

GOING VIRTUAL - A YEAR LATER BY ANNE MESSENGER

LEAP TO THE FUTURE



The usual business owner's challenges: Flex to customers' needs, simplify, communicate swiftly, save money, boost profitability and, never least, leap to the future.

A year and a half ago, facing lease renewals in our Syracuse and Binghamton offices, we looked for a silver bullet answer: Was there a way to change our business model to ramp up services and increase profitability?

As a human resources consulting firm, we're a service operation, and we had outsourced much of our non-core operation already: accounting, information technology, legal and even, ironically, key HR functions — payroll and benefits. We were years into the electronic way of doing business, using e-mail, instant messaging, PDAs, texting and webinars as standard operating procedure.

Now, after nine years, our original need for office space — supporting displaced employees, especially executives, in offices during their job search — had melted in the face of technology changes. When we opened for business in 1997, most

people didn't have home offices and many of them couldn't even turn on a computer. Now, most people have PCs in their homes (even in their pockets), and many have fully outfitted offices as well. Furthermore, our general HR consultants spent most of their time in our customers' offices, not ours.

According to Wikipedia, a virtual office is "an environment that enables a network of co-workers to run a business efficiently by using nothing other than online communication technologies."

We didn't want to be that extreme; we wanted to maintain a business where "high touch" continued to be more important than "high tech." But oh, that overhead reduction...so attractive.

The biggest risk we could identify was that loss of commercial space would diminish our corporate image. But we thought we could take that hit.

So we leapt. We moved our Binghamton operation to smaller office space. In Syracuse, we collapsed 3,200 square feet of commercial space into two home offices, 800 square feet (e.g., 400 square feet of conference space at \$15 = annual \$6,000, which pays a lot of bills). We hired a professional space planner to make the new space as efficient and inviting as possible. We moved accounting and e-mail functions and electronic documents to online servers, pleased to pay the annual fees, which were much less than maintenance and update charges for our former on-site server. We hired a smart college intern to sell our used electronic equipment on eBay. We moved to a more flexible employment system and hired a virtual assistant.

We still face challenges: leading and managing a geographically dispersed virtual team, dealing with technology glitches and maintaining a professional-personal balance. But both our customers and clients appreciate the still professional, but more informal atmosphere, our bottom line is significantly higher and we are doing more international business than ever. Life is good.

Cheers! ☺

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BIGGEST LESSON LEARNED

Engage critical players early and communicate, communicate, communicate:

- Staff
- Customers
- IT expert(s)
- Phone vendor(s)
- Professional space planner

HARDEST LESSONS LEARNED

- It doesn't always work the way it was planned.
- This was the steepest learning curve we had ever experienced.

HAPPIEST LESSON LEARNED

Significant return on investment of time and money:

- Customer response
- Flexibility
- Profitability

