Virtual Outsourcing
OPENS UP A WORLD OF RESOURCES

Growing trend offers property managers the competitive advantage by accessing a virtually endless list of world-class services.

I will share a secret that is giving residential property managers, no matter how remote, economical access to world-class services.

Imagine a property manager rising one morning to embrace the challenges of her job. Maybe she commutes by subway to the Manhattan high-rise she manages, or maybe on foot, along a pristine beach to an oceanfront development.

At her office, she boots up her computer. Within an hour, her personal assistant presents the day's schedule, her ad buyer confirms placement in a travel magazine and her lawyer submits lease revisions. Later, her accountant mails the 1099 forms for the last tax-year, she finalizes open house plans with her event planner and hones communications strategies with her writer.

Only at day's end does she marvel at the global team she commands: an accountant in Denver, an ad buyer in Toronto, a writer in Minnesota and a personal assistant in Bangalore.

The "secret" is virtual outsourcing. It is letting property managers expand capabilities, despite limited resources locally, high prevailing wages or both. For example, from an isolated island in the middle of the Atlantic, our firm, Bermuda Realty, is meeting the demands of a clientele with expectations shaped by the global economy.

Large companies have long outsourced as a way to refocus on core competencies. It becomes virtual when the Internet allows delivery of outsourced services from great distances. It is also the virtual part that permits the seamless integration of services not traditionally outsourced.

While outsourcing accounting or marketing has become routine, our wired world now makes it practical to outsource less expected services such as tenant screening, scheduling and employee benefits management.

BIG BUSINESS BANG ON SMALL BUSINESS BUCKS

Once available only to large companies, the expanding information infrastructure now brings outsourcing's benefits to operations of all sizes.

EFFICIENCY Paying by the hour or project removes costs for downtime and the need to crunch payroll taxes.

FOCUS Property managers are renowned for being Jacks (or Jills!) of all trades. Being able to cope with a double-entry ledger or html code, however, doesn't make it cost-effective.

CONTROL Engaging the right talent enhances control over a project. A designer with illustration skills may be overkill for a newsletter, for example, but key for a new logo.

ECONOMY Three forces work together to boost bottom lines.
- Competitive fees compound savings from increased efficiency.
- Recouped opportunity costs accrue when you focus on core (and income producing) capabilities.
- Efficient allocation lets you deploy the right skill set and rate card. Does your project, for example, require an editor, a writer or a proofreader?

INDEMNITY Virtual outsourcing removes workers' compensation and other liability issues.

SAFETY Working with relative strangers presents a special concern for smaller operations. Fortunately, virtual outsourcing poses threats no greater than those handled by Net Nanny.

A GLOBAL ARMY AWAITS ITS ORDERS

Virtual assistants (VAs) are the foot soldiers in the virtual outsourcing movement. Mobilized by the growing capabilities of electronic file transfer, password-protected websites and web-based software, they stand ready to deliver high-calibre services from anywhere to anywhere.

Hourly rates start at about $25 for word processing, data entry and other administrative duties. They can increase to $50 and up for more sophisticated services, such as event planning, web development, design and copywriting.

As Michael J. Russer (www.russer.com) stresses in *The Obsolete Employee*, reasonable fees are only part of the appeal, "When you hire a VA," Russer writes, "you are hiring an independent contractor who is an expert." "What you get," he concludes, "are highly specialized 'technicians' who most likely love what they do."

That level of specialization can help VAs bridge distance challenges. Our firm, for example, has been calling on writer Paul Samuel Schuster (www.paulschuster.com) since 2005. With copy that evokes pink beaches and fresh seafood, it is easy to forget he is writing from frozen, land-locked Minnesota.

Finding talent is getting easier, too, thanks to the many online talent brokers and job boards. Besides Guru, eLance and REVA, the International Virtual Assistants Association (www.ivaa.org) offers a robust member directory. Search-savvy property managers can go directly to VA websites that often feature portfolios and testimonials.

All this information should get you thinking. For more details, expect future articles to address the reservations some may have to virtual outsourcing, share tactics for finding VAs and reveal tips for hiring, evaluating and compensating VAs. In the meantime, Michael Russer's *The Obsolete Employee* offers an in-depth look at the topic.

Look forward to the next article, "Obstacles to Virtual Outsourcing Easily Overcome," in the upcoming June issue of the *Residential Resource*. 🏠

Paul Matthews is a *Professional Services Manager at Bermuda Realty Company Limited. He uses virtual outsourcing to help maintain the firm's position as the island's largest, most-comprehensive real estate company.*

Purchase *The Obsolete Employee* and help NARPM® at the same time! Visit www.narpm. org and go through our Amazon.com Affinity Program to buy this book and a percentage of your purchase will be given back to NARPM®.

Virtual Outsourcing
Overcoming obstacles to obtain benefits

Paul Matthews is a *Professional Services Manager at Bermuda Realty Company Limited. He uses virtual outsourcing to help maintain the firm's position as the island's largest, most-comprehensive real estate company.*

It is hard to argue with access to almost any service a property manager might need, anywhere in the world, at competitive costs. ("Virtual Outsourcing," May 2008 Issue, volume 19, number 5)

Lingering doubts, however, are not unreasonable. We are talking about hiring virtual assistants (VAs)—people you may never meet. As virtual outsourcing proponent Michael J. Russer (www.russer.com) acknowledges, "the term 'virtual' refers to something that is not real." How are you going to establish rapport with someone who seems as ethereal as ethernet? Rest assured, there are ways to build trust and ensure a smooth working relationship.

The common sense hiring practices you already use can extend easily into cyberspace. The following tips, in fact, should sound familiar to savvy managers everywhere.

REVIEW WORK Many writers, designers and other VAs maintain an online portfolio or links to their work on client websites. Or, they can attach a sample to their next e-mail. For legal, financial and other work that doesn't easily result in "samples," many VAs offer case studies.

CHECK REFERENCES An e-mailed reference from a company with an established online presence is as reliable as a phone call from across town. VAs know that word gets around as quickly as an Internet download. They have personal stakes in keeping their next reference (you) happy.

GAUGE CHARACTER No, you cannot look a prospective VA in the eye. Distance, on the other hand, forces a more methodical assessment that is ultimately more reliable than the gut-check you might get from a handshake. Are responses timely and commitments met? Are e-mail explanations clear and direct? Are there extra touches to remind you it is the way of working and not the worker that is "virtual?"

Our firm decided to try writer Paul Samuel Schuster (www.paulschuster.com), for example, when we received a custom-designed holiday card complete with verse he had penned. Being able to hold something tangible made the virtual real.

Working virtually relates to character in other ways. For one thing, VAs are independent business people, sharing your entrepreneurial spirit and under-standing your motivations. For another, you cannot be distracted, consciously or otherwise, by physical characteristics.

WORK THROUGH THIRD-PARTIES Virtual service provider marketplaces such as Guru and Elance can ease due diligence by acting as a go-between. By assisting search, evaluation, communication and payment, they address many reservations that might come up when working virtually. The VA ratings, submitted by past employers and unfiltered by the VAs, can be especially reassuring.

WORKING VIRTUALLY Once you have decided to move forward, there are practical concerns for bridging the virtual gap.

START SMALL Smaller projects, focused and finite in scope, are a great way to test the waters. "Dip your toe," Russer advises, "Pick a project or support task that's small enough so that it if it doesn't work out, it's not the end of the world." A test project that comes back on-time and on-target bodes well for larger, ongoing projects.

Provider marketplaces are well-suited for easing that first step. Imagine you want letterhead for a residential development. Simply enter your request, submit it and then review the resulting bids. There is no cost or commitment unless you select a VA. You pay nothing if the VA fails to deliver. More likely, you will get what you want, returning to tackle projects you thought demanded too much time or money.

MASTER THE TECHNOLOGY For those jobs that e-mail cannot handle, there are tools like remote access, shared desktops, real-time chats and specialized software. Most are user-friendly. MangoMind (www.mangosoft.com), for example, offers a secure way to put VAs on an internal network, simplifying the transfer of large files.

FIND THE RIGHT PAYMENT METHOD While paying a US-based VA is straightforward, off-shore VAs may raise currency conversion and other considerations. Arranging a wire transfer is easy enough, but new VAs may be reluctant to release the required personal information. Even easier to arrange and more private is PayPal. Provider marketplaces also simplify pay-

A few pointers increase comfort to ease you into the worldwide talent pool.

ment, adding protections such as escrow accounts and the option of anonymity.

BE A GOOD VIRTUAL CLIENT While working virtually magnifies the benefits, being a good client has always brought better work product. Take time to determine the specific business need, practical application, success measures and end user. This small investment can prevent costly and time-consuming detours, blind alleys and flared tempers down the road. Like any service provider, VAs want satisfied clients. Clearly expressed expectations help them deliver.

After deciding it is time to benefit from hiring VAs, there is one more obstacle—finding them. "Scouring the Globe," up next month, shares tips for navigating the vast talent pool without feeling lost at sea.

Virtual Outsourcing
Navigating the Globe for World-Class Resources

Paul Matthews is a *Professional Services Manager at Bermuda Realty Company Limited. He uses virtual outsourcing to help maintain the firm's position as the island's largest, most-comprehensive real estate company.*

Take advantage of the vast, global talent pool without feeling lost at sea. Virtual outsourcing lets property managers access administrative, creative, financial, legal and almost any other service, from anywhere in the world, at competitive costs. Finding them is easier than you might think.

ONLINE DIRECTORIES

Many virtual assistant (VA) directories provide safe harbor when the vast talent pool seems like uncharted waters.

Virtual service provider marketplaces such as Guru and eLance offer controlled access to VAs who have registered at either a free, basic level or at paid, premium levels. (You choose whether to submit your bid to all or just premium members. Keep in mind, however, that some projects set a minimum bid for premium service providers, so including the basic level could net you lower bids.) Most marketplaces require all work be done through them.

Besides free use, VAs pay all fees and commissions. Other advantages include the choice of browsing or posting a specific project, viewable feedback, file sharing, escrow accounts for payment and the option of anonymity.

Non-profit trade associations such as the International Virtual Assistant Association (www.ivaa.org) also let you browse VAs or post a project. Unlike a marketplace, it permits direct access with contact information and links to VA websites.

The directory's 24 categories range from accounting to web design and include members designated as Certified Real Estate Support Specialists. Similar associations include the International Asso-

ciation of Virtual Office Assistants (www.iavoa.org), which focuses on administrative services.

Specialized online communities, such as the Real Estate Virtual Assistant Network (REVA), bring together professionals and online service providers around common interests and industries.

DO-IT-YOURSELF SOURCING

Other options free you from the limits of any single member list, the required release of information and other controls.

Referrals work just as well now as in the pre-digital age. Your colleagues' trusted bookkeeper, writer or programmer may be down the road from them, but that doesn't prevent distance-work with you.

The ease of distance work also means that the departure of a trusted employee needn't be the end of a profitable professional relationship. Virtual outsourcing lets them remain on your team as a VA.

Search engines come last—and, for many, least. They can work, however, for the do-it-yourselfer who doesn't mind getting thrown into the deep end of the talent pool. Since most VAs maintain a website, you can browse qualifications, testimonials and samples, making direct contact when you see one you like. This option works best for the property manager comfortable with entering search terms and brainstorming effective keywords.

Now comes the big question. What do you do with a VA once you have landed one? Look to next month's article, "Outsourcing Virtually Everyday" for tips on evaluating, hiring, managing and compensating VAs.

Virtual Outsourcing
Making Dealings with VAs an Everyday Reality

Paul Matthews is a *Professional Services Manager at Bermuda Realty Company Limited. He uses virtual outsourcing to help maintain the firm's position as the island's largest, most-comprehensive real estate company.*

Excitement mounts as you think about putting virtual outsourcing to work for your property management business. Once-lingering doubts have long since dissipated. A few minutes checking online directories have revealed how easy it is to find virtual assistants (VAs).

You are ready to deploy the vast, world-wide army that stands ready to provide a complete range of services at competitive costs. As part of getting started, it helps to understand that there are two types of service providers.

VA VS. VC? VIRTUALLY THE SAME?

So far, I have used "VA" as shorthand for anyone who provides a service from a location remote to your business. But, says Michael J. Russer (www.russer. com), an early proponent of virtual outsourcing, it's possible to make the following distinction.

A virtual assistant, he notes, provides services on an ongoing basis. Project work, by contrast, is performed by virtual consultants (VCs) who expect to sever ties upon completing their assignments.

The distinction can blur; is the writer you hire one project at a time—but for project after project—a virtual assistant or a virtual consultant?

THE DIFFERENCE AT WORK

This distinction may seem obtuse at times and irrelevant at others. The difference matters, Russer affirms, because it influences each aspect of how you work with VAs and VCs.

Finding

Knowing whether you seek a VA or VC helps you choose between the methods outlined in part three of this article series, *Navigating the Globe* (July Issue, Vol. 19, Number 7). The controls and optional anonymity of virtual service provider marketplaces, such as Guru and eLance, are most appropriate when seeking a VC for a one-off project.

Associations and communities, as well as search engines, work better when seeking a VA for an ongoing relationship.

Selecting

The marketplaces pit VCs against each other as they bid for your project. For more straight-forward functions such as transcription or data entry, a cost-driven decision can make sense—as long as experience, work samples and feedback check-out, of course.

To select a VA, you will want to weigh such considerations as communication style, experience and work quality. Fees are part of the equation, but when thinking long-term, paying more for an experienced VA can increase the return on investment.

Hiring

Provider marketplaces let you review VC responses. You find the most competitive bid and close the deal with a mouse click. If you choose, you may hire anonymously—and remain anonymous through the entire process

An objective—100 open house registrations entered into a database, for example—is either met, or it isn't.

With a VA, you will discuss terms, working out details such as work standards, compensation and non-disclosure. Some cases may warrant a formal independent contractor's agreement.

Managing
With VCs, says Russer, management is by objective. With short-term, well-defined projects, an objective—100 open house registrations entered into a database, for example—is either met, or it isn't.

Objectives for ongoing, open-ended functions are less clear-cut. To keep a VA on track, Russer advises, it helps to have "a well-defined, written business process with straightforward and easily measured results, timelines and quality standards." Don't let the lack of a written process stop you from hiring a VA. In fact, this is another area where VAs can help. More than once, our firm has engaged VAs who have collaborated with us, using our business model to write and initiate the formal business processes that becomes the framework for the professional relationship.

Compensating
Once the VC has met the specified objective, you submit payment to the provider marketplace, usually through credit card or bank draft. The marketplace

deducts its commission and forwards the balance to wherever the VC happens to be (keeping your identity private, if you choose).

A VA may submit a periodic invoice based on an hourly rate, retainer or results-based fee. Most employers send a check when the VA requests payment in the same currency. Other options include PayPal and sometimes credit cards.

TAKING THE PLUNGE
Russer offers some concluding thoughts for those ready to make the leap to virtual outsourcing. "Jumping in all at once and outsourcing everything right from the start is a recipe for disaster," Russer warns. Instead, start with "one support function, and when that appears to be working and stable, outsource another one."

To help choose which support function to outsource first, Russer suggests that you think about the three ways a function might cause "pain" (too costly, too time-consuming or no fun). "Consider which of the three is causing you the most distress," he advises. "This will help you determine what to outsource first."

With the resulting precision and clarity, you will be on the path of continued success with virtual outsourcing. ⌂

The controls and optional anonymity of virtual service provider marketplaces, such as Guru and eLance, are most appropriate when seeking a VC for a one-off project.