



# Instant offices

IN CHANGING TIMES WHEN BUSINESSES NEED TO EXPAND AND FIND NEW LOCATIONS, MOVING INTO A SERVICED OFFICE COULD BE A GOOD OPTION, SAYS ARCHANA SINHA

With the geographical boundaries blurring, expanding businesses in new locations is being recognised as the best possible way to growth. However, setting up a new office in a new location is expensive and carries the risk of financial wastage in case the business has to be wound up. To counter this, professionals and large organisations seeking a market presence, or looking for business expansion in another city or in India, are opting for serviced offices.

Compared to the conventional leased office space, a serviced office does not require furnishing or lease agreement and provides an ideal business environment in terms of immediacy, flexibility, location and cost. Regardless of the fact that the company stays on for two years or for two months, the executives just walk in, fill out the agreement papers and start their business.

The offices come with complete fit outs, in spaces as small as 400 sq ft to one that accommodates 50 to 300 staff. Secretarial support, internet services, security and total EPBX support are available on demand. Most offer conference and meeting rooms for presentations and even virtual offices with com-

plete internet and secretarial support, helping companies focus on critical issues like developing business, meeting clients, clinching deals and conducting business from day one. The firms pay for services on 'pay as you use' basis. Additional space can be allocated at a short notice and companies have the option of renting additional space for a day to carry out brainstorming sessions, client meetings, staff interviews and other activities, saving significantly on overheads and capital outflow.

Says Anshuman Magazine, South Asia CMD, CB Richard Ellis, "The concept has taken off in the last couple of years as more business enterprises are coming up. It is specially useful for small start-ups that want to start out with a small staff, or those who are absolutely at the initial stage of business, still looking out for clients and contracts. A serviced office space is the preferred way of working for people who need to stay in the location for two to three months and return to

their base location."

The concept of serviced offices or business centres has been around in the US and Europe for more than 15 years. In India too, business centres have been around for more than ten years, but it is only now that multinational companies have begun to set up such office spaces in India with trained staff and international standard services. "MNCs specialising in serviced office spaces bring along the expertise of offering top class spaces, and services with leased Internet lines for speedy uninterrupted connectivity," says Magazine. In cities like New York, serviced office spaces account for almost 10 per cent of the total office space. In India, the inventory is still small.

The other reason for such offices being in demand for the past few years, is the high rentals of office premises, say experts. Many MNCs looking to set up an office in the country, like to keep their expenditure to a minimum. Meenal Sinha, GM, Serv-

corp, a multinational company which has tied up with K Raheja Corp to offer serviced office space says, "A typical serviced office of 1500 sq. ft., complete with fit-outs, staff support and technical personnel, communication system, connectivity

and incidental, costs not more than Rs 2.9 lakh per month. A traditional office works out at Rs 6.37 lakh for a month. Moreover the lease agreement is usually done on a yearly basis and winding up at a short notice becomes difficult."

Anshuman Malik, vice president, Incube Business Centre says, "Setting up office in India for a person who is new to the country could be difficult, expensive and time consuming. Apart from the challenges of moving staff, files, furniture, other facilities such as telephone, internet, boardroom facilities could take time to set up and the actual business may take months to start."

Malik adds, "Since the last decade, the revolution in information technologies and liberalisation of economy have created enormous opportunities for knowledge-based businesses as well as challenges for planners to create new jobs now needed the world over. The business centre helps tackle the obstacles faced by entrepreneurs and facilitates the venture creation process."

Meenal Sinha, says, "This is an era of speed and efficient delivery. Businesses have to minimise gestation pe-

riod and concentrate on their core area of expertise. A fully functional office with premium fit-out, classy reception areas, superior IT connectivity in a good location eliminates starting hiccups. State-of-the-art technology like hot-desking allows online access to all the services anywhere and anytime, while dedicated leased internet lines ensure speedy download and communications. These redefine the method of doing business professionally with a local business number and dedicated trained receptionist to manage all calls."

Sean Morgan, MD, Avanta, a serviced office located in a plush area, finds it hassle free. "India is a preferred destination, but its working ways and cultural fabric can be difficult to understand in the beginning. Moreover the recent terror attacks have created a kind of uncertainty. Despite these, you need a plush address and an office in an instant with minimum wastage. A serviced office is the answer as you can actually get complete confidentiality of your business, high level of security, secretarial and administrative support on a shared basis. Winding up is easy."

The clients feel this works well

when the need is to deliver from day one. Dr. Kant Singh, of International Business Wales a UK based government agency says, "I save 30 per cent of my time by operating from a serviced office as most of my needs like internet, fax, photocopiers, couriers and dispatch are fulfilled in an efficient and professional manner. I get a total professional atmosphere to work from."

Shardul Padhye of Top Source Infotech, who manages a sales and marketing office here, operates from a virtual serviced office effortlessly without courting hassles of maintaining equipment and office support. "I work with a three-member team and all of us travel. One seat in the serviced office is enough to take care of our needs when we require a physical space. The rest are managed through virtual office which provides good connectivity, through hot-desk and leased internet line," he says.

Surely, in these times of uncertainty, serviced offices are the best option. Not surprisingly, many companies are setting up such offices in India. After all, it pays to serve their residents who run their businesses from these premises.

## focal point

- In these uncertain times, corporates find serviced offices a practical and inexpensive way to set up business
- Such offices are available for three people, or 300, complete with support staff and other facilities



*Serviced offices are especially useful for start-ups that set up business with just three or four people. They are also ideal for those who need to be in a location for just a few months*