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Debunking Top Myths About Virtual Companies

Posted by David McKeegan on February 16, 2015 at 11:38am   🔍 View Blog

If you aren't running or working for a virtual company, it may be hard to imagine that such a company actually operates like a traditional, office-based business – but it does. Out of sight does not mean out-of-mind for managers and staffers or co-worker teams. In fact, they actually may be even more connected in the workflow supply chain of deliverables and customer service. Because, while it requires more thought, creativity and structure in a virtual business -- the same corporate principles still apply.

My company, Greenback Expat Tax Services, has been operating virtually since its inception in 2008. The location-independent business model was designed so we (my wife is the co-founder) could live anywhere we wanted in the world, hire top talent living anywhere in the world and grow a profitable business. Many years later, with thousands of satisfied customers proving our model works, we still get challenged on whether or not a virtual organization can really succeed. So I decided to put to rest the most common myths about virtual companies:

Myth No. 1: Virtual companies have no control or structure because employees work any hours they want, day or night. To some, this myth embodies the core of the virtual workforce—ultimate flexibility and loose accountability. Not true. Virtual employees are still employees and while they my "choose" their 8-hour blocks initially based on time-zones or personal lifestyles – the hours are fixed and the expectations during that time period are just like any other employee in a physical location.

No. 2: Virtual employees prefer to work alone and resent collaboration. Not true. Yes, remote workers operate from a location in which no other employees are with them physically – but they since they are immersed in technology, owners should find the best way to bridge the gap so all staffers feel connected. We have created a 'virtual water cooler' on our internal website where we encourage both personal and professional conversations, which help foster a 'family-like' feel. We also have an online project management program to guide us in day-to-day business happenings provides us with a vehicle for co-workers to share, ask questions, chat and follow-up, with anticipation of fast response. We also have High-Five Fridays, where provides the proper forum for a virtual shout-out to recognize the hard-work of someone else. It is important for team members to feel appreciated, and receiving recognition for a job well done (whether it comes from upper management or peers) can be extremely motivating and builds camaraderie amongst the team.

No. 3: Virtual business owners have no control over productivity without in-person contact. It's all in the deliverables! Productivity shouldn't suffer simply because your team works remotely – but you will need to have a diligent tracking structure in place for workflow and completion. We have regular 'check points' which individuals and teams are staying on-task and moving all projects forward as necessary. Ours is employee-generated with an outline which includes: Accomplishments, a plan for prioritizing projects for the upcoming week, Identifying any issues/delays they experienced this week, Any input they need from us as bosses. Whether it's via Podio or another collaborative tool, keep task management threads going and require all employees to check-in on the status to keep workflow on schedule.

No. 4: Virtual employees are doing laundry, making family meals or watching TV instead of working. Yes, distractions are definitely more prominent in home offices, which means virtual companies need to be flexible with personal time off (PTO) when needed. Employees will be more focused during working hours if they know they have time off coming as well as 'mental health days' to allow them time to step away from work and take care of personal things. This relieves the temptation to do these things when they are 'on-the-clock' and they will feel more comfortable being honest about where they are during the day.

Virtual businesses definitely operate differently than companies with a traditional structure, but by applying some of the same core business principles, the end result can be exactly the same. With the advances in technology, staying connected, productive and profitable can be accomplished whether your team members are under the same roof or working from all different corners of the globe. Ultimately, the secret to virtual-success isn't where you do it but how well you do it. Good luck!

David McKeegan is the co-founder of Greenback Expat Tax Services.

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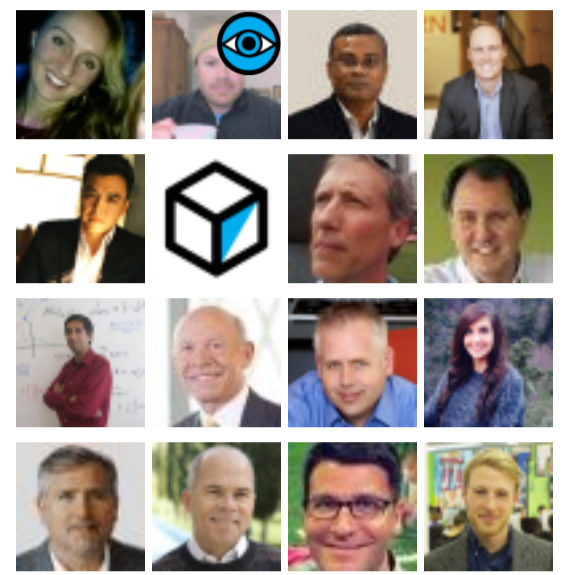Tags: company, entrepreneur, productivity, virtual

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