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Blue Papers

Working Remotely: Managing the virtual office

Make a change: How to manage the virtual office with style

The world of work, like life around it, is constantly changing, with technology and the ways it can be implemented at the forefront of many of these changes. Organisations from start-ups to multi-nationals are looking at innovative ways to incentivise staff by being a flexible and supportive employer whilst leveraging innovative new technologies to enable employees to work remotely whether that's from their own home, the library or a local coffee shop.

Back in 2010, this trend so intrigued staff at the US firm 'Inc.com', a magazine and online forum site offering advice, insights and resources to help entrepreneurs and business owners grow their businesses, that they collectively decided to conduct a virtual work experiment. Their challenge was to work anywhere except in the office for a month. That's not to say that everyone was given a four-week holiday, but rather that they took four weeks of working in the location of their choice. The hypothesis: Could individuals work better and more effectively in a setting where they feel most comfortable.

The staff reasoned, like many other companies before them, that a virtual office would save them money. (Especially considering their office space at the time was a suite of offices within a new $700 million building in Manhattan.) For one thing, it would eliminate an hour-long commute for many of its full-time staff, which works out at an additional 20 hours of productivity per person per month.[1]

UK research conducted by telecoms giant O2 revealed that 75% of those surveyed said that they are more productive when they have the flexibility to choose when and where they work, according to their UK Business Director Ben Dowd.[2] And in America it's estimated that by 2016, 63 million people will be able to work virtually.[3] That's almost 20% of the work force, with one in five of them able to work away from the office if they so choose. In the USA and beyond some of the largest global businesses are already offering staff where feasible the opportunity to 'telecommute' including Google, Deloitte, Hitachi Data Systems, Ernst & Young[4] and management firm Accenture which is amongst the Top 10 companies with

1 Max Chafkin. "The Case, and the Plan, for the Virtual Company," Inc.com, 1 Apr. 2010. Web. 10 Oct. 2013. <http://www.inc.com/magazine/20100401/the-case-and-the-plan-for-the-virtual-company.html>.
2 "Businesses missing out on the benefits of a modern workforce," o2 News. 22 Feb. 2013. Web. 10 Oct. 2013. <http://news.o2.co.uk/?press-release=businesses-missing-out-on-the-benefits-of-modern-workforce/>.
3 John Meyer. "The New World Of Work: Time To Think Virtually," Forbes Magazine, 23 Aug. 2012. Web. 10 Oct. 2013. <http://www.forbes.com/sites/ciocentral/2012/08/23/the-new-world-of-work-time-to-think-virtually/>.
4 "[Fortune] 100 Best Companies to Work For," money.cnn.com/magazines/fortune/ Web. 10 Oct 2013. <http://money.cnn.com/magazines/fortune/best-companies/2013/list/?iid=bc_sp_full/>

the highest percentage of regular telecommuters.[5]

More and more companies are realising that the virtual office is not only advanced and very efficient, but good for business as well. Still not convinced? Let's explore this further - take a look around your own organisation to gauge the satisfaction of the workforce. Think hard about their productivity. Are they performing well? Could they perform better? Would you be willing to change your ways if it meant helping them to improve theirs?

CTrip, a Chinese company (a little like Expedia) was willing to give it a try. Stanford University in California studied this particular company in its first attempt to facilitate working from home. The company, a call centre travel agency, allowed 250 employees to work virtually while another 250 remained at the office. Supervisors admitted that even though they expected to save money on space, they also thought that productivity would decrease noticeably. Imagine their surprise when the findings revealed that there was, instead, a marked increase in productivity of 13%.[6]

The trial lasted nine months. Company employees found that working virtually allowed them to:

- Start on time, uninhibited by their daily commute

- Take fewer breaks

- Complete more calls per minute

At the end of the trial, however, about half of the 250 actually chose to return to the office. It pointed to an important factor in the virtual work equation: The ability to choose.[7] The kind of independence that comes with choice helps people to feel more fulfilled and productive.

So whether you've already taken steps to integrate the virtual office with your physical offices or whether you're only just considering it, this Blue Paper makes a strong case for the advantages of the increasingly popular virtual work trend. More importantly, it also identifies lessons learned and best practices in an effort to provide tried-and-tested management tips for the virtual office today and of the future.

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5 "[Fortune] Best benefits: Telecommuting," money.cnn.com/magazines/fortune. Web. 10 Oct 2013. <http://money.cnn.com/magazines/fortune/bestcompanies/2010/benefits/telecommuting.html>

6 Sebastian Bailey. "Does Working From Home Work?" Forbes Magazine, 19 Sept. 2012. Web. 10 Oct. 2013. <http://www.forbes.com/sites/sebastianbailey/2012/09/19/does-working-from-home-work/>.

7 Ibid.

Keeping up with the pace of change

In his TED talk 'Why Work Doesn't Happen at Work,' entrepreneur and tech expert Jason Fried challenges the notion that "everyone has to be in one place at once."[8] In the simplest of terms, he notes that job providers pick a place, fill it with stuff like computers and other equipment such as tables, chairs and photocopiers … but when most people are asked 'Where do you go when you need to get something done?' the office is rarely mentioned.[9]

Fried also comments that the working day could more accurately be described as work moments, as opposed to a full eight hours, due to involuntary distractions, especially those of the 'M&M' variety - not to be confused with yummy chocolatey M&Ms.[10] The first 'M' is for Meetings. Fried believes meetings are largely ineffective and almost always take place at inconvenient times. The second 'M' is for Managers who he believes have a tendency to interrupt staff at the worst times. Add tea-break chit-chat and other office banter, both of which know no bounds, and the on-site work day can really throw someone off their track.

In order to really be productive Fried contends that "people need long, uninterrupted time at the office."[11] Like sleep, he insists that "you have to go through the early stages to get to the later stages."[12] In sleep, the later stages refer to the deepest sleep and the earlier stages help build up to that deep sleep. Similarly, when people are in work-mode, it takes progressively more concentration to build up to that high-intensity level of productivity. When something undesired and unexpected occurs, it takes a person more time to return to that 'Zen' moment of productive efficiency.

The beauty of working at home - or anywhere away from the office - is that one can choose when and how to be distracted. For instance, Fried notes that you can quit your instant messenger app, but you can't hide your manager.[13] To help your team to work more productively, make it a point to communicate with passive forms of interaction versus active. Email and instant messaging are perfect examples of two reliable mediums through which to communicate because they can both be controlled by the user. If you give your team the tools and workload they can control, they may just surprise you by simplifying your

8 Jason Fried. "Jason Fried: Why Work Doesn't Happen at Work," Video on TED.com. Nov. 2010. Web. 10 Oct. 2013. <http://www.ted.com/talks/jason_fried_why_work_doesn_t_happen_at_work.html>.
9 Ibid.
10 Ibid.
11 Jason Fried. "Jason Fried: Why Work Doesn't Happen at Work," Video on TED.com. Nov. 2010. Web. 10 Oct. 2013. <http://www.ted.com/talks/jason_fried_why_work_doesn_t_happen_at_work.html>.
12 Ibid.
13 Ibid.

working world. Even Da Vinci would agree - he believed "simplicity is the ultimate sophistication."

Change your working world: It starts with you

Are you looking for ways to actively simplify your working life by incorporating a more flexible work schedule into traditional business hours? Or maybe you'd like to simplify your life by broadening your management skills. Regardless of which position you find yourself in, it's important to ask yourself if the virtual office is an appropriate option for your business. For some, it's simply not conducive, but you're the manager. Trust your own gut instinct to differentiate what is possible from what is not possible but be willing to think outside the box.

Set your terms
The definition of a virtual office depends first and foremost on your industry and your business. For example, if you work as an on-site manufacturing engineer, remote working probably isn't right for you. (Not yet, anyway.) But if you are able to facilitate it, why not? Start with one day a week if you want to, or make it an incentive to be able to work virtually two, three or four days each week.

As the boss, you're best able to determine what level of flexibility is right for you and your business. Maybe it's once a week, maybe it's seasonal, or maybe it's a lot more often than you're willing to say out loud. Sideline any apprehension you may have with confidence in your ability to handle an out-of-office team just as well as an in-office team. Dr. Michael Kroth and David Clemons spent the last few years trying to understand how leaders manage their virtual workers.[14] One thing they learned that really stood out was that the principles of leading are no different. 'It's the practices that make the difference.'[15] Start with these:

- Outline individual roles and team duties

- Discuss day-to-day protocol in addition to decision-making and conflict resolution[16]

- Be available during a specified time period each day

- Make it a rule to log in to a particular chat or on-screen video platform for regular real time interaction. Or, be

14 Eric Markowitz. "How to Manage a Virtual Sales Force," Inc.com, 18 Mar. 2011. Web. 10 Oct. 2013. <http:// www.inc.com/guides/201103/how-to-manage-a-virtual-sales-force.html>.
15 Ibid.
16 Carol Kinsey Goman. "5 Tips for Virtual Collaboration," Forbes Magazine, 05 June 2012. Web. 10 Oct 2013. <http://www.forbes.com/sites/carolkinseygoman/2012/06/05/5-tips-for-virtual-collaboration/>.

available via mobile phone if you need to step away from your desk or pop out for an appointment

Determine the standards

Actually, this isn't so much 'determine' the standards (you probably don't want them to change) as it is 'enforce' the standards. Some of your team members may think that working virtually inherently means decreased standards. Not true. Here are three basic rules to prevent any of your team members from becoming lackadaisical while working away.

- Hold everyone accountable

- Deadlines are deadlines. They don't change

- If you wouldn't do it during a normal day at the office, don't do it when working remotely

By clarifying your expectations right from the start, there will be no room for misinterpretation. Working virtually should not be perceived as a 'day off.' To work virtually is still to work and work hard.

Change their working world: Your team comes next

Perhaps you've just started your own business and you're building a virtual team from scratch. Individuals who don't like working alone probably won't be happy working away from the rest of the company so the Number One quality you should look for is their ability to work well alone.[17] Who is already working independently and has therefore proved that they like and are able to work alone and not just like the sound of it?

If you're managing a strictly virtual team perhaps even with staff checking in from different time zones, you will inevitably lack the tangible sense of community that is part and parcel of an office. It will take extra effort on your part to restore or engender the same sense of familiarity that your colleagues would have with one another working in the same environment. Here are some preliminary ideas on how to do just that:

17 Josh Bersin. "Enter the Virtual Workforce. TaskRabbit and Gigwalk," Forbes Magazine, 14 Apr. 2012. Web. 10 Oct 2013. <http://www.forbes.com/sites/joshbersin/2012/04/14/enter-the-virtual-workforce-taskrabbit-and-gigwalk/>.

- **Gather everyone together in person at the start.** Especially if they're all meeting for the first time

- **Then make a habit of it.** Maybe you arrange to meet face-to-face (FTF) once every quarter, twice each year or annually. Sustained personal contact is essential because 'nothing strengthens relationships like face-to-face encounters'[18]

- **Recreate the office dynamic.** There are ways to help remote teams develop relationships with each other by means of virtual rooms, seating charts and team profiles.[19] Additionally, Yammer[20] one of the leading 'business' social networks used by over 200,000 companies worldwide, is a tool meant strictly for the office. This, too, is a great way to broaden personal relationships

- **Don't forget the small stuff.** It doesn't have to be all about business all of the time. In fact, brief forays into non-work items will help employees to strengthen their personal relationships with one another[21]

- **Communicate your culture.** That includes your mission statement, adhering to your principles and referencing them often. Clearly define and consistently communicate your goals, both long- and short-term. This will help you to build a capable, cohesive team[22]

- **Say thanks.** David Shor is the founder of PLACEMENTSmedia, an innovative digital marketing agency with several off-site workers. David believes that it's important to take time to call or write a short note about a job well done when he recognises it

Moreover, WorkWise UK's chief executive Phil Flaxton belives: "The best way to manage employees working from home or remotely is by encouraging independence of thought and action, and developing continuous communication, supported by regular face-to-face meetings. This can be by video/conference calls or other online tools so that experiences, ideas, and success and performance

18 Carol Kinsey Goman. "5 Tips for Virtual Collaboration, Forbes Magazine, 05 June 2012. Web. 10 Oct 2013. <http://www.forbes.com/sites/carolkinseygoman/2012/06/05/5-tips-for-virtual-collaboration/>.
19 Ibid.
20 https://www.yammer.com/
21 Carol Kinsey Goman. "5 Tips for Virtual Collaboration," Forbes Magazine, 05 June 2012. Web. 10 Oct 2013. <http://www.forbes.com/sites/carolkinseygoman/2012/06/05/5-tips-for-virtual-collaboration/>.
22 Josh Bersin. "Enter the Virtual Workforce. TaskRabbit and Gigwalk," Forbes Magazine, 14 Apr. 2012. Web. 10 Oct 2013. <http://www.forbes.com/sites/joshbersin/2012/04/14/enter-the-virtual-workforce-taskrabbit-and-gigwalk/>.

issues can still be shared."[23]

Change how your team works: Give them the tools

You may be thinking this is where it gets complicated. On the contrary, this is where it gets easy. How?

Lines between personal and work technology are blurring … which is great news for you.

That's the curious thing about technology today; applications which are first being created for the consumer are then adapted for business use.[24] That means your employees are likely to be already connected on an instant messaging platform (or two) and they're possibly already comfortable with live video applications and file-sharing systems. "Real-time, interactive, image/video-based and device-agnostic applications are preferred over the static, top-down and office-centric 'intranets' that most companies use. If managers aren't already thinking about these trends, they should be. Their employees for the most part, are experiencing these changes and adapting their lifestyles rapidly."[25] In short: the chances are that your team is already adapting to new digital opportunities quicker than your business is.

One positive effect of this trend is that you, as the business owner, really only need to implement the basic tools, not necessarily the most expensive ones, or those that charge a fee for their services versus consumer-grade applications that perform just as well for a great deal less. This may be slightly challenging for you at first because "with applications, platforms, storage and computing available on-demand in the cloud (public or private), the IT Director has every reason to rewrite his or her job description."[26] What that means for you is that it's not so much a question of 'how do I start?' so much as 'when can I begin?'

The list of today's virtual office tools is very basic: a computer, mobile phone, internet service. The list of the applications, however, is longer.

23 "Home Working Defies Recession," Work Wise UK. Web 10 Oct 2013. <http://www.workwiseuk.org/news/?item=home-working-defies-recession/>.

24 Srinivasa Addepalli. "Welcome To The Brave, New World Of Virtual Work,"Forbes Magazine, 11 Feb. 2011. Web. 10 Oct. 2013. <http://www.forbes.com/sites/ciocentral/2011/02/11/welcome-to-the-brave-new-world-of-virtual-work/>.

25 Ibid.

26 Ibid.

Chat and video

Chat and video are extremely useful in a virtual work environment. Indeed they are the main vehicles for communication between you and your team, you and your clients and your team with each other. It's vital for everyone to feel comfortable with online chat platforms and even more important for everyone to have a good feel for video applications, too. Likewise, they should be able to discern when a situation calls for just an email, a more immediate conversation via instant messenger or an urgent decision that requires a face-to-face discussion via webcam.

There is a wide (and ever growing) array of options available when it comes to chat applications, including:

- AIM / AOL Instant Messenger[27]
- Google Hangouts[28]
- WhatsApp[29]
- Viber[30]
- Skype[31]

File sharing and meetings

If you have a common server and are only just instituting virtual office rules, you'll want to secure a virtual private network (VPN) so that your team members are able to access documents and data housed on the server when they're working remotely. Then again, you also have the option of using cloud-based document sharing and storing applications. Google Drives,[32] Dropbox[33] and iCloud[34] are all trusted, well-known services.

Google Docs now located with Google Drive is a particularly effective file-sharing programme that allows you to store your documents 'on the cloud' (ie remotely) and allows the same file to be open in two different places or, say, on two different computers with your cursor and your colleagues making visible changes you can both track.[35] Dropbox enables the user to open a 'box' on multiple computers thus allowing the user to retrieve documents from a location in the

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27 http://www.aim.com/
28 http://www.google.com/hangouts/
29 http://www.whatsapp.com/
30 http://www.viber.com/
31 http://www.skype.com/en/
32 http://www.google.com/drive/apps.html
33 https://www.dropbox.com/
34 http://www.apple.com/icloud/
35 Gina Trapani. "Work Smart: Best Telecommuting Tools," Fast Company, 28 June 2010. Web. 10 Oct. 2013. <http://www.fastcompany.com/1662796/work-smart-best-telecommuting-tools>.

cloud from one computer, then save it, and edit it again from another computer.

Meeting software

Meetings don't become null and void even though you're working apart. Actually, they probably become more important. And therein lies the utility of online meeting software. The most innovative offerings now have the ability to share screens, a feature that proves especially useful for presentations and troubleshooting a particular issue.

Some of the more comprehensive conferencing tools are WebEx[36], Join.me[37] and GoToMeeting[38]. Join.me runs straight from a browser and still has the capacity to share your screen with 250 users[39] along with screen-sharing and chat features. Of course, should you decide you need something more sophisticated, an advanced paid-for version is available.

It's important to understand that while all of these tools are useful, each should be used at different times depending on the nature of the communication. Carol Kinsey Goman is a speaker on leadership and body language. She recommends mixing communication mediums between what she distinguishes as 'lean' and 'rich.'[40] Lean mediums include emailing, texting and typing. Communication becomes richer as human elements are added.[41] Phone calls or phone conferences employ voice and tone, which may help when discussing an issue of medium to high importance. To add video is to add visible emotion and expression, which is the next best thing in terms of critically important conversation pieces. Goman insists that lean channels should be used for straightforward messaging while rich channels should be used for complicated or nuanced discussions.[42] You'll also need to consider what's appropriate when working with colleagues from different countries whose first language might not be English.

An opposing viewpoint, however, is this: "Rich interactions don't require rich media."[43] Here, Harvard Business Review bloggers Mark Mortensen and Michael O'Leary express their unrelenting faith in two technological constants: phone and email, neither of which has "fundamentally changed much since they were

36 http://www.webex.co.uk/?DCMP=OTC-FromGP
37 https://join.me/
38 http://www.gotomeeting.co.uk/fec/
39 Jonathan Blum. "Making the Switch to a Virtual Office Painless," Entrepreneur.com, 7 July 2011. Web. 10 Oct. 2013. <http://www.entrepreneur.com/blog/219957>.
40 Carol Kinsey Goman. "5 Tips for Virtual Collaboration," Forbes Magazine, 05 June 2012. Web. 10 Oct 2013. <http://www.forbes.com/sites/carolkinseygoman/2012/06/05/5-tips-for-virtual-collaboration/>.
41 Ibid.
42 Ibid.
43 Mark Mortensen and Michael O'Leary. "HBR Blog Network Managing a Virtual Team," Harvard Business Review, 16 Apr. 2012. Web. 10 Oct. 2013. <http://blogs.hbr.org/cs/2012/04/how_to_manage_a_virtual_team.html>.

introduced."[44] They present an interesting argument, namely that both are highly simplistic, reliable and accessible. Still in doubt? Consider this: "Each minute your team members spend trying to get the slick new system up and running, bringing it back up after a crash, or unable to access it from a field office brings them that much closer to throwing in the towel and picking up the phone."[45] While technology presents an innovative and intriguing case, so, too, do traditional methods of communication.

Your responsibility: Manage the change.

Working virtually may not be appropriate for your company, but if it is - even if only seasonally or once a week - consider your options. What is the best way to build flexibility into the work routine? Ayelet Baron is the Vice President for Strategy and Transformation at Cisco Systems in Canada. She believes that investing in technology for technology's sake is futile. Instead, "You have to focus on your business strategy and look at how technology enables it."[46]

Yes, you will have to make some changes, but the rate of change has become so fast that it's hard to imagine comfortably keeping pace with the world around you without making a few adjustments closer to home. The sooner you're able to manage your virtual team without worry, the sooner you'll be able to appreciate the streamlined look and feel of a well-run virtual office. The secret to a promising virtual office atmosphere is the same as any other work mantra: technology - as easy as some of the above applications are - is all well and good, but don't let it detract from what makes your business really stand out: You; your team; your relationships with one another and with your clients.

Manage the relationships you have with your team members on both a personal and professional level and encourage them to manage their relationships with the same kindness and respect they always would in spite of the distance. At the end of the day, it's still about the people, says Patricia Fripp, a renowned speaker and speaking coach. "Technology doesn't run the enterprise. Relationships do."[47] In the virtual office as in the physical office, relationships are, and will remain, your first priority.

Measuring the success of the switch
So you've decided to give it a go and now you're into this new virtual office set-

44 Ibid.
45 Ibid.
46 Simma Lieberman. "Keepin' It Real in the Virtual World: How Technology Can Help Us Find Intimacy," Fast Company, 28 Mar. 2011. Web. 10 Oct. 2013. <http://www.fastcompany.com/1743078/keepin-it-real-virtual-world-how-technology-can-help-us-find-intimacy>.
47 Ibid.

up. At this stage, the only other skill you have to learn is how to measure success from your virtual colleagues - and there are lots of ways to that!

- **Billable hours.** Use online time-tracking applications to keep an eye on how many hours your employees are logging. Set a target for each day, week and/or month and monitor their ability to meet those targets. You may require them to log time for every project, regardless of whether or not a client can be billed for it, or you may only need to know about billable time for financial and budget-balancing purposes.

- **Deadlines and milestones.** Perhaps the easiest way to manage your employees' efficiency is to gauge how well they meet hard deadlines. Or, if the project is especially long and arduous, are they consistently meeting agreed milestones?

- **Satisfaction-level.** Do your team members seem appropriately challenged? Are they getting along well with each other and still able to communicate effectively via the remote set-up?

In a newspaper article Heather McGregor, owner of a London based executive search consultancy with around 25 employees believes the foundation of virtual working is trust. "Trust is essential to any business, and it's a lot easier to earn it face to face, in the office. Nevertheless, lots of people want to work from home, and flexibility is important.[48] "Moreover, whilst it may not always be ideal for all businesses all of the time she concluded that, "the future will include working from home by almost everyone, even if they have to build the foundation of their ability to do so in the office."[49]

However you decide to manage your team, remember that you don't have to fully commit to one way of life (or work) over another. If you're in a position to integrate a virtual office in addition to the existing physical office, keep them both as options because, as you recall in the initial study of the Chinese company, about half of the participants chose to return to the office upon completion of the study.

Conclusion

48 Heather McGregor, "Working from Home is the Future," The Guardian, 2 March 2013. Web. 10 Oct 2013.
    <http://www.guardian.co.uk/money/2013/mar/02/working-from-home-heather-mcgregor/>
49 Ibid.

When Inc.com senior contributing writer Max Chafkin asked his colleagues whether they would prefer to remain virtual, or return to the office, he had a variety of responses. Oddly enough, the copy chief, who was among the most dubious before the virtual experiment began, had a noticeable about-face in opinion: "I would, without a shadow of a doubt, choose to work from home full time," he said. "Not only would it save me $300 a month in commuting costs, it would allow me to roll out of bed at 10 am, walk 20 feet, and be at work."[50]

However, most staff indicated that they missed the office. Inc.com's photographic director Travis Ruse responded that his job became uninteresting. "I missed my friends," he wrote. "I missed the distractions and surprises that my co-workers bring to the day. Part of working is the social aspect of doing something collaboratively."[51] Here, Chafkin is quick to point out that the social element of the choice is largely 'immune' to the 'number crunching' that inevitably dictates the decision of whether to go virtual or not.[52]

Other staff opted for a compromise, for flexibility. That might mean a smaller office and less time spent on the road to get to said office and the option to choose where to work. Indeed, Chafkin believes wholeheartedly that this is likely to become the most popular and prevalent modus operandi among companies "as technology improves, as our economy becomes even more globalised, and as concerns about the environmental impact of commuting grow."[53]

Ultimately, it is the choice and the ability to choose that really makes the difference because some people may function really well at home or at the library while others may flourish at the office where work chatter is more compelling than distracting and where personal face-to-face interaction beats Skype any day of the week.

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50 Max Chafkin. "The Case, and the Plan, for the Virtual Company," Inc.com, 1 Apr. 2010. Web. 10 Oct. 2013.
   <http://www.inc.com/magazine/20100401/the-case-and-the-plan-for-the-virtual-company.html>.
51 Ibid.
52 Ibid.
53 Ibid.