

Mix it up if you want to survive and thrive

By **HELEN LOVELESS**

SMALL business owners may have to make significant changes to working practices to thrive in the future.

That is the conclusion of the latest discussion of the Financial Mail Small Business Panel, which brings together experts to debate issues facing small firms.

A report commissioned by Microsoft suggested that firms would need to become 'hybrid' organisations.

'The successful mix of people with different working styles, needs and attitudes to work will be important in determining the success or otherwise of firms,' it said.

Author of the report, Philip Ross, chief executive of technology consultancy Cordless Group, told the panel: 'In many offices half the desks are empty at any one time with staff

working from home, out, or on holiday.

'There is less technology to take up space as more people use laptops. We predict desk phones will be dead within five years.

'Office space is the second biggest cost for small businesses, so we expect many firms to choose smaller offices and let more of their staff work flexibly, or hire business space as and when they need it.'

Stephen Alambritis, of the Federation of Small Businesses, said: 'There are 500,000 businesses starting up every year

MEETING NEEDS: Stephen Alambritis

and a growing number of these are run from home. But business centres where people can meet and talk will still be needed. There is also the yearning for personal interaction to be considered.'

Also on the panel were Robert Epstein, Microsoft's head of small business, Helen Loveless, Financial Mail's enterprise editor, and Henry Edelbaum, of accountants Aims, who



was sceptical about how far virtual offices would dominate.

'The social interaction of work is also important to the success of a firm. I like to see my staff motivated,' he said.

But all the experts agreed that adapting to the technological needs of employees from different generations would be essential.

Microsoft's Epstein said: 'The young - Generation Y - have grown up with the latest digital technology and they expect to use it in the workplace.'

But older employees and indeed owners themselves may work in less advanced ways. The challenge for them is to adapt to get the best out of all staff.'

» Watch the debate at microsoft.com/uk/smallbusiness/sme/default.mspx