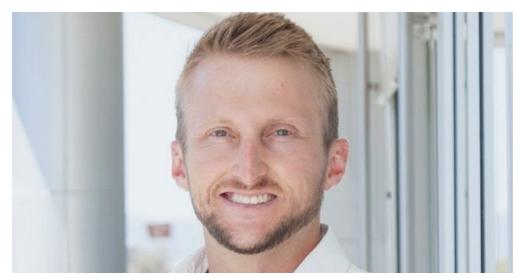


Why tech companies should open offices in small towns, villages



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Tech companies and workers have for a while been eyeing smaller cities to escape the exorbitant real estate costs, manic lifestyles, and endless traffic jams in traditional tech hubs. Now is the right time for this trend to pick up as Covid-19 has induced massive reverse migration with employees moving back to their homes, closer to their families.



Andrew Bourne, Zoho's regional manager for Africa

Another trend that the pandemic brought forth is expatriates returning to their respective countries due to job loss or other reasons. This reverse-globalisation goes hand-in-hand with the sudden rise in the demand for local goods and services. Soon, delivering local solutions for local problems will become essential. At tech company Zoho, we call this transnational localism - crafting localised solutions with a global mindset to create small, self-reliant communities.

There are businesses that are bound to a geographical location because their customers are in the same area. However, if you are a cloud service provider and serve national or global customers, there is absolutely nothing that binds you to a crowded city. With the availability of high-speed internet in smaller towns and rural areas, work can happen from anywhere. For startups, there are many more benefits to moving away from urban areas.

Lower costs give you a longer runway

Most costs are determined by the cost of the real estate. If you choose to be in a metro city, not only do you face exponentially higher office expenses, you also have to pay high salaries to support the higher cost of living.

If, on the other hand, you choose to be in a small town or a village, you will be able to set up the office at a fraction of the cost, and also afford your employees a much better standard of living. The costs that you save will provide a longer runway for your company and also contribute to continued R&D investments.

In an industry like software, your geographical location is of little importance as you can serve customers from anywhere.

Solving the talent problem

One of the often-cited reasons for businesses to stay in crowded metros is the dearth of talent elsewhere. The reality is that people from small towns and villages migrate to cities in search of better-paying jobs. By opening an office in rural areas, you will be taking the jobs to where the talent is. You can hire and groom the local youth, who can prove to be an asset to your organisation.

In Zoho's rural office, we run a branch of Zoho Schools of Learning, a programme wherein high school students are inducted and trained in computer programming for 18 months, after which they are hired. These students, who are today full-time employees at Zoho, have contributed to building products that are used globally. Empowering the rural youth with similar opportunities will close the skills gap in smaller towns and encourage people to stay.

Cross-pollination of ideas and overall development

Since the middle of the 20th Century, urbanisation has increased exponentially. The majority of the world's population has lived in cities since 2009. Despite the benefits, there's also been a cost for this. Around the globe, once-thriving small towns have either been killed by urbanisation or are shadows of their former selves, with declining and ageing populations.

By building smaller, distributed offices in these areas, tech companies can help revitalise these small towns and villages. Not only will their presence act as an incentive for people to live there, but they'll also encourage the growth of other businesses that support that presence.

When smart and talented people get involved at the grassroots, they can apply their knowledge in solving local problems. This will help create a better future for rural communities, which, in turn, will contribute to the holistic economic growth of the country.

ABOUT ANDREW BOURNE

Andrew Bourne is Zoho's regional manager for the Africa region and is based in Cape Town, South Africa. He has more than 15 years of experience in sales and marketing and has spent the last five years focusing on the implementation and testing of various business technologies. He is very passionate about Zoho and has exceptional insight into the business and marketing world.

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