MANAGING AND GROWING A VIRTUAL COMPANY

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MODERATOR AND PANELISTS

- How do you define a virtual company?
- Recruiting talent
- Managing people
- Implementing technology
- Negotiating contracts
- Communicating and resolving conflicts
- Garnering trust
- Information Technology resources

AGENDA

There is no universal definition of "virtual company" or blueprint for rhe success of a virtual company.

Attendees were asked to define a virtual company. Here are some of their ideas:

▸ A company without walls

▸ A company that outsources core services (payroll, admin, legal, accounting) to other companies vs. keeping the services in-house

▸ A company with staff meetings spread across different time zones

▸ A company where people are not connected legally

▸ A company where people are not in the same physical space and are connected by technology with no face-to-face meetings

HOW DO YOU DEFINE A VIRTUAL COMPANY?

Recruiting top talent is essential for any company's success. What best practices do you follow when hiring for a virtual company?

- ▶ Hire entrepreneurs: they understand what it means to deliver the best product and service to clients

- ▶ Hire experience: don't hire people who are just starting out in the virtual world—too much for them to learn, too many risks

- ▶ Hire experts: find the best people in the specific field in which you work and hire them

- ▶ Rely on your network: leverage your contacts and get referrals

- ▶ The big job boards—Monster, Dice, etc.—don't work when hiring in the virtual world: quantity vs. quality

- ▶ Use social media (LinkedIn, Twitter, Facebook, Google+, etc.)

RECRUITING TALENT

Managing people is a challenge for even senior executives and managers. What are some best practices you've used for managing your people—either individuals or whole teams?

- Create a schedule with work products and key milestones; review both on a very regular basis to make sure everyone's on target

- Hold people accountable; make sure they know the implications if they hit a milestone and the serious downside if they miss it

- Review their work products (code, writing, financials, etc.) and give specific feedback that points out positives and negatives so your people can improve

- Reward excellence and going "above and beyond'; don't settle for mediocre or "good enough" work

MANAGING PEOPLE

With all the potential technology solutions available, how do you decide which ones work best for a virtual company?

- Known, tested, proven, distributed technology—must be in the cloud

- Mobile technology—there has to be an app for the technology or we don't use it

- Don't assume virtual team members know how to use the technology; be prepared to train them if needed—will save a lot of time, headaches later

- Essential virtual applications include: Skype, GoToMeeting, Basecamp, Dropbox, GrassHopper, onehub, Podio, Google Apps, Copy, GitHub

See the "Information Technology Resources" at the end of this deck.

IMPLEMENTING TECHNOLOGY

Negotiating contracts is a skillful combination of art, science, intuition, guts, and luck. Without successful contracts, there is no business.

▸ Do your due diligence: learn what you can about the company— your professional network, D&B, social media

▸ Use technology: 87% of communication is body language, 7% is what you say, and 6% is how you say what you say. Use Skype of video conferencing to look at the person you're negotiating with.

▸ Negotiating project contracts vs. founders' contracts is very different.

▸ Hire an expert lawyer: draft a boilerplate agreement; consult on any changes to the boilerplate and/or any customer agreements

▸ Don't take anything additional on that is not in the original contract with the assumption that it will work out in the end—it won't. Create amendments and/or extensions for all agreements.

NEGOTIATING CONTRACTS

Virtual communications can't rely on "bump and connect" or impromptu hallway meetings. How do you communicate with your employees? How do you resolve conflicts with them?

▸ Use technology: Skype is better than phone; email is efficient but phone helps develop a personal relationship

▸ Understand someone's communications style: type of communication, frequency, duration and fit your style into theirs

▸ Develop a relationship: see your employee as a whole person not just a worker; learn about their outside interests, hobbies, family, etc.

▸ When an issue arises, act promptly and decisively: address the issue as soon as it happens and don't let things slide and expect they will work themselves out—they won't. Don't have "inner pissment."

COMMUNICATING AND RESOLVING CONFLICTS

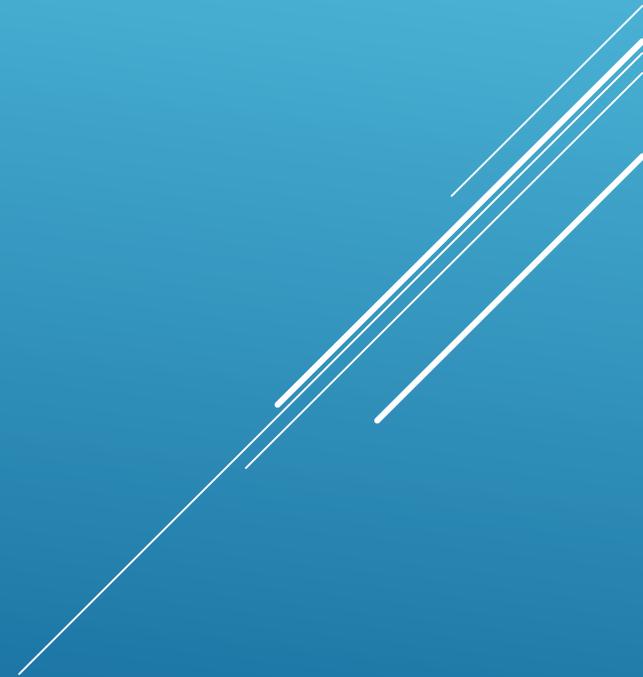Trust is an indispensable pillar for any organization—virtual, brick and mortar, or hybrid.

How do you gain trust from virtual workers and virtual teams?

▸ Make them accountable; require that they produce great work products; impress the seriousness of milestones and client relationships upon everyone who works with you

As a manager, how do virtual workers gain trust in YOU?

▸ Lead by example

▸ Treat everyone with respect and dignity

▸ Set lofty, gnarly goals that inspire excellence

▸ Deliver the highest quality work products all the time

▸ Get stuff done

GARNERING TRUST

- **Virtual meetings:** Skype (http://www.skype.com/en/), GoToMeeting (http://gotomeeting.com)

- **Project management:** Basecamp (https://basecamp.com/), Podio (https://podio.com/)

- **File management:** Dropbox (https://www.dropbox.com/), Copy (https://www1.copy.com/home/)

- **File creation and sharing:** onehub (https://onehub.com/), Google Apps (http://www.google.com)

- **Virtual phone system:** GrassHopper (http://grasshopper.com/)

- **Software development:** GitHub (https://github.com/)

- **Remote storage:** Onehub (https://onehub.com/)

INFORMATION TECHNOLOGY RESOURCES