Virtual Employee: 7 Reasons Your Business Needs One (Now)

If you are anything like me and you run a small firm, chances are you have faced a lot of troubles finding good employees for your various tasks.

Haven't you?

At some point, I was really frustrated because no matter how many interviews I would make, and how many potential employees I would meet, I could not find anyone that would meet my criteria.

So I turned to on-line resources and despite a few failures I had, I am confident to say that hiring a virtual employee was a damn smart thing to do.

A few years before, finding a new employee for a specific job, was a difficult task that most of the times needed a whole new, specialized employee just for that. The bigger the company the more human resource employees needed to do just that – find employees. The main difference is that back in time Internet was not so widely available and popular.

With every other "luxury" that Internet has to offer (like be able to preview and buy g-strings from any corner of the earth), it has also gave us the possibility to meet, evaluate and hire people located in foreign countries, for executing any task no matter how trivial or important it might be.

According to sbecouncil.org, in 2011, there were 5.68 million employer firms in the United States. From them, firms with fewer than 500 workers accounted for 99.7 percent and businesses with less than 20 workers made up 89.8 percent. If you add in, the number of nonemployer firms – there were 22.7 million in 2012 – and the share of U.S. businesses with less than 500 workers increases to 99.9 percent, and firms with less than 20 workers increase to 98 percent.

If you run a big company, then you might not need this post very much (in that case, just drop me a comment of love and you may go). Chances are though, that you don't run such a company and this post will be very helpful to you because I will explain, all the advantages of hiring a virtual employee rather than a "local" one.

Hiring a virtual employee

What it comes to hiring an employee, what employers are most afraid of is:

- how good their choice is going to be
- if this employee will have a positive R.O.I
- how to handle him/her
- whether he is trustworthy

After reading this post, you will have a much better understanding of why a virtual employee is a better choice for the majority of small-scale businesses like yours and mine. Let's see these advantages one by one.

Advantage #1: Way Better time and resources management

Time cannot be bought. Time cannot be created. But, time can be saved, and time of others can be bought. **Time is everything**. And the first and most important advantage of not only hiring a virtual employee but an employee in general, is to buy his time, for saving yours.

Resources ain't coming for free

When it comes to virtual employees, things are even better. Solely on the nature of the employment, such cooperations will save you more time because:

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You have a more defined time schedule

By having a virtual employee or assistant as he might also be called, you can arrange your time schedule and schedule according to that a lot better. You can assign tasks through various on-line platforms specific to each employee and track their progress through that software. Most platforms have analytic time resource management so that you know how much time, it took every employee to complete a specific task.

You can then give specific bonuses to tasks that were on-time or apply penalties to overdue tasks.

You will not have an employee over your head

People will constantly keep asking you (some not very smart questions) just to get the opportunity to make a break or bust your balls for no apparent reason. This distance while bad for your rapport, it is rather helpful when it comes to productivity and manageability. Every employee (including yourself) has his own private time and space to perform the tasks he wants with no unnecessary interruptions.

Manage your interactions the off-line way

Like when you want to avoid a chick that puts pressure on you with her messages, this way of employment will help you better manage your time and respond to your virtual employees according to **your** time schedule – not theirs. Find what is the best time and schedule your day accordingly so that you have a very specific time slot for each employee.

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This communication will still be 2-way but on your terms. Assuming an employee sends you a PM in the morning about an issue she has with a task. You see it, you review and reply to this comment whenever works out for you.

Advantage #2: Scalability anyone?

Today, there are a million systems, software, platforms to find, hire, manage and pay your virtual employees. Those systems are built in such ways to help both you and your assistants. If you haven't used one before, you will feel very comfortable with most of them. Like my company or yours, all these companies have profit as their main goal as well.

Exactly for that reason they made their systems as easy and scalable to use as possible. Through a single platform, you will be able to manage all your distant employees whether you have one, or several like my case. Since each employee is a separate tab or folder, where you have all the information, resources, payments, performance metrics, tasks etc. specific for him, you will save a huge amount of time/effort just by this centralized platform alone.

Imagine yourself asking a different person about Virtual George's salary, completed tasks, deliverables etc. **What a huge time waster**.

Now I have to admit that there is a difference if you have to manage a single virtual employee or 20 of them, but even in this case the easiness of scalability and manageability is leaps and bounds ahead. All you need to do is have a highly skillful manager (preferably a virtual manager) that will be in charge for all these data.

Set some KPI's and make sure that he is monitoring them very close. Every time some KPI is off the chart, you can be involved and take corrective action. That way every additional virtual employee, will add only a minimum overhead to the already existing system.

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Advantage #3: Pay per result

Have you ever felt that you waste your money with an employee? That keeping him is more of a liability than an asset?

Well, I sure have. And I gotta tell you, it didn't feel nice.

One of the greatest advantages of hiring a virtual employee is that you can pay him per result or per hour depending on your business. This tremendous flexibility (switching from pay per project to hourly rate) will help your business in several ways:

Start with payments based on results

In a traditional employment scheme, you have a big risk of hiring someone with an hourly rate before you have the chance to know him well. If you want to be legal you have a very small time frame to "test" your employee before you need to officially hire him.

What happens in a virtual environment is:

1. you start paying your new employee based on his initial performance
2. you can switch to an hourly rate and evaluate if this is effective for your type of business
3. if things work out you can keep it this way
4. if not, you can switch back to payment per project or fire him with a click of a button

What happens in most companies is, they hire some employee based on resume, which could very well be a bit "skewed", start

paying him big salaries, and then if they find out this employee won't fit, they have to pay an even bigger compensation.

Since energy preservation is a human nature feature, every employee virtual or not, will tend to work less and less as time passes. The problem is that your payment will stay the same for his 8-hour day and you cannot change it that easy in a classical business environment. On the contrary, if you pay per actual deliverable results this employee will need to deliver if he wants to get paid.

Advantage #4: No physical infrastructure

As far as money saving is concerned this may possibly be the biggest advantage of all. Ask anyone with a small company, what is the infrastructure cost of his business. Adding up costs of:

• buildings
• in-house technology like computers, servers, printers, cameras etc.
• cleaning, maintenance and security staff

Note that all the aforementioned costs are not one-off. Most of them are monthly or annual costs that sum up a huge bill to pay, every now and then, just to keep all your employees under one roof.

You won't be needing any of this

I know what you are going to say, not all businesses can support a remote environment. Some have manufacturing costs involved, packaging etc.

I'll give you that. Like I said, not every company can utilize a remote environment or at least, a 100% remote environment.

Even if you have to keep all your manufacturing in one place, that doesn't mean you can't have virtual employees for your:

• graphic designs
• accounting or bookkeeping
• web development
• Internet/market research
• marketing needs
• on-line presentations
• data entry

As you can see, there are tons of positions, even whole departments that don't need to be physically present, that every business can take advantage of.

Advantage #5: Get rid of office politics and leisure time

I hate it really. Is was one of the major reasons I left my last day job during 2009. In a classic business environment, some good gossiping and back-stubs will take you far. While this is a very nice tactic for an employee to climb the ladder or pass his time pleasantly, it is a real business killer for you as a business owner.

By keeping all your virtual employees separated to different places (even countries) you not only minimize this issue, you eliminate it 100%. Since none of your employees knows about the others, except in few cases, where it is absolutely necessary to do so. By cutting this every-day liaison between your employees, you can rest assured that none of them will say anything, gossip or pull the rug under the feet of his colleague.

Let's do this together

That way, their whole effort and energy will be spent on completing the tasks that need to be done and they will be able to focus on their real job (which is not to gossip about who is sleeping with whom within your company).

Benefit number two is that you will also be able to perform a lot better since you won't have to manage all this useless shitty behavior.

Apart from gossiping, you will earn some extra productivity points as well. Since your employees won't interact with each other on the corridors, kitchen or the patio, you save valuable time which equals to money. There's really no reason to pay someone for gossiping or discussing who won the last football game last night.

Advantage #6: It really is way cheaper

Nowadays, you can find an employee from anywhere around the globe and pay him according to that. You know that, apart from the skill or the quality of the job, another deciding factor about the salary of a virtual employee is the local economy he/she lives in. So what is the reason to pay more for a skillful programmer that lives in London, if you can pay way less for an equally skillful programmer that lives in India or Pakistan.

I am not saying that it is a super easy task. What I am saying is that, when someone charges for his job, he calculates his salary depending on his cost of living as well and not entirely on his skill or the niche he works in.
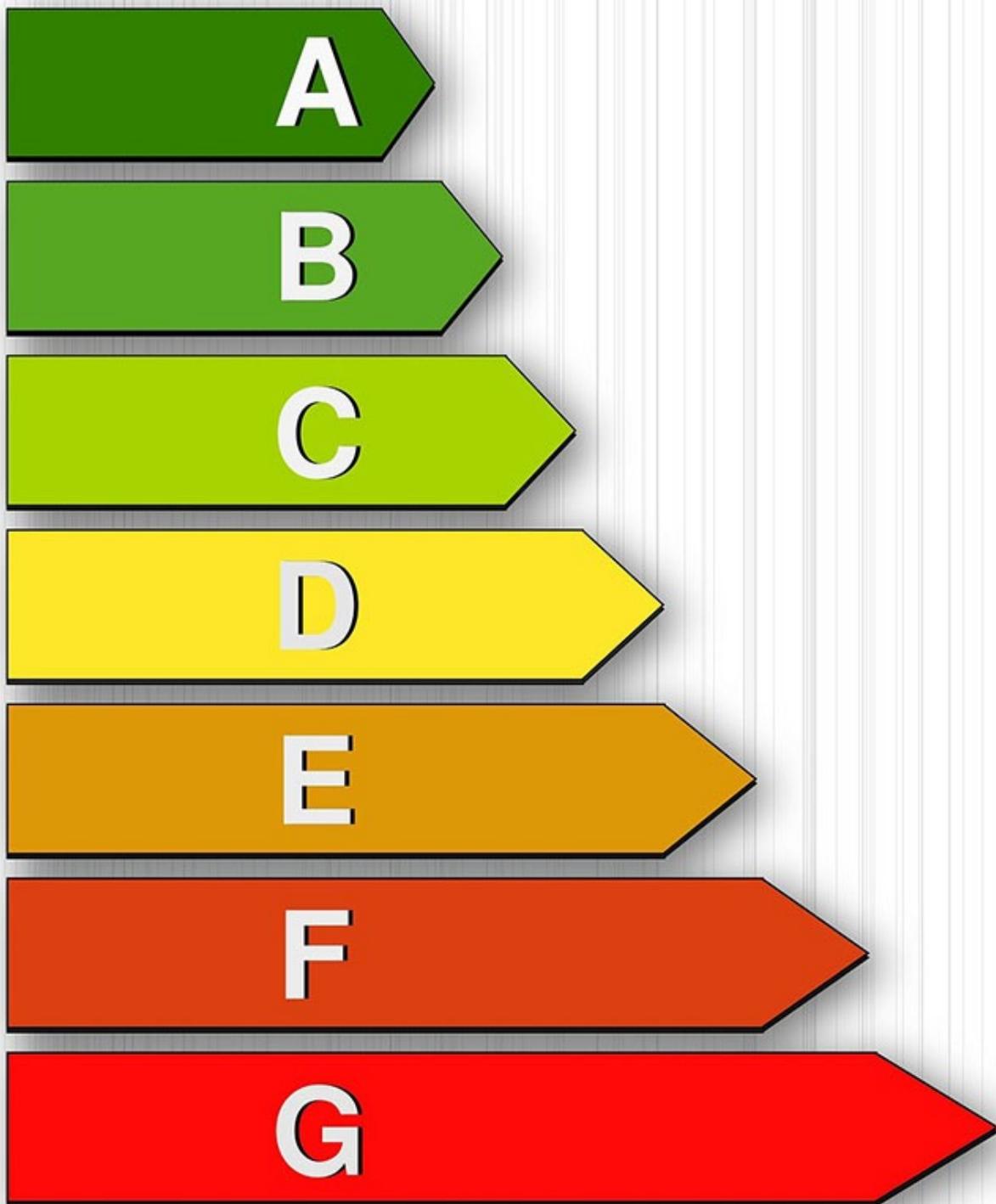
It is perfectly doable to find an equally skillful (and less expensive) designer, programmer, content writer or database manager in New Delhi as well. Moreover, you will save a lot of

money (at least in my country) from state taxes that you will have to pay for his insurance, salary, pension etc.
Don't be afraid to take the try. Just post a job and see how it goes. The risk is minimal compared to an actual hire or a "real" employee.

Advantage #7: Hire a world-class talent

Besides the money you can save, there is also the issue of quality as well. In the same sense you can find a cheap alternative for your employment, you can also find a great talent.

Some years ago, you would have to put an ad, or ask a headhunter company for hiring some qualified individuals. Nowadays talented and skillful, professionals can be found in any place of the world, just a few mouse clicks away. There are huge platforms that are designed especially to do this. Get you in touch with professionals of every niche imaginable. But they don't stop there. Most of these platforms have specialized filters that you can use to select the level of skill, knowledge and past experience of your candidates.

According to your budget, these platforms will make suggestions from the cheapest to the most expensive candidates in your field. After that, it's up to you to choose the virtual employee you want.

The cools thing about it, is that not only you can see a full review of the prior performance of this employee but you can also have a look on each individual task he was ever involved in this platform, how he performed, if he was credible enough with his deadlines and many more useful data.
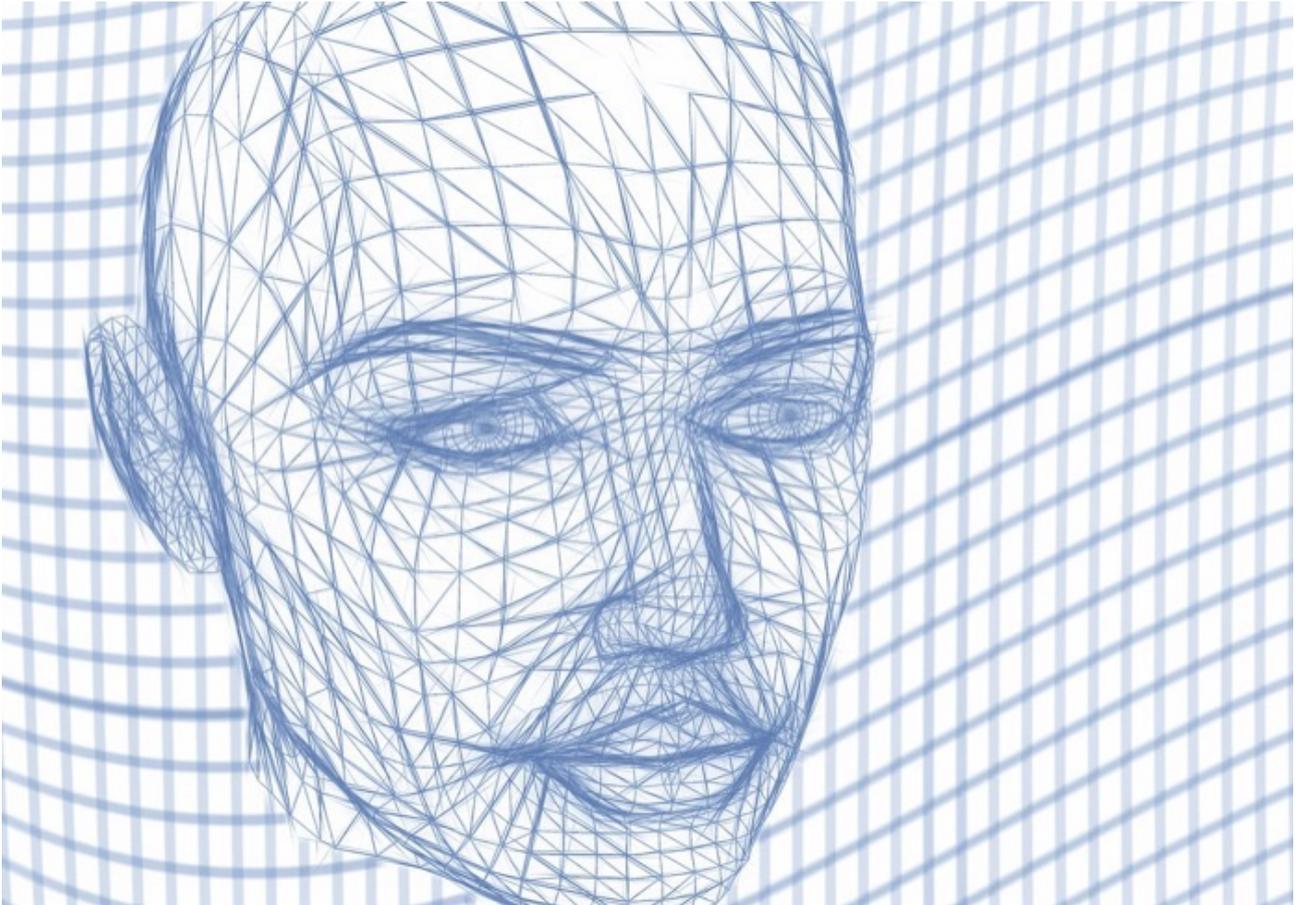
I can't even compare that level of flexibility with every other traditional hiring system ever existed. Not only you get to see all the credentials of your future employee but you can also find the skillful programmer you need living a few thousand miles away from you, just like that!

Conclusion

I know that some of you might still be skeptical about it. I am not trying to convince anyone that virtual employment is perfect and 100% risk-free. Like in every transaction, this kind of business has some risks as well. In my opinion not having a face to face contact with your employee has some minor disadvantages but above all, this very long distance outweighs every trouble you might face in the long run.

In case you want to outsource a part or a position of your company this way, don't give it a second thought. The money and time you are going to save due to the lack of infrastructure, office politics, employee leisure is just too much to ignore.

Moreover, you will be able to evaluate your future employee in a more realistic and useful way, make sure that you hire exactly the talent you are looking for, at the price you are looking for. The flexibility of payment, hiring and firing is just the frosting on your cake here.

*Stay tuned for next week's post on "How to hire a virtual employee"