

Have Advice, Will Travel
Lacking Permanent Offices, Accenture's Executives Run 'Virtual' Company on the Fly

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Bill Green, chief executive of consulting firm [Accenture](#) Ltd., doesn't keep family photos or other personal items on his desk. That's because he doesn't have a permanent desk -- or, for that matter, a permanent office.

The 52-year-old Mr. Green runs what might be called a virtual company. Accenture has no operational headquarters and no formal branches. Its chief financial officer lives in Silicon Valley. Its chief technologist is based in Germany. The head of human resources is in Chicago. And the firm's thousands of management and technology consultants are constantly on the go, often reviewing projects and negotiating new contracts in clients' offices or working temporarily in offices that Accenture leases in more than 100 locations around the world.

"We don't get to go down the hall to the coffee pot, ask someone how their weekend was and then ask a business question," says Mr. Green, whose home base is Boston. In the past 12 months, he has logged 165,000 air miles, often relying on phone and email to keep up with his senior staff. "We spend time together in the countries where our clients are, which is more important if you're running a global company."

As companies move jobs around the world, managers increasingly supervise out-of-sight employees. The head of development for [Boeing](#) Co.'s new 787 airplane manages thousands of employees and some 100 suppliers at more than 100 sites in different countries. [Google](#) Inc. engineers in Bangalore, India, worked with engineers in New York to help launch Google Finance. [EarthLink](#) Inc.'s vice president of customer support is based in Atlanta and oversees employees at call centers in India, the Philippines, Canada and elsewhere.

At Accenture, virtual management goes much further. Mr. Green and his operating lieutenants not only manage remotely but do so while constantly in motion. "Anyone who says managing this way is easy is lying," says Adrian Lajtha, head of Accenture's financial-services group.

Indeed, there are difficulties to Accenture's approach. Employees can't pop into colleagues' offices for impromptu meetings. With participants scattered across time zones, scheduling phone conferences can trigger conflicts over whose sleep will be interrupted. And some matters, especially sensitive personnel issues, require a personal visit -- no matter the distance.

Another challenge: weathering constant jet lag. Some Sunday evenings, Mr. Green says, when he leaves home to catch another overseas flight, "My wife asks me, 'Why are you doing this?'"

For all the challenges, Accenture executives say virtual management works for them. For one thing, they don't have the overhead costs of a headquarters, which, they say, would be steeper than their extra travel costs. And spending time with clients cements relationships, they say; nearly 85% of the firm's 100 largest accounts have been Accenture clients for 10 years or more.

Executives say their frequent contact with lower-level employees working with clients is another plus. "We get information that we'd never get if we were stuck back at a headquarters," says Mr. Green.

The company took a gamble on virtual management 17 years ago when it separated from Arthur Andersen, the now-defunct accounting firm, and began operating as 40 locally owned partnerships in 47 countries under the name Andersen Consulting. It was renamed Accenture when it went public five years ago.

At that time, Accenture's partners couldn't agree on a headquarters location for the new company. With many of them on the road much of the time, partners decided they should live where they wanted and meet regularly. Accenture is incorporated in Bermuda, which some critics have said is an effort to reduce its U.S. taxes. Addressing that issue, Roxanne Taylor, managing director of corporate communications, says: "As a global company, we pay taxes in each of the countries in which we generate income, including U.S. taxes on income generated by our U.S. operations."

Technology helps keep a virtual company on track. Every day, Accenture employees log on to the company's internal Web site to record where they are working. When Mr. Green needs a desk in Shanghai, London or New York, he sets up shop in Accenture's office there just like any other employee on the move, finds a cubicle, logs on to his laptop and gets access to his files, email and phone messages. Clients who call him at his Boston number are patched through and often don't realize he is several time zones away. He shares documents and financial data with other executives through Accenture's internal Web site. And when he wants to see, as well as hear, other executives, he conducts a videoconference.

Travel vendors track employee movements. Within hours of last year's London bombings, Accenture executives had located more than 13,000 employees in the United Kingdom, including 1,500 who were traveling that day. When a client in Copenhagen asked to see a senior executive, Mr. Green telephoned Chief Operating Officer Steve Rohleder just as his plane was landing in Nice, France, en route from New York to India. Mr. Green asked Mr. Rohleder to change planes and head north.

Every six weeks, Mr. Green meets for several days in a different city with his 23-member executive leadership team. "We land somewhere, meet clients in the area, meet employees, then get together as a team to make decisions -- and head out again," he says.

To compensate for restricted face time, he talks daily by phone with many of his direct reports. Every other Friday, he confers by phone with the heads of Accenture's five operating groups to review projects and decide where consultants are most needed.

A "magic hour" for global phone conferences is 1 p.m. London time, says Mr. Lajtha, who lives in London but travels 85% of the time. That's midnight in Australia, 9 p.m. in Beijing, and 5 a.m. in California. "It isn't too grim" for anyone, he notes.

He sometimes alters his own schedule to be in better sync with his managers around the world. An "early bird" who likes to begin his workday by 7 a.m., Mr. Lajtha starts later when he is in Europe so he has energy for one-to-one phone calls between 7 p.m. and midnight with managers in Asia and the U.S.

But some problems require "being there in person," he says. When he learned that a project team in the U.S. felt bogged down, he made an unexpected visit to their work site and held a three-hour meeting. When he decided to transfer a manager to a job he thought was a better fit, he wanted the news delivered in person. The manager subsequently called to say he appreciated "the face-to-face meeting and to ask me what I thought about his new opportunity," says Mr. Lajtha.

Personal contact is particularly important during tough times. During the last economic slowdown, Mr. Lajtha held 280 meetings in 18 months with groups of his 12,000 employees. "When times are tough, you have to go into communication overload so people have faith they can come through," he says. For virtual executives, that means more travel and more odd-hour conferences.

To spark informal exchanges, Mr. Green schedules breakfasts and dinners with executives whose paths cross his as he globe-trots. Mr. Lajtha walks around Accenture's New York office when he's there, knowing he is likely to run into half a dozen other senior executives also passing through.

Accenture employs about 129,000 people and plans to add 40,000 more this year. Mr. Green, a 28-year veteran, tries to meet hundreds of young recruits at the company's training center in St. Charles, Ill., where he teaches several times each year. He also keeps in touch with employees he hired and mentored earlier in their careers.

Mr. Green says many companies that Accenture advises are following his management mode, at least partially. When he visited the headquarters of three big U.S. clients recently, none of the CEOs were there. "I meet more CEOs of big companies in China or India these days than at their headquarters," he says.