measure twice, cut once." Whether you're building a birdhouse or a business, this is good advice. Passion and urgency infuse everything we do, alongside the wisdom to consider options fully and with care. Then we make the cut, and we get to work.

**Example:** With the help of the Team Anywhere Lab, we're experimenting with how to design a more human way to work. We don't have all of the answers, so we look to data to help us make the right decisions.

#### **3** Don't **f**/ck the customer

Customers are our lifeblood. Without happy customers, we're doomed. So considering the customer perspective collectively, not just a handful - comes first.

**Example:** We made the decision to go all-in on distributed in part because we wanted to understand the challenges our customers will face by living them ourselves. We're taking what we learn to shape what we build.



We spend a huge amount of our time at work. So the more that time doesn't feel like "work," the better. We can be serious, without taking ourselves too seriously. We strive to put what's right for the team first – whether in a meeting room or on a football pitch.

**Example:** Employees are expected to travel a few times a year to connect with their teams in person. We know that trust is often built in person and then reinforced.

#### 5 Be the change you seek

All Atlassians should have the courage and resourcefulness to spark change – to make better our products, our people, our place. Continuous improvement is a shared responsibility. Action is an independent one.

**Example:** Through the Atlassian Foundation, all permanent Atlassian employees get 5 days (or 40 hours) of paid leave to volunteer and have up to US\$1,000 in donations matched every financial year.

#### **CASE STUDY**

### How we use Loom and Confluence to kick off two-way discussions

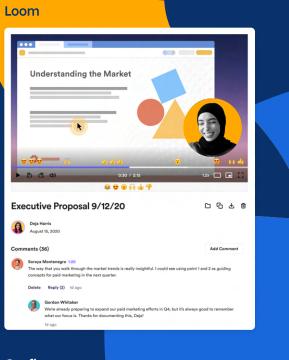
We pride ourselves on having open, inclusive discussions. To facilitate productive async conversation, we rely on Loom videos and Confluence pages. Both provide Atlassians with a more personal, dynamic way to share ideas with colleagues and capture their suggestions, concerns, or questions.

**Loom** is a video messaging platform that helps individuals communicate and connect through instantly shareable videos.

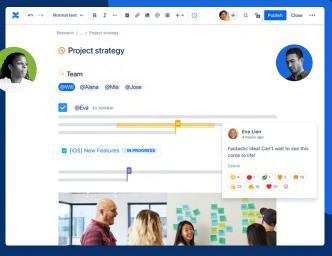
**Confluence** is a connected workspace where teams can create, edit, share, and find all their colleagues' work and relevant information in one place. The benefits of this approach include:

- The context-setting, discussion, and feedback is captured forever, close to the source.
- Comments can come from more people than can traditionally attend or speak up in a single meeting.
- Each person finds a time that suits them to leave notes, encouraging more profound and considered discussion.
- Feedback is seen and shared among others – it's not just a one-on-one exercise that happens in a silo.
- Higher caliber output, sooner and faster – especially for more significant projects where more minds are needed.

Of course, not every suggestion or piece of feedback can be implemented. We ensure that each project and Confluence page has a dedicated decision-maker to help us quickly make important changes and then move forward.



#### Confluence



# Leadership communication

We want Atlassians to feel personally connected to our leaders, especially our two founders, Mike and Scott. Here are the key principles that guide how our leaders communicate with Atlassians in a distributed environment.

#### Make leadership visible

We aim to have leaders share announcements asynchronously first, so that Atlassians are less likely to miss important information. These are often shared in a Confluence blog post that contains a Loom video (and transcript) featuring a specific leader.

#### 🕐 What we learned

An unexpected benefit of sharing information async was increased participation. Over 90% of Atlassians engage with our "Founder Update blog" Confluence posts, which feature a Loom video and corresponding transcript of Mike or Scott sharing an announcement. Prepandemic, founders would host live, in-office sessions which about 60-65% of Atlassians would attend.

Our founders Mike and Scott typically share key cultural moments, big decisions that impact our company strategy, crises (e.g. COVID), and milestones (e.g. our 20-year anniversary).

We lean on our broader executive bench to share the information to which they're closest. For example, our President Anu posts monthly Looms to share what's top of mind within her organization, detail recent customer insights, and answer questions.

### Use sync time for conversation and connection

For major announcements, we schedule an Ask Me Anything (AMA) soon after the information is shared async. During AMAs, any Atlassian can ask leadership questions.

We try to time team gatherings with AMAs to increase connection. For example, when Mike visited our New York office in October 2023 to host an AMA, several teams held gatherings there the same week.



A recent AMA hosted in our Sydney office

### Be transparent, even when it might feel uncomfortable

At Atlassian, our leadership teams often record their meetings and make them available to all Atlassians (except when meetings are highly sensitive). For example, over the years we have recorded and shared our executive product weekly meetings with employees.

That means any Atlassian can observe and learn:

- How a C-level decision-maker analyzes a recommendation, including where they might push back and ask for more information
- How an executive facilitates a decision and manages a discussion
- How senior leaders make sense of emerging and ambiguous trends

#### ALGx

(Atlassian Leadership Group Exchange) We host an annual virtual conference for our 200 most senior leaders. The purpose of the event is to give executives a chance to step back from their day-to-day and hear outside perspectives on topics including leadership, wellness, and creativity. We intentionally do not ask leaders to travel to be together. Content is primarily ondemand and in podcast form so that leaders can instead step away from their desks, recharge in nature, and listen at their own pace.

#### Kudos

Recognition is essential to a supportive, high-performing culture. But ensuring that each person feels appreciated can be more challenging in a distributed environment, where managers sometimes have less visibility into everything their reports are doing.

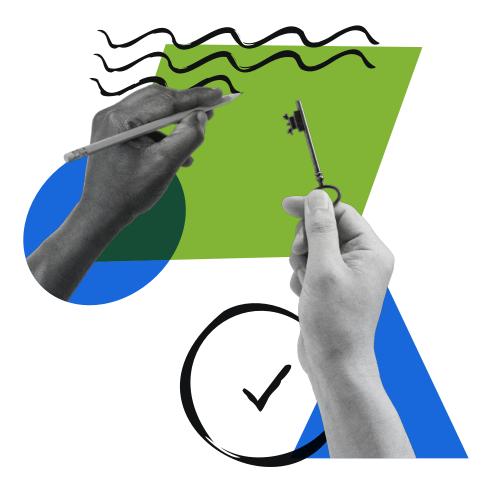
To ensure that Atlassians can thank each other for living our values, we created a recognition program called Kudos. Through Kudos, Atlassians can select the specific value for which they're nominating their colleague. The recipient usually gets a digital gift card, but nominators can instead choose to make a donation to "Room to Read" – one of our charity partners.

### In 2023 almost 95,000

Kudos were awarded, with more than 2,500 donations made

### Key learnings

Here are the top insights we've uncovered since going all-in on distributed work.



### The nature of a modern company is distributed

Even if everyone in your organization goes into an office five days a week, they will still largely be working online. That means all large companies need to enable their teams to collaborate effectively across a distributed network.

### **2** To boost productivity, innovate on how work gets done

We measure performance by setting clear goals and tracking progress against them. We use sync time for creativity, navigating complexity, driving momentum, and bonding, and use async time for focused work, creating clear, crisp documentation, and sharing status updates and other information.

### In-person time is critical. It just doesn't need to happen everyday

We bring teams together in our offices a few times a year. Our research shows that this type of intentional in-person time boosts team connection for 4-5 months, especially among new graduates and new hires.

#### 4 You don't need an office to do great work. That doesn't mean offices don't matter

At Atlassian, our physical spaces serve three purposes: connection,

company belonging, and a place to get work done. We created metrics to assess whether our offices are meeting the needs of Atlassian, and to help us make necessary improvements. Despite having no mandates, over 80% of Atlassians visited one of our offices at least once each quarter over the past year.

#### **5** Don't default to the status quo

Neglecting to adapt to the distributed new normal a missed opportunity. Worse, teams that don't know how to collaborate effectively online can hinder company-wide success.

It's not rocket science: when teams work smarter, they can achieve more, faster. And with better results.

Instead of	We focus on		
Focusing on <i>where</i> people work	Advancing <i>how</i> they work		
Mandating office attendance	Making in-office experiences meaningful		
Relying only on physical spaces to communicate culture	Establishing concrete values and weaving them into how work gets done		
Rewarding facetime	Setting clear goals and tracking progress against them		
Defaulting to 30-minute meetings	Gathering key stakeholders for longer, creative brainstorms or facilitating fast, efficient discussions with pages		

# Want to learn more?

We're committed to designing and validating smarter distributed ways of working. The Team Anywhere Lab conducts several experiments each quarter and scales what we learn across our 10,000+ person organization. And since we're in the business of collaboration, we'll continue to share our findings and recommendations.

Follow along:



in On LinkedIn

You can also hear more about how we enable distributed work at the enterprise from our customers.



#### **Space exploration**

See how NASA relies on our products to tackle high-stakes issues across disparate geographical areas.

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**About us:** Atlassian unleashes the potential of every team. Our collaboration software helps distributed teams organize, discuss, and complete shared work.