The Workplace On Demand Advantage

How to harness the 3 key benefits of workplace on-demand for time and cost savings





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sk any MBA to name a key tenant for starting or running a successful business, and "do what you do best" will be a familiar refrain. Over the past two decades organizations have increasing realized the importance of focusing on their core competencies, leading to the outsourcing of many business processes including human resource management, billing, software development and management (SaaS), data center management and much more. But throughout this wave of outsourcing one critical business function has, until recently, been overlooked: the delivery and management of the office space. Companies are recognizing the importance of managing real estate on their balance sheets and choosing to outsource a portion of their workplace needs.

Far too often, businesses take a piecemeal approach to office outsourcing. They choose one provider to manage their multi-function devices, another to manage their phone systems, a real estate broker to manage their property acquisitions, a property manager to handle cleaning and maintenance issues—and that's just for starters. They also take much of the burden of day-to-day office management on themselves, violating the motto every MBA knows by heart:

"Do what you do best."

Would You Hire Yourself?

Business experts frequently ask organizations to determine their core competencies using one simple question: "Would you hire yourself to do this job?" If the answer is yes, you have identified a core competency. If the answer is no, you have identified an area outside your expertise—and area ripe for outsourcing. Now, the time has come for organizations to determine whether these functions are core competencies of their business:

- Negotiating real estate leases
- Planning and designing office spaces
- Furnishing office spaces



- Purchasing office supplies and equipment
- Managing the on-time, on-budget delivery of office spaces
- Overseeing the ongoing maintenance and management of office spaces

If your organization is like most, the answer to the question "Would I hire my company to do these jobs?" is a resounding "No". Clearly, the strategic decision is to outsource these functions through the next wave of business process outsourcing: Workplace on Demand.

What is Workplace on Demand?

Workplace on Demand is a strategic business solution that enables organizations of all sizes, in both the public and private sectors, to outsource cumbersome office acquisition and administration functions and focus exclusively on their core business competencies. With an experienced workplace solutions partner, businesses can realize significant time and cost savings while positioning themselves for faster growth and creating a rapidly scalable work environment.

Workplace solutions vendors may offer a wide variety of services, but only top firms offer a complete range of comprehensive, quality solutions that can be tailored to each organization's unique needs. These services include negotiating strategic real estate leases, providing project management for the planning, design and construction of customized office spaces, managing relationships with office supply vendors for all equipment including furniture, copiers, phone systems and computers, and supplying experienced office managers and other office staff, such as receptionists, to ensure your office runs smoothly on a daily basis.

Unlike executive office suites of the past, Workplace on Demand offers a unique solution that is truly your own. It's your company's name on the door, at a location determined by you, built completely to your specifications. On the surface, it looks just like a traditional office space. But behind the scenes, it offers significant advantages that save you time and money—and give you an advantage over your business competitors.



The 3 Key Advantages of Workplace on Demand

Advantage One: Flexibility

In a traditional office environment, burdensome real estate deals can bog down businesses with significant upfront investment costs and long-term leases. Typically, the shortest available office space lease is ten years—far longer than most organizations want to commit too, particularly start-up ventures, small businesses, or contractors engaged in shorter-term business contracts. Top workplace solutions vendors have lengthy relationships with landlords and insider negotiation knowledge, allowing them to secure short-term leases that simply would not be possible for an outsider to obtain.

With Workplace on Demand, businesses can manage their real estate portfolio as they would a financial portfolio. Your long-term investments are the real estate assets it may make sense for your company to own and manage—buildings and office space you intend to use for ten years or more. Other investments are short-term and mid-term, and these are the real estate needs that can typically best be filled by Workplace on Demand. The bottom line is Workplace on Demand allows for a perfect match between your organization's business needs and the length of your office space contract.

Advantage Two: No Capital Expenses

Deposits for business real estate leases can costs thousands—or even tens of thousands—of dollars; a hefty capital investment many organizations are hard-pressed to produce. The costs of construction, furniture, technology and other office assets also add up quickly, making securing the funds to open an office an almost insurmountable task. The cost model of Workplace on Demand eliminates these considerable barriers by billing the complete, end-to-end workplace as a service.

Most often, Workplace on Demand will be billed as a monthly, per-seat charge. As a result, your business encounters no expenses until the day you open for business. No real estate lease deposit, no construction costs, no furniture bills and no equipment costs. Simply walk into your office on Day One with everything you need to do business—and without the overwhelming pile of bills that cause so many businesses to fail almost as soon as they've opened their doors. Additionally, Workplace on Demand makes your office an *expense* rather than an *asset*; a



distinction with significant tax and accounting advantages, particularly under new IRS rulings such as the new Financial Accounting Standard Board rules on commercial real estate leasing.

Advantage Three: Immediate Startup

In most cases, six to twelve months is a realistic timetable to open a traditional office in the private sector. Within the public sector, painstaking procurement processes and miles of red tape mean opening a new location can take two years or more. But with an expert workplace solutions partner, the timeframe for startup can be substantially reduced to three months for a completely new office space, 45 days for a remodeled office space or even immediate startup using a combination of executive office suites and virtual workplace solutions. This rapid-delivery model allows organizations to quickly scale up to meet immediate business needs—an essential advantage in a competitive business environment.

Avoiding Workplace Solutions Pitfalls

Like most outsourced solutions, choosing the wrong workplace solutions provider can have serious consequences. An inexperienced or inept vendor could end up costing you more time and money than a traditional office solution. To ensure you are selecting a partner who can help you harness the many benefits of Workplace on Demand, use the Vendor Selection Questionnaire below during your interview process.

Vendor Selection Questionnaire

- Do you have a long track record (a decade or more) of experience creating and managing on-demand workplaces?
- Describe at least three successful workplace solutions projects you have completed.
- Are you able to negotiate leases of any length, including short-term leases?
- Do you have long-term working relationships with business office landlords? How many?
- Have you worked with your vendor partners—including those supplying furniture, phone systems, computers and multi-function devices—for at least five years?
- Describe a timetable for our potential workplace solutions solution. Have you met this type of timetable on previous projects? Which ones?

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- How will you handle the management of our office when it is complete? Will we have an on-site office manager? What hours will they work? Describe their experience.
- Will we have 24/7 access to our office?
- Describe your fee structure and how it will create cost and time savings for our organization.

A Solution for Savings

By choosing the right workplace solutions partner, your organization can attain the substantial time and cost savings this next wave of outsourcing puts within easy reach. The savings opportunities are endless—just consider all the costs you're consolidating: office planning and design, construction project management, lease deposit, mail room, office manager, receptionist, computers, copiers, printers, fax machines, phone systems, technology maintenance and repair, office furniture, utilities, janitorial services and much more. Not only do you no longer have to find vendors to supply these services, you no longer have to spend the time and money it takes to manage them.

Instead, make the strategic move to choose the right workplace solution and pay one set fee each month: Workplace on Demand takes care of the rest. There are no longer any unexpected bills, unexpected time commitments *or* unexpected expenses. You do away with the need for long-term leases, eliminate the significant upfront capital investment required to open a traditional office and gain the ability to immediately startup and scale-up—obtaining a considerable advantage over your competitors in the process. Perhaps most importantly, you regain the ability to focus on your core competencies and do what you do best.

About the Author



Kathlene Buchanan is the president and founder of Metro Offices—one of the premiere, women-owned executive office centers and workplace solutions providers in the Washington, D.C. Metro area.

Buchanan has been in the industry since 1979, and Metro Offices has been operating since 1989 with locations in Washington, D.C., Maryland, and Virginia.

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ABOUT METRO OFFICES

Metro Offices is an experienced provider of workplace solutions with proven experience assisting businesses of all sizes operate more effectively. The first Metro Offices business center opened in Northern Virginia in 1989. Since that time, Metro Offices has been a leading operator of business centers and provider of workplace solutions in the Metro D.C. area. Our strategically located centers and workplace solutions offer a full range of office solutions to entrepreneurs and government contractors as well as regional, national and international companies.

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