

## **VIRTUAL VIEW**

*E-Suites*

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In previous articles, I've shared how to transition from the home office to a Virtual Office and the importance of outsourcing some of your administrative tasks to a trusted Virtual Assistant. The next step in growing your business may be to finally take on "physical" space other than in your home. Some entrepreneurs are very suited to work from home, where others find it very distracting or they can never get away from the office.

A primary reason why many entrepreneurs do not take the leap into traditional office space is the financial commitment. Leasing conventional office space typically requires a 3-10 year lease commitment and capital to build out space, purchase furniture, lease a phone system, install data a voice lines, hire staff, etc. In fact, trying to grow your business from the one-man shop to a small business operation is a huge financial investment, which is why many entrepreneurs stay "self-employed" rather than "small business owners" – there is a difference and I will address that topic in the future.

**The solution:** Executive Suites – also referred to Business Centers or a "shared tenant environment" or "E-suites."

Business Centers are not incubators, but similar in concept and services. Shared offices were introduced in the 60's - attorneys would quite often set up this type environment – especially if they were self employed and needed to be in a corporate environment.

The E-suite concept is beautiful because there is very little risk involved. Some of the benefits include:

- A one-page "Service Agreement" is used rather than a 20-page lease document.
- Space is typically ready to move in within 24 hours.
- There are no start-up costs typically associated with moving into conventional office space
- Offices are available by the hour, day, week, month or year
- As your company expands and contracts, so can your space requirements – extremely flexible.
- Furniture, high-speed Internet access and telephone service are already in place and ready to "plug-n-play"
- Large conference rooms and training rooms are available to use by the hour or day and you typically receive some "free" hours in your monthly rent.
- Professional Executive Assistants are available from 8-5 and you pay only for the time you use – no hiring, payroll, taxes and benefits.
- A professional receptionist is "on duty" from 8-5 to greet clients, answer your calls and accept packages.
- Clerical services are available in house – binding, copying, printing, mail delivery, etc.
- The clients only write one check a month that includes everything from rent to copies
- Maintenance, cleaning and Office Management are part of the package.

E-Suites are sometimes the first step that small businesses take before they commit to a long term lease and other tenants spend 10-15 years in a shared tenant environment because of the convenience, flexibility and cost savings. E-suites do not work for tenants that need any kind of specialty office space or equipment.

Because of the flexibility and cost savings up front, tenants “appear” to be paying a higher premium to rent this type of space. However, if they perform a cost comparison for moving into conventional space, the E-Suite will remain the more affordable option until you get to 7-10 people. Once a business is operating with 10 people, E-Suite tenants start transitioning into a traditional office space environment.

If relocating to an E-Suite is where you are headed, you have several options in St. Louis. There are two international Executive Suite operators. Collectively they have over 700 locations worldwide. If you need to have a presence in several cities or need to have the option to use space in other cities on flexible terms, then the big guys are where you should be. However, if you like working with other entrepreneurs and dealing directly with the owner, there are about 6 or 7 independently owned centers in town as well.

For more information about where the E-suites are and who to contact, please contact me directly via e-mail. The operators of Executive Suites are not like most industries – we refer business to each other because sometimes our location is not the right fit or they need a particular image. There have been several new e-suites that have opened just this year and they are scattered from South County to Chesterfield and the latest is in the West Port area, which will be opening in July.

The most important thing to remember when shopping for E-Suite space is that you are comfortable with the staff and are confident that the owner or operator has your best interests in mind. You can rent an office in the most beautiful space in town, but without the relationship with the person running the operation or managing the center, you are simply another tenant. As entrepreneurs, we are interested in not only growing our business but also helping our colleagues grow their businesses. An effective E-suite environment should help you focus on your core competency to enable you to grow your business and eventually move into traditional space.