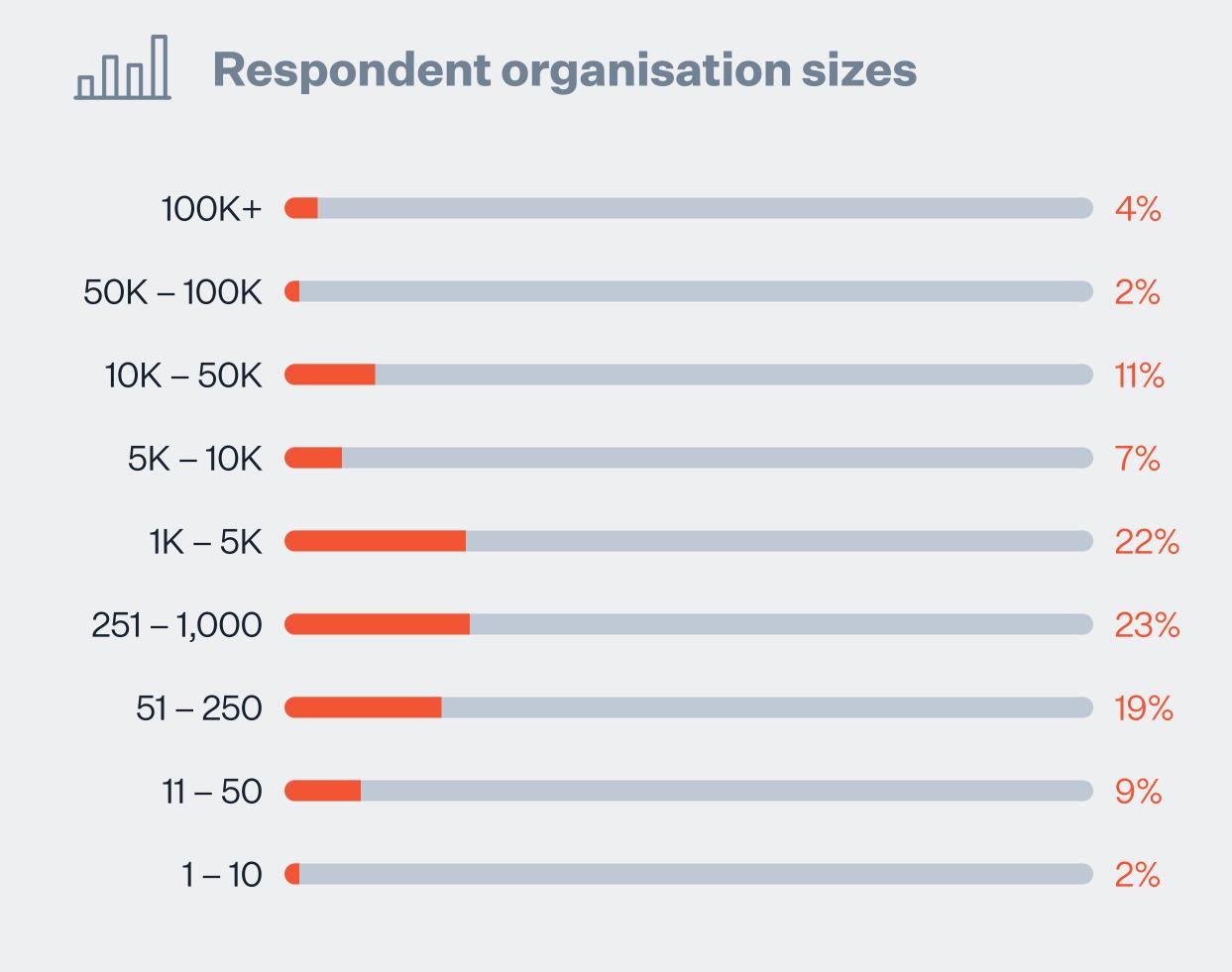
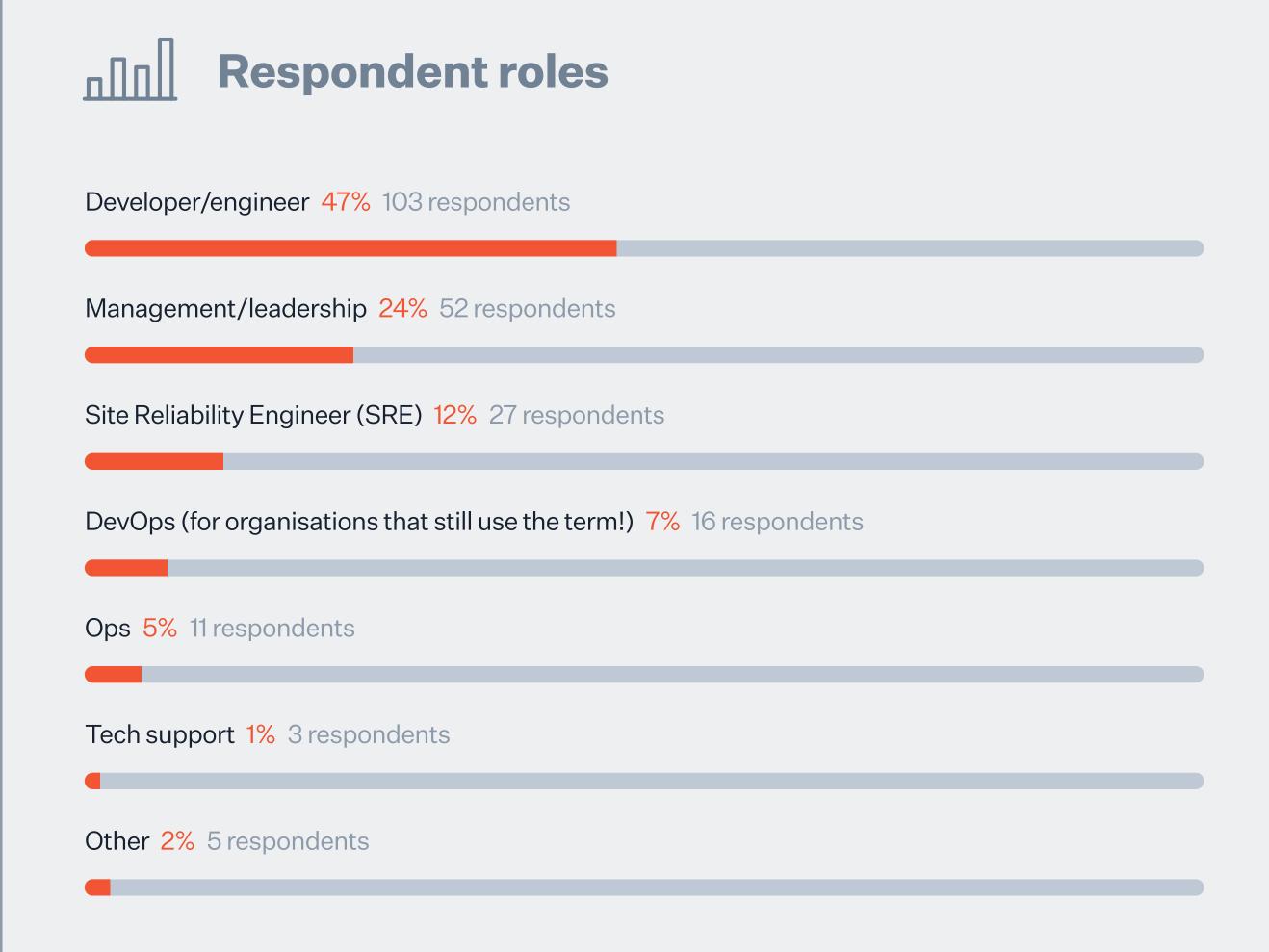
incident.io

# Uncovering the mysteries of on-call

We surveyed 200+ organisations from startups to the most well known global tech companies to learn more about how on-call is structured and compensated.

- **1.** TL;DR
- 2. Introduction
- 3. Finding the right on-call structure
- 4. Compensation for on-call
- 5. Recommendations





### TL;DR

~50%

of respondents are paid for on-call

47% said yes

41% said no

12% said it's complicated



\$540

average weekly on-call rate

#### **Compensation approaches**

Fixed pay for time spent 71%

Salary-based 16%

Non-financial e.g. time-off 6%

Per incident 2%



Over 40% of respondents

did not think that everyone
should be on call

#### Most common challenges for on-callers

Disrupted personal life 30%

Missing context when handling incidents 24%

Lack of sleep 12%

False alerts 10%

### Introduction

For the vast majority of organisations, it's critical to have some form of round the clock cover. Increasingly, customers expect a seamless, always-on service, whether you're a B2B or B2C company.

Enabling effective incident response through a good on-call system can make all the difference to a business' reputation and ultimate success. But it's a complex area to get right, balancing the need for stand-out service with the health and wellbeing of your team.

Having clear structures and compensating people fairly are important factors in running an effective oncall system. We wanted to find out how different organisations around the world structure and compensate on-call.

This report shares initial findings from our survey and provides our recommendations for improving on-call in your organisation. We'll be adding to and refining this over time, so we'd love to hear your feedback.



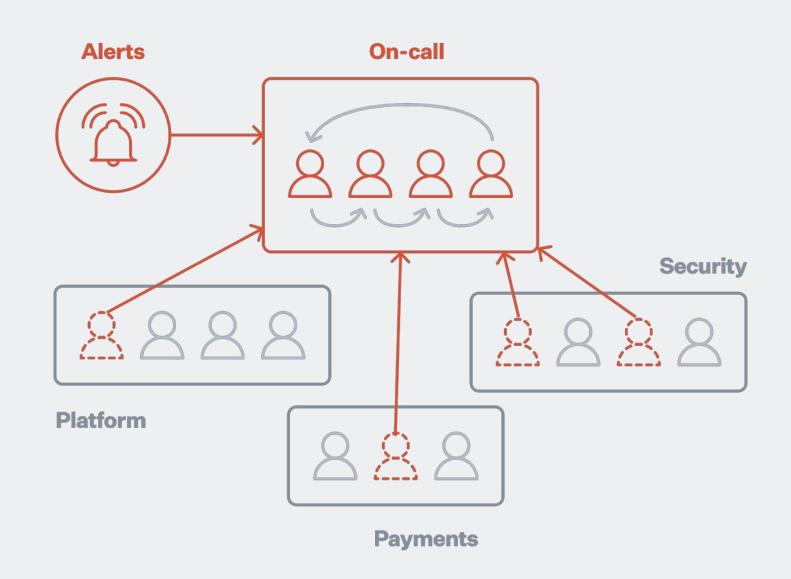
Chris Evans
Co-founder & CPO, incident.io



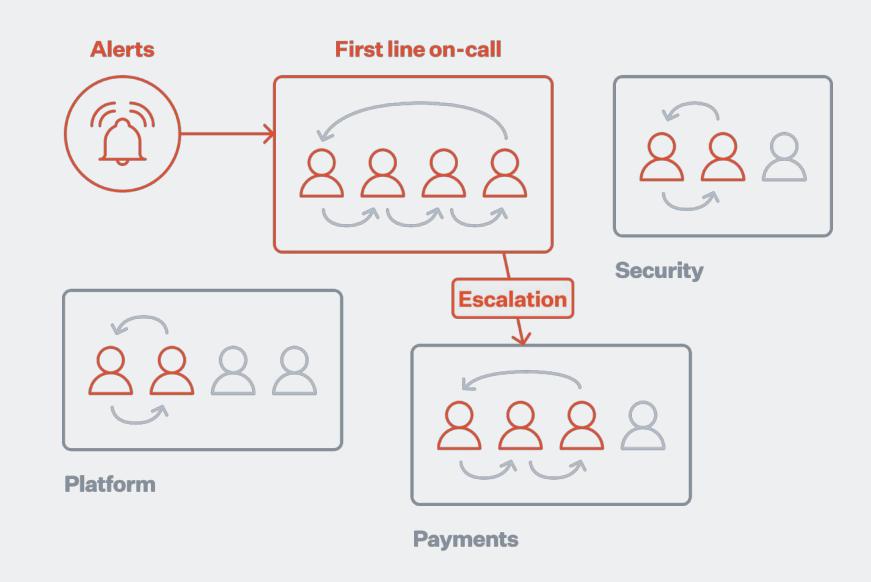
#### Different on-call structures

When you provide a service that people depend on, it's important that you have the right people available when things go wrong and you need a human to step in. The process of being available around the clock is commonly referred to as being *on-call*.

On-call usually boils down to a schedule of people who, one at a time, take on the role of being the first to be contacted, but there are many different ways to structure this process. **Dedicated central on-call** that pulls in folks from other teams

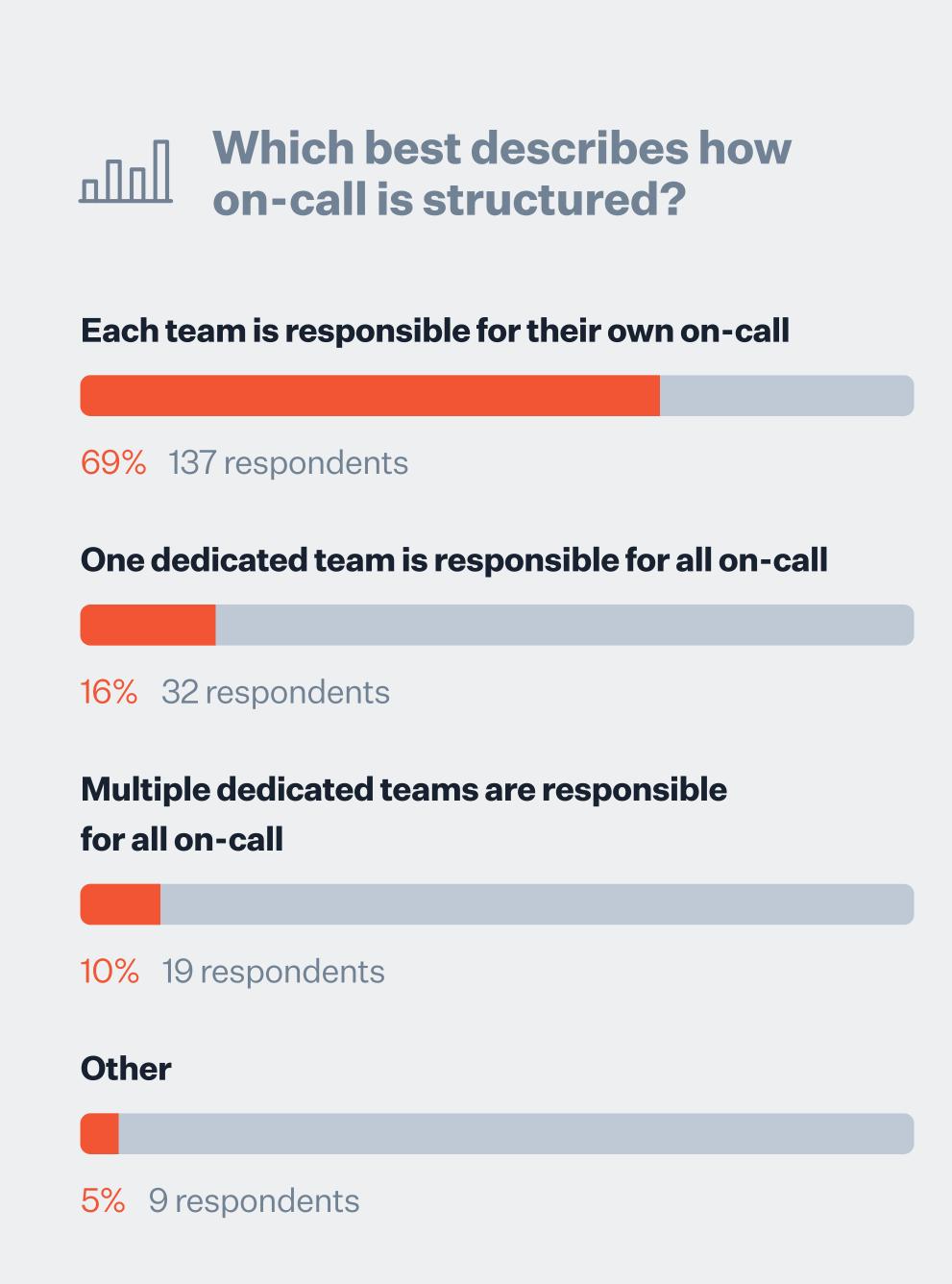


**First line on-call team** and separate supporting rotations from other teams



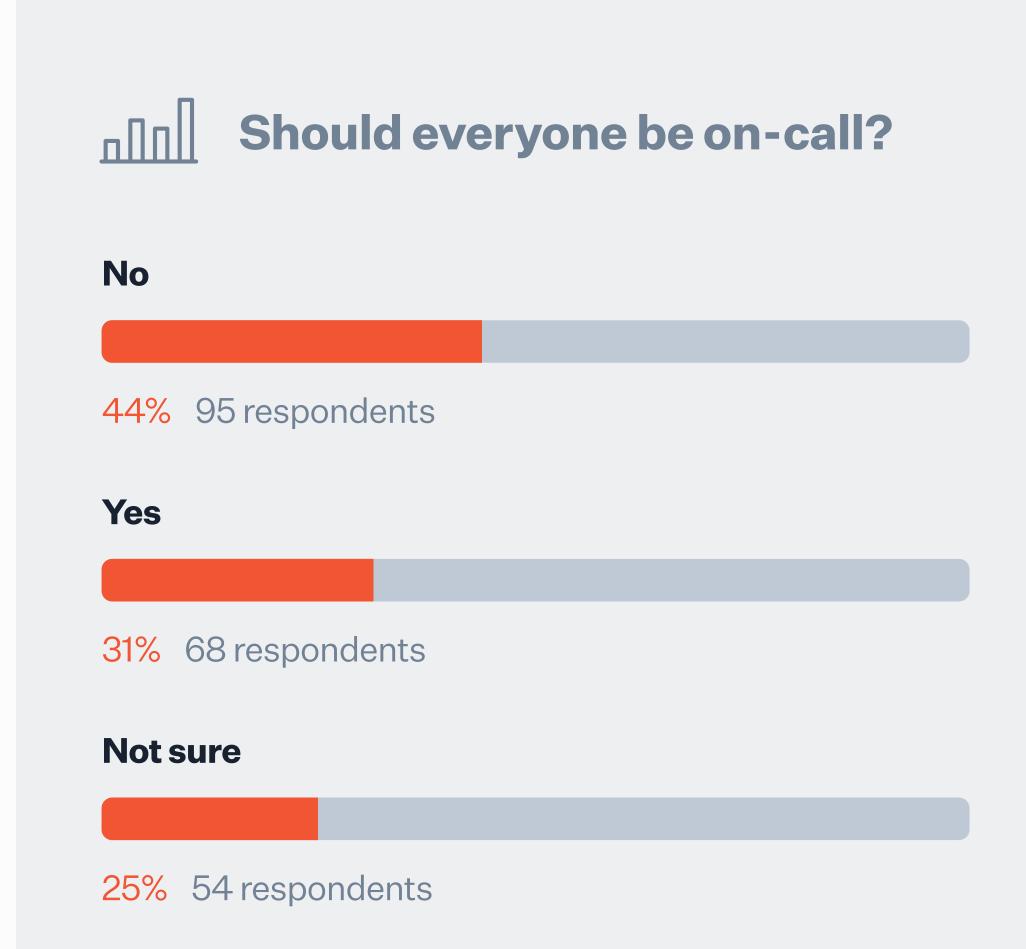
#### Most teams are responsible for their own on-call

Initially, we wanted to know more about which teams are responsible for on-call. Of organisations who completed our survey, nearly 70% told us that each team is responsible for their own on-call, while just over 25% have either one or multiple dedicated on-call teams.



# The majority of people did not think everyone should be on-call

The crowd was divided on whether or not everyone should be on-call. Just over 40% of respondents did not think that everyone should be on call, leaving ~30% answering "Yes" while the remaining 25% were on the fence.





#### Not all organisations compensate for on-call

According to the results of our survey, over 40% of participants told us that they were not compensated for being on-call.

There are many factors that influence whether or not an organisation provides on-call compensation. On the whole, we thinking providing *some* compensation is beneficial. It ensures that workload across the team is equitable and recognises the importance of work-life balance.

Larger organisations (+5K employees) were less likely to compensate for on call than smaller organisations.



towards a specific monetary amount that applies

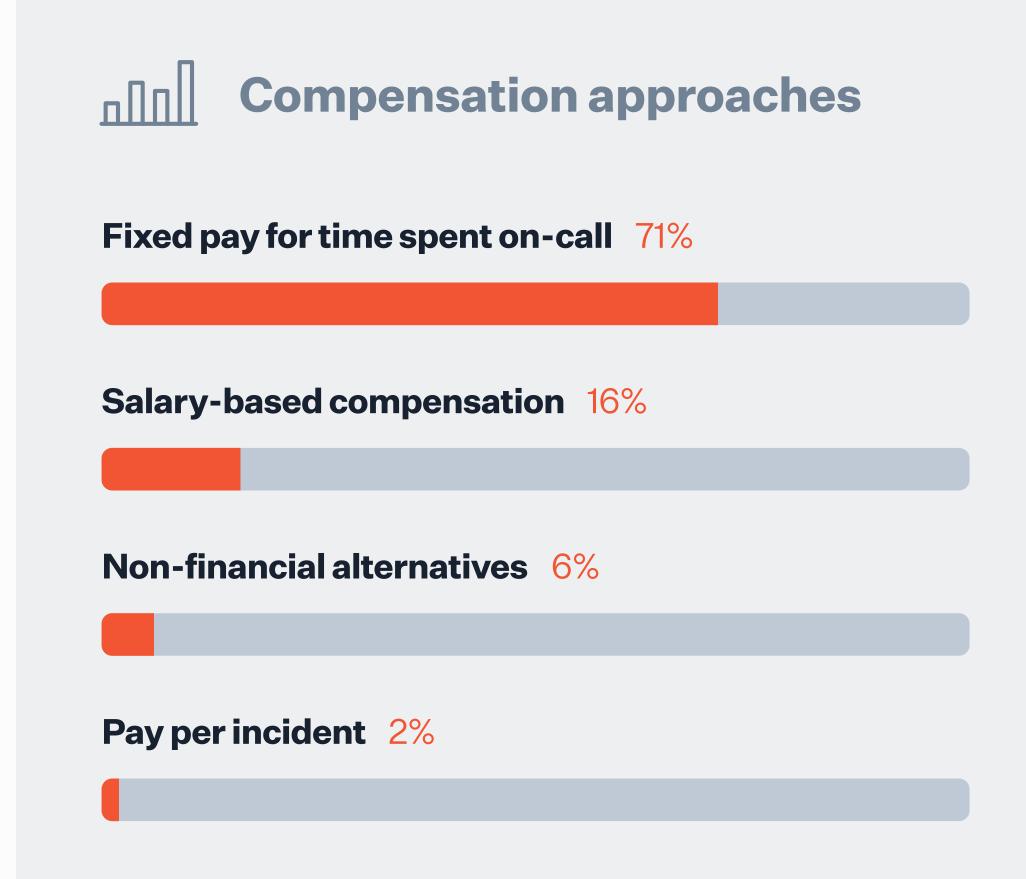
consistently across their organisation

# Fixed pay for time spent on-call is the most common form of compensation

However, the monetary amounts for compensation varied significantly across respondents (those who answered "Yes" or "It's complicated" to being compensated on call)



Our on-call pay tool at https://app.incident.io/on-call/ makes it easy to work out how much you should pay your team for their on-call shifts and helps them understand how their pay is calculated.





#### Respondents described 4 different approaches to compensating on-call

#### 1. Fixed pay for time spent on call 71%

This was the most common method of compensation. People are paid a specified amount per hour, day, week or month spent on-call.

Pay commonly varied between weekdays vs. weekends and holidays (generally, people were paid twice as much for weekend on-call vs. weekday).



On-call flat rate varied significantly across survey respondents. Payments ranged between \$5 - \$1,000 per month\* with an average weekly rate of \$540\*\*.

\*Calculated across respondents who provided daily, weekly and monthly rates

#### 2. Pay per incident 2%

Some on-callers are paid a fixed amount for every incident they attend. Typically this applies to out-of-hours only.

#### 3. Salary-based on-call 16%

**Pay as part of your base salary** — On-call compensation is positioned as part of your base salary, and is commonly combined with expectations around how often you'll be required to work out-of-hours.

**Pay as a proportion of salary** — Individuals are paid a percentage of their base salary per hour on-call outside of business hours

#### 4. Non-financial alternatives 6%

**Some respondents were given non-financial compensation for time on-call.** Most commonly, people are given time off in lieu for any hours spent resolving incidents outside of working hours. This could be on a 1:1 ratio or a proportion of hours spent.



6% of respondents were given time off in lieu as compensation for on-call

<sup>\*\*</sup>Taking average weekday rate only, based on respondents who provided day, week and monthly rates



# The challenges of on-call

# The challenges of on-call

We asked our survey participants what they found most difficult about being on-call. We found that results broadly fell into 5 common categories (split over two pages below):

#### Impact on free time

**Having to be available 24/7 is a tough gig.** Let's face it, taking your laptop to a party is not ideal and getting overrides at short notice can be a real struggle.

"Not being able to live life as usual, e.g. no drinking or partying, no long bike rides, having to carry a computer everywhere"

On-call is a social sacrifice, so making sure your team gets enough rest and recuperation is extremely important. No one wants a burnout epidemic.



On average, respondents said they were paged 6 times per week.

#### Solving issues outside of expertise

**Dealing with unfamiliar areas and systems can be stressful**, particularly when you feel like you're dealing with these issues on your own.

Good onboarding and training are critical to alleviating this challenge, both in terms of providing the context and skill to respond to incidents and helping people to understand your incident response process (and any relevant tooling).

#### Disruption to planned work

Being on-call can affect your day-to-day work if the pager is noisy or the problems are complicated. It's important to consider this when planning work for the team: there's nothing worse than feeling like your on-call responsibilities have put you on the back foot for the team's primary goals.



## The challenges of on-call

#### Lack of sleep

"The stomach dropping dread when you're awakened at 3:17AM by the phone"

It sounds like there are a lot of sleep deprived engineers out there! If you're on-call it's important to plan a realistic workload for the week - you'll need energy in reserve for unexpected interruptions.

A combination of getting your on-call rota right and being open to overrides can also help minimise pager-fatigue. If someone gets paged over night, their team should be proactive in ensuring that the pager is handed over the next day so they can catch up on some much needed rest.



On average, survey respondents would have to deal with one over-night incident every week while on-call

#### Fake news

A lot of participants called out frustrations at being paged for incidents that don't genuinely require an urgent response.

This is a common problem, but an over-active pager can usually be fixed (or at least minimised). Take some time to review what's creating the fake news and find categories of alerts that you can suppress. Check out our blog post at <a href="https://incident.io/blog/reducing-our-pager-load">https://incident.io/blog/reducing-our-pager-load</a> for more details on how we've dealt with this at incident.io.



# Recommendations

### Recommendations

#### On-call by default

At incident.io, we operate a principle of on-call by default. We think each team should be responsible for their own on-call. There are distinct advantages to this approach:

#### Systems knowledge

An on-caller is likely to be more efficient and provide better continuity when working on services where they have a high degree of familiarity. Fixes implemented are likely to be more effective.

#### Feedback loops

Giving developers who built the product responsibility for its day-to-day operation is a great way to keep them engaged in a constant feedback loop with customers.

#### **Investment in resolution**

On-callers responding to incidents that affect the systems they work with every day are more likely to be invested in implementing strategic fixes which will contribute to the long term product health.

Tools like incident.io allow teams to keep an accessible record of their incidents, which enables the whole team to gather learnings and invest in the future.

### Recommendations

#### On-call beyond engineering



We strongly believe on-call should be the responsibility of everyone, not just engineering.

Many organisations view incidents (and by extension on-call) as a solely engineering concern. Our experience is the polar opposite.

Incidents often start in product/engineering, but they usually require people from around the organisation (from Customer Success, to Legal, to Compliance) to form a temporary team to collaborate, communicate and solve a problem.

#### Pay for time spent on-call



We recommend paying a fixed rate for time spent on-call, calculated down to the minute.

Regardless of whether or not someone is paged, this helps compensate for the inconvenience and disruption of needing to be available 24/7.

For larger organisations, you can tier this flat rate depending on likely page-load for different teams.

We know there is no such thing as a one-size-fits-all approach. What you pay is heavily context-dependent and will vary based on your business, your incident load, the people who'll be on-call, and a number of other factors.

You'll be on the right path if you keep things simple, pay people fairly, and remain cognisant of the impact out-of-hours work can have.



# Manage incidents at scale, without leaving Slack

Hypergrowth companies use incident.io to automate incident processes, focus on fixing the issue and learn from incident insights to improve site reliability and fix vulnerabilities.

https://incident.io