

Across Many Miles, Word From the Top

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Carol Frank is an entrepreneur, not a schoolteacher, but come summer, she tries to live like one, leaving her business in Dallas, Avian Adventures, for Boulder, Colo., where she indulges her love of outdoor recreation while managing her company from two states away.



Todd French, in rehearsal at Illinois Wesleyan University, using a Treo to send messages to his employees.

To see his 10 employees, Allen Tackett would have to board a plane no matter the time of year. Seeking to build a chain of Underdog Coffee drive-through stands, Mr. Tackett has opened his first two locations in Oregon, but for personal reasons he lives near San Diego.

Then there's Todd M. French, who is pushing the boundaries on remote entrepreneurship even more. He is pursuing not one, but two ventures far from his Southern California home, where he plays cello for the Los Angeles Opera Company.

He is the founder and president of StringWorks, an eight-year-old seller of violins, violas and cellos in Appleton, Wis., and early this year, he joined two partners in starting an electronic bill-processing company in Las Vegas called the Inovium Corporation, taking the role of chief operating officer.

How does he manage the distance? During breaks in cello passages, Mr. French often sets aside his bow and reaches for his trusty [Treo](#) 650 portable communication device. Discreetly using it behind his cello, he exchanges instant messages with employees in Appleton and scans his daily flood of e-mail messages from his Inovium partners.

Although apparently not yet an item on entrepreneurial questionnaires or the subject of business school case studies, a growing number of small-business owners are fashioning a notable shift in management by employing a wide range of technological tools marketed mainly to business travelers. In this new work mode, employees stay put and the boss manages in absentia.

It is a tall order. Business owners have a tough enough time motivating employees, solving the latest crisis and fostering a company culture to their liking when they are working alongside their employees. From a time zone or two away, keeping on top of things can be daunting - but it is doable, as these new remote-control entrepreneurs are discovering.

If not yet quantified, this trend is reflected in a 2005 study of some 2,500 American small businesses by the Small Business Technology Institute in San Jose, Calif.

"One interesting data point," notes Andrea Peiro, the institute's president and founder, "is that upwards of 10 percent of businesses with 11 to 50 employees and also 50 to 100 employees are home-based businesses. You don't have 100 employees, or even a dozen employees, working in a house." His conclusion: "Running companies remotely is an upward trend."

The view is seconded by Carol Carter McStravick, assistant director of the Entrepreneurship Institute at the E. J. Ourso College of Business at Louisiana State University at Baton Rouge. "I think it's where we're headed," she said. "The generation that's now in college, that grew up with technology, is going to be able to live where they want to and have their business somewhere else, something many of us have only dreamed of."

Meanwhile, today's technology-oriented small-business pioneers have begun blazing this still bumpy trail. A runner for more than two decades, Ms. Frank of Avian Adventures fell in love with Boulder on a visit five years ago. She has returned every summer for as long as two months to run and hike and bike in much cooler, drier air than back home in Dallas.

She has been running the company, which provides deluxe stainless-steel bird cages to retailers for up to \$2,000 each, since 1996. She projects \$1.75 million in revenue this year.

"Life's too short to stay in a place you're not madly in love with," she said. "I've built my company so I don't have to physically be there. Four of us have M.B.A.'s. I pay well, sacrificing some of my own financial gain to have powerful people who make me feel it's O.K. to go."

Not that she shirks her duties during her Boulder breaks. She says she puts in about 70 percent of her normal hours, logging into her office computer and communicating with employees by e-mail and instant messages. She also returns to Dallas twice a summer to keep in touch.

Mr. Tackett of Underdog Coffee not only runs his business from afar, he also founded it from afar, while working as a senior marketing manager at the AOL division of Time Warner. He recruited a

childhood friend as a business partner and dispatched him to Portland, Ore., to open the first drive-through in February. A second unit opened soon thereafter in Lebanon. But even after selling his Virginia home, Mr. Tackett did not move to Oregon to be near the two operations.

Instead, he settled in Coronado, Calif., two blocks from the beach. "My fiancée lives here," he said. "She's finishing her graduate program. And we're both triathletes. The weather's great here. It's a perfect place to train."

It is, however, hundreds of miles from his employees. To bridge that distance, he talks by phone at least weekly with his manager and exchanges e-mail messages daily, approving schedules and receiving shift logs that he e-mails to his bookkeeper, a contract worker in yet another location.

"I have my employees call me every night when they close," he said. "Because of rotating schedules, I get to speak with every employee just about every week."

At the outset, he met everyone by going out to dinner, and has dropped in for quarterly visits, but even so, Mr. Tackett acknowledges he does not "get a sense of the day-to-day rhythm of the business" and is thinking of increasing his appearances.

As for Mr. French, the Los Angeles cellist, he says he fires off as many as 100 instant messages a day to his three full-time and four part-time employees at his StringWorks business in Wisconsin, the equivalent, he says, of a running conversation.

Even so, he attributes the success of StringWorks, which has annual revenue of about \$1 million, not so much to rapport with his staff as to two strategic considerations. First, he built the company from the start on the premise that he would be an absentee boss, meaning that employees did not have to make a wrenching adjustment to his departure. And second, he delegated day-to-day operations to trusted lieutenants.

He has known his sales manager, Erik Kramer, since boyhood and his vice president and office manager even longer. His mother, a part owner of StringWorks, holds those two posts. "Nobody could do what I do without having a staff that can basically run the business without you," Mr. French said.

Julian E. Lange, a professor of entrepreneurship at Babson College in Babson Park, Mass., believes that Mr. French has discovered the key. "You need at least one partner, or equity holder, or however you motivate them, that you really trust with the operation of the business," Professor Lange said.

One also needs to listen with an open mind to what the people on the scene are saying and to be willing to show up and take charge.

After Avian Adventures shifted production of its bird cages to Malaysia from China this summer, Ms. Frank said one of her employees told her: "Carol, things are kind of tough right now. You're the visionary, the leader. We need you to be that person for us." She got the message.

Because she is thinking about a major expansion, Ms. Frank may shorten her stay in Colorado next summer. "I'm very interested in taking my company to the next level and perhaps be ready for a buyer," she said. "An entrepreneur seeking fast growth would probably find it hard to accomplish that remotely."