



Preface:

This paper was first written in 2008, following consolidating and reorganization of offices. Current research validates the conclusions - verified by the fact that the remote management of all functions continued to be extremely successful. Following this preface, nothing has been changed except the address. All employees now work from home. The company mailing address is a UPS store post box.



Several things have changed to make "remoting" even more feasible - when meeting the conditions expressed in this article. Evolving technology and innovative techniques have contributed to successful virtual ventures, including:

- Video-calling is a natural thing...Skype/Zoom/...more and more people find that video conferencing is a very useful tool to eliminate the need to "go to the office" for a meeting. In addition, video conferencing - with the cameras on - helps to keep the audience focused - there is less tendency to multi-task!
- Cloud file storage is much more available, cheaper, and dynamic. DropBox/Google Drive/Mega / OneDrive / iCloud / to name a few. This miraculous sharing opportunity encourages collaboration and sharing information, and efficient document editing.
- Addressing the loneliness of *remoting* is being dealt with in many creative ways. People are known to have a "dial-in" hour - or two - to Skype or Zoom - not to talk, but to generate background noise of an office, while at the same time having instant opportunities to brainstorm, address issues, or share ideas.

The Conclusion:

The stated goal has been met - *A collaborative, centralized approach in the process of executing and delivering quality service with employees working from remote locations on a virtual basis has been achieved.*

Introduction:

In April 2001, Cleveland, OH based Resource Careers, Inc. was acquired by Resource Development Company, Inc., an executive search-consulting firm in suburban Philadelphia, PA. In May 2004 the relocation services were expanded through the acquisition of Options Resource and Career Center, located in Houston, TX, operating as Options Resource Careers (OptionsRC). Craig B. Toedtman was Chairman of Resource Development Company, Inc. and President of Options Resource Careers.

This study summarizes the research, considerations, and decisions made by our management team as we considered moving office operations to remote locations. The study analyzed advantages and considerations of remote operations and the direction taken. The conclusion summarizes the current view of the decision.

Theoretical Framework:

The existing office configuration resulted from acquiring traditional centralized offices, operating independent, process-focused systems. There was a long-established focus of both Houston and Cleveland offices to maintain efficient and accessible systems, utilizing a common server with

employee access through the local area network.

Continuing improvements in technology as well as the economic pressures surrounding maintaining multiple offices present advantages, considerations, and ultimate feasibility of phasing out centralized offices - either one or both - by distributing office operations to employees at remote sites (Nancy Johnson 2001). At a minimum, operations will strive to move to a paperless environment, which was required for virtual operations as well as a desired practice.

Moving to a virtual environment was an important decision for the company, as it will affect not only the business we conduct, but the employees executing our services. How we interact and share information in a virtual environment must equal the current service and process levels. Thomas L. Friedman said, "You have to be able to implement what you imagine. And the key to being small and acting big was being quick to take advantage of all the new tools for collaboration to reach farther, faster, wider, and deeper." The decision represents risk, as it will be a large deviation from the norm, and might affect the way we work and interact, the kinds of employees we hire, and the work we perform.

There are few truly tested models of the virtual enterprise. As the result, we determined that a conscious assessment of the transition of the Cleveland operations to a virtual environment must be made, including the provision for a graceful fallback position, if it becomes apparent that remote offices do not work.

The theory:

Our Stated Goal: *To maintain our collaborative, centralized approach in the process of executing and delivering quality service with employees working from remote locations on a virtual basis.*

Advantages/Considerations of Central/Distributed Work

There are tradeoffs between central and distributed organizations. Also, central and distributed are extremes and perhaps an in-between approach could work best in some situations. The final approach very well could be what management wants it to be - forcing the issues to be resolved in whatever direction so desired. We attempted to reach a decision based upon facts, rather than emotion.

Advantages of centralized work:

- **Human Communication.** People in a hallway can easily interact one-on-one or in groups, just by walking next door, down the hall, or having lunch together (Sentinel 1998).
- **Effective Team Building.** The assembly of people in the office stimulates working together as a team. A problem arises - the "experts" are quickly assembled, and the brainstorming begins immediately.
- **Facilities.** Facilities are centralized and shared to reduce administrative costs. This includes office space (offices, meeting areas, computer network, local telephone access, access to secretarial support, machine support, library, and supplies).
- **Where's the Office? Where are records/files?** - with an office there was no question regarding



where the office was, including where the phones ring, the mail was delivered, and the files are maintained. Everything was “at the office.”

- **That’s the Way It’s Always Been Done.** An all-too-often comment - but a red flag. The centralized office paradigm was what people have become accustomed to from the time they began started school.
- **Systems are centralized and under “management” control.** The local area network was centralized with periodic maintenance initiated to ensure that the systems are available and reliable. With firewalls constructed properly, companies utilize a Virtual Private Network (VPN), maintaining all security under management control - and not losing that control to an ISP or Server Subcontractor.
- **Recruiting** - The pool of skilled people was expanded, as some people do not want to work from home.

Challenges to consider regarding centralized work:

- **Cost of Office Space.** Securing and maintaining space - either owning or leasing - ties up cash and requires constant attention - and perhaps relocation - to ensure that costs are minimized.
- **Cost of Commuting.** Rising costs of fuel and time for travel are increasing challenges for commuters.
- **Flexibility of Office Space** could require periodic upsizing and downsizing facilities resulting from volume changes.
- **Recruiting** - Pool of skilled people was limited, since some people want to work from home.
- **Systems (computers & telephony).** Systems are maintained in-house, which requires non-technical internal employees to perform back-ups, trouble shoot and, when required, call outside contractors for repair and maintenance.

Advantages of distributing work to remote locations:

- **Savings in office rentals** could off-set cost to set up and maintain home offices.
- **More time to work with easier access to work and employee-controlled quality of life** results in more work being done over a day. Employees can readily access their work environment and the annoyance and cost of commuting was eliminated. Generally, the money saved by not commuting easily covers the cost of extra utilities (if any).
- **Self-Management.** Employees are free to work without being intruded upon by co-workers (Hill, Ferris, Martinson 2003). Self-management also cuts down on non-productive work, such as “administrative meetings,” by the copier etc. In general, employees have a better opportunity to fully develop their ideas and/or concentrate on the task at hand as they work with less interference.
- **Potential to hire remote workers who do not want to move to the home office region.** It may be easier to attract talent if commute and/or physical relocation was not a major issue.
- **Infrastructure technology was now available for virtual offices.** With home ISDN bandwidth, webinar technology and laptops, reasonable communications can be in place to meet intra-company communications. This results in absolutely no reliance on an in-office server, which was much less secure than the virtual office server. “The flat-world platform enables you to take your



own local culture and upload it to the world.” Thomas L. Friedman 2007.

- **Home office income tax exemptions.** While many people maintain a home computer, they often do not qualify for home office exemptions. A distributed, home-based work environment could change this; however, it was an individual decision and neither to be encouraged nor discouraged.
- **Job Satisfaction.** Reports indicate that responsibilities entrusted to employees in distributed offices appear to improve employee job satisfaction and productivity (*The Economist* 2007).

Challenges to consider regarding distributing work to remote locations:

- **What constitutes the “Office of Record?”** What will the address be for all “corporate” administrative issues, and what telephone number was used for public access? Jamie Barron states, “Note that publishing a land line phone number as a work number can provide enough information for even a novice Internet user to secure directions and a map to the telecommuter’s home.” (2007)
- **Communications and Camaraderie.** Communications between employees was more difficult than walking down the hall. This was a central concern since interactions and negotiation are important not just in initial brainstorming but also at later stages of program execution. “Aside from an occasional face-to- fact conference or streaming video teleconference, telecommuters may work many months without any physical contact with colleagues,” states Jamie Barron (2007).
 - **Distributed Collaboration.** How does the team brainstorm and conduct problem solving discussions? The effectiveness - and efficiency - of on-line brainstorming, utilizing both computers and telephones must be assessed to determine how problem solving will be addressed.
 - **Maintaining chemistry between team members.** This was an intangible issue, since we all intuitively feel that communication sparked by proximity was sometimes very useful if not necessary. Maintaining the chemistry of the “team” through continued daily communications and periodic meetings must be a priority. Building camaraderie from a distance was more difficult. It was not the same as being with each other frequently - the socializing aspect was missing (Nancy Johnson 2001).
 - **Live, face-to-face Meetings.** There are situations where we depend on physical proximity. Although small, internal business meetings of 2-4 can take place at homes and restaurants, it was not always appropriate for outside clients.
- **“Seems unprofessional.”** Many customers will not feel comfortable meeting in home offices for many reasons (e.g., invading privacy, atmosphere not professional, distractions, locating homes in neighborhoods). There was also a general impression that employees are not really working when they are at home, that the business was not authentic. With proper planning, this can be a non-issue. When necessary, meetings can be arranged in a professional setting in an office away from the home office.
- **Opportunity for abuse of time.** Are employees really working 100% when distracted by TV, family, perfect weather, etc.? Are timesheets accurate? Still, mechanisms should be put in place to help combat defrauding the company (Krill 2007). Timesheets remain essential and should be completed accurately by the employee when submitting for approval.

Employees’ Work Environment. How will this be viewed by current employees?



- Not everyone can adapt to working remotely. A person must have self-discipline and be self-motivated. Working from home day-after-day was not the same as occasional telecommuting.
- Sharing one's space with family members when they are not used to it can be an issue. It was very important to separate work space from living space, e.g., having an office upstairs or in the back of the house so that distractions are minimized.
- Some employees may not have a work space that was conducive to remote work or may not wish to work from home.
- **Recruiting** - could be limiting the pool of skilled people, since some people do not want to work from home.
- **Training.** In a centralized office, training was usually accomplished by bringing the new employee(s) to the office. Consideration must be given as to how new employees will be oriented and how active employees continue to receive on-the-ground training to deal with the ever-expanding use of new technology.
- **Technology.** It can no longer be a central operation. Every employee must bear the responsibility for infrastructure installation and maintenance. Consideration must be given to establishing strict guidelines to follow regarding:
 - **Updating** - Each employee should be responsible for conforming to company hardware and software standards. An expense reimbursement policy can be constructed to ensure conformity with company-specified technology standards.
 - **Software Access.** Software licenses should be required for all home-based installations. Common files will need to be accessed through web-based servers.
 - **Security over the Internet.** The server and remote stations will be behind secure firewalls. The vendor used for housing data and programs must be licensed and insured to protect against attacks and business interruption.
 - **Backups in a distributed environment.** Preventative measures to insure against loss of technical data include 1) Periodic backup of our shared electronic information file system with archiving off site, 2) backup to tape or disk cartridge (e.g., Zip drives) for each employee's machine, and 3) issuing periodic reminders to employees to back up their work.
 - **Virus scanning.** Periodic or event-driven, continuous virus scanning software was a necessity to actively detect a virus when downloading files. Monthly update to virus definitions was needed, since there are now more than 10,000 viruses.
 - **Equipment.** Basic equipment determined necessary for OptionsRC administration was listed in Exhibit A. The employees' homes may be less secure than central office space. However, there was less chance of a total disaster (fire, theft) that could affect the bulk of a site's equipment. It was anticipated that employees will purchase their own equipment. Consideration should be given to initiate a one-time lump sum payment to each employee in recognition of the acquisition costs for required hardware. Annual payments should also be considered to ensure that employees manage technology through up-grades and continual system improvement.
 - **Phone lines.** How many are required and how was the cost allocated? "800" numbers, messaging and call forwarding capabilities should be in place for each employee.
- **Office furniture.** Employees should be given the opportunity to purchase company furniture and, where necessary, given an allowance of a specific amount to spend on home office furniture.



- **Office supplies.** Individual supplies will have to be maintained at each employee office. Costs will be controlled by the administrator from each office geographical area.



- **Insurance.**

- **Computer/peripheral insurance** should be considered to protect losses due to disaster or malicious behavior being sued (as a company, not individually), etc.
- **Home Office insurance** to cover furniture, books, etc. in the home, office employees may require riders on their homeowner's insurance, for which the employee should be reimbursed.
- **Company insurance policies** bind the company as a centralized company. Review policies to ensure that proper coverage was maintained, while not seriously impacting rate structure. The impact of off-site data storage must be reviewed and dealt with as required.
- **Safeguarding intellectual property and malicious attack.** This was an issue since all documents and work in progress are continuously available to company members, potentially to Internet providers, and anyone on the net. Creating a "legal firewall" with subcontractors to protect the company from law suits involving theft, loss or use of secure customer data was critical.
- **Hardcopy Access.** Books, periodicals, and documents are harder to share in the distributed workplace than in the central workplace. Subscriptions should be considered, causing a further issue was: who owns the periodicals and books?
- **Office records.** A central and secure repository for key office records must be established and maintained. "Corporate" records must have a home. Data requiring constant access by employees should be maintained on-line either through the respective database or a website portal. Data not requiring access by others should be maintained by each employee on their respective computers. Any client files should be stored in accordance with record retention process, which provides for paper files ultimately being destroyed and data files maintained on a file server.

Application of the Theory:

After a review of the assembled information, we developed approaches regarding each of the concerns raised for both centralized & remote operations. A consensus was reached that we should develop plans for Cleveland employees to work remotely. Cleveland operations would be moved to employee homes with services administered virtually. Hardware currently used by each employee was moved to their respective homes. We established plans for the moves (Exhibit B), and established the date of the move to begin approximately three months prior to the end of the office lease, allowing ample time to test our processes and communications to ensure that our services could in fact be conducted remotely.

Since our intentions to work remotely were created as a "test," all employees were committed "...to give it a try...." The moves took place, the office was dismantled, and the "virtual" administration began. Two months later, everyone was very pleased with the way everything was working - including the person who was doubtful and who, amazingly, moved out of the state and kept her job - something she could not have done had we not been operating virtually! As the result, the office lease was officially terminated.

Today, all employees are committed and pleased with our new approach to administering our services. Our one-year audit following the move confirmed personal gains including:

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1. Cost advantage - gas savings through the elimination of employees' daily commute
2. More personal time through the elimination of commuting
3. One employee retained her job, even though she relocated to a new state
4. Ease of mental stress - no weather or traffic concerns



There are disadvantages, which they were quick to point out, including:

1. Technical support - not easily solved through "service via phone." We have addressed this by establishing support directly from the manufacturer, which enables direct dial-in and problem solving by the technician. This has been very effective.
2. Sometimes it's hard to close the "office." The ringing telephone was sometimes hard to ignore!

To ensure that "office operations" continue to run efficiently and productively, several policies required revisions. Specifically, technology standards were established to detail the equipment required of each employee. The company established an annual payment to help defray the costs. Procedures for service execution had to be revised to compensate for the use of technology to trigger events (versus a call down the hall or a personal visit). In addition, pay procedures have been adjusted to ensure timely payment of compensation.

Questions regarding isolation indicated that this was being dealt with through e-mail, Instant Messaging and phone calls. Quarterly meetings are also taking place to keep the "team" together.

Remoting™ presents an exciting challenge. We trusted that the work would be completed by employees regardless of where it was being done. We believed that our clients, advisors, and corporate clients would not experience any differences or changes as the result of the shift to remote locations. We are convinced that our environment, which was built on trust, can continue without regard whether we are a centralized office or in remote locations.

Conclusion:

The final question: "If you had to do it over again, what would you do differently?" All employees agree there would be nothing done differently. Everyone was pleased...and, while they miss the daily personal encounters, there was no doubt that they are producing efficiently and maintaining relationships while at the same time improving their personal lives.

This business was conducive to working remotely, and everyone involved was convinced that we can indeed: *Maintain our collaborative, centralized approach to executing and processing quality service with employees working from remote locations on a virtual basis.*

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EXHIBIT A

Office equipment requirements & costs:

Equipment/Software	Required	Action Required
Computer and Monitor (or laptop)		
DVD/CD RW		
Printer		
Scanner		
Phone/answering capability		
Fax/modem - create/send/receive/print fax		
Modem		
Internet connection		
Web browser		
Microsoft Office, to include Word processing, Spreadsheet, E-mail, PowerPoint		
Virus Scanner		
Data Backup capability		
Power Supply Backup		
Adobe Acrobat - creating pdf's		
Office furniture		
Phone Lines		
Telephone equipment		
Hard copy reference material		
Office supplies - requisitioning/ordering		
Technical support		



EXHIBIT B

		Item	Person Responsible	Start Date	Complete by	Comments
•	Copier	Terminate (do not renew) copier lease				
•	Facility	Notify landlord of intentions to vacate				
•	Facility	Vacate office / turn in keys				
•	Insurance	Review/make changes				
•	Systems	Evaluate and make recommendations for employee equipment needs; implement.				
•	Telephones	Determine Phone Service				
•	Telephones	Dispose of Phone System				
•	Telephones	Employee Phone System				
•	Facility	Address change notifications				
•	Facility	Identify & tag office furniture to be moved				
•	Facility	Identify & tag office surplus furniture				
•	Facility	Identify/separate reference material to be moved				
•	Facility	Obtain source for surplus furniture				
•	Facility	Cancel utilities				
•	Facility	UPS Address				
•	Physical Move	Line up movers				
•	Physical Move	Move				
•	Systems	In-House Systems Hook-up				
•	Telephones	Home Phone Installation				
•	Telephones	Disconnect company lines				
•	Celebrate					



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