

Executive Stress

OFFICE SUPPORT®

THE REAL COST OF ON-SITE STAFF

Have you ever thought what it actually costs you to have onsite staff? In addition to their hourly rate you've got expenses like payroll tax, superannuation, workcover premium, holiday and sick leave, paid maternity/paternity leave (in some workplaces), and the costs of office space, equipment (including wear and tear and upgrades), power, lighting and telephone. Then if your employees have benefits you have to factor in FBT. Not to mention lost time on office politics, smoke breaks and chatting around the water cooler.

Have a look at this comparison of an onsite secretary working a 40 hour week and a VA charging \$35/hour*:

40 Hour Week @ \$20.00/hr (46 working weeks)	\$36,800.00
4 weeks Annual Leave	\$3,200.00
10 Days Sick Leave	\$1,600.00
Temp During Annual Leave @ \$35.00/hr	\$5,600.00
Workers Comp	\$550.00
Office Space (100 sq feet @ \$25.00/sf)	\$2,500.00
Annual Bonus (2 weeks salary)	\$1,600.00
Superannuation (9% of earnings)	\$3,300.00
Other Intangible Costs (furniture, training, family leave etc.) - Minimum	<u>\$1,200.00</u>
Total Yearly Salary for Permanent Staff Member	\$56,350.00
Total Effective Hourly Rate	\$27.00
50% Productivity Level (average) for Permanent Staff	\$54.00/hr
100% Productivity for a Virtual PA	\$35.00/hr

*Based on the actual pay conditions of a secretary who became a VA (<http://www.akavirtualpa.com.au/FAQ.htm>).

So whilst many would-be VA users balk at what seems like an expensive hourly rate, often partnering with a VA is a much more cost-effective solution for their business than hiring a temp or employing additional secretarial staff.

Would-be clients should also consider the experience and skill set of the VA they intend partnering with when looking at their rate. The old adage "If you pay peanuts you get monkeys" holds just as true for this industry as any other. VA rates swing between \$20/hr and \$50/hr. It is important to check what you get for that rate. VAs at the higher end of the scale have generally transitioned years of secretarial experience and often come from

"Professional Assistance for the 21st Century Professional"

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backgrounds as high level Executive PAs with a vast array of technological knowledge and a broad skill set. Those at the lower end of the scale are often just starting out, or are stay-at-home mums looking for a bit of extra money. Whilst there is absolutely nothing wrong with this, it is important for clients to assess their needs and ensure they partner with a VA who can adequately meet those needs. Professional VAs look the part - usually via their website and email address - will offer you business references, and oftentimes have certifications (eg MVA, PVA, ASO, GVA).

Janet Jordan summed it up best:

"[VAs] can't get people to pay top dollar if [they], (1) don't understand the concept (2) don't understand [their] value and (3) don't look like a professional. If we don't take ourselves seriously, neither will clients. You attract what you are and if your site looks like the circus came to town, you can expect to attract clowns for clients. As virtual assistants, we redeem the gift of time for our clients. Up to three months per year in fact and if we can do that, our clients will gladly pay for the value imparted. In order to do that, we have to bring our "A" game and for some, that's out of reach."

If you have any questions about partnering with a VA don't hesitate to contact us - or visit <http://www.execstress.com>!

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