

Virtual Office Management System for Virtual Office Business

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Abstract

Today, virtual office business has become a trend in major cities of the world. Almost every major city, especially the capital of each country, has this business. In a quite short time, the number of user of virtual office services is growing rapidly. This has led to the need for disciplinary implementation of standard operating procedures and work effectiveness in managing the virtual office is also increased. There are so many cases and problems that arise due to lack of discipline in procedures and the slow performance of virtual office management work. Missing customer letters or documents, conflicting schedules for the use of meeting rooms, until a thorough inspection by the authorities regarding serious crimes committed by virtual office customers are some examples of problems that have occurred. To increase the work effectiveness, virtual office management really needs an information technology-based application that become a backbone of recording business process milestones and storing important information for all customers.

Therefore this study focuses on how to improve virtual office management performance through the use of information technology. Virtual Office Management System (VOMS) is an information technology-based application that is the answer to the needs of virtual office management entrepreneurs in Indonesia.

Keywords: virtual office, information technology, management, enterprise resource planning, software, business application, operational efficiency, resource effectiveness

1. INTRODUCTION

In Indonesia, the growth of the virtual office business began to develop since 2006, marked by the presence of PT Regus Business Center Indonesia (Regus), one of the oldest virtual office company in the world from France, in Jakarta. Later on, many virtual office companies were born, one of which was Lenere Business Suite which was born in 2012 and has used Virtual Office Management (VOMS) a year later. With the increasing number of virtual offices in Indonesia, while the absence of adequate government regulations, has led to widespread crime rates by utilizing the use of virtual offices.

Therefore, in 2016, asosiasi Perhimpunan Pengusaha Jasa Kantor Bersama Indonesia (PERJAKBI) as the association of the Indonesian Joint Office Services Entrepreneurs Association was born to accommodate the needs of entrepreneurs who manage virtual offices in Indonesia. PERJAKBI then coordinates with the government in developing national regulations. As soon as the association is formed, a survey is conducted on how the performance of virtual office management in Indonesia, the results of the survey found that there are many unprofessional behaviors towards managing the virtual office and also the lack of the use of information technology-based applications is also the concern.

Based on the survey results, it turns out that only Lenere Business Suite has used VOMS. With operational staff of only 6 persons and the use of VOMS, which greatly impacts the company's performance, the Lenere Business Suite that only operates one office space, is able to serve more than 3500 customers and manage more than 50,000 documents / parcels annually. This paper will describe the business processes that occur in the virtual office management company, how to map the business processes into VOMS and how is the VOMS architecture.

2. LITERATURE REVIEW

The term “virtual office” was coined by Chris Kern in 1983 [1]. Since then, the term was been widely used by researchers and also practitioners. It is called “virtual office” because the customer only subscribes the office address and some of the virtual office management services, which are office standard operations (such as mail handling, concierge service) but actually the customer never uses the office space for the company's operational needs.

According to the American Production and Inventory Control Society (2001), ERP is defined as a method for the effective planning and controlling of all resources needed to take, make, ship and account for customer orders in a manufacturing, distribution or service organization. [2][3].

ERP has a lot of important modules [4], in this case we are using 5 of them, that will become the basic support of VOMS, which is [5]:

Financial Accounting (ACC) - this is the core module of ERP software systems, as it gathers financial data from various departments and generate reports such as balance sheet, general ledger, trial balance as well as quarterly financial statements. [2]

Inventory (INV) – facilitates the process of maintaining appropriate level of stock in the warehouse through identifying inventory requirements, setting targets, providing replenishment techniques and options, monitoring item usage, reconciling inventory balances and reporting inventory status. [2]

Procurement (PROC) – it streamlines procurement of required raw materials, as it automates the process of identifying potential suppliers, negotiating prices, placing orders to suppliers, and related billing processes. [2]

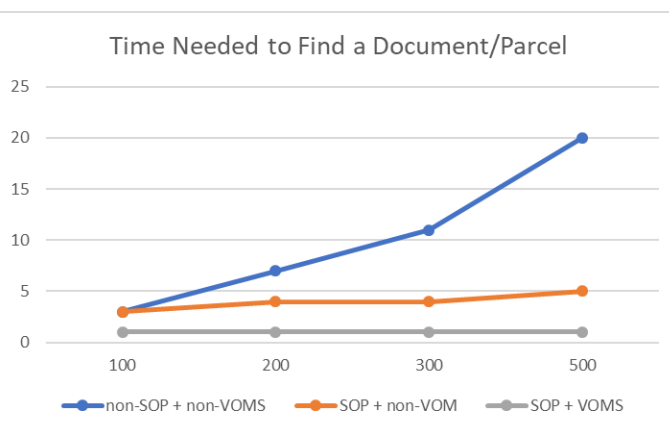
Sales & Marketing (SALES) - its key functions are order placement, order scheduling, shipping and invoicing. This is the key as revenues from sales is the live blood of the organizations. It also supports lead generations, direct mailing campaign and trends in customer tastes. [2]

Human Resource (HR) – it routinely maintains a complete employee data base that include contact information, salary details, attendance, performance evaluation and promotion of all employees. It is a key in optimizing the utilization of the expertise of all employees.

3. METHODOLOGY

Virtual office business has a unique characteristic, their sales transactions are more likely to business to customer type. Most of the transactions are fully paid, except for Business Identity Plan Agreement (BIPA) service because it takes time about 1 month to be delivered. For BIPA, the payment is divided into 2 terms, the down payment, and the rest of payment. Therefore, AR in this business is very easy to manage. About the business process, all of the service in this business is totally routine work so that company don't need to hire high skill labor. Numerous business entity which the frequency of requesting documents / parcels and other virtual office services is very high. As a result, this business become labor intensive along with rising demand for services. Due to high demand from customers, the dependency of VOMS application to used by the virtual office company become very high. The process of delivering customer request will be very fast by using VOMS.

Time Needed to Find a Document/Parcel			
Document/Parcel in Storage	SOP	VOMS	Time (min)
100	⊗	⊗	3
200	⊗	⊗	7
300	⊗	⊗	11
500	⊗	⊗	20
100	⊙	⊗	3
200	⊙	⊗	4
300	⊙	⊗	4
500	⊙	⊗	5
100	⊙	⊙	1
200	⊙	⊙	1
300	⊙	⊙	1
500	⊙	⊙	1



VOMS was first designed and built by the Syburst Corporation, an IT based company which own proprietary products in Indonesia. Their solution has defined into 4 layers, which is:

1st Layer, Horizontal Solutions – it is designed for common industry, which functions to manage basic business processes that occur in a company. ERP is one of the well-known applications in this layer.

2nd Layer, Vertical Solutions – Facilitates specific industry business processes, such as VOMS, it belongs to this layer.

3rd Layer, Business Solutions – Maintain corporate management level of monitoring and reports, it has advanced features that can provide comprehensive information to support corporate management decision making.

4th Layer, Business Intelligence – It combines technologies, applications and practices for the collection, integration, analysis, and presentation of business information to support high level corporate management decision making. Most of the consumer of this section is the management of holding company with diversified industry.



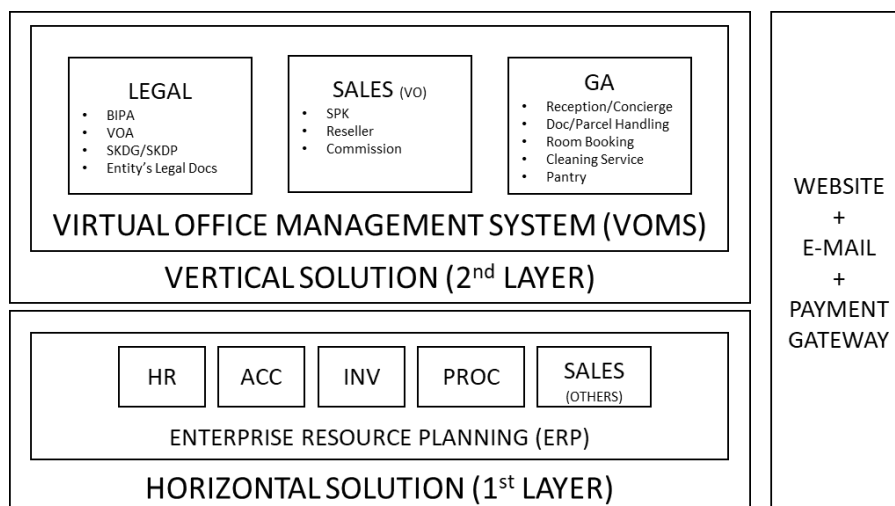
This paper will only be focused on the first two layer, that are the horizontal layer, which consist of ERP, website and payment gateway and the vertical layer, which consist of VOMS itself.

VOMS consists of 3 modules which are:

Legal is handling all services every virtual office’s customers legal needs. Business Identity Plan Agreement (BIPA) which is actually process of create new business entity, Virtual Office Agreement (VOA), Surat Keterangan Domisili Gedung (SKDG) dan Surat Keterangan Domisili Perusahaan (SKDP) are some of the legal document that commonly processed.

Sales module in VOMS, specifically designed for publishing Surat Perintah Kerja (SPK), manage reseller/agent that help to sale virtual office services and products and their commission.

General Affair (GA) manages and handles security procedure at the reception / concierge, mail/parcel handling, meeting room booking service, cleaning and pantry service.



We define the employee as a person who is able to do the job very well in indispensable position so that their minimum jobs descriptions are categorized into 6 types, there are Reception/Concierge, Sales, Legal, GA, INV and PROC, ACC and HR.

The task of Reception / Concierge is to welcome people who come to the virtual office. The management notice that most problems arise from this interaction, the reception / concierge area must be properly secured. The employee in charge have to take photo and record the identity card to anyone who requesting any virtual office services. The Reception/Concierge area also have monitored with CCTV system. In this position, the employee is using GA, Sales (VO) and Legal modules as a supportive system.

Sales person must be fluent in using both modules, sales (VO) and sales (Others) as their daily activities. Sales (VO) is a module that covers all sales of virtual office services such as virtual office subscriptions, meeting room usage charges, beverage costs, printer usage charges, projector usage charges. Meanwhile Sales (Others) to accommodate sales transactions outside the scope of virtual office services such as the sale of fixed assets, lump sum meeting room service charge. Resellers also should have to coordinate with this sales person in making sales and maintaining relationships with customers. To support salespeople in penetrating the market, website e-shop are provided so buyers can directly choose services and make transactions via the website.

Legal is serves all legal based services on virtual office services. In Indonesia, they should have close relation with Pelayanan Terpadu Satu Pintu (PTSP) which part of government community services that serve all forms of corporate identity needs. For this purpose, someone who works in the legal division of virtual office company will routinely communicates and coordinates with the PTSP. Legal module in VOMS are defined to support this section. The system has some important features such as reminder of which customers documents that will expire soon, prerequisite checklist to extend expired legal document and scheduling notary that will serve customer to process BIPA.

GA jobs descriptions most likely are the same as other company's GA jobs descriptions. However, GA in virtual office have to serve thousands of business entity which the frequency of requesting documents / parcels is very high. Consequently, GA very dependent to the system which have database deep search feature to help GA finding the goods quickly.

INV and PROC are a basic need of all companies to be operate. there is nothing special that have to be owned by the system. The only concern is in INV, that the ability to do FIFO sorting could be done.

In ACC, there are 5 submodules, there are general ledger (GL), account receivable (AR), account payable (AP), fixed asset (FA), dan cashbook (CB).

GL has the role of setting up journaling so that user can check all financial transactions that occur, make adjustments, and can make financial transactions manually. The AR functions are for handling accounts receivable, giving notification to customers and billing transactions that are due. The Sales (VO) and Sales (Others) are integrated with this submodule. While the AP monitors the debt, scheduling payments for existing debts. Transactions in the PROC module will continue to this part. The FA is basically the regulation of company assets, depreciation treatment, write off assets, and mutations between users is an example of the usual actions taken in this submodule. If the company goes out or enters a fund transaction, the CB will do it for the first time. In addition, CB also functions to do petty cash transactions.

Recruitment, Personnel Administration, Time Attendance, Leave Management, Payroll Administration, Medical Hospitalization, Asset Management, Loan Management, Training Management, and Appraisal System are the 10 submodules of HR. All of them are for personnel management based human resource. In this part, VOMS don't use talent management based because of its business process is too advanced. ACC and HR have many integrated processes, only Recruitment, Personnel Administration, Time Attendance and Leave Management that not integrated directly with ACC.

As example, for payroll purpose, Payroll Administration will process the payroll with input from Leave Management and Time Attendance then give an instruction to pay certain bulk amount of money to CB of ACC. Asset Management also integrated with FA of ACC so that Asset Management can only set asset which FA has already settled.

4. CONCLUSION

This paper describing advantages of the use of VOMS in virtual office operators in Indonesia. With the use of VOMS there are many benefits that can be obtained such as efficient business process or reduce the number of employees.

Below the advantages of VOMS in supporting the operation of virtual offices:

Helps to manage document / parcel very effectively

Detailed track record of activities at reception / concierge

Detail record of the validity period of customer legal documents

Automatic reminder to the customer's email regarding the extension of the validity period

Room booking and virtual office subscription can be done via online

Automatic verification of financial transactions

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