

# *Planning An Office Move?*

## 5 Things You Must Do Immediately When You're the One Responsible for Moving the Office

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## ***Moving your office doesn't have to be such a headache!***

Moving your company's office can be hazardous to your personal and financial health if you're not prepared for what lies ahead. Most managers put in charge of coordinating a corporate relocation have never lived through the experience before. How can they know what to expect?

The volume of details that must be attended to is mind-boggling. Most managers learn as they go by making mistakes which are costly in terms of both out-of-pocket dollars and lost productivity. As one such beleaguered manager put it, "The best education sometimes comes with a large tuition bill." This doesn't have to be the case for you.

The purpose of this report is to help you with your office move. We'll focus on the five major areas where the most common mistakes are made, and discuss strategies you can use to prevent these mistakes from happening.

### **1. Build a Move Budget**

The most commonly made mistake is inadequate budgeting. Many companies have no idea what they'll have to spend on their office move, and have no firm budget established. Others will establish an arbitrary budget that has no relation to reality. Both strategies are doomed. Without guidance, entire systems are forgotten until the last minute, and must then be procured with unbudgeted funds. Constantly repeating the phrase "that isn't budgeted" serves no one's interests. If you expect your vendors to perform non-budgeted services, you can pretty much imagine the quality of employee your vendor will give you. There are many places to look for help in getting budget estimates for everything required.

**Be sure you know the costs of these items up-front:**

#### **Capital Expenses**

- Tenant Improvements
- New Office Furniture
- New Systems Furniture
- Copier/Mailroom Equipment
- New Telephone System
- New Computer Equipment
- Cabling Installation
- Security System
- Amortization/Depreciation

#### **Consulting Expenses**

- Architect
- Interior Designer
- Tenant Rep Broker
- Move Coordinator
- Attorney
- Various Sets of CAD Drawings
- Technology Consultant

**Moving Expenses**

- Communications
- Stationery & Forms Printing
- Warehousing/Archiving
- Furniture Moving
- Packing Expense
- Boxes
- Equipment Rental
- Local and Long Distance Phone Service
- High-Speed Data Lines
- Service Agreement Penalties
- Cost of Duplicate Systems
- Trash Hauling
- Clean-up

**Recurring Real Estate Costs**

- Annual Gross Rent
- Utilities
- Parking
- Real Estate Taxes
- Personal Property Taxes
- Hazard Insurance
- Maintenance

**Soft Dollar Expenses**

- Recruitment Costs
- Training Costs for New Employees
- Training Costs for New Equipment
- Employee Relocation
- Travel Expenses
- Freight/Delivery Costs
- Lost Business

Having no budget or an unrealistic budget is inexcusable. Take the time to go through the budgeting process before you begin the search for a new site. It will pay off in the end.

## 2. Create a Move Team

If you have no help, you can't possibly manage the entire move. Inadequate supervision or poor coordination is usually the second biggest mistake, created because of insufficient staffing, or the inability (or unwillingness) to delegate tasks. You need an orderly approach to managing something as complex as an office relocation.

First, recognize that you need help. Recruit employees from within your organization who can carry part of the load. Your role is to act as the “move director.” Select the members of your team based on their area of expertise. They don’t have to be department heads. In fact, most middle and upper management types aren’t good choices because they’re unaccustomed to taking direction, and usually tend to argue over your decisions.

**Specialized knowledge is the key.** You want team members who have access to certain corporate records and good working knowledge in their particular area of expertise.

Here is a short list to get you thinking about the areas of expertise you will need on your move team:

- Telephone systems and services
- Computer systems and networking
- Copiers and other office machines
- Communications cabling
- Electronic security
- Furniture (including modular furniture)
- Warehousing (materials management)
- Postage meters and other mail room equipment
- Printing services
- Employee roster
- Customer lists
- Vendor/supplier relationships
- Records storage and archiving
- Construction issues
- Colors and fabrics

You may not need a team member for each of the above items because many of them will have multiple areas of knowledge. These three examples cover all but a few items. The remaining ones can be divided among your team members, or defaulted to you, the move director.

- **Your IT manager** may know computers, networking, phone systems and cabling and security systems well enough to represent those areas on your team.
- **Your office manager** may have expertise in furniture, telephone service, copiers, mailing room equipment and printing services.
- **Your HR manager** may know all about communications and will have access to employee rosters, customer lists and vendor/supplier lists.

## Organize Your Team

Select your internal team early, and put them to work on specific tasks with firm dates for completion. You’ll have to set up a standing weekly meeting where everyone reports on his or her progress. Pick a time for the meeting when interruptions by phone or pager are less likely. Set an agenda each week and stick to it. Set milestones for completion of each task. Have someone keep minutes of each meeting so there’s no confusion about what was agreed upon

or who said what. Don't end the meeting until everyone is clear about his or her responsibilities for the next week. Begin each meeting with a review of what was agreed last week.

### **Department Coordinators**

After you've established your internal team and meeting schedule, you'll need to appoint or nominate a coordinator for each department within your organization. These aren't members of your team, and won't attend the weekly meetings; they'll simply represent their department for planning and coordination purposes.

Your list of departments may include executive, administration, human resources, product development, manufacturing, assembly, communications, marketing, sales, data processing, programming, information technology, MIS, accounting, finance, customer service, order entry, fulfillment, installations, delivery, operations, shipping and receiving, materials management, claims, training, or credit union.

#### **Department Coordinators' responsibilities may include:**

- Knowing what items are to be moved, thrown away, archived, and warehoused. It's helpful to create a database for the items in each category. This will come in handy later when you're obtaining estimates.
- Determining the layout of their department's space, including individual offices and rooms within the space. It's important to have each office occupant sign off on their office layout before installing electrical outlets and cabling jacks on the wrong side of the office.

The department coordinators will have to tell you exactly where they want to place computer equipment, fax machines, copiers and printers. This must be known in advance of designing the electrical and cabling systems. Many electrical outlets will need to be dedicated, not shared. You want to know this upfront, not after the electrician is sweeping up.

## **3. Develop a Plan for Selection and Coordination of Vendors**

The third most common and probably costliest mistake is selecting bad vendors.

- You'll need many vendors to help you relocate your office, including architects, general contractors, project managers, interior designers, telephone systems and services, computer and networking systems, cabling installers, security, furniture and moving companies.

If you work for a larger company, you may end up hiring more than 100 vendors. If you don't allow enough time to properly plan a move, you'll hastily hire them—and hiring a bad vendor can jeopardize the entire move. Vendors who don't deliver on time or as promised can delay the move, costing you thousands in unnecessary expense.

Listed here in no particular order are the most common complaints about vendors:

- **Failed to start or complete the job on time**
- **Exceeded proposed costs through excessive change orders**

- **Didn't return phone calls**
- **Didn't apply enough manpower to stay on schedule**
- **Equipment back-orders that delay the project completion**
- **Didn't furnish agreed-upon deliverables. (test documentation, as-builts, etc.)**

Selection of competent vendors always seems easier than it really is. Most novice relocation managers will resort to the “price and three references” method of selection. This means that potential vendors are invited to submit a price for goods and services. In this case, be careful not to assume that all vendors are created equal. The temptation is to hire the vendor with the lowest price. In order to justify their decision, relocation managers will also require three references of satisfied customers who have successfully used that vendor. Simply phoning those references and asking them if they were satisfied with the vendor should yield a risk-free selection, right? Nothing could be further from the truth! Do you really believe that a vendor will furnish names of unsatisfied customers? Vendors will ONLY supply good references. Now, what do you do?

Here are a few areas of focus that will help you find the right vendor, and they go way beyond the “price and three references” approach.

**Determine the typical project size and scope in which your potential vendors have the most experience.**

You want to match your project as closely as possible with the potential vendor's experience. Does the vendor work on projects of your size, or do they suit a different size of customer? What about the scope of the project? Have they performed many very-similar projects successfully, or is this one a stretch for them? Is your vendor a specialist in this specific requirement, or are they a generalist who attempts to satisfy many needs? The choice is ultimately yours, and there is no right or wrong answer.

**Arrange to take a tour of a reference customer site. This will give you a good idea of the vendor's real-life experiences.**

Some vendors may not be able to set up a tour at all. They either can't find any satisfied customers, or they can't show any similar project experience. Either way, this is what you want to find out now, not after you hire them. By the way, insist that the customer contact person be present during the tour. You want to ask them questions.

**You'll also want to arm yourself with meaningful questions. Too many managers will simply ask, “Were you satisfied?”**

Here are some specific questions that will yield important and true information about the vendor:

- Did they show up when promised?
- Did they meet all deadlines?
- Did they cause any other vendors to be delayed?
- How far did their final cost exceed their proposal?
- Was their training effective and performed on time?

- Was on-site support or programming performed on time?
- Are you completely satisfied with the quality of work performed?
- Are you satisfied with the materials/equipment used?
- Has their ongoing service/warranty work met your expectations?
- If you had it to do all over again, would you select this vendor for this type of project?
- Will you use this vendor again in the future?

### **Caution when Hiring The Lowest Bidder:**

*“It’s unwise to pay too much, but it is worse to pay too little. When you pay too much, you lose a little money...that is all. When you pay too little, you sometimes lose everything, because the thing you bought was incapable of doing the thing it was bought to do. The common law of business balance prohibits paying a little and getting a lot...it can’t be done. If you deal with the lowest bidder, it is well to add something for the risk you run. And if you do that, you will have enough to pay for something better.” John Ruskin, 1819-1900.*

Even when you do a good job with vendor selection process, poor coordination usually results in delays and cost overruns. Letting your vendors work without tight supervision is a formula for disaster.

Too often, relocation managers allow the general contractor to handle the coordination issues and manage the schedule. This usually results in a schedule that meets their needs, not yours. You’re in charge—you run the show. Hold them responsible.

Why should you coordinate the project? Because if you don’t, you’ll end up as the referee for every fight and disagreement between vendors. Any time there are a dozen or more vendors involved, there will be conflicts. Every time the schedule is amended, ALL of the other vendors are affected. If you’re constantly reacting to these amendments, you’ll become unpopular in short order. Rather than acting as referee, wouldn’t you rather oversee a calm, orderly project?

The vendors hired for a relocation project usually fall into two broad categories: construction-related and non-construction related.

### **Construction-related vendors**

The architect designs the interior space, specifies the materials and furnishings to be used, writes the request for proposal (RFP) to find a construction contractor, and applies for the permits. You’ll also possibly hire an interior design firm that will work in conjunction with the architect.

**The general contractor:** will oversee the actual building of the interior space. The GC hires and manages all the sub-contractors whose products and services include electrical, HVAC, plumbing, carpentry, drywall, carpet, resilient flooring, acoustical ceiling, millwork, paint, signage and possibly more.

**The project manager:** if you hired one to oversee the construction project, this person will also fall into this category. Their main responsibility is the construction project and its completion—on time and on budget.

## **Non-construction related vendors**

**Systems installers:** You'll need a telephone system, an access control security system, computer networking equipment, communications cabling, modular furniture, telephone services (including dedicated data lines, ISDN, DSL, and T-1) and a furniture-moving vendor.

- While these vendors need to coordinate their efforts to maintain your project schedule, they're not considered construction-related. **This is where coordination becomes critical.**

**Every change in the construction schedule potentially impacts the non-construction related vendors.** If the general contractor discovers that the carpet you want is back-ordered, the modular furniture vendor can't begin installation on time. The cabling vendor and electrician can't wire the cubicles until they're installed. The phone and computer vendors can't install and test their equipment until the cabling is finished. So, you can see how arbitrary changes made to the schedule would have a domino affect on every other vendor and end up delaying the move-in date.

One vendor simply cannot be allowed to make changes to the schedule—no matter how minor—until you've assessed the impact on all other vendors.

## **4. Develop a Move Calendar and Stick to it**

The fourth most common mistake is *starting too late*. An office move takes many months, even after a site has been selected and a lease has been signed. Too many companies push their vendors into a corner by allowing too little time to prepare a decent proposal, and even less time to deliver or install the goods and services purchased. A rushed vendor makes mistakes. Don't place your move in jeopardy by expecting miracles.

The larger the organization, the more time will be required to successfully plan and implement a relocation. There's no hard and fast rule that tells you exactly when to begin this long process, but think about all the issues and how they are interrelated. Each must be completed before the other can begin.

Here is a very brief list of the events that must occur, in chronological order (they're actually over 200 such events in a typical relocation!) This list is provided just to get you thinking:

- ❑ Hire the architect
- ❑ Hire the broker
- ❑ Find the space
- ❑ Negotiate and sign the lease
- ❑ Determine the move-in date
- ❑ Prepare the floorplans
- ❑ Obtain permits
- ❑ Hire the General Contractor
- ❑ Hire the Project Manager
- ❑ Establish the construction schedule

- ❑ Select your internal move team
- ❑ Choose department coordinators
- ❑ Hire the telephone system vendor
- ❑ Order telephone service and data-lines
- ❑ Hire the cabling vendor
- ❑ Hire the security system vendor
- ❑ Hire the furniture vendor
- ❑ Hire the computer systems vendor
- ❑ Send letters to customers and vendors/suppliers
- ❑ Order new stationery, letterhead and business cards
- ❑ Order new furniture
- ❑ Hire the furniture mover
- ❑ Order boxes
- ❑ Label all items to be moved
- ❑ Store/archive records
- ❑ Arrange for trash hauling
- ❑ Schedule computer system downtime (back-up)
- ❑ Arrange for employee training
- ❑ Distribute keys/passcards
- ❑ Re-paint company vehicles

Let's say this is the short list of events that you'll coordinate for your office move. Obviously, nothing can begin until you find a new space and sign the lease. You must know your space needs pretty well or you could make a bad selection. So, the architect might be hired first. The architect can help you determine whether a particular space literally fits your rough layout, based on an understanding of your work flow.

### **Estimating a time-line to meet your moving date**

Once the move-in date is fixed, all vendors must squeeze their work into the time available. If you drag your feet on vendor selection, you'll make this problem worse. If you really squeeze your vendors, you're betting that nothing will go wrong and there'll be no delays or back-orders. This isn't a likely scenario.

The time to plan is BEFORE you've selected a space and signed a lease. How, then, can you estimate the time required in which everything must be done? Your broker can estimate how long it will take to find a space, negotiate the lease, and sign it. The haggling over terms is the big unknown here. Your architect can help you with a time estimate for the construction project. Permits can be a big delay.

Some other items to think about:

- The vendors you hire, such as the telephone and computer vendors, may have long lead times for equipment. You'll need to know up front which phone system and computer equipment you'll purchase in order to avoid long lead times (or to know what those lead times are).

- The cabling must be done before the computer and telephone systems can be installed and tested. As we mentioned earlier, the cabling is dependent on the timely installation of all modular furniture, which depends on timely installation of the carpeting.
- Phone system installation is also dependent on the provision of services, such as dial tone lines, T-1, ISDN and DSL lines from your local phone company.
- If your computer system needs to link to another remote site, the high-speed data lines must also be in place before the system can be made operational. Lead times for some services can be many months.

It's fairly simple to get the office furniture moved and the new stationery printed but most other events are co-dependent.

**All these interrelated events must be placed on a big list with dates for completion. As one changes, many others must change with it.**

Once the schedule is roughed-in, make sure there is enough time to conduct a respectable vendor selection process. As you discover that key dates must move backwards, this will help you determine the appropriate starting dates. And, you'll probably conclude that there is no such thing as starting too early.

### **Compressing the Schedule is Dangerous**

Trying to make up for lost time or a late start by reducing the allotted time for completion is very dangerous. Plan for enough time to allow each vendor to complete his task as agreed.

Your vendor planned for this project, based on information you provided. They were selected based in part on their ability to get the project completed on time and on budget. Now, you must reduce the available time because of some schedule slippage caused by another vendor or unforeseen event. How can your vendor get the same quality job done in less time? One way is by throwing extra bodies at the project or working overtime, which means longer days, double-shifts and weekends. You can't expect your vendor to eat this additional cost, since it's beyond their control. They'll expect to be paid extra for this.

- If you decide to play tough and refuse to pay for the overtime your schedule slippage has caused, your vendor's only defense is to treat your project as a "lost leader." This means they'll take their "A-Team" off the project, and replace them with less experienced employees who earn less money. Now you've placed your project at risk.

Even if you still have your vendor's best on site, compressing the schedule rushes them and puts too many bodies on the job site at one time. Imagine the sight of a dozen vendors all on-site at the same time, fighting for elbow room alongside the construction sub-contractors. Nobody can be productive under these conditions. Don't kid yourself into thinking that your project will be different.

### ***A word about General Contractors***

General contractors are notorious for compressing parts of the construction schedule. If they can't obtain their permit to close up the walls, they'll spend the time installing ceiling tiles. While this sounds like they are making good use of their time and maintaining their own overall schedule, think about how this one change will affect other vendors. Your cabling vendor will have far less time to install the cabling than planned. Who pays for their overtime? If the carpet

is delayed, you already know how other vendors are affected. Will the general contractor pay for the overtime required of the furniture, cabling and telephone system vendors? Even these small actions have major consequences.

Do yourself a favor and write some provisions in your contracts for how these schedule compressions will be handled. What are the ramifications for the vendor for causing a delay that will compress the schedule and cause overruns? You may consider a liquidated damages clause that spells out the penalties that will apply for every day a vendor is late.

## 5. Create a Communication Plan

Lastly, you must keep your employees informed about the relocation, of course. But, most relocation managers stop there. You also have a responsibility to keep your customers and suppliers informed, as well as all vendors you've hired for the job. Uninformed customers and employees will leave you. Vendors can't perform to your requirements if you don't communicate with them.

At a minimum, you should consider the following letters and memos to keep everyone informed. Some of these can be combined into one letter or memo:

### **Customers**

- Notify customers that you plan to move
- Provide customers with new address and phone numbers after you move

### **Vendors/Suppliers**

- Provide date when relocation is planned
- Provide new address and phone numbers after you move

### **Move Vendors**

- Weekly memos keeping everyone informed of move progress

### **Employees**

- Notify employees of your moving plans
- Provide orientation at new site before move-in
- Provide public transportation schedules and parking rules
- Provide lists of local services (banks, restaurants, day-care centers)
- Provide instructions for packing office contents
- Provide employees with name of department coordinator

The hardest part of this is remembering all the vendors, suppliers, and service providers that need to be informed of your plans. It's easy to leave out someone important. Here's a list to help you remember:

### **Vendors and Suppliers**

- Equipment manufacturers
- Distributors
- Copier/FAX dealers
- Computer/Networking vendors

- Telephone System vendors
- Specialized equipment vendors (Mail handling, printing press. etc.)
- Furniture vendors
- Local telephone service provider
- Long Distance telephone service provider
- Leased line service providers (ISDN, DSL, T-1)
- Commercial printer
- Office supply vendors
- Business forms suppliers

### **Service Providers**

- Banks
- Accounting & bookkeeping services
- Payroll service
- Business insurance agent
- Cleaning/janitorial service
- Advertising/PR firm
- Employment/temp agencies
- Food/beverage services
- Plant watering service
- Local public utilities (gas, water, electricity)
- Retirement plan administrator
- Health insurance provider
- State revenue (tax) authority
- Trade or membership organizations
- Magazine or book club publishers
- Local post office
- Courier service
- Delivery services (UPS, FedEx, etc.)

### ***Become an expert while doing***

Now that you know the five things you must do immediately and some of the major mistakes that can happen, how can you avoid them or at least minimize their impact on your office move? This isn't easy if you're new at the game. Simply knowing what lies ahead is a big help, but this won't solve problems for you. **Your biggest problem is time.** There's just never enough of it. And you still have your regular job to perform. How do your peers get this done?

Most managers will start phoning vendors early in the move process to ascertain rough budget numbers for all the goods and services required. This provides some information that is useful, but the process is time-consuming. Plus, how do you determine all the products and services you'll need if you have little or no experience? Any omission will be costly.

Starting on time sounds easy enough, but how do you know when you're early or late? How can you avoid a late start or schedule compression when you don't know the lead times required by each vendor?

Speaking of vendors, how can you determine who the best vendors are? How do you make the right vendor selections for your move? How do you go about locating good potential vendors? Is there a way to compare vendors and their offerings other than by comparing price alone? How can you learn this while you are doing it? You don't have the time to become an expert. You barely have enough time to keep up with your regular job.

How can you build in the proper amount of vendor coordination? How will this be accomplished? How do you energize your team of employees to tackle the tasks you must delegate to them? Which tasks should you delegate, and which ones should you keep for yourself?

Lastly, how will you effectively communicate with your staff, all company employees, customers, suppliers, and vendors? When should you inform them, and what should they be informed about? How will you communicate, and how often?

### ***What to do next: Consider Getting Advice from Experienced Experts***

If you were relocation consultant, you'd have a lot of practical experience in all facets of an office move. You'd also have volumes of reference materials and forms you could customize for each customer. You'd be worth your weight in gold when it comes to dealing with the stress and pressure of knowing the players to bring to the table and helping develop a reasonable budget.

But if you're not an expert—and especially if you've never managed a move on your own—the details can be overwhelming. You may be thinking, "Where do I even start?"

Integrated Building Systems (IBS) has developed a Pre-move Consultation which we conduct over the telephone with you. We'll begin by asking you to complete a simple five-question survey about your company and your impending move. After we receive your completed survey, we'll arrange the 30-minute Pre-Move Consultation. Here's what you'll learn in this informative session:

- Info/The most critical step(s) in maintaining your moving schedule for the least amount of "down-time" possible (info.....)
- Info/Helpful advice for working with contractors and keeping them on schedule
- Info/Communicating Your Move to Employees --

The 30-minute Pre-Move Consultation is conducted by Chip Chapman, who has over 25 years of experience helping manage building relocations for commercial, education, healthcare, non-profit, state and local government and public utility companies. Please be assured that this consultation will not be a thinly disguised sales presentation; it will consist of the best intelligence that Mr. Chapman can provide in a 30-minute time span. There is no charge for this consultation but please be advised that it must be strictly limited to 30 minutes.

## **Arranging Your Consultation**

This consultation will typically take place within one to two weeks of your initial request. To secure a time for this consultation, please call Allison West at 614/985-4815 or email [awest@4tkg.com](mailto:awest@4tkg.com) and she will advise you regarding available time slots. She will also provide you with the pre-consultation questionnaire (five questions) that will help prepare both you and us to get maximum value in the 30 minutes.

## ***About The Author***

Chip Chapman is a Registered Communications Distribution Designer with over 24 years of experience as an entrepreneur, business owner, speaker and author on the subject of Technology S.P.A.C.E. planning. He has been involved in all phases of Building, Expanding, Adjusting and Relocating of businesses large and small. This background has led him to develop unique insights into how businesses can actually prevent potential problems and overcome many challenges when it comes to creating a solid relocation game plan. He can be reached at 614.985.4815.