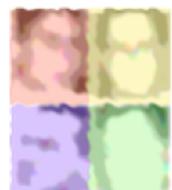


# Western AUSTRALIA ebusiness report

How organisations are using information and communications technologies



*"Too much information can be overwhelming.*

*Making it so people can act on information... so they get notified of what's important without being overwhelmed... see what's going on and act on it... that's where the value is."*

Bill Gates - 2008

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## Introduction

This report presents the findings from a survey of information and communication technology (ICT) use conducted in late 2013 in Western Australia. There were 533 responses to the survey from organisations across the state.

Industry sectors all use ICT in different ways. Individual businesses use ICT in different ways.

Results from all 40,000 DBi surveys over the last ten years show there is considerable difference in the way individual business categories (canegrowers, lawyers, moteliers, food manufacturers, transport operators, dentists etc) use ICT in their business to improve productivity and performance. There are also big differences in the way organisations of varying sizes use ICT, and differences in how quickly organisations adopt and use ICT.

What do all businesses in Australia have in common in their use of ICT? Nothing.

All businesses don't even use computers. And all businesses are not connected to the internet.

Of the majority of Australian businesses that do use computers and are connected to the internet, there are only some things that they have in common.

Most businesses use email, internet banking and search. Most use the Microsoft Office software suite and many use the Adobe Creative suite and Adobe PDF.

Beyond that, there is no such thing as a complete ICT solution for a business available from a single ICT vendor or solution provider. Which is a challenge for businesses trying to identify the best way forwards.

There are a wide range of solutions that vary according to each business's existing IT capabilities, activities, processes, relationships and future plans.

This report gives some insights into the differences and similarities across industry sectors. There are differences WITHIN each industry sector as well. Accountants use ICT differently to Lawyers and Advertising Agencies and Consulting Engineers and Software Developers – all in the Professional, Scientific and Technical sector. Printers (manufacturers) use ICT differently to Food or Furniture manufacturers.

General advice can promote consideration. But specific advice can promote and support action. In an Australian economy that is steadily becoming a digital economy, evidence based advice on digital issues is increasingly important.

What are the "best of breed" ICT solutions for my business category and industry sector? Which customer relationship tools (website, CRM, social media, email newsletter, telephone) are most useful for my business category and industry sector? What consideration should I be giving to "cloud" services for my business category and industry sector? How do I manage the risks?

The answers for each business are different. But the provision of Information resources and workshops customised for each industry sector will help considerably to address these challenges and concerns, and increase understanding of the practical benefits.

## Summary

A survey of 533 organisations was undertaken in late 2013. Responses came from all industry sectors and from all parts of WA.

### Telecommunications

Overall, organisations are very well connected, using a wide variety of devices to suit their own business communication choices and customer needs. 65% of respondents use Smart phones. 51% of respondents say they supply smart phones or iPads to their staff.

### PABX system

18% of respondents use a PABX system, with an increasing number moving to an IP telephony system as their existing system fails or needs upgrading. A wide variety of vendors were named in the survey with no outstanding preference.

### Computer operating system

Most respondents use one or more versions of Windows as the computer operating system, mainly Windows 7 (65%) and Windows XP (40%). 17% of respondents use a MAC operating system, 19% iOS and 11% Android.

Apple use has increased for two main reasons. The Intel chip allows use across Mac and Windows operating systems, and the adoption of iPads and iPhones by the market has introduced new users to the Apple platform. 55% of organisations use Windows as the server operating system. 5% use Linux.

### Computer device use

85% of respondents use a desktop computer, 83% a laptop and 53% use an iPad or other tablet device for work purposes. Businesses use multiple devices to suit their business practice.

87% of respondents use their computer mainly in the office, 26% at home and 20% use their computer on site, in the car or when travelling. A significant percentage of smaller businesses use their main computing device at home, suggesting a real business benefit in delivering fibre optic cable to the home.

### Teleworking

36% of respondents telework, with one or more staff members working from home for some part of the week. Organisations provided a variety of teleworking tools to staff. 24% provided laptops, 19% smartphones and 13% tablet computers.

### Digital camera use

Two thirds of respondents (66%) used digital still or video cameras for work purposes. Cameras were used for recording events, training, property damage, assets and maintenance, record keeping, work progress and proof of job completion, health & safety issues, security, staff ID, website, professional development and advertising and promotion.

### Email Software

Microsoft Outlook is still the outright leader among respondents with 77% using Outlook and an additional 17% using Outlook Express. 24% of respondents use web-based email, either as their main email program or to complement another email program.

### Accounting software

78% of respondents use accounting software. On the whole respondents are still happy with the most popular accounting software packages – MYOB (45%) and Quickbooks (16%). 3% of respondents use Xero.

### Database software

47% of respondents use database software of some kind. Larger organisations (100+ employees) use MS Access (36%), SQL (55%) and a variety of other database programs, including MySQL and Oracle.

### Customer Relationship Management software

Overall, 14% of respondents say they use CRM software. Software is available as “shrink wrapped” CRM, cloud CRM services such as Salesforce.com and open source CRM products, and a wide variety of email marketing software tools. Even social media collaboration tools such as Facebook and LinkedIn should now be included as part of a strategy for managing the relationship with customers, which includes CRM software, website, email marketing and social media.

### Data storage and backup

Nearly all survey respondents (97%) take backup and storage seriously these days. For small organisations and sole operators the simplest back up device is a memory stick (48%). These are cheap and easy to use, especially for home offices.

A growing percentage of organisations (12%) are using “cloud” storage to supplement other backup methods or act as a temporary storage option.

26% of respondents have Network Attached Storage (NAS) and 10% of respondents have a Storage Attached Network (SAN). Magnetic tape storage on cassette (5%) is reliable, affordable and portable, and can be easily stored off site.

Data can be backed up to another hard drive, a detachable SCSI drive or an external hard drive purchased for this purpose.

### Internet connection and security

99% of respondents are connected to the internet at work. Even if not connected, business owners usually have a strategy to receive and send email messages if necessary, via friends, family or colleagues. 94% of respondents are connected by broadband, mainly DSL.

Only 30% of respondents are happy with their internet connection speed. Which means 70% are not. 99% of connected organisations use one or often a combination of security measures to protect against attacks of all kinds.

### Internet use

Email is the number one use of the internet (98%) and this has not changed for many years. Second is research (89%) and banking (85%), followed by ordering (67%) and buying (66%) products and services, then EFTPOS (32%), recruiting staff (31%) and the integration of voice and data services – VoIP (20%).

Organisations are now using the internet to improve relationships with customers through a wide range of communication, conferencing and collaboration tools.

There is no one size fits all social media tool or solution. 56% of respondents use Facebook, 42% use a regular email newsletter, 35% use LinkedIn, 31% videoconference mainly using Skype, 20% YouTube, 15% online chat, 14% use Twitter for news, 13% blog and 6% Podcast.

## Technology adoption

Respondents were asked to rate their technology adoption from a choice of “leading edge, fast follower, average, lags behind and in trouble”. 10% rated themselves as leading edge, 26% fast followers, 46% average and 15% lagging behind. 2% rated themselves in trouble.

## Websites

Most respondents (79%) have a website and increasingly web-tools are being used for a variety of business reasons beyond publishing an online brochure. Organisations are now understanding that their website should and can be included in a broader customer relationship strategy that involves CRM, email marketing, and both traditional and social media.

51% can gather data and update their dynamic website, 32% use their website for sales transactions online, 26% have an internal website (intranet) to share information and 12% have extended that capability to selected customers or suppliers (extranet).

## Trusted IT advice

Trusted advice on information and communication technology (ICT) comes from three main sources:

- a) Friends (7%), family (9%) and colleagues (7%),
- b) IT retail suppliers (9%), IT services (14%) and consultants (17%)
- c) For larger organisations with IT staff, advice comes from internal staff, systems integrators (14%), the internet (15%) and IT staff networks.

## Get business advice and information

Most organisations get advice on new technology and best practice from other businesses (78%), newspaper articles (72%), workshops and seminars (72%) and industry association (72%). The source of information is important – preferably from a trusted source (industry association or other industry colleague). The practicality of information is also important - workshop or seminar rated highly (6.0).

Government websites, whether State Government or Federal are consistently rated lowest of all options and the department of Broadband, Communication and the Digital Economy website (now DoC) has been rated lowest in all surveys over the past five years. As businesses increasingly having less time to research and find things out for themselves, a reliable network of business advice grows in importance.

## Prefer business advice and information

Businesses are practical in the selection of channels and sources for information on new technology and best practice for their industry sector. Most organisations (74%) would prefer the opportunity to experience new technology – hands on, get information via a regular email newsletter (74%) and/or through specialist workshops and seminars (69%). These options have been consistently rated highest in all surveys over the past six years.

## Future IT objectives

Most respondents (77%) want to protect and recover their most critical data, rating this objective 8.3 out of ten. 77% want to be able to detect threats to the IT system (8.0 out of 10). Security and disaster recovery (7.1 out of ten) are important to businesses when IT is the business platform.

Getting more from the existing IT system is important to 74%. Being able to better analyse data (7.1) and getting the right info at the right time (7.3) are key to decision making.

Customer Relationship Management (CRM) is slowly growing in importance for respondents with every survey, along with mobility. Interest in the “cloud” is now not far behind and is moving onto the radar for 61% of respondents, but still rated lowest in importance across all objectives, along with voice and data integration.

## WA next steps

Technology adoption takes time. Even though most organisations now rely on the basic tools of the digital revolution – information and communication technologies (ICT), it has taken a long time (20 years) for the majority of businesses and non-profit organisations to become familiar, and then finally comfortable with ICT use.

But, once somebody gets over the strangeness of adopting a new tool and begins to use it regularly, familiarity breeds innovation, not contempt. “What if?” is the question that CEOs then begin to ask, once they are comfortable with the way things are running.

People have now accepted that ICT can make things easier, faster, smarter and more effective. Many are now looking at what else is possible, hopefully without undermining or disrupting the investment in the benefits already being enjoyed.

So “what if?” and “what else?” both drive the exploration of further new opportunities. And that isn’t just about buying new technology. It is often about pushing existing technology further.

Technology choice is only one issue. Managing change, when it includes training and support for staff with a wide range of capabilities is still an important issue for most organisations.

How do we best leverage the obvious benefits of ICT without disrupting the day-to-day business? What are the business benefits? How do we make sure that we remain competitive?

That is what management is all about. And in a time of considerable external change and disruption, decisions have to be made to ensure continuity, while working on business improvements.

So it’s not just about the technology. It is about everything that is necessary to make the right changes - the right ICT selection, the right IT support and the right training and change management program.

### So what are the next steps?

For businesses and non-profits, the main opportunities can be found in four broad areas – IP telephony, mobility, the “new customer” (CRM software, email marketing, website and social media) and the value of a reliable IT Platform (storage, hosting, “cloud” services, disaster recovery and IT support). And they all overlap to some extent.

IP telephony is where Australia is heading, courtesy of the NBN rollout (in whatever form it finally takes). The convergence of voice and data allows many new things to happen.

Mobility represents another big opportunity for many businesses enabled by new devices and the 3G and 4G networks. Staff are using a wide range of mobile devices anyway, so how can CEOs help them enjoy the flexibility they want and add extra value to the business at the same time?

Mobility isn’t just about being connected anywhere and anywhen. It is about extending what your business can do beyond the walls of your office. It is about a new range of workflow options that can be delivered using mobile devices. It is about mapping data to location.

Opportunities abound for both smaller businesses and large.

Telework is a by-product of connected thinking and action. Once an organisation has a secure and robust IT network and database in place, and regional connectivity is reliable and wide reaching, it is possible to allow staff to access the network and database and work from home.

And an ever-increasing number of people do (36% in the survey). Teleworking can be good for businesses and staff. It can reduce the cost of leasing office space, reduce the impact on roads

and infrastructure, as well as increase staff retention through greater flexibility in the workplace.

Organisations are taking a broader view of customer relationships and are connecting their website, CRM, email marketing and social media into an overall relationship framework to improve customer responsiveness and reach out to new customers more effectively. How this is done and the relevance of each media option varies considerably from business category to business category.

For many wholesale businesses Facebook and Twitter are irrelevant and their websites, email newsletters and Skype are how customer relationships are built and maintained. For some retailers Facebook and Twitter are very important, for other retailers they are a waste of time.

The picture changes for every business category and is driven by the customer and ROI.

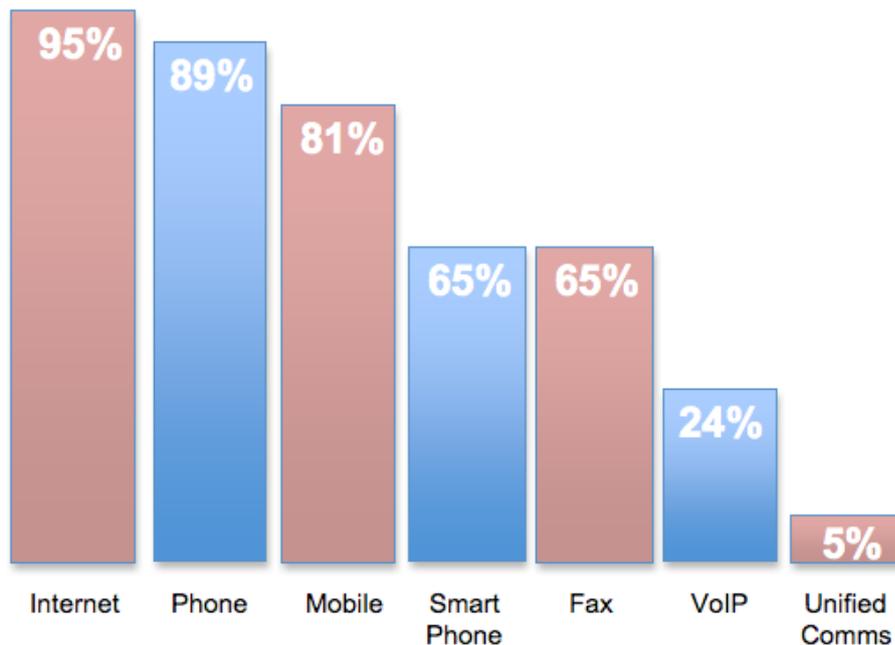
And if an organisation is going to rely even more on ICT, then it needs to build a strong partnership with its existing IT services for support on the journey – which brings us to managed services or ‘cloud’, hosting, storage and disaster recovery, ICT training and support.

These are the things that businesses need to know more about. And action starts with understanding. So read this report and the case studies to see how you can move your business forwards in 2014.

## Telecommunication services

Telecommunication services provide the fundamental platform for communication and information sharing, and are indispensable to all business and non-profit categories.

Overall, organisations are very well connected, using a wide variety of devices to suit their own business communication choices and customer needs.



Organisations are increasingly using IP based telephony services and this percentage will grow as the National Broadband Network is steadily implemented replacing copper wire with fibre optic cable, supported by wireless and satellite in remote and regional Australia.

51% of respondents say they supply smart phones or iPads to their staff. This raises the issue of the best way to manage mobile device use within an organisation, especially where data is being shared across a wide range of different devices.

### PABX system

18% of respondents use a PABX system, with an increasing number moving to an IP telephony system as their existing system fails or needs upgrading. A wide variety of vendors were named in the survey with no outstanding preference. They included Alcatel, Commander, Panasonic, Ericsson, Hybrex, NEC, Mitel and Samsung.

## Computers and software

Computers and software applications offer organisations an information platform for business. Technology provides the information storage, analysis and networking resource necessary for management, reporting, transaction, strategy and collaboration.

Business software packages such as Microsoft Office, Adobe Creative Suite, Adobe PDF and so on offer a suite of tools that address the basic business operational needs of most small organisations – word processing, financial management, idea presentation, database and communication.

### Operating system

Most respondents use one or more versions of Windows as the computer operating system, mainly Windows 7 (65%) and Windows XP (40%). 17% of respondents use a MAC operating system, 19% iOS and 11% Android.

Apple use has increased for two main reasons. The Intel chip allows use across Mac and Windows operating systems, and the adoption of iPads and iPhones by the market has introduced new users to the Apple platform. 55% of organisations use Windows as the server operating system. 5% use Linux.

### Computing device use

85% of respondents use a desktop computer, 83% a laptop and 53% use an iPad or other tablet device for work purposes. Businesses use multiple devices to suit their business practice.

### Place device most used

87% of respondents use their computer mainly in the office, 26% at home and 20% use their computer on site, in the car or when travelling. A significant percentage of smaller businesses use their main computing device at home, suggesting a real business benefit in delivering fibre optic cable to the home.

### Teleworking

36% of respondents to the survey telework, with one or more staff members working from home for some part of the week.

Professional, Scientific and Technical services, Information Media and Telecommunications, Public Administration and Education organisations are the leaders in this area. The more “hands on” sectors of Construction and Transport and customer facing sectors of Retail and Other services have the smallest percentages of organisations with staff that telework.

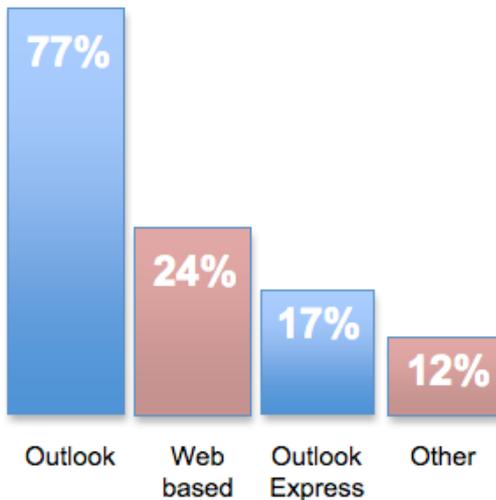
### Digital camera use

Two thirds of respondents (66%) used digital still or video cameras for work purposes. Cameras were used for recording events, training, property damage, assets and maintenance, record keeping, work progress and proof of job completion, health & safety issues, security, staff ID, website, professional development and advertising and promotion.

Cameras were used externally for recording client activities, assessment, product evaluation, proof, business intelligence, insurance, therapy progress, YouTube channel, Facebook, Blogs and other social media, field days, concerts, performance, coaching, short films, recording spontaneous ideas, presentations and seminars.

## Email Software

Microsoft Outlook is still the outright leader among respondents with 77% using Outlook and an additional 17% using Outlook Express. 24% of respondents use web-based email, either as their main email program or to complement another email program.



The rise in the use of web-based email is significant and services like Hotmail, Gmail, and Yahoo Mail etc have added flexibility to email communication whilst on the move, that wasn't easily available before. But anything free comes at a price.

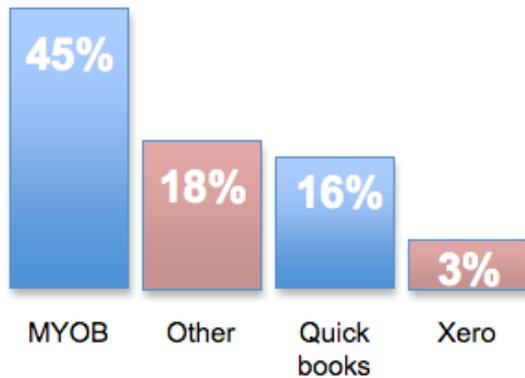
The price in this case, is support should anything go wrong. Who are you going to call? What leverage do you have if there are problems with your free service?

Most web-based email services are based in the USA and subject to the Patriot Act. This may not be an issue for the average individual in most industry sectors, but could have implications for the board of a public company or non-profit organisation from a privacy and governance perspective. Your web-based emails are not private.

So don't rely 100% on free services for the communication needs of your organisation. Web-based email is a very valuable supplementary service, but be aware of the potential problems and issues. Research them and use these services with due diligence and consideration.

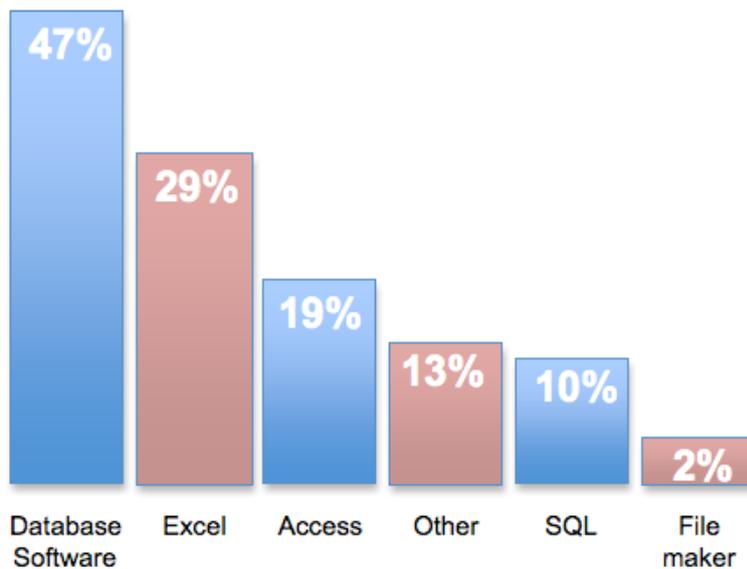
## Accounting Software

78% of respondents use accounting software. On the whole respondents are still happy with the most popular accounting software packages – MYOB and Quickbooks. 3% of respondents use Xero.



## Database Software

47% of respondents use database software of some kind.



## Customer relationship management software

Customer relationship management (CRM) has moved from the use of spreadsheets or databases and an email application to now incorporate a wide range of applications specifically designed to manage customer relationships.

Overall, 14% of respondents say they use CRM software. Software is available as “shrink wrapped” CRM, cloud CRM services such as Salesforce.com and open source CRM products, and a wide variety of email marketing software tools.

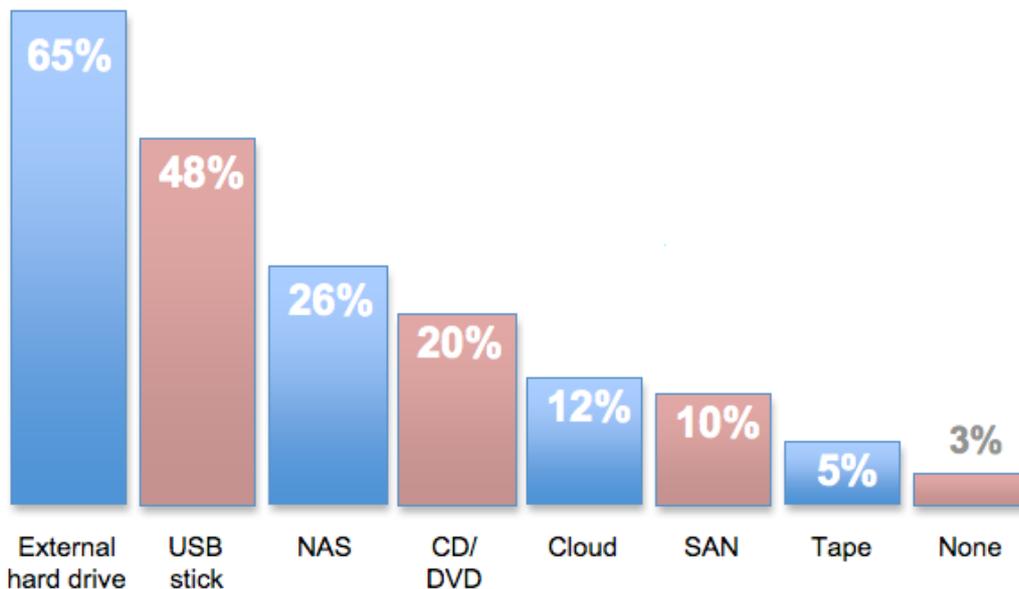
Even social media collaboration tools such as Facebook and LinkedIn should now be included as part of a strategy for managing the relationship with customers, which includes CRM software, website, email marketing and social media.

## Data storage and back up

Data storage, back up and retrieval can become increasingly difficult to manage as data accumulates over time. The issue can impact organisations of any size.

Disaster management is increasingly important for businesses and organisations. Issues can be wide ranging and diverse including severe weather events such as floods and cyclones, civil and social disruptions, employee sabotage and even terrorist attacks.

Simple manual errors and mistakes can crash a system and even a short-term, local electricity blackout can affect the ability of an organisation to operate effectively. So all organisations have to consider disaster recovery plans. Nearly all survey respondents (97%) take backup and storage seriously these days.



Data should be protected, backed up and transferred regularly offsite to one or more secure locations. Data can be backed up to a variety of devices and systems.

For small organisations and sole operators the simplest back up device is a memory stick (48%). These are cheap and easy to use, especially for home offices.

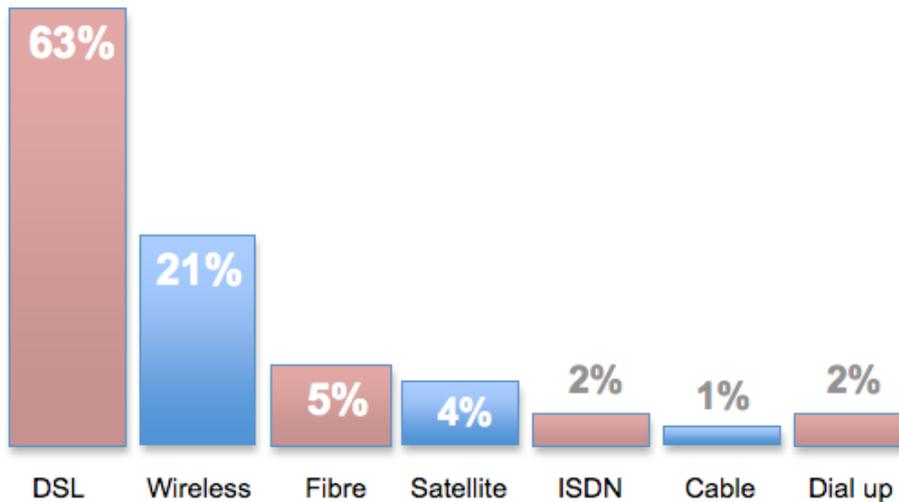
A growing percentage of organisations (12%) are using “cloud” storage to supplement other backup methods or act as a temporary storage option. It is inevitable that some organisations will begin to use “cloud” storage as a permanent option as well. Be fully aware of the potential pitfalls and problems associated with this strategy.

Magnetic tape storage on cassette is reliable, affordable and portable, and can be easily stored off site. Data can be backed up to another hard drive, a detachable SCSI drive or an external hard drive purchased for this purpose (65%).

The most important thing is that backup is a standardised, regular aspect of business operation whether managed manually or automated.

## Internet

99% of respondents are connected to the internet at work. Even if not connected, business owners usually have a strategy to receive and send email messages if necessary, via friends, family or colleagues.



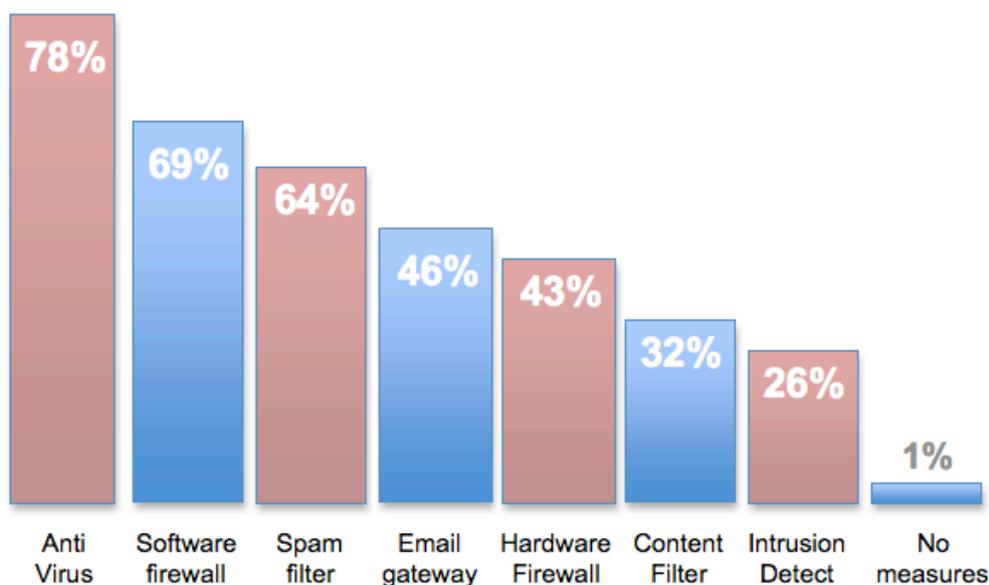
94% of respondents are connected by broadband, mainly DSL. With the NBN rollout over the next ten years, in whichever form it finally takes, it is expected that nearly all Australian businesses and households will be connected by fibre optic cable, satellite or wireless.

### Connection speed

Only 30% of respondents are happy with their internet connection speed. Which means 70% are not.

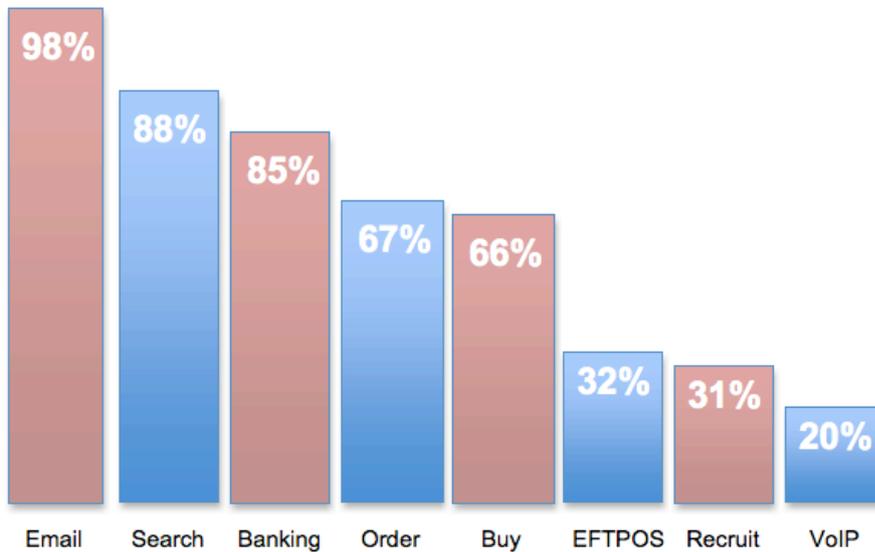
### Internet security

99% of connected organisations use one or often a combination of security measures to protect against attacks of all kinds.



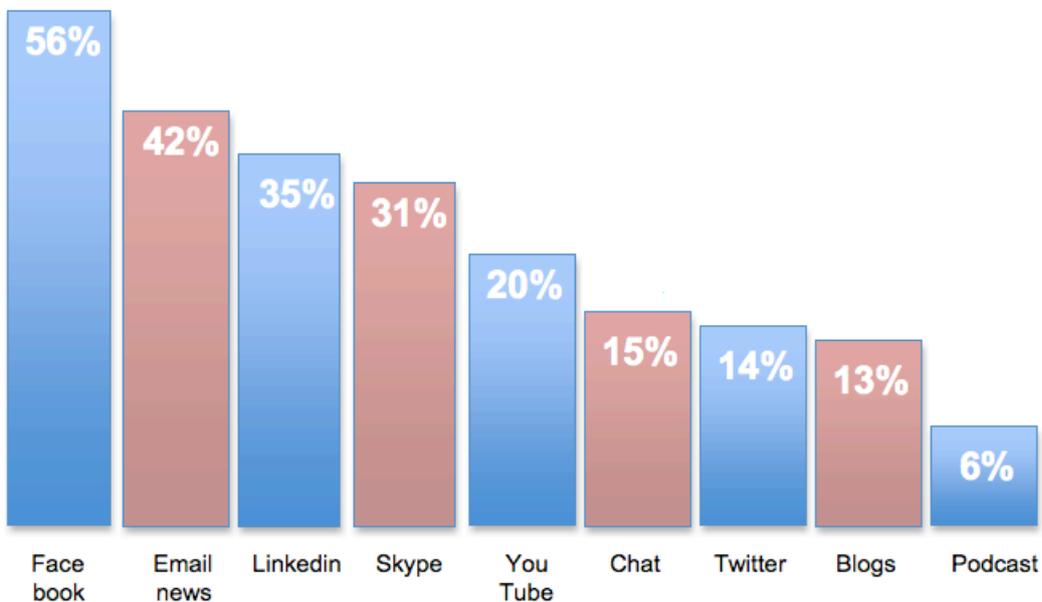
## Internet use

Email is the number one use of the internet and this has not changed for many years. Second are research and banking, followed by ordering and buying products and services, then EFTPOS, recruiting staff and the integration of voice and data services – VoIP. The initial focus of internet use has been in improving the internal capability of an organisation by finding and sharing data more effectively, for banking and buying goods and services, and identifying and finding new assets and resources.



## Customer facing internet use

Organisations are now using the internet to improve relationships with customers through a wide range of communication, conferencing and collaboration tools.



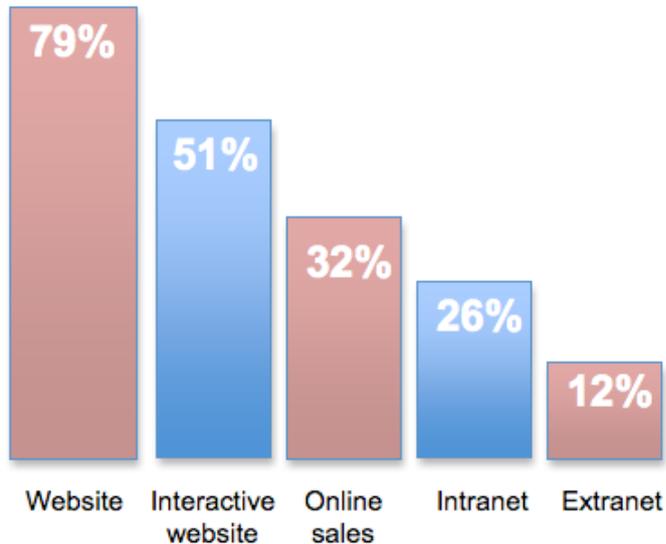
There is no one size fits all social media tool or solution. 56% of respondents use Facebook, 42% use a regular email newsletter, 35% use LinkedIn, 31% videoconference mainly using Skype, 20% YouTube, 15% online chat, 14% use Twitter for news, 13% blog and 6% Podcast.

There is a wide variation in social media use across industry sectors based on how each category communicates with and relates to its customers.

## Websites

Most respondents (79%) have a website and increasingly web-tools are being used for a variety of business reasons beyond publishing an online brochure. Organisations are now understanding that their website should and can be included in a broader customer relationship strategy that involves CRM, email marketing, and both traditional and social media.

51% can gather data and update their dynamic website, 32% use their website for sales transactions online, 26% have an internal website (intranet) to share information and 12% have extended that capability to selected customers or suppliers (extranet).



## Technology adoption

Respondents were asked to rate their technology adoption from a choice of “leading edge, fast follower, average, lags behind and in trouble”. 10% rated themselves as leading edge, 26% fast followers, 46% average and 15% lagging behind. 2% rated themselves in trouble.

The question is largely about perception and confidence, and over the last twelve years many respondents rating themselves “average” have in fact been leading edge in use of ICT. Many rating themselves “leading edge, have in fact been “average”. However, in the most recent surveys, assessment of technology adoption “rating” largely reflects the actual use of ICT accurately as organisations become more self aware.

## Sources of help and advice on IT

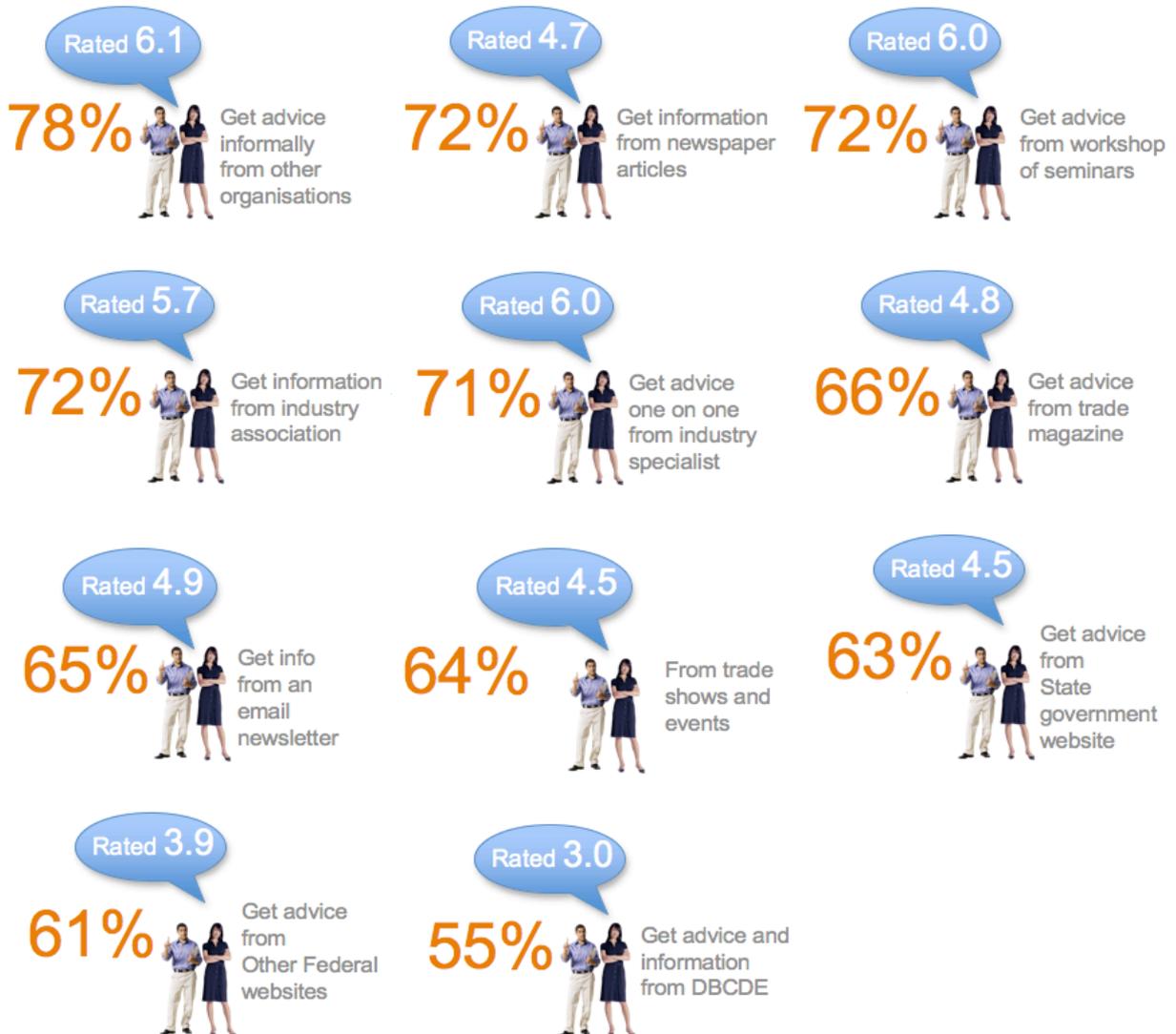
Trusted advice on information and communication technology (ICT) comes from three main sources, a) friends, family and colleagues, b) IT suppliers, services and consultants and c) for larger organisations with IT staff, advice comes from internal staff, systems integrators, the internet and IT staff networks. Smaller organisations are most likely to have nobody they trust to help, or mainly rely on friends and family for advice.

For small businesses it is important to find a reliable source of help and advice if possible. Even the smallest non-profit organisation should try to ensure that somebody from the IT industry sits on the board or advisory group as a specialist advisor.

Larger organisations are more likely to use suppliers and consultants, or be confident enough to find help online or in the IT press. They also employ IT staff who rely on their experience, industry networks, the internet and online forums.

## Get business advice and information

Most organisations get advice on new technology and best practice from other businesses (78%), newspaper articles (72%), workshops and seminars (72%) and industry association (72%).



The source of information is important – preferably from a trusted source (industry association or other industry colleague). The practicality of information is also important - workshop or seminar rated highly (6.0).

Government websites, whether State Government or Federal are invariably and consistently rated lowest of all options and the department of Broadband, Communication and the Digital Economy website (now DoC) has been rated lowest in all surveys over the past five years.

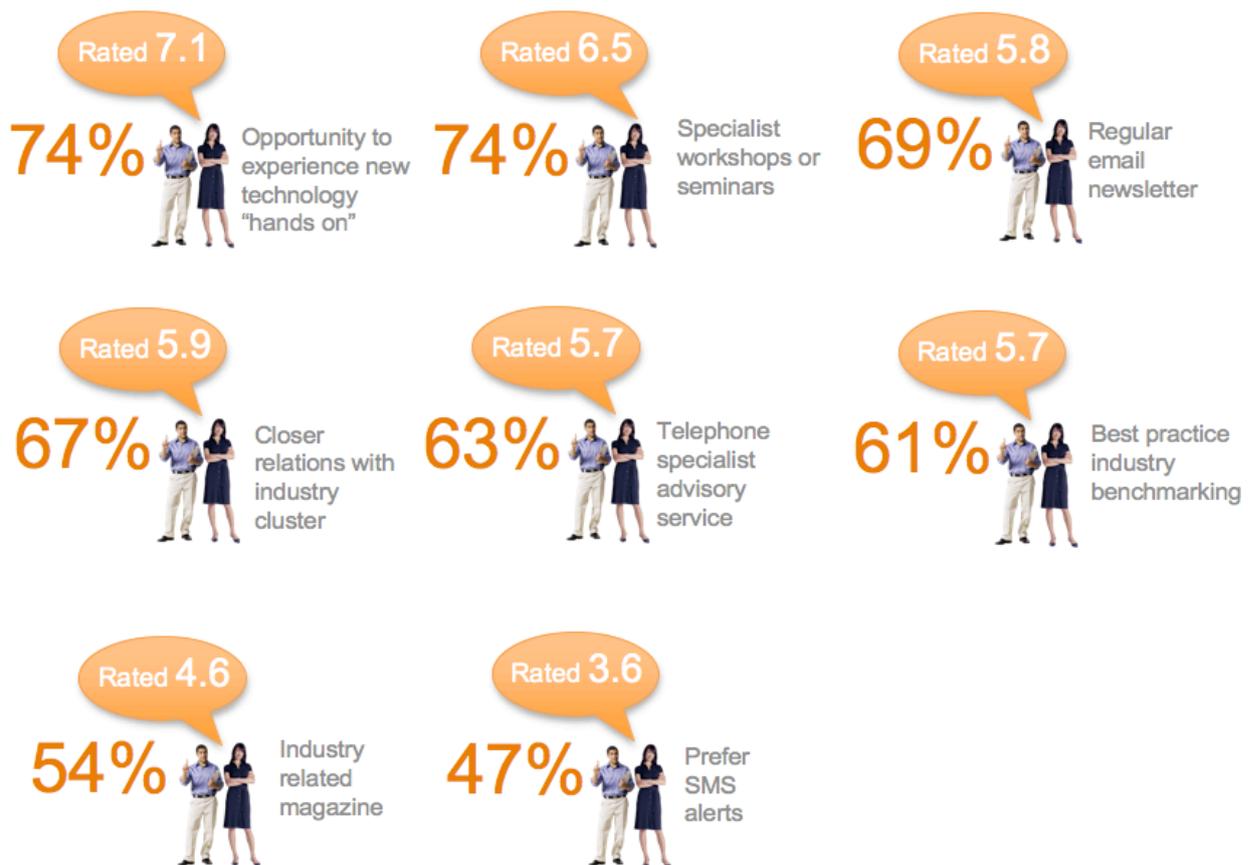
As businesses increasingly having less time to research and find things out for themselves, a reliable network of business advice grows in importance.

## How would you prefer advice and information?

Businesses are practical in the selection of channels and sources for information on new technology and best practice for their industry sector.

Most organisations (74%) would prefer the opportunity to experience new technology – hands on, get information via a regular email newsletter (69%) and/or through specialist workshops and seminars (74%).

These options have been consistently rated highest in all surveys over the past six years.



The ability to consult with colleagues and other organisations in the sector is also important.

It is surprising that government and other major sources of advice and information still try to force businesses to "come to them" on their portal or industry website, when businesses want information to "come to them" – via email news, hands-on experience and workshops.

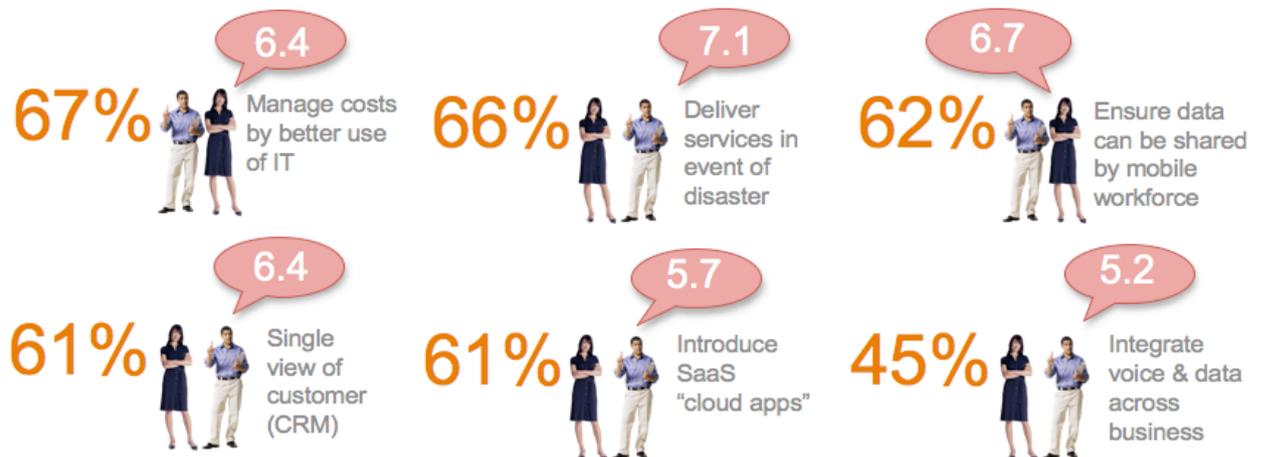
## Future IT objectives

Most respondents (77%) want to protect and recover their most critical data, rating this objective 8.3 out of ten. 77% want to be able to detect threats to the IT system (8.0 out of 10). Security and disaster recovery (7.1 out of ten) are important to businesses when IT is the business platform.

Getting more from the existing IT system is important to 74%. Being able to better analyse data (7.1) and getting the right info at the right time (7.3) are key to decision making.



Customer Relationship Management (CRM) is slowly growing in importance for respondents with every survey, along with mobility. Interest in the “cloud” is now not far behind and is moving onto the radar for 61% of respondents, but still rated lowest in importance across all objectives, along with voice and data integration.



Opportunities & challenges exist in mobility, teleworking, cloud computing and a variety of new customer relationship options

And they all overlap to some extent...

## IP Telephony

Having voice and data integrated over the same network leads to further opportunities. It's not just about cheap calls anymore.

IP telephony (internet protocol telephony) is the term describing the technologies that use internet protocol to exchange packets of data – voice, fax, images, video and sound that were traditionally carried over the old telephone network.

Voice and data technologies have matured and converged to finally offer a variety of true business solutions for organisations of all sizes.

For smaller businesses and organisations Voice over Internet Protocol (VoIP) can offer immediate cost savings. For larger organisations, with a unified communications network there can be many benefits ranging from cost savings to increased efficiency and productivity.

With the advent of the National Broadband Network (NBN) rollout all voice calls will become VoIP. Existing copper phone lines will be steadily replaced by fibre-optic cable over the next ten years.

For most businesses and homes across Australia fibre will become the only option. The remainder of businesses and homes in rural and remote areas will be serviced by fixed wireless or satellite connections.

### What is VoIP?

Voice over Internet Protocol (VoIP) is the transmission of voice over a data network such as the internet. Sound waves (voice) are converted into data packets that are transmitted across a data network rather than through the telephone line, and reassembled and converted back into sound once they reach the destination.

A softphone is the software program that converts voice to data and back again. Calls can be made using the microphone and speakers attached to a computer, or through a specially adapted handset using SIP (Session Initiation Protocol) a standard protocol used by the majority of VoIP and internet based telephony providers.

Having voice and data integrated over the same network leads to further opportunities. It's not just about cheap calls anymore. A unified communications system allows text messages, emails, voice messages and faxes to be accessed and shared from multiple devices anywhere.

Advantages extend beyond simple cost savings, even though these may be significant. Incoming calls can be directed to a VoIP phone, regardless of your location. So you can travel anywhere and still receive and make calls.

Disadvantages exist, but can be managed. The quality of the call is dependent on the quality, speed and reliability of the internet connection. And if your electricity supply is down, you can't make calls over the internet and will need to resort to a landline or mobile phone.

Calls using VoIP will add to your overall use of data and have an impact on your broadband plan, so you may have to modify your plan accordingly, giving yourself a higher limit. A 10-minute conversation is roughly equal to a 1MB download. But even with a modified plan, savings on call costs can leave you well ahead.

### To use VoIP

An organisation needs:

A client device - either a VoIP handset or a software phone (soft-phone) on a computer with a headset and a microphone

A broadband connection - with enough capacity to carry the number of calls that may be required simultaneously

A service provider – who can terminate the call onto the ordinary telephone system

And – if you are an organisation or business with staff, some switching capacity to handle extension devices – a digital PABX.

## Unified communications

Unified communications is connecting and integrating voice and data networks within an organisation to better manage cost, phone calls, email, fax, instant messaging, audio and videoconferencing. Software is even available that can find the most cost effective route for a call automatically.

Staff can have one number that will reach them wherever they are in an organisation, whether travelling or at home. A call to the one number will automatically be transferred to a mobile or desktop phone wherever you may be.

Important calls can be routed through at any time, whereas less important calls can be routed to voicemail, a receptionist or a colleague. From a customer point of view, you are always available on your business number, no matter where you might actually be.

Text messages, emails, voice messages and faxes can be accessed from a single mailbox through whichever device is the most appropriate – desktop, laptop, mobile phone, smartphone, iPad or other tablet device.

Presence is now built into whatever communications technology is being used - video, audio or collaboration tool. It allows somebody to check on the status of one of their contacts – “busy, on the phone or doesn’t want to be disturbed”. It lets them know when somebody is available and the best way to contact them – phone, email, IM or SMS. It can improve communications effectiveness and increase productivity.

Videoconferencing has been slow to mature. It was seen as too expensive, too hard to use and having problems with interoperability. Making a video call was difficult and even in most ICT vendor boardrooms the default choice for conferencing was and still is audio.

Videoconferencing isn’t just about technology. It is about being comfortable and prepared for the presentation of personal images to a caller or group of callers. Not everyone is ready or willing in a business situation to participate.

Finally with costs reducing and improvements in set up and usability, it has become easy to make a video call. At the low end, desktop videoconferencing is already familiar to many people using Skype, and this helps people understand the potential benefits of videoconferencing at the office.

## Case study: IP Telephony

### Delivering a flexible working environment

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TAAConnect is a provider of telecommunications and IT services to businesses of all sizes in Australia and New Zealand. TAA Connect started in 1992, has thirty employees and a select range of sub-contractors. Head office is at Bowen Hills in Brisbane.

### **How would you describe your business?**

Today, everything can be connected to make business more efficient and effective. TAAconnect supplies telephony, IT, audio and video-conferencing, networking, software solutions, point of sale solutions, messaging, wireless, Next G mobile and broadband solutions of all kinds – tailored to each customer's unique needs. Every solution starts with understanding the business.

IT managers now have strategies to incorporate mobility tools such as Blackberries, iPhones, iPads and similar devices into their businesses. What has changed is that so many new applications are useful.

The benefits of convergence can be as simple as integration between Outlook and phone, automated web conferencing and calendar, job tracking and quality auditing, or video-conferencing for training and management operations meetings.

### **What changes are taking place in your business category?**

Customers want more of a value proposition than ever before. The days of customers being interested in "bells and whistles" have disappeared. Clients want to know what the technology will do for them.

The days of proprietary products have gone. One person downloads a free device or piece of software and everybody wants it. The pressure for innovation in an organisation can come from anywhere, not just from the IT department, and the IT department has to deal with how to make it work.

The power of converged voice and data in devices is game changing. Something as simple as mobile twinning in an IP Telephony system means that any call to a phone number is automatically routed to their mobile phone after a short predetermined number of rings. So staff can be accessed anywhere, at any time.

Unified Communications is about the integration of the PC and the phone. The user doesn't have to think about it. If they have to think, they won't use it. It has to be automatic.

So Presence means the ability to see at a glance who is on the phone and who is off the phone. What used to be something that only the receptionist could do is now a function on everybody's phone screen. It just about eliminates phone tag – calling, leaving messages and so on.

People can take calls in a car, without removing their hands from the steering wheel. Emails can be read aloud by the system, and you can make calls by speaking a client name aloud, with the system recognising and making the call. It's very powerful.

Conferencing and collaboration functions are being used a lot more because the tools have become more user-friendly and easy to use. So it is a straightforward exercise to conference from one phone to one phone, one phone to many. It is easy to broadcast the sessions to anywhere and anyone. When you can add to that capability the option of document sharing on screen as well, videoconferencing becomes an ideal management collaboration tool.

A lot of this technology wasn't mature in 2007, but it is today. And because of the Global Financial Crisis, everybody is now seriously looking at how to cut costs. So there has been a lot of reviewing of business practices and a push to use smartphones, softphones, videoconferencing, iPads and other clones.

A lot of our clients are now moving away from proprietary suppliers to open system and virtualised servers and software. The market has picked up and clients are now looking around for new and better ways to improve their productivity and performance,

## Mobility

Mobility is about enabling workers to operate effectively from anywhere – office, “hot desk”, home office, hotel, car, café or even sitting on a fence by the side of the road. To do this effectively, business devices of all kinds must be able to connect and talk to each other in real time, stably, securely and privately if desired.



Mobility “tools” are being used across the all industry sectors to a greater or lesser degree. Device selection and use is dictated by the needs of individuals and by the demands of the work role within an organisation. Individuals will often own a number of devices and use whichever device they need.

Mobility extends beyond the people in an organisation to the assets the organisation owns. Vehicles, plant and equipment can all be monitored, tracked and managed, improving productivity, efficiency and reducing costs.

GPS provides the location reference system that makes sense of the information coming from sensors and monitors on mobile devices and equipment.

Google Maps provides maps and images of regions, roads, buildings and locations connected to a host of useful directory products and services. Communications can be integrated, automated and made more efficient through unifying communications across devices, integrating voice and data and allowing access to content across the organisation.

Mobility needs software developed to support a mobile workforce and software to support mobile devices used on the road.

There are a few issues in this. Mobile workers need the right applications. They need to be able to access the applications securely. They need to be able to access the applications reliably. So the more an organisation relies on mobile devices and mobile applications, the more that organisation has to ensure reliable storage, security, backup and disaster recovery.

Applications for work processes and mobile devices can be developed quickly and customised to suit the specific needs of an organisation. Mobile devices also need to be managed properly to ensure that individual needs are matched with the overall needs and requirements of an organisation.

These issues can be managed successfully and the benefits far outweigh any problems. The following case studies illustrate these issues and solutions.

## Case study: Airwatch

### Mobile device management

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TAAConnect is a provider of telecommunications and IT services to businesses of all sizes in Australia and New Zealand.

#### What is happening in mobility?

There have been big changes in mobility with the adoption of tablets and smart phones. People are increasingly bringing their mobile devices into work in government departments, corporates and other large organisations and expecting to be able to connect the device into the IT network.

They want to be able to use the organisation's email software on their phone or tablet. Companies that have been used to managing Blackberries on the network are now being expected to manage and incorporate a wide range of devices running Symbian, Windows phone 7, Android and Apple iOS.

You need a management application that allows you to have visibility and control of the whole mobile fleet of devices, from a single application. That is the issue that CIOs all over the world are facing at the moment. CIOs are not going to tell the CEO how to run the business. It has to be the other way around.

The IT department is there to serve the organisation and if the CEO and other managers want to incorporate these new devices into the business then the CIO has to make it happen. At the moment, rather than look for solutions, many CIOs are putting up barriers. But when organisations need to become more agile, the CIO has to find a solution.

#### How do you manage mobile devices?

We can provide a mobile device management application called Airwatch to organisations, or we can offer it as a hosted service, on a per-device monthly management fee.

Within the hosted service, we have two offerings – “do you want to support your devices yourself, or do you want us to do that as well?” We can manage everything from providing the devices and managing the account, through to the ongoing support for the device. For instance, if a user rings and says “My email isn't working,” or “How do I use this application with my device?” we can take that whole burden off the IT department.

#### What are the main issues?

You should start with looking closely at what the devices are going to be used for and then decide if any particular brands are best for that purpose. What services are you currently delivering to your workforce and what services do you want to deliver? What is the best way to deliver the service and what is the best device to use? Ask the right questions and the solution becomes obvious.

Also, in your corporate network environment, your internet is filtered. If your workforce is outside of your premises using 3G devices how are you going to manage internet filtering? All these things can be managed, but you have to plan the architecture up front..

Next, how are you going to manage the delivery of the organisation business applications, and what value will they deliver? If the workforce is going to use the applications constantly, like using a CRM application, then you can probably justify the cost. But if it's just a case of accessing emails, then you probably couldn't. Plus you have the issue of training. When you deliver devices to non technically savvy people, you need to train them.

### What else is involved?

Airwatch can manage all the devices across an organisation. So we manage all devices from introduction to decommissioning. If a device is lost, we can identify the latest known location and we can remotely wipe it of all company data and information.

### How do you deliver company applications?

The Apple iOS is great at delivering content. To deliver company applications, we set up a private appstore, which gives the business the ability to deliver applications without having to use an iTunes account.

That means the business, or TAAConnect on its behalf, decides which applications are useful and organises the licensing for the applications to be delivered to staff. With all these issues to consider, you can see why IT departments put up the barriers. Many of these issues are not familiar territory, but if you plan it properly from the beginning it can be managed.

### How much interest is there in mobility?

Every client we talk to, we now ask them what they are doing about mobile devices. Everyone from government departments, right down to small businesses is looking into mobility right now.

## Case study: Blink mobile

### Mobile fast application development

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Rype is an IT services company, which consults, implements and supports IT products and services, mainly focusing on the Apple product platform.

#### What changes are taking place in your category?

We have seen a massive push for mobile device management from local government and enterprise markets.

Recently Queensland Rail put out a survey to staff asking what issues staff would like to see addressed. There were two major responses, the first was for more money and the other was asking to bring their Apple devices and use them in the work environment.

There are two main areas of interest from enterprise clients - how to manage BYO (bring your own) devices and how to manage delivery and use of company owned devices. Mobile Iron will support either option. Application development for mobile devices is another major area of interest for our customers and we use Blink mobile for that work.

#### How did you solve the council mobility problem?

We developed forms for mobile workforce managing food and trees. These were chosen as the hardest forms to build because of their complexity. The forms had to be smart. If we could do this for trees and food, we could easily do this for any other subject as well.

The system works both ways. The Blink form is populated from the council Pathway database at the beginning of each day, when the user turns the device on. The system tells the inspector which food outlets they are inspecting. The form contains questions that have to be filled in. Then it rates the organisation on whether it passed or failed the inspection, and which problems were identified.

If there are any problems, the inspector can take a photograph to demonstrate clearly what the issue is. The device then generates a PDF file that is sent to Logan and stored in the document

management system. For trees, the system provides information on nuisance trees, GPS coordinates and so on. The application can work on an iPhone, iPad or any platform.

As a result of what we have done, we have created a series of modules for councils. The middleware product that we have developed is also available for licence to anybody that wants to use it, not just Rype. The product works with Pathway and also Dataworks, both of which are used by the 400 councils across Australia, so we believe it has broad application.

We now know that for any legacy system, we can write the middleware between devices and internal system for data exchange. We have created a web service gateway. It's the same issue for any large organisation.

## Case study: GBM Software

### Mobile workforce solutions

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GBM Software is a software company, which produces software for mobile workforce solutions. We have created software that manages the location, inspection (and data capture) and maintenance cycle of geographically distributed assets.

We focus on how individual assets such as guide posts, drains, trees etc, are located, mapped and integrated into a task management system, with a history and project management framework to allow effective management and control.

Most asset management systems aren't interested in individual trees or fence posts. From a financial value perspective they are bundled into high-level categories. But from a legal and task management point of view, these individual items are important.

If somebody has an accident and runs into a tree or pole, it is important to know the status of that object, to know whether it was painted, or had reflectors attached, or whether it was recently pruned or lopped and when. This level of data capture, management and interrogation is being recognised as increasingly valuable by utilities, councils, mining companies and similar organisations.

GBM Software is focused at the work management level of asset systems. We can maintain an inspection history and a maintenance history for a wide range of items.

Our software will have an overall view of one million individual trees and their location, inspection history, work history and whether the tree has been removed and when.

There is a big difference between how the accountant views trees and how the maintenance department views trees.

## Teleworking

Survey results show that 36% of organisations are allowing staff to work from home for some period or all of the working week.

Over a third of the respondents to the teleworking question said that one or more members of staff are teleworking (working from home connecting to the business network and database).



In many business categories, staff with administration, finance, marketing and sales roles can work easily and successfully from home. Whenever the primary work function involves a relationship with data and the use of a computer, that role can be feasibly conducted from anywhere that provides a stable and secure internet connection with the main office network.

If a role includes a high proportion of one-on-one internal meetings or the role is largely customer facing, as in a retail store, a bank counter or enquiry window, then at this stage teleworking the role is not possible. But it may be in the future.

Running a machine in a factory, driving a truck, or diagnosing a patient in a surgery also demands a direct relationship between the worker and the machine, truck or patient. But when the work machine is a computer connected to the internet or other network, the options change. In the longer term what will this mean as more and more people choose to work from anywhere and everywhere?

Does employment mean working 9-5, or does it mean completing a set number of projects or tasks in your own time. Does the employer pay for your time or your skill and experience in completing projects. Is work about what you deliver or the amount of time you spend in the office?

The industrial revolution tied workers to the process and activity of production. People looked after machines, tools, trucks, tractors, typewriters, desks and counters. Productivity was measured by the amount of time and resources necessary to complete tasks and create products and services. The digital revolution is changing the relationship between a business and its workforce, and between the individual worker and production.

When a worker can work from anywhere, a job is no longer about hours completed it is about output and the quality of production. There will always be people paid by the hour to complete standardised tasks – making pizza, minding machinery, mowing lawns, driving trucks or cleaning windows. Maintenance roles.

But creating new products and services, solving problems, innovating and researching, developing and imagining are what will open up new worlds, new jobs and new opportunities.

## The pluses and minuses

To take full advantage of teleworking, employers and employees must establish a mutual and agreed view of expectations and responsibilities.

The benefits of working from home include more than the obvious flexibility and convenience. Many remote workers say they are more productive through being able to focus on tasks in their own time without interruption and the distractions found in a traditional office. Other benefits from the worker or social perspective include less time wasted in travelling, reduced fuel and travel costs and even reduction in carbon footprint.

Benefits from the employer perspective include better staff retention, space savings, smaller office requirement and the capability to manage a fire, flood or other disaster through being able to quickly establish a distributed workforce.

The challenges are the lack of direct support from colleagues and managers. Trust can be a perceived issue for managers, with some opposing the idea of a teleworking arrangement.

But this attitude will have to change, as teleworking becomes a standard offering by organisations of all kinds. To compete for new staff, teleworking will increasingly have to be on the menu and managers will have to learn to live with it. These impacts can be reduced through proper planning and learning from the experience of others.

The following Tweed Council case study illustrates that proper preparation delivers good outcomes. Clear agreements, good IT support, flexibility and feedback are all important.

## Case study: Tweed Council

Teleworking is good for staff, council and our customers

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Tweed Shire Council is the largest local government authority in northern NSW and employs around 700 staff managing and delivering a wide range of activities and services to a population of approximately 90,000 people.

### What prompted you to consider teleworking?

The interest in teleworking came primarily from staff. Staff were looking for increased flexibility and ways to better balance work/life issues as well as looking for opportunities to work away from the normal hustle of an office environment in order to fast track the completion of priority projects.

We knew what staff wanted, but it had to be looked at properly to ensure that all interests were protected. Factors to be considered include operational efficiency and effectiveness, customer service, cost, technology, information security and safety.

### Did you write a project plan before starting?

Because a lot of work had already been done around creating a more flexible workplace, management was open to the concept of teleworking. Senior management themselves were challenging the way they looked at the future of local government and they knew things were going to change.

A pilot project was set up to trial the concept and ran for 12 months. The trial consisted of six staff, from very varied roles across the organisation, who for a range of reasons were looking to work from home on a part time or temporary basis. Reasons ranged from family responsibilities, through temporary injury to commuting issues.

Access to appropriate, speedy and secure IT infrastructure was a central component of the project. Consultation occurred with the IT team who looked at the full range of issues and risks. The IT team were very enthusiastic about the project and using technology to improve efficiency.

#### **How did you decide which technology to use?**

Given this project was primarily driven by the staff, they were required to contribute to the technology solution as well as the creation of an appropriate work environment. They had to have broadband, a computer, enough office space, an ergonomically sound desk and chair, and an environment that was functional from a health and safety perspective.

One of the major issues was safety. The home was being converted into a workplace that Council would be partly responsible for, although the level of control was minimal. That was the second biggest challenge after technology.

#### **How much time did it take to get up and running?**

Council ran a 12-month trial across a range of work activities, with the motivations of staff, and the trial timeframes varying for each participant. Both structured and unstructured feedback was received during the project from all key stakeholders - participants, line management, the IT department, Workplace Health & Safety and any internal clients.

The trial was a great success for both the employees and Council. It would be fair to say though that not all roles, nor all employees are suited to teleworking and you really need detailed guidelines in place to protect the interests of all parties.

#### **How much did it cost?**

There was no real cost. The IT infrastructure that was put in place had to happen anyway. The majority of other costs were cost neutral, other than the first aid kits and fire extinguishers. Most teleworking projects are short term and run for a few weeks or a few months. Only a few arrangements have been required on an extended basis.

#### **What were the barriers to the project?**

The internal barriers were the perception of loss of control and the loss of service responsibility. That was a concern. Is this the thin end of the wedge? There was a concern for security. But all these concerns were managed successfully.

#### **What are the business benefits you are hoping for?**

The main benefits were in continuity of service and staff retention. The council was seen as a responsive, flexible and sensitive employer.

#### **What is the most important thing you've learned in the last year?**

That you have to go into projects of this nature with your eyes wide open and that a level of formality and structure is required so that project parameters are clearly understood by everyone and risks can be appropriately identified and managed.

It is about creating flexibility. It is not a one size fits all solution, but when taken as part of a broader range of options teleworking is a useful and beneficial tool for both the employer and employee.

## New digital customer

*“Customers expect a lot more. They are more sophisticated and they know their rights. “ Real estate*

*“Customers have less time.” Pool manufacturer*

*“Clients expect us to be more available and responsive”. Law firm*

*“Customers expect quick response and even expect email to be like telephone communication – instant. They are less forgiving of human mistakes than they used to be”. Car retailer*

*“Clients are knowledgeable and realise there has been a lot of automation of document processing and use of standardised forms. So they expect the same high quality at reduced cost.” Law firm*

*“Customers now expect to be able to contact you at any time wherever you are.” Civil contractor*

*“Customers are more discerning and demanding in quality and product” Builder*

*“Customers want more for their money these days. That keeps us on our toes.” Smash repair*

*“Customers demand more and expect things will be web based. We have to manage this expectation, even if it is unrealistic or unreasonable.” Property Manager*

*“There is a higher level of demand from customers right across the board. They are busier, so we offer 24-hour food service.” Hotel*

*“Clients expect a quick turnaround. There is a disconnect between what is expected and what is actually possible.” Architect*

*“Customers come to us and demand materials and techniques that we have to source from anywhere in the world.” Construction company.*

*“Customers know more, research more and read online forums.” Car retailer*

*“Customers want to see deliverables. They want to see information during a project, because it provides them with greater knowledge and perspective.” Engineer*

## Customers have changed

This overall change in customer expectation as a result of continual quick and easy access to information affects the whole customer relationship environment – salesperson, website, shop window, CRM system, email newsletter, social media, telephone, counter. The customer expectation is now the same at every interface.

So, it isn't just about the CRM system. It isn't about social media. It isn't about the website or the salesperson It is about the customer.

The choice and range of products and services for communication and managing customer relationships is increasing all the time. The following case studies on email marketing, CRM software and website, illustrate the tools that are available to manage customer relationships powerfully and effectively.

Increasingly, the integration of these customer relationship tools will deliver the most benefits.

## Case study: Vision6

### Email, SMS and social marketing for everyone

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Vision6 provides everything for a business to conduct email, SMS and social marketing. It is a platform for marketers and business owners to communicate with their customers.

#### **Who are your clients and customers?**

Our customers are all sizes and from all sectors. They range from small micro businesses to large corporates and government departments.

Vision6 is a premium product with a lot of capabilities build in to allow clients to manage both simple and the most sophisticated email marketing campaigns. Yet the product is easy to use, intuitive and practical, so any client can quickly get up and running and immediately get value from their investment.

#### **How do customers benefit from the product?**

There are many benefits. Vision6 is intuitive and easy to use. The system is extremely stable and secure, and spam compliance is built into the system. Emails are always delivered to the right inbox. New contact details and customer information can be gathered easily through tools such as Web Forms.

Email communication can be targeted using tools such as wildcard personalisation, conditional content and autoresponders. And there are a whole set of design tools to help clients easily create great looking emails.

Larger organisations with multiple offices or locations can centralise their marketing activity, which is really useful when managing databases across a number of departments or brands.

The reporting capabilities are great. People like to measure responses to see who opened the email, who clicked through to an offer, who forwarded the email to others and so on.

The reports section is a very important part of any email campaign, as it lets clients see how well they are connecting with their customers. A little bit of time to reflect can make campaigns stronger and help them engage more actively with the audience. Clients can measure the return on investment for every campaign and compare campaigns as well.

#### **What changes are taking place in your category?**

Today, email marketing has become a standard part of business practice. Seven or eight years ago it was hard to convince customers about the value of email marketing. They were used to the idea that email was free.

Most companies come to us with existing customer contact databases. We have a feature called Web Forms that clients can put on their website to start growing or building onto an existing list. They can gather additional information from customers such as contact details, purchasing preferences, email frequency preferences – pretty much anything they want.

That information can help personalise their database so that email can be more relevant, targeted and valuable to the customer.

Email direct marketing is permission based. Because of the Spam act, you have to have the recipient's permission and give them the option to "opt out" at any time.

Email has to be relevant if you expect to build a long-term relationship. Our system has been designed to ensure Spam compliant communication. It will prompt the client to make sure they are doing the right thing.

There has been a huge transition from Direct Mail to electronic Direct Mail. Advertising agencies are one of our biggest customers. They “white label” the product and manage the service for their clients.

#### **How have you been successful?**

The technology. It was built from day one to be easy to use and intuitive. It works all the time, every time. Another important thing is that we are Brisbane based, with all our data hosted here in Brisbane, not overseas like many other email marketing software companies.

This provides a local trust foundation that is very important to larger customers whether corporates, government or others.

#### **What were the issues that arose?**

The market has evolved very quickly. It has adapted to demand for more efficient ways to manage customer relationships and expanded very quickly. The Spam Act gave us a huge opportunity at the right time. People got nervous.

Our product is the solution to doing email marketing properly. The underlying Vision6 system is very detailed. So making it simple and intuitive for users is harder than it might look.

#### **How much does it cost?**

The cost to use Vision6 starts from \$30 a month. That allows a business full access to the product so they can start their email campaigns. They simply upload their contact database to the system and they are up and running.

For that cost they can manage up to 1,000 contacts and the cost scales up from there, depending on the size of the contact database.

There is also a small fee for each email sent. For an average small business with 1,000 contacts sending 1,000 emails a month, the typical overall cost would be \$60 a month - \$30 for access and use of the Vision6 system, and \$30 for the emails.

#### **What advice would you give someone else?**

Businesses can't afford not to be doing email direct marketing. The cost effectiveness speaks for itself. They can reduce their traditional direct marketing budget considerably and achieve far greater results.

It is powerful. It is immediate. It is measurable. If you are going to do email marketing, do it properly.

We do see companies that traditionally had an email budget of \$60 a month and a print budget of \$300 a month and they keep those proportions the same without questioning them. What you spend and where, should be based on results and the return on investment.

Electronic direct marketing can be integrated with print, letting the email lead and then sending out print material only to those who don't respond to the email. That is far more cost effective. Electronic direct marketing works well with other marketing channels.

## Case study: Salesforce

### Customer relationship management can build success

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Proactive Accountants Network 'provides coaching, content and technology solutions to accountants and via those accountants, to their clients.

**Who are your clients and customers?**

Accounting Firms, however, through this market we are beginning to offer our business improvement applications to their clients as well.

**How do you decide which technology to use?**

I had six years experience with Salesforce. It allowed us to customise things on demand. Configuration is straightforward, even for a non-IT person. With Dynamics, there was too much coding involved. That was what led us to choose Salesforce.

**How did you know who to trust?**

Initially we looked at Salesforce and their customer list. They have a lot of large corporations with sensitive data. The Salesforce system is all documented, certified and so on. The main issue for us, was what would happen if we didn't implement the CRM system? Then we wouldn't have mobility, flexibility and scalability. Business is about taking calculated risks.

**How much did it cost?**

Technology support is \$25,000 a month. Salesforce is around \$40,000 per annum, based on the overall number of users.

**What are the main risks?**

We manage risk. We regularly export data from the "cloud" platforms. We back-up and replicate all our data. Even with Google Apps, we use the Postini email security and archiving service to back up our data for 10 years. Our main risk, as I mentioned was really the risk implied by not doing something rather than doing something.

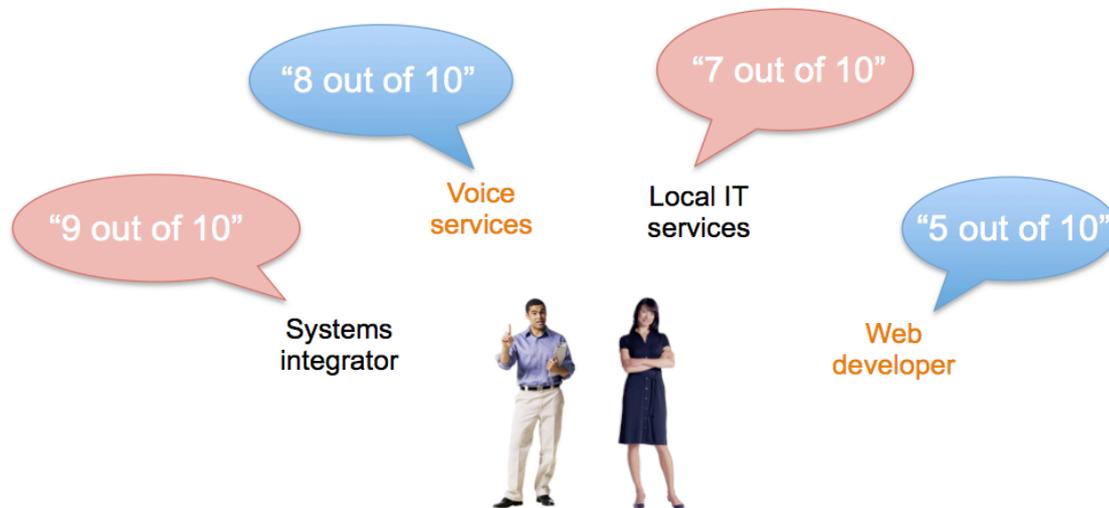
**What are the business benefits?**

There is definitely a financial benefit. From an infrastructure standpoint and application standpoint, we are saving \$100,000 a year. But the main financial benefit was the productivity increase. My team's productivity has increased by 30%.

Our National Sales Manager is impressed by the speed and efficiency of not having to connect to a VPN. "I just bring it up on my iPad". People are happier because it is a much easier tool to work with.

## Websites

Publishing and managing the content of websites has become a lot easier with the worldwide proliferation of open source web and content management tools such as Joomla, Drupal and Wordpress. Each system has its supporters and its strengths. But the major benefit is that the price of website development has dropped enormously whilst the functionality of websites has increased.



In every survey, respondents are asked to rate the value of their voice services, web developers, IT services, and systems integrators (where relevant).

Web developers are consistently rated lower than all other ICT services, and have been for the past 6 years. This is largely due to the lack of industry wide vendor accreditation and training that is found across other ICT services, such as voice services, IT services and systems integrators.

Vendor accreditation largely ensures a consistent standard of delivery, skill and capability from staff accredited by Cisco, Telstra, VMware, IBM, HP and other vendors. A similar standard is not to be found in the web development industry.

So businesses and non-profits should take extra care when engaging the services of web development businesses. There are good web solutions providers across most of Australia, but it is important to select wisely.

All organisations should be able to find a web developer that can deliver them with a business site that allows them to manage their content themselves, so they can easily create new pages, menu items and create forms to collect data.

## Social media

Social media is impacting non-profits and businesses and providing new channels for communication, contact and selling.

Facebook is the top social media site for visitors worldwide. It dominates other social media brands with users spending more than half their web-time on Facebook keeping in touch with family and friends. However, consideration has to be given to how different web-tools are used and what the value to the user is.

The value of a tool is defined by how it makes a process or work activity easier. ICT software tools of all kinds have been developed to make processes and activities faster, more accurate, wider reaching, more effective and more productive. For a business or non-profit organisation these are the factors that should be considered when evaluating social media.

Though Facebook dominates web-time, its primary use is connecting with family and friends. Where this capability interconnects with the key activities of a non-profit organisation – fundraising, news updates, membership communication and so on, the medium has obvious value.

For a business, the value is different. People primarily use Google to look for products and services. In fact, Google has 80% of ecommerce traffic, with Facebook less than 1%. And more than 60% of Facebook users don't want to receive sales messages on Facebook.

The value of social media must be considered and measured within the context of an overall strategy, in the same way any marketing or communication program is measured and evaluated - looking at ROI and measuring the results of programs carefully.

Google is still first choice for people looking for information or looking for a product or service. So websites and advertisements found in a Google search will have a high degree of relevance.

For information dissemination, Blogger, Twitter and Wordpress dominate the web, with Twitter being used for short news updates and Blogger and Wordpress providing the primary weblog publishing platforms for millions of individuals and organisations.

Linkedin has established a more professional business position and is used for extending business and professional networks, for business intelligence and for recruitment.

So look at the social media toolkit closely and evaluate it based on your organisational or business needs, not because of "social media hype". The following case study illustrates the power of social media to quickly generate support.

## Case study: Flood Aid

Connecting people in need with people who can help

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Flood Aid was not a charity, nor a business, or a non-profit or an organisation. Flood Aid was an international group of likeminded people responding to a disaster, following a vision and combining skills to create a social network to help.

### **What prompted your to create Floodaid?**

The heavy rains and floods in early 2011 affected 75% of Queensland, including major towns and the capital city of Brisbane. We thought we could do something to help.

So, by appealing for help using social media, in twelve hours we had over 500 responses from across the globe, which we narrowed down to a team of thirty people spanning nine cities across five continents, all with varying skills.

Less than three days later, we launched [www.floodaid.com.au](http://www.floodaid.com.au). Social media has become a powerful tool to rally people to a cause, saving lives and connecting communities.

### **Did you write a project plan before you started?**

No, we just did it. It started with a tweet. Once people realised through the news reports that the flood was going to hit Brisbane, everybody started going to the Brisbane City Council website to look at the flood maps and see whether the flood was going to hit their property. The site crashed.

A number of IT companies created their own flood map sites to help out. It was an individual response from “people who could” to help “people who couldn’t”. One of my associates who had created a site tweeted, “Building an application to let people know if they are in a flood area.” There was an enormous response to that tweet.

We had developers from all over the world respond. Everyone wanted to do something, but they didn’t know what to do.

There were more than 500 responses and we whittled them down to 50 developers. The main team was in Sydney and there were probably around six that were active every day. In Brisbane there were five people who became the core management team, coordinating the response from the IT community.

It was very organic and grew quickly and naturally from a heartfelt response to an obvious need.

### **How much time did it take to get up and running?**

It happened quickly. It was up and running in three days. The site went up at and people started using it straight away. People would logon and say, “ I need help in Annerley. I have to move my kids. Car needed.” Other people would logon, see what was needed and offer help.

People would email or phone the person and say, “I’ve got a car, where do you want to go, where do we meet?” and so on. It was practical, very simple and effective.

The main “help” categories on the site were transport, food, accommodation and tools.

Everyone who knew about the site started telling everybody else through phone, Twitter and Facebook. The site quickly went viral.

That week, even the Queensland Police Service made 250,000 friends. The public response to the floods was unprecedented.

## Cloud computing

Managed services are services managed by an IT service across an internet or private network connection. Because many services are delivered and managed across the internet, it has become common for these services to be described as cloud computing services.

Traditionally, computing services have been delivered through desktop computers, laptops or mobile devices using proprietary software. Cloud computing or software as a service is simply a new ICT sourcing and delivery model. It allows computing resources such as storage, servers, software applications and other services to be delivered quickly, conveniently and on demand for a fee.

These new services have evolved largely as a result of reliable broadband networks, reliable server infrastructure, virtualisation and open source software, which have reduced the cost of software for data centres. Most of us have experienced some kind of service delivered across the internet.

Software for operating systems is updated automatically across an internet connection for most computer users these days. Software applications of all kinds are patched and updated automatically. Security software is updated automatically and so on. In most cases we don't even think about what is happening. We just allow the update, acknowledge the terms and get on with business.

Many businesses and organisations allow their local trusted IT services company to access their network to support, update and fix problems. Increasingly businesses and other organisations use online free and low cost services to supplement their existing computer network running whichever suite of applications is appropriate.

So moving more business activities and applications to managed services or cloud is an evolution not a revolution. The issue is how many services? What are the risks? How do I ensure that I stay in control of my business destiny?

Managed services can be provided privately to an organisation, can be managed by the organisation itself or by an external ICT vendor. Services can be offered to anybody and everybody and are owned by the organisation delivering the service, for example, from Yahoo, Apple or Google.

Services fall into three broad categories – Software as a Service, Platform as a Service and Infrastructure as a Service. Most current use of cloud services is in email services, data hosting and storage and the delivery of managed services by IT services and software providers.

The issue of where the service is delivered from and how it is hosted and managed is becoming increasingly important to Australian businesses. The following case study illustrates this concern.

## Case study: Macquarie Telecom

### Australian based hosting and data storage

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Macquarie Telecom is a provider of voice, mobile, data and hosting services, built on a long history of telecommunications. The business started in 1992 and was the first deregulated telecommunications company in Australia. Macquarie Telecom employs 450 people in its offices across all states and the ACT.

### **Who are your clients and customers?**

We specialise in business and government customers only, ideally from mid-sized corporate Australia. We have been growing business in Queensland 25% every year for the last seven years.

### **How do you describe your business today?**

We are a customer centric organisation providing high touch account management. We provide customers with a range of management tools that allow them to see their use of services at any time. So they can track their use of voice, mobile, data and hosting services. That is a major difference between us and the other providers.

We provide a real person who is dedicated to looking after each customer, not a voice on the phone or a call centre. Unlike a lot of our competitors we don't have an Indian or Philippines call centre. All our people are trained by us and located in Australia.

### **What changes are taking place in your category?**

There has been a steady move from traditional voice to IP telephony and a growth in the selective outsourcing of IT services. Seven years ago our business was 75% voice. Now voice services are less than 20%.

70% of our business today is data and hosting, managing networks for interstate, intercity and international customers. We have seen the rise of "cloud" computing with the requirement for "Infrastructure as a Service", mainly driven by Chief Financial Officers looking to move costs from Capital Expenditure to Operational Expenditure.

### **What changes are taking place with suppliers?**

There are three major changes that affect everybody – the National Broadband Network (NBN), Mobility and "Cloud" or managed services. They are all game changers and will drive efficiency and productivity in the years to come.

### **What changes are taking place with government?**

The Privacy Act is important to all Australian businesses and other organisations. The result of the Act is to promote and establish Australia as a reliable and trusted hub for data. This is great for Macquarie Telecom because all our services are delivered from Australia and are subject to the Australian regulative and legislative framework, unlike our competitors who deliver many services from overseas.

This issue will increasingly become part of every management decision. The obligation on senior management and boards to take data privacy seriously is fundamental and can't be glossed over. Most law firms in Australia are now advising their clients accordingly.

### **How have you been successful?**

We have been successful through delivering personal, accountable and relevant services to our customers. We have a clear vision of where we sit in the market. Our capacity to collaborate with customers, provide personal account management, customised services and management tools, all combines to create a powerful reason to work with Macquarie Telecom.

From a hosting perspective, nobody in the country has our accreditations. Tier three is the highest level of accreditation for commercially sensitive business, such as finance or government. Our hosting centres are PCI compliant for ecommerce and medical records. They also have ASIO T4 accreditation for physical security. That adds up to the highest level of accreditation that you will require.

## Don't get lost in the "cloud"

The risks associated with cloud computing or managed services are not new. Decisions on risks have to be made after understanding the issues clearly. Only then should a business put control of destiny into the hands of a vendor or ICT services company.

The main issues are as follows:

### Software integration

The three key trends of the digital revolution are more connection, more collaboration and more integration. Every business and organisation is considering integrating software applications to improve strategic management and control.

Integrating cloud software successfully into a business may be costly and complex. In many cases it may be better to isolate the cloud applications from the core business applications. In small businesses and organisations this may not be an issue, when the business can be conducted successfully using only MS Office or similar general office software where the suite of products already works together.

### Business as usual

Any internet disconnection will interrupt cloud services. Because data and information can be stored on servers anywhere in the world, it may also prove difficult or even impossible to retrieve data in the event of a disaster.

So consideration should be focused on services being delivered from a known location, with appropriate guarantees on service delivery, backup, data retrieval and security. If you lost all your data, could your business continue as usual?

### Data location

Where is your data? Does it matter if you don't know the answer? Does it matter if your data is stored with other data on the same server? If your data is stored overseas, would that matter to your customers, your board of directors or your suppliers? You should know the answers to these questions, discuss them with your IT service, accountant and lawyer and be comfortable with the answers.

### Payment

One of the advantages of a pay as you go model is that fees are paid out of operating expenditure rather than capital expenditure. This can be an advantage for some organisations.

But for others, such as smaller non-profits, where ICT costs are covered by annual government funding, monthly ongoing fees may not fit easily into the funding and reporting demands of the organisation.

### Legal

Data and information stored and shared within a nation's boundaries falls under the country's legal and regulatory framework. If data is stored elsewhere, this could create problems. The US government Patriot Act allows the US agencies to view any and all data stored on servers in the USA, or on the servers of US companies overseas.

This may not be a problem for a small business, but could have privacy ramifications for non-profits and larger Australian businesses. There is also the issue of data retrieval in the event of a systems disaster under a foreign legislative framework.

### Performance

Many people skim software agreements and agree terms without much consideration especially, when the cost and risk are small. The more important the software application is to the business continuity, the more important it is to have guarantees and service level agreements in place.

Agreements should cover security, reliability, data recovery, backup, performance levels, application modification, development and integration, monitoring and reporting, archiving and regulatory regime.

#### Privacy

Any data stored outside of your business premises is accessible to third parties, no matter what the level of service guarantees. Recent examples of secret documents being stolen from within US government agencies by employees highlight the risks. No environment is fully secure. Risks should be accessed sensibly. Vendors should be measured against the provisions of the Privacy Act 1988.

#### Security

With managed services data security is managed by the vendor, not by the organisation receiving the service. So check as far as possible what security measures the vendor has in place.

#### Vendor lock-in

Open standards and interoperability reduce the risk of vendor lock-in. But many applications are now being delivered from proprietary platforms and devices. This may not be an issue, but once again, the more important an application is to business continuity, the more consideration should be given to the risks.

Managed properly there is little risk of losing information or any problem affecting business continuity.

But it would be unwise to assume that everything will always be reliable and available. Backup and security are even more important for mobile workers, especially when your whole business is you.

Losing all your data would be an issue for any organisation, no matter what size it is. So it would probably be wiser to use freely available cloud applications when it wouldn't matter if an application is not available from time to time. Here are some case studies illustrating different solutions delivered as a managed software service.

## Case study: IMS

### OH&S as a web based service

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IMS is a leading Occupational Health and Safety (OH&S) software system, distributed by Safety Concepts in Australia.

#### How did the IMS solution begin?

The IMS software solution has been used by Queensland Health for OH&S statewide since 1996. IMS software is also used in many other industries, including local government, utilities, ports and aged care.

#### What changes are taking place with the customer?

Under the new legislation the cost of non-compliance is more acute. Boards are now taking this seriously. Certain industries are being targeted for audits and this is having a big impact on everybody in the sector. A typical small business probably doesn't need software at this stage, but in the future they will probably use an "App" of some kind so they can prove compliance.

Reputational risk is also important. If I'm a contractor, I will be expected to comply with the legislation, and large organisations have to ensure that their contractors comply. Contractors have to prove this to the organisation's satisfaction or they will not be allowed on site.

The software gives proof of compliance. Even for small businesses, the cost of software is a lot more affordable than it used to be. A system that used to be a server based, legacy system is now available and accessible from anywhere at an affordable price.

#### **How much does it cost?**

The price is based on the business size, and scales up according to the number of full time (equivalent) employees. There is no limit to the number of users. The more people you have using the system, the more effective it is. So we encourage rather than discourage businesses to include all people involved, including volunteers, contractors and so on. These extra users do not affect the cost of the software.

#### **What are the business benefits that customers expect?**

Efficiency. Risk management. Risk reduction. Sustainability. Compliance. True ROI. Better decision making and reassurance. There is increasing interest in reporting. Clients are now realising that being able to view data in meaningful reports can help them make the right management decisions.

## Case study: UnrealAR

### Augmented reality presents information in a new way

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UnrealAR is a publishing business that uses the internet, websites and augmented reality (AR) to present information in a new way.

#### **How have you been successful?**

For UnrealAR, it is the "through the camera" augmented reality that turns people on. People get excited by being able to point an iPad or smart phone in any direction and see all these different points of interest – things they didn't even know were there. This surprises them.

#### **What prompted you to use augmented reality?**

Our "trips-online" website was moving slowly. It was the best travel and tourism database in the UK, but it was taking time to get customers on board.

We decided to look into augmented reality to expand the value of the database. So we researched all the augmented reality programs and decided on Layar. It was a pretty sexy software product and caused us to consider other content that might be really useful to include on the sites.

We looked at fire and rescue. If somebody is driving along and they see smoke, they can turn on Unreal and get messages showing where the fire is heading and avoid the dangerous roads. It is the same with the police. They can use it if there is a road closure or an accident. Or if a music band is travelling from pub to pub across the state, they can geolocate their next performance, so that all their fans know where they are playing next.

We are currently putting in all the Aboriginal Heritage sites in Brisbane. Did you know that the Regatta Hotel on Coronation Drive is built on an Aboriginal ceremonial ring?

### **What were your next steps?**

As soon as we saw it worked, we went straight back to ‘trips-online’ and restructured it so that augmented reality can be used with the website. The website does two things. It acts as a normal website and also allows people to claim and manage their points of interest for Unreal.

As we developed the site, it became obvious that it was a new way of communicating. People seek things out and find them. They are then connected to other things they didn’t expect to find in the same location. We hand over the points of interest to people that should own them – councils, associations, community groups and clubs.

It works well on smart phones and iPads. We will soon have it available as a mobile phone site as well. Layar is still the best and quickest delivery system for AR. We are planning on securing our own AR system in the future, so we are not reliant on a developer.

### **What are the business benefits?**

For those who pay \$99 a year, they can get new customers, inform and service existing customers, build their brand and promote their services.

For small businesses without a web presence, this provides an easy point of entry. For end users, they get knowledge of multiple points of interest in a region – offers, time saving, tourist information and so on. As the content grows, the opportunities grow as well.

When we visited Sydney recently, we augmented all the Wilson Parking sites in Sydney with prices. It allowed us to find the cheapest parking option for wherever we happened to be as we travelled around the city. If we put in all the other parking options as well, it becomes a powerful tool.

## **Case study: Xero**

### **Cloud accounting software**

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Change Accountants and Advisors helps businesses and individuals make smart financial decisions in order to have a better financial future.

#### **How would you describe the business you are in?**

We give people advice. Accountants are natural advisors but most are too busy with tax and compliance services to focus on this role. We have turned the model on its head using Xero and some other tools as the basis for our new business. You have to use Xero to be a client of our firm.

It gives us better, real time data to help our clients. So we know on a daily basis what is happening with cashflow, invoices, payments and so on. Because we can do the basics faster, it allows us more time to then spend with clients.

#### **What prompted you to look at Xero?**

About four years ago I first became aware of Xero. We are always looking for ways to deliver better services. We were also very frustrated by the existing accounting software packages. Then somebody said, “Have you checked out Xero?”

When I realised that Xero could offer me a secure “ledger in the cloud” that could be shared by both me and my clients at the same time, that was a game changer for me. We could both access accounts payable and receivable, cashflow, assets and purchasing through a secure login.

It meant that we could be connected to our clients in real time and the product would bring us both together as we discussed business problems and opportunities. I looked into Xero further and realised how powerful it would be to use it as the platform for all our clients.

#### **What were the main risks?**

There are no real risks. For a lot of clients we manage all their back office. That allows them to focus on their business.

Not-for-profits and small businesses have similar needs. From an accounting point of view they have much the same requirements. We can make their lives easier by giving them access to more and better information in real time, not retrospectively. The other benefit is that when you use a product like Xero you have to be up to date with all your financial information.

There are a lot of people who don't have the financial skills or experience to manage book keeping and other financial tasks effectively. With Xero, we can clean up the accounts and allow the CEO of a not-for-profit or small business to keep their finger on the pulse.

It is the most responsible use of funds and the most responsible use of assets. It works because we, as the accountant, are in the loop. In the past mistakes often wouldn't come to light until the end of year or end of quarter. Now we are on top of financial information on a daily basis.

We have become an extension of the administrative function for a number of not-for-profit organisations.

## **Case study: Bizeo**

### **Business monitoring system**

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Bizeo is a business monitoring system that allows a manager to monitor operations, processes and activities both within and outside of the business. It is a combination of a business intelligence system with an early warning system. The business started in 2011 and employs 17 people in its head office in Milton, Brisbane.

#### **How do you describe your business?**

Bizeo provides key performance indicators, trends, values and alerts to business owners in the simplest way possible.

The real key is simplicity of use, access and integration. It helps an organisation understand its business operations in real time – alerts, current metrics and trends. It is simple to use and easy to understand.

It gathers data from sources both inside and outside the organisation and presents the information in a graphical form that is really easy to understand.

Any variation from the acceptable values creates an alert – a green dot on screen turns to red – which highlights an issue that needs addressing. An SMS alert, mobile notification or email can also be sent if it's urgent. It is that simple.

We have created our own class of product. Dashboards are our biggest obvious competitors. But in a way, we are the dashboard of dashboards. So we don't really compete with dashboards, we make them more accessible to the non-technical business owner.

### **What changes are taking place with the customer?**

Customers are connected. But as a result, they are overwhelmed with complexity. They want a simple solution, but are offered more complexity. Bizeo works across multiple tools and devices, and across very low bandwidth connections.

It can even identify problems with an internet connection. We are showing people that their internet switches, routers and DNS are not as reliable as they assumed. Bizeo then provides the evidence for a discussion with the supplier. Sometimes the data isn't about providing an answer, it is about identifying and raising a question.

### **What are the business benefits?**

It puts people in control of their business. It reduces stress. It is a driver for cultural change. Hard data rather than gut feel. All of the key benefits are quantifiable.

Keeping track of all the issues that impact any organisation is becoming increasingly overwhelming. Bizeo provides insights for staff at the mid to upper management level.

Is the network performing? Is the website up and running? Are the databases on line? Have they been backed up? Are sales going well on the current campaign? What is our profit and loss situation this month?

Whatever the important indicators are for any organisation, Bizeo allow them to be understood at a glance. Real data, collected and collated in the way the customer decides. Rather than having to run reports, Bizeo makes monitoring a real time process.

## **Find a “cloud” partner**

Problems can occur with any application running on your server or personal computer, so you need to manage backup, storage and archiving to limit any problems that may occur.

For big organisations, it's easier. The CIO can discuss and negotiate with existing IT suppliers, and control the journey towards managed services.

For a small or medium sized organisation, the decision should be made after discussion with an existing ICT services company or systems integrator.

If they offer to help manage the risks on your behalf as part of their service, then you will both benefit from the result.

They will gain more business security from having a reliable customer, assured cash flow and budgetary planning. You will gain more security from having local reliable support and maintaining control of your business destiny.

For a smaller organisation the decision to use cloud services from Apple, Yahoo or Google could be driven by cost and simplicity. Even then, you still need to consider using services like Postini for backup, archiving and disaster recovery, and what to do if the service is cut for any reason.

Here is a case study, which demonstrates the advantage of having a partner or “cloud broker” as part of your team.

## Case study: Apache

### Moving customers successfully into the cloud

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Apache is a software services solutions company based on the Sunshine Coast, specialising in cloud services, software development, infrastructure and consulting.

Can you give an example of what Apache has done for clients?

One of our local clients is Ellerfield, a financial services company with offices in Buderim, Brisbane and Mt Isa. Ellerfield is an agent for MLC.

Two years ago, it was time to replace and upgrade some parts of the IT system and during the review we discussed with senior management at Ellerfield the prospect of moving to the cloud.

To replace their exchange server would have cost over \$50,000 and we were able to put a cloud solution in for under \$15,000.

**Did you write a project plan before starting?**

We developed a plan to move to cloud, with the first step comprising a hybrid model of some on-premise services and some cloud-based services. In twelve months we will move completely to cloud services.

One of the senior managers at Ellerfield recognised the potential of what cloud could deliver to the business in cost savings and in extending their reach into new and bigger markets. He saw that he could potentially manage the financial services needs of customers anywhere in the world, beginning in Australia.

He had started developing a financial services product – MRP (Mortgage Reduction Planning), which is a part of an overall EllerCentral web-based CRM service for its clients.

**How do you decide which technology to use?**

We looked at all the options and at all parts of the solution. We still needed to upgrade the internal IT infrastructure and deliver the new MRP solution. But MLC was also in the process of moving to a web based planning system, and we had to ensure that everything would work seamlessly together.

We finally decided on the Microsoft suite of cloud solutions – Azure, Exchange online, Sharepoint, Lync and Dynamics CRM. Using this product suite, we were able to create a low-risk strategy to steadily move Ellerfield to 100% cloud.

Primarily, the decision was based on the need for privacy, reliability and security. Ellerfield is a financial services organisation with a wide range of customers and these issues are extremely important.

But as you would expect, the decision also took account of speed, scalability, business continuity and price. There was no other comparable option that ticked all the boxes other than the MS suite of solutions.

## Disaster recovery and security

Disaster recovery, backup and security are even more important, especially when your whole business is you. Losing all your data would be an issue for any organisation, no matter what size it is. So it would probably be wiser to use freely available cloud applications when it wouldn't matter if the application is not available from time to time. Or ensure that you regularly backup data to mitigate risk.

Problems can occur with any application running on your own server or personal computer or delivered from a managed service or cloud application provider, so you need to manage backup, storage and archiving to limit any problems that may occur.

For big businesses, it's easier. The CIO can discuss and negotiate with existing IT suppliers, and control the journey towards managed services.

For a medium sized business, the decision should be made after discussion with an existing ICT services company or systems integrator. If they offer to help manage the risks on your behalf as part of their service, then you will both benefit from the result.

They will gain more security from assured cash flow and budgetary planning. You will gain more security from having control of your business destiny.

For a smaller business or organisation the decision to use cloud services from Apple, Yahoo or Google could be driven by cost and simplicity. Even then, you still need to consider backup and disaster recovery and what to do if the service is cut for any reason.

Disaster recovery and business resilience have to be part of all business planning.

Disaster management is increasingly important for businesses and organisations. Issues can be wide ranging and diverse including severe weather events such as floods and cyclones, civil and social disruptions, employee sabotage and terrorist attacks.

Simple manual errors and mistakes can crash a system and even a short-term, local electricity blackout can affect the ability of a business to operate effectively. So all organisations have to consider disaster recovery plans.

Data should be protected, backed up and transferred regularly offsite to one or more secure locations. Plus, in the worst-case scenario, alternative operational facilities have to be considered, even if that means everybody working from home. That won't happen effectively without planning and preparation.

There can be high costs connected to a disaster recovery site, so the plan should be matched to the size and scope of the business disruption. This can be as simple as daily backup to tape, which is taken offsite, right up to automated database replication saved to dual data centres.

Your ideal service provider will be able to offer a wide range of solutions to suit your needs. You will need to consider the fee structure and contract details. What facilities will you need to carry on business as usual until the disaster is over? If you need to divert customer enquiries, how will this be handled?

### Disaster recovery plan

Defining what the risk is, and assessing risk carefully is the key to what should be done. A business owner has to decide whether data is backed up every few minutes, every hour, daily, weekly, monthly or never.

The business owner has to assess the risk of not being able to access the business information stored in a computer system. What would it mean if the owner, manager or staff couldn't get access to records of any kind? And how long would it take before that would have a serious impact on the business?

Based on the answers to these questions, a disaster recovery plan can be created.

The size of a business isn't the issue. It's the value of the data that is the issue.

Some small businesses rely 100% on a computer system to generate millions of dollars in turnover. For other businesses, the computer system is peripheral to the business and it could continue merrily even if the computer disappeared overnight. Most businesses these days sit somewhere in between.

So what is the total downtime your business can sustain without losing money? How long can your business be down? How much money does that represent in lost turnover?

If the downtime is only going to cost you \$2,500...buy another computer or server. Most businesses replicate to disc backup on a hard drive.

Full on replication every fifteen minutes, with backup to an external data warehouse could cost \$100,000. So the cost of data recovery has to match the risk to your business. The cost of your downtime will allow you to plan which solution to go with.

Downtime can cost you in a couple of ways. It can cost you in lost labour time. But it can also cost you in lost reputation.

If you can make the world think you are still up and running, then you are OK. If the phone rings and somebody picks up the phone, you are OK. If an email is redirected, but doesn't bounce then you are OK. You have to look at disaster from a technology perspective and from a business perspective. What is the data worth?

The first step is reviewing your business compliance and certification. What do you have to do? Financial services companies are obliged to have certain processes in place to operate.

The next step is reviewing what you are committed to in contracts with customers...your recovery objectives...speed of recovery. It could be as simple as offsite tape backup. Options range right up to full multi-site replication, with two sites, both with mirror servers, both with automatic tape backup that complies with national terrorism laws.

If your business is destroyed by fire, flood, criminal or terrorist event, you need to know that you can start again. This may mean operating from an internet café, home or hotel...it doesn't matter as long as you are up and running again quickly.

Allied to your disaster recovery strategy, is the general movement towards a mobile work force and staff working from home.

With the NBN offering reliable connectivity in the future, and a plethora of new business tools including video and audio conferencing, more and more businesses will have staff working seamlessly from home offices.

## Backup and storage

Backup simply means copying data regularly. You can backup a document, file, computer, server or your whole system. Backup means that in the event of a malfunction, your operational files can be reinstalled so that business can operate as usual.

With the increased use of high level CAD packages, video and audio software use, file sizes are exploding. A typical CAD project will include hundreds of files relating to the building project plus 3D rendering.

Many bigger architects, surveyors, engineers and construction companies have multiple offices that share work, with a range of people in different offices working on the same large CAD document. So storage is fast becoming a big issue.

On top of that, Building Information Modelling (BIM) goes beyond design to incorporate geographic information, quantities and properties of building components typically included in estimating and construction management software programs. BIM can be used to demonstrate the entire building life cycle from design through construction and then onto facilities management and the operational needs of the building owner.

That is just what is happening in one industry sector. The financial and professional services industries are increasing demand for storage every year. The transport and storage industry is tracking goods anywhere and everywhere using asset management and control systems. Manufacturing continues to integrate and automate processes and ERP is now standard.

What this all adds up to is an increased need for data storage, transfer and recovery in the event of a disaster. This is the way the whole world is heading and the issues are not going away.

Data can be backed up to a variety of devices and systems. For small businesses and sole operators the simplest back up device is memory stick. These are cheap and easy to use, especially for home offices.

Magnetic tape storage on cassette is reliable, affordable and portable, and can be easily stored off site. Data can be backed up to another hard drive, a detachable SCSI drive or an external hard drive purchased for this purpose. The most important thing is that backup is a standardised, regular aspect of business operation whether managed manually or automated.

Archiving is the process of saving all company data and applications regularly for backup, reference and for statutory, corporate, industry and other legal and compliance obligations.

There is no point backing up and securing hardware and software if the power-supply itself is not secure. UPS (Uninterruptible Power Supply) is usually supplied through backup battery, though larger organisations may also install backup standby generators.

Other power disturbances can arise from spikes and surges in power delivery, as well as brownouts when power supply is reduced for some time.

## Case study: Bridge Point

### Network security isn't an optional extra

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Bridge Point has built a reputation as one of Australia's leading providers of information security and network integration services.

The company provides networking solutions covering Internet Protocol (IP) convergence, unified communications, network analysis, optimisation and management, and security.

Information security covers secure gateway solutions, endpoint security, encryption, secure remote access, vulnerability and penetration testing. Bridge Point also offers a full range of

compliance services including reviews, audits, policy and procedure reviews, risk assessment, training and security awareness.

### **What changes are taking place in your business category?**

Over the last ten years, there has been an increasing complexity of networks and applications. This has led to larger bandwidth requirements.

Increasingly we are seeing large corporates, government and enterprise customers seeking to consolidate their networks in a way that would never have been considered before, to provide cost savings and centralised business intelligence for better strategic decision making and control. We have seen new opportunities arising with mobility and virtualisation. Both these trends bring challenges around access and security of data.

### **Explain what you do for clients?**

Traditionally, we have focused on secure networking and IT security. This has been mainly on the IT requirements of an organisation. We are now expanding our services steadily into building management and industrial networking.

In the past, there has been little or no connection between the building networks, control systems and the IT networks carrying the enterprise business applications, such as accounting, ERP, email and CRM applications.

As building networks and control systems become IP enabled, there is a movement to establish connection across the entire network. It makes sense from a management perspective, but introduces a new series of challenges around IT security, because the systems were physically separated in the past. Now the building networks and control systems are open to the same virus, worm and intrusion issues as the IT enterprise networks. Our role is to solve the problems of secure access to networks and applications.

## **Case study: Interactive**

### **Keeping heads above water in the Brisbane flood**

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Interactive supplies hardware, maintenance, managed services, data centre and hosting, cloud and disaster recovery services to organisations of all kinds.

#### **What changes are taking place in your category?**

Customers are becoming more sophisticated in their understanding. It is no longer just the IT department or CIO making the decisions. The business leaders now understand more and they demand more from technology in supporting their businesses and organisations. There is a lot more understanding of the need for disaster recovery strategy and planning, particularly since the floods. It is a top down push.

#### **How much does a project cost?**

It really depends on what the customer wants. For smaller customers, we would replicate their hardware, provide tape-based recovery and make sure their back up system works. We would also provide seats and workstations at our recovery centre for business continuity.

For larger customers we would scale the solution to suit their needs. Usually, we would go into their organisation and help them to plan their needs, which could call for a Storage Area Network (SAN) for backup, storage and replication. We can help them to set up a system, which they can manage and control internally, or we can provide everything as a managed service.

For a high-end customer, we can provide replication between two sites, with both sites mirrored and fully active, and with disaster recovery at both sites. This type of solution would only be justified for a large organisation with multiple transactions and demand for continual access. This is typically the service that corporates, banks and government departments use.

#### **What advice would you give others?**

Disaster recovery needs to be taken seriously. Some customers do test diligently, making it as realistic as possible and working through different scenarios; whilst others put it in place, but don't work through all the issues.

If you are serious about disaster recovery you need to consider all aspects of the process. We had some customers in the floods whose disaster recovery managers were stuck at home and couldn't get on site, and there were others that thought they could work from home but didn't have electricity. It's all about planning, sitting down and working through every possible scenario and the best solution for the customer.

People underestimate things such as how long it takes to get access back into a building after a flood or other event. Insurance company assessments take time, as does building refurbishment. It might take four or six weeks to get back into a property and businesses need to plan for this.

When the floods hit, we had eight customers who called us. We had to start rationing seats, but we managed to get everyone out of trouble. At the peak of the crisis, we had 140 seats occupied and we needed to relocate engineers and technicians from out of state to supplement local staff.

At one stage, we had 220 people operating out of this office. It was an intense time for all. We have great local relationships in the office park, so we were also able to locate people across the business estate to cater for the overflow.

#### **What are the business benefits?**

The main benefit is that you know that you can recover and continue to operate as normal. Being able to manage your business means ensuring no loss of revenue, and the extent to which a business can be disconnected from its data and resources varies from business to business.

During the Queensland floods, Interactive kept many customers in operation including a major financial institution that was able to make critical payments to Centrelink from the recovery facility, which in turn was distributing crucial funds for flood relief victims.

An insurance company was also able to process millions of dollars worth of payments to the Government from the recovery suites – due to the continued processing of payments, it was reported that the Government were completely unaware that the floods had even affected the insurance company. Call centres were also relocated to Interactive, ensuring the general public could still call and speak to someone and be reassured.

These are the business benefits of having a disaster recovery solution in place – being able to continue to operate your business as normal.

#### **What is the most important thing you've learnt in the last year?**

What was proven during the Queensland floods was the importance of planning and testing for situations such as this, as well as not to make assumptions. Many businesses assume that basics will be available, however at one point during the crisis, the main interstate highways were blocked and it was hard to even get hardware supplies into Brisbane.

Case study “stories” are powerful ways to explain the value of a product or service to a customer.

Case studies are persuasive, simple, “word of mouth” explanations in a digestible form.

## Case study: IP Telephony

### Delivering a flexible working environment

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TAAConnect is a provider of telecommunications and IT services to businesses of all sizes in Australia and New Zealand. TAA Connect started in 1992, has thirty employees and a select range of sub-contractors. Head office is at Bowen Hills in Brisbane.

#### How would you describe your business?

Today, everything can be connected to make business more efficient and effective. TAAconnect supplies telephony, IT, audio and video-conferencing, networking, software solutions, point of sale solutions, messaging, wireless, Next G mobile and broadband solutions of all kinds – tailored to each customer's unique needs. Every solution starts with understanding the business.

IT managers now have strategies to incorporate mobility tools such as Blackberries, iPhones, iPads and similar devices into their businesses. What has changed is that so many new applications are useful.

The benefits of convergence can be as simple as integration between Outlook and phone, automated web conferencing and calendar, job tracking and quality auditing, or video-conferencing for training and management operations meetings.

#### Who are your clients and customers?

We have a number of larger clients that have offices, shops, factories or other sites in multiple locations across Australia. For them we supply the complete mix of cabling, equipment, software solutions, telephony and support.

Each business has different needs. For a large retailer, TAAconnect installed a network across 38 stores in four weeks, including cabling, data cabinets, IP softphone handsets, computers, routers, PA system and POS system. For a multinational mining operation, TAAconnect ensured that the solution was robust enough for the tough working environment and incorporated supply, replacement and support so any breakage or problem was fixed straight away.

Our customers include Supercheap Auto, Fujitsu, NEC, Lifeline and Uniting Health as well as businesses of all sizes in major cities, remote rural areas and New Zealand.

We regularly sub-contract to the larger IT solutions companies such as Fujitsu and NEC. Apart from the obvious revenue stream, it gives us experience in multi-faceted projects and increases our technical knowledge. The benefits of that experience then flow through to our smaller clients. By operating across all areas of industry and geography, we maintain a high skill level.

Out of the 20,000 IT services businesses in Australia, we are one of probably about 3,000 with voice experience. Because we can understand and implement solutions across all areas of a voice and data network, our services are in high demand.

Every solution starts from understanding the business. Once we understand what the business is trying to do today and into the future we can define a solution. Clients often ask us for ideas about how they can improve their business.

#### Are you trying to attract new customers?

Our main focus is current customers, growing business by sharing learnings and experience with our existing clients. Good outcomes for existing customers inevitably leads to new customers, which is great.

### **What changes are taking place in your business category?**

Customers want more of a value proposition than ever before. The days of customers being interested in “bells and whistles” have disappeared. Clients want to know what the technology will do for them.

The suppliers that are most innovative are winning the race. Suppliers have to keep updating their products in line with customer expectations, and be prepared to interface their products and services with others out there. The days of proprietary products have gone. One person downloads a free device or piece of software and everybody wants it. The pressure for innovation in an organisation can come from anywhere, not just from the IT department, and the IT department has to deal with how to make it work.

The power of converged voice and data in devices is game changing. Something as simple as mobile twinning in an IP Telephony system means that any call to a phone number is automatically routed to their mobile phone after a short predetermined number of rings. So staff can be accessed anywhere, at any time.

Unified Communications is about the integration of the PC and the phone. The user doesn't have to think about it. If they have to think, they won't use it. It has to be automatic.

So Presence means the ability to see at a glance who is on the phone and who is off the phone. What used to be something that only the receptionist could do is now a function on everybody's phone screen. It just about eliminates phone tag – calling, leaving messages and so on.

People can take calls in a car, without removing their hands from the steering wheel. Emails can be read aloud by the system, and you can make calls by speaking a client name aloud, with the system recognising and making the call. It's very powerful.

Conferencing and collaboration functions are being used a lot more because the tools have become more user-friendly and easy to use. So it is a straightforward exercise to conference from one phone to one phone, one phone to many. It is easy to broadcast the sessions to anywhere and anyone.

When you can add to that capability the option of document sharing on screen as well, videoconferencing becomes an ideal management collaboration tool.

A lot of this technology wasn't mature in 2007, but it is today. And because of the Global Financial Crisis, everybody is now seriously looking at how to cut costs.

So there has been a lot of reviewing of business practices and a push to use smartphones, softphones, videoconferencing, iPads and other clones.

A lot of our clients are now moving away from proprietary suppliers to open system and virtualised servers and software. The market has picked up and clients are now looking around for new and better ways to improve their productivity and performance,

### **What is your latest project in unified communications?**

It would be the Lend Lease project covering the Gold Coast Hospital Upgrade. We have been working with Lend Lease on various projects for some time. So when Lend Lease won the contract to build the Gold Coast Hospital Upgrade, they put out a variety of tenders for different parts of the project.

As part of this process, we were asked for a control system for the site offices, that would handle 50 ISDN lines, 200 IP extensions and handsets, the reception console and a voicemail system.

We worked through the quotation stage with Mitel. It was a competitive quote. We knew the client had been dissatisfied with the previous vendor and wanted to see what Mitel could offer. The project proposal was discussed, reviewed and reworked over a period of six months, and finally approved in December 2009.

We were also asked to provide a maintenance contract as part of the overall response. The project was due to run for a period of 44 months during the build phase of the hospital upgrade.

In March 2010, we were informed that the tender was accepted. Our job was to supply the communication equipment, the installation, training and maintenance.

#### **How much time did it take to get up and running?**

We attended the site survey meetings to find out how the site was to be configured, where the equipment was to be installed, the call routing and the voicemail setup.

We met with the Lend Lease IT department to configure the Power Over Ethernet (POE) switches. We had to integrate to their existing Cisco network to ensure that everything ran smoothly.

We put two technicians on site for three days to install the equipment. Most of the software configuration had been completed in our workshop, prior to the installation on site.

There were going to be a maximum of 200 people working in the site offices. So we ran training sessions with selected staff. They had allocated a training budget for key staff and reception staff.

Because of the preparation and planning, the project was straightforward and simple. There was a large degree of flexibility in site use, with sometimes 200 people using the site offices and sometimes only 70 people.

#### **What mistakes did you make that you wish you hadn't?**

None really. We kept the project simple. The deployment and technology wasn't a problem. The only issues we had were in managing the business relationship through the sub contractor. That was the biggest challenge.

#### **What are the main risks?**

I suppose the only risk for us was that the job is limited. In any business you have to have core strengths. We do installations of this kind very well. The project was deployed fully in three days. Lend Lease is there to build the hospital. They want the telephony to work, so they can get on with their core job.

What we do find is that when you deploy a core communications platform successfully, you can then discuss with the client what the options are and what else is possible. In any project, you don't want the client to be distracted by the technology. Our role is to do the job and get it right.

There are some industries that are very happy to be exploratory and look at different options and there are some industry sectors that are more pragmatic and just want the job done.

The building industry is an industry where things have to work. Construction companies typically put up buildings to last a hundred years or more. Building methods and materials are selected to last. So there is an expectation in the industry that technology should work just as reliably. Nobody wants to be a test case.

But the tools are different. Whereas a tradesperson might keep a hammer for a working life, technology will evolve and change much quicker and the tradesperson will have to evolve with it.

**What are the business benefits?**

Reliable communications during any construction project is very important. The communications equipment has to be functional and robust. The maintenance contract was designed to offer support and backup so any problem could be dealt with quickly.

We set up a dedicated leandlease@taaconnect email group so issues could be addressed immediately and phone support was provided as well. We also have remote dial in access so we can sort out technical and software problems 24 x 7, from wherever our technicians happen to be.

**What is the most important thing you've learned in the last year?**

I've learned not to exclude an emerging technology. Some vendors that have popped up in the last year are now big players, so you have to evaluate everything that emerges with discrimination.

## Case study: Blink mobile

### Mobile fast application development

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Rype is an IT services company, which consults, implements and supports IT products and services, mainly focusing on the Apple product platform.

#### Who are your clients and customers?

Clients range across small business, design and advertising companies, non-profits and larger organisations such as councils and corporates. When we started the company, I thought that our main customers would be designers and advertising businesses. We have now identified local and state government as an opportunity for growth.

#### How do they benefit from your services?

We started in the home market and have moved into the enterprise market, because we have the expertise to handle the issues they have. They want to enjoy the same productivity benefits others gain from using the Apple platform, but they want a high level of service that is beyond smaller IT services companies.

We proved what we could do with clients like Logan City. The CIO had an open mind and wanted to know more. People were joining the council and asking why they couldn't use their iPhone or bring in their Apple laptop. The IT department couldn't support the platform in council and was worried about security. So the CIO looked for an organisation that would help them manage Apples in council.

#### What changes are taking place in your category?

We have seen a massive push for mobile device management from local government and enterprise markets. Recently Queensland Rail put out a survey to staff asking what issues staff would like to see addressed. There were two major responses, the first was for more money and the other was asking to bring their Apple devices and use them in the work environment.

Management decided they had to do something about this issue. So we were contacted through the Apple Store to meet with QR. We had looked at various solutions to mobile device management. The reason we chose Mobile Iron was because of its future road map. The company had a clear vision for where mobile devices were going and the product integrates with all other mobile operating systems. It is an enterprise grade solution.

They are bringing out an integrated monitoring, auditing and reporting module, which is ideal for enterprise clients. It allows you to look at timeframes for use and set up different parameters for different groups of users.

There are two main areas of interest from enterprise clients - how to manage BYO (bring your own) devices and how to manage delivery and use of company owned devices. Mobile Iron will support either option.

At Logan, the council was planning for everybody to have an iPad. But the CIO decided to encourage everybody to bring their own device to work. For specific task management like food service, trees, health, potholes and line marking, the council would provide devices specifically configured to manage the tasks.

Rype could configure the off the shelf product to specific tasks, creating forms to capture the necessary data. We then created secure middleware to ensure the data could be delivered seamlessly to existing council systems. Councils use a number of task management software

products that are common to most councils. So by solving the secure data delivery issues for Logan, we were solving them for many other councils at the same time.

Toowoomba council heard about what we were doing with Logan and they wanted us to supply devices, device management, in-field data capture and data delivery. The forms we had developed for Logan were applicable to all councils. We then got calls from Sunshine Coast, Townsville, Wyong, Mackay and Gold Coast.

### **How have you been successful?**

We deliver on the solution. In Logan, we came up with a recommendation and we delivered what we said we would. In fact, we exceeded the CIO's expectation.

The problem all the councils had was the need to capture data in the field in a structured, simple and straightforward fashion. This issue is common to all councils and it is about ROI and productivity. This was a major way of saving money. If you could solve a problem for one council you've solved it for all of them. So we can offer devices, training, support and device management as a package. It's a turnkey solution. The most important aspect is the development.

### **How did you solve the common council problem?**

We use the Blink mobile platform. Blink is a "Software as a Service" rapid mobile application development platform. It lets you develop and rapidly connect to any legacy system. Rype has now developed its own "middleware", creating a secure web service gateway for managing data between device and council internal IT systems.

Most councils use a product called Pathway, which is a database of council information. It contains information on all businesses within the council area and their compliance with regulations and other issues. Our web service gateway allows the Blink platform to communicate securely with the internal IT infrastructure of Logan or any other council.

The first two areas we looked at were food and trees. These were chosen as the hardest forms to build because of their complexity. The forms had to be smart. If we could do this for trees and food, we could easily do this for any other subject as well.

The system works both ways. The Blink form is populated from the council Pathway database at the beginning of each day, when the user turns the device on. The system tells the inspector which food outlets they are inspecting. The form contains questions that have to be filled in, then it rates the organisation on whether it passed or failed the inspection, and which problems were identified.

If there are any problems, the inspector can take a photograph to demonstrate clearly what the issue is. The device then generates a PDF file that is sent to Logan and stored in the document management system. For trees, the system provides information on nuisance trees, GPS coordinates and so on. The application can work on an iPhone, iPad or any platform.

As a result of what we have done, we have created a series of modules for councils. The middleware product that we have developed is also available for licence to anybody that wants to use it, not just Rype. The product works with Pathway and also Dataworks, both of which are used by the 400 councils across Australia, so we believe it has broad application.

We now know that for any legacy system, we can write the middleware between devices and internal system for data exchange. We have created a web service gateway. It's the same issue for any large organisation.

### **Any other issues?**

The other major issue is connectivity – wireless communication. This is important for cost reasons and because of black spots. The 3G network is somewhat limited, so it needs enhancing with localised Wi-Fi hotspots. The CIO of Logan council wants to have Wi-Fi for anybody to use.

Wi-Fi hotspots are placed wherever there are areas of high activity, like airports, libraries, universities, councils, shopping centres, café environments and conference centres. We are working with council to decide where the best place is to locate the Wi-Fi antennas. The arrays we have selected can deliver more coverage, bandwidth and connect more users.

For example, the Australian Army can go into the field, put up a wireless array that will cover a one-kilometre radius. If you put up ten of those they will all mesh together, so you can cover a big area with connectivity everywhere. As you move from array to array your device is automatically handed on to the next array with no dropout.

Big customers would prefer Wi-Fi in-house, because of the cost benefits. Without wireless, all the staff will use the 3G network which is expensive. When you put in a Wi-Fi solution, the device will choose automatically which service to use, and the cost to users is then covered locally by the Wi-Fi hosting customer as part of their overall data plan. Using the 3G network could be twice as expensive as a local Wi-Fi network.

There is no one solution that is perfect for everyone. Different vendors have approached the same problem in different ways. Their solutions all have strengths that must be considered when matching them to the customer requirement.

In a hospital, the CIO may prefer the staff to use VoIP because it is cheaper, but VoIP is demanding because if the signal drops out you lose the call. That's where Meru comes into its own. It will manage VoIP seamlessly. That is one of its strengths.

Some clients just want an efficient network without VoIP. So it is different solutions for different needs. The more redundancy the more expensive it will be. You have to start by understanding what the client wants and expects. There are big cost differences and capabilities with different solutions.

We are doing a test with Logan council, where we are comparing two different vendors for functionality, ease of use, ease of install and cost. We will test them each over a month and then compare. Once we have completed the test, we can apply it to any other council or corporate.

### **What are the business benefits?**

We needed to find a device management tool for small and medium sized customers (SME) that was affordable but still did the job. Absolute is an ideal device management tool for 1-20 users in a small to medium business. It is just for Apple products. But when your staff carry around business intellectual property and documents you need a tool to manage security over the long term. Typically for our SME customers we will automate their workflow and provide the devices as well.

A wholesale car company wanted us to provide them with devices to assess cars, anywhere and everywhere they needed to travel. We took their paper forms and turned them into a form that runs on the iPad. It takes us an hour at \$80 to develop forms. We can do one in an hour. So that is affordable for a small business.

## Case study: GBM Software

### Mobile workforce solutions

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GBM Software is a software company, which produces software for mobile workforce solutions. We have created software that manages the location, inspection (and data capture) and maintenance cycle of geographically distributed assets.

We focus on how individual assets such as guide posts, drains, trees etc, are located, mapped and integrated into a task management system, with a history and project management framework to allow effective management and control.

Most asset management systems aren't interested in individual trees or fence posts. From a financial value perspective they are bundled into high-level categories. But from a legal and task management point of view, these individual items are important.

If somebody has an accident and runs into a tree or pole, it is important to know the status of that object, to know whether it was painted, or had reflectors attached, or whether it was recently pruned or lopped and when. This level of data capture, management and interrogation is being recognised as increasingly valuable by utilities, councils, mining companies and similar organisations.

GBM Software is focused at the work management level of asset systems. We can maintain an inspection history and a maintenance history for a wide range of items.

For example, our software can manage individual trees. In a traditional asset management system there might be a single category "trees". Our software will have an overall view of one million individual trees and their location, inspection history, work history and whether the tree has been removed and when. There is a big difference between how the accountant views trees and how the maintenance department views trees.

#### **Who are your clients and customers?**

Our clients are worldwide. We provide software to organisations in Australia, UK, North America and Canada, and the EU.

As countries become more sophisticated in their adoption and use of IT for spatial management and mobility, they begin to look for solutions to manage assets across geographical regions and locations. That is when our solutions become relevant.

In Australia, our clients are in local government, state government, oil and gas industry, land management and environment and agriculture. Historically, our customers have been in the GIS department, but there has been an evolution in thinking and we now connect mobile information into databases of all kinds to create business services. We are integrating field force staff into the corporate business. We believe that GBM Software is the best mobile asset management system in the world.

We are talking to clients about solutions for emergency management, weeds and pests, road corridor defects, tree management, graffiti incident management and general land management.

The development for us has been moving from a technology product to building a whole information structure around how to manage the data. We are now in the solution space. Our challenge is to get both our traditional and new customers to recognise that we are now in the solution space and not just in IT.

We are currently in the process of moving to deliver the GBM solutions through “cloud” infrastructure as a managed service.

#### **How do they benefit from your services?**

We can deliver mobile workforce productivity, with increased efficiency and dispatch. Workers have map-based information at their fingertips.

Our products have been developed recognising that when workers are in the field, they are not always connected, so the software continues to work effectively until connection is achieved again. It is the “sometimes connected” model for mobile computing.

Local government is always looking for ways to maximise the effectiveness of operational field staff. GBM Software can help them manage planned maintenance, with schedules delivered to devices in the field, supported by overall history so that tasks are up to date and relevant, with map references and details for each task.

As soon as the task is completed, the details are sent back to head office and captured in the database, which is updated. So the whole operation is continually tracked and captured in real time.

The system is auditable at all stages. One of the principle drivers for councils is measuring levels of service. The software can produce KPI reports for management at any time.

The software can generate a location plan to inspect assets. When a defect is identified, there is a system to deal with it. So liability is automatically managed as part of the process. This allows managers to easily demonstrate due diligence because the appropriate reports and history are built into the system.

#### **What changes are taking place in your category?**

When we first started business in 1991, there were some early adopters. Recently we are seeing a consensus across the whole world that mobility has finally matured.

If you consider GPS years ago, it was all about capturing data, not about what to do with it. Now everybody is recognising the data allows you to do something useful. It becomes part of an overall management system.

With phone based GPS, Google Maps and other locational services available today, there is a much greater awareness of spatial connectivity. Now customers are putting up their hands and saying we are ready for this.

It has been limited by the lack of readiness in the market, rather than the ability to deliver the solution.

For a long time we were just selling GIS to the GIS department. Smart phones have been a driver of demand for more connected devices. The Generation “Y” people expect everything will work on every device. We now operate in a connected world.

For a long time we were waiting for a camera, phone and GPS device, something we could show moving maps on. Now everyone is doing it. Those devices were seen as expensive. Now they are a reasonable price. So a lot has changed.

We are now dealing with professional devices not consumer devices. We have 3G widely available. So we are now able to get bandwidth that we never dreamed of.

### **How have you been successful?**

It has been our solution approach. We have a strong technological background built on years of fieldwork. We understand the business outcomes. Our geological history in maps, data capture and management has been fundamental to our success, because we understand spatial and mobility business issues from the ground up.

So we appreciate the issues of the field worker and the manager in head office.

Over the years, we have managed to attract and hold onto some very good technical people. We have programmers with skills across a wide range of IT environments and platforms.

### **What prompted you to create the GBM software solution?**

It has grown from working with our customers. Originally we gave our clients the tools to go out and capture data. Then we saw there was a need for us to help them do something useful with the data they collected.

That resulted in us taking a solutions approach in the development of the GBM solution based on what we could see customers were looking for. There were two approaches to data management in the early days, "Don't let anyone change anything" from head office, and field workers wanting to "Gather and change anything I like."

It's only now that we can satisfy both interests. We are seeing a convergence of the needs of centralised management and the needs of the field worker. Connecting the two successfully is the key. Now we are finally getting customers who demand what we can deliver.

We knew that it wasn't just a case of collecting data. The data must be organised, mapped and manageable to deliver the value. Databases have evolved as well. It has been an evolution of the technology and an evolution of the acceptance of technology that has allowed this to work.

We have also selected customers who would understand what we are doing. We are now on the cusp of something much bigger than before. We are selling the value of the solution rather than the value of the devices.

### **How much time did it take to get up and running?**

We initially started business as consultants. Fifteen years ago we began building GIS tools. Next we added mobility. Then we finally added the backend solution to deliver the value through the GBM Software.

### **Where did you go for advice?**

We have always had the skills in house. Though we also have a very good professional network built up over the years. We occasionally bring in specialist people now and again as we need them.

### **How much does it cost?**

We charge licence fees and implementation fees for solutions. We are not a bespoke software developer. There are thousands of people using GBM software, where they can build their own forms. We have dozens of different desktops configurations.

We are now moving towards a workforce management database with a web interface and device interfaces that can be delivered as a "cloud" managed service. Our business model is to offer licences and also cloud services for a monthly fee.

We are already offering a weed management program on the cloud. We have Bio-Security Queensland using this for their land protection officers throughout the state. The vision is for this to become a statewide database of weeds and pests. We will then do this for emergency management.

**What mistakes did you make that you wish you hadn't?**

We developed a number of products early on that were clever technologies. But they were too far ahead of the market.

**What advice would you give to somebody else?**

Choose your customers carefully. The major customers we have are those we can develop and grow with. Try not to be too dependent on one or a small number of clients. Have a really thorough understanding of the market you service.

**What were the barriers you faced?**

The availability of cash for research and development, but that is a universal issue for software developers.

**What are the business benefits?**

The solutions have a clearly demonstrable short-term return on investment, which can be quantified and evaluated.

**Are customers happy with what you have done?**

We have a broad customer base using our off the shelf software. All of our major customers are long-term relationships. We get a lot of positive comments and referrals.

We got a lot of good feedback on our graffiti solution. We were able to build up a history of different tags and locations, so the judgements in the courts were in line with the severity of the offence.

**What is the most important thing you have learned in the last year?**

Awareness that we have to embrace the cloud as a delivery mechanism. We will deliver our GBM software as a managed service solution.

**What are you planning to do next?**

It is evolutionary. We will continue to revise and refine the solution. We are developing our database to make it easily extensible. The front-end development is focused on managed delivery across all and any devices.

The next thing is to focus on marketing our solutions to new customers in utilities and mining as well.

## Case study: Tweed Council

Teleworking is good for staff, council and our customers

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Tweed Shire Council is the largest local government authority in northern NSW and employs around 700 staff managing and delivering a wide range of activities and services to a population of approximately 90,000 people.

### What prompted you to consider teleworking?

The interest in teleworking came primarily from staff. Staff were looking for increased flexibility and ways to better balance work/life issues as well as looking for opportunities to work away from the normal hustle of an office environment in order to fast track the completion of priority projects.

There has also been an evolutionary process where staff sought webmail, then VPN or Citrix access to their applications and data after hours. Staff have proven that they can be both effective in the workplace and in delivering projects outside of normal business hours, so a transition to telework was somewhat inevitable.

Council was also mindful of the Federal Government's National Digital Economy Strategy launched 31 May 2011, which includes the goal of "by 2020, Australia will have at least doubled its level of teleworking so that at least 12 per cent of Australian employees report having a teleworking arrangement with their employer".

We knew what staff wanted, but it had to be looked at properly to ensure that all interests were protected. Factors to be considered include operational efficiency and effectiveness, customer service, cost, technology, information security and safety.

For Council, teleworking is not a standalone program but rather an integral part of a larger attraction and retention strategy that has been developed over the last four years, which focuses on work/life balance. Dollars alone are not what motivates staff.

### Did you write a project plan before starting?

Because a lot of work had already been done around creating a more flexible workplace, management was open to the concept of teleworking. Senior management themselves were challenging the way they looked at the future of local government and they knew things were going to change.

A pilot project was set up to trial the concept and ran for 12 months. The trial consisted of six staff, from very varied roles across the organisation, who for a range of reasons were looking to work from home on a part time or temporary basis. Reasons ranged from family responsibilities, through temporary injury to commuting issues.

Participants worked together with management to define the tasks that could be done, the prerequisites for working from home, communication methods and infrastructure requirements. Clear guidelines were established covering employer expectations and what the service delivery times would be.

Access to appropriate, speedy and secure IT infrastructure was a central component of the project. Consultation occurred with the IT team who looked at the full range of issues and risks. The IT team were very enthusiastic about the project and using technology to improve efficiency.

In the first trial, the IT infrastructure wasn't completely in place. Telecommunications was the main problem with not everyone having immediate access to high speed broadband. The internal systems, security framework and licensing also required some additional modifications. It took about six months to fully address these issues.

### **How did you decide which technology to use?**

Given this project was primarily driven by the staff, they were required to contribute to the technology solution as well as the creation of an appropriate work environment. They had to have broadband, a computer, enough office space, an ergonomically sound desk and chair, and an environment that was functional from a health and safety perspective.

The technology was ultimately viewed as a work travel method. In effect, staff could use public transport, walk, drive a car, catch a lift or use technology to get to work. The means of getting to work is irrelevant. What's relevant is that staff are able to function remotely as effectively as they could if they were in the office. The remaining challenge was providing a secure way for this to happen over a network with minimal latency.

One of the major issues was safety. The home was being converted into a workplace that Council would be partly responsible for, although the level of control was minimal. That was the second biggest challenge after technology.

Council created an objective audit method to assess whether each worksite was suitable, and what if any modifications would have to be made. Council also provides a first aid kit, fire extinguisher and Citrix license or VPN access to all staff working from home.

### **How much time did it take to get up and running?**

Council ran a 12-month trial across a range of work activities, with the motivations of staff, and the trial timeframes varying for each participant. Both structured and unstructured feedback was received during the project from all key stakeholders - participants, line management, the IT department, Workplace Health & Safety and any internal clients.

Interestingly, once issues such as safety and system access were addressed there were no major issues identified that compromised our ability to formally introduce teleworking as an additional flexible work option. It was more about tweaking the details.

The trial was a great success for both the employees and Council. It would be fair to say though that not all roles, nor all employees are suited to teleworking and you really need detailed guidelines in place to protect the interests of all parties.

### **Where did you go for advice?**

During the trial, Tweed spoke with other councils and private sector organisations that already had teleworking in place. That was useful to help establish a project framework. The trial was then about seeing what was appropriate to our culture and workplace environment.

For other organisations teleworking decisions were often driven by the business interest. In Tweed's case the project was driven by staff needs and requests. So it was a different set of drivers for teleworking. It has provided Council with another useful HR tool. The organisation can now be more flexible with staff in helping them to address any changes in their life.

Equally important, the learning and structure is now in place so that if there was ever a business driver to move to teleworking e.g. business continuity issues resulting from a local emergency, Council could quickly move to deliver services from a distributed network of home and council offices. This provides a lot of flexibility and a new comfort level to overall operations.

### **How did you know who to trust?**

Trust, together with a structured agreement is the key. You can't manage teleworking staff in the same way as office bound staff, as monitoring their work, providing feedback and communication are all managed differently.

For each staff member, a documented teleworking agreement is in place that details the work to be undertaken, timeframes, deliverables, hours of work, communication, and availability for meetings and training.

It should be noted that not all roles or staff are suited to teleworking. How do you telework a front line customer service role, a labourer's role or someone who requires a great deal of supervision or on the job coaching?

The result is that staff are very appreciative of the organisation's understanding and flexibility, and that delivers a massive payback in increased morale and productivity.

#### **How much did it cost?**

There was no real cost. The IT infrastructure that was put in place had to happen anyway. The majority of other costs were cost neutral, other than the first aid kits and fire extinguishers. Most teleworking projects are short term and run for a few weeks or a few months. Only a few arrangements have been required on an extended basis.

#### **What were the main risks?**

The perceived risks were loss of control and loss of productivity, security and the physical risk to workers that might involve workers compensation.

#### **What were the barriers to the project?**

The internal barriers were the perception of loss of control and the loss of service responsibility. That was a concern. Is this the thin end of the wedge? There was a concern for security. But all these concerns were managed successfully.

#### **What are the business benefits you are hoping for?**

The main benefits were in continuity of service and staff retention. The council was seen as a responsive, flexible and sensitive employer.

#### **Are staff happy with the result?**

Yes. Everyone has been delivered what they wanted. Staff are happy. The majority of teleworking projects were one-offs because of specific home or health situations. Simple teleworking requests can now be signed off by line managers. Longer term requests have to go through the full assessment process.

#### **What is the most important thing you've learned in the last year?**

That you have to go into projects of this nature with your eyes wide open and that a level of formality and structure is required so that project parameters are clearly understood by everyone and risks can be appropriately identified and managed.

It is about creating flexibility. It is not a one size fits all solution, but when taken as part of a broader range of options teleworking is a useful and beneficial tool for both the employer and employee.

The workers compensation implications of teleworking are to be ignored at your risk. If you don't acknowledge these issues up front and implement appropriate mitigating strategies, sooner or later you will have a problem, and more than likely a costly one.

Teleworking can lead to improvements in the work environment. If you set it up properly, the risks are no greater than with traditional work models.

#### **What are you planning to do next?**

We have no immediate plans. Teleworking is now a full operational work option with requests assessed on a case-by-case basis within the Protocol guidelines. Teleworking is nothing to be feared. As long as you go into it in an informed way, there are really only benefits.

## Case study: Vision6

### Email, SMS and social marketing for everyone

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Vision6 provides everything for a business to conduct email, SMS and social marketing. It is a platform for marketers and business owners to communicate with their customers. The business started in 2001 and employs 30 people in its head office in Fortitude Valley, Brisbane.

#### **Who are your clients and customers?**

Our customers are all sizes and from all sectors. They range from small micro businesses to large corporates and government departments.

Vision6 is a premium product with a lot of capabilities built in to allow clients to manage both simple and the most sophisticated email marketing campaigns. Yet the product is easy to use, intuitive and practical, so any client can quickly get up and running and immediately get value from their investment.

#### **How do you describe your business today?**

Email marketing has quickly become accepted by businesses of all kinds. It is easily the most powerful of the customer relationship tools available for promoting goods and services, managing campaigns and building ongoing relationships with customers.

Vision6 is designed so that clients can easily interface with their own customer contact databases for email, SMS and social marketing. We have a lot of clients that are using Vision6 as a default Customer Relationship Management (CRM) system.

However, we have developed an Application Programming Interface (API) that allows integration with other CRM systems, content management systems and databases. The API lets these systems synchronise with Vision6, which helps eliminate any double handling of data and reinforces data integrity.

#### **How do they benefit from your product?**

There are many benefits. Vision6 is intuitive and easy to use. The system is extremely stable and secure, and spam compliance is built into the system.

Emails are always delivered to the right inbox. New contact details and customer information can be gathered easily through tools such as Web Forms.

Email communication can be targeted using tools such as wildcard personalisation, conditional content and autoresponders. And there are a whole set of design tools to help clients easily create great looking emails.

Larger organisations with multiple offices or locations can centralise their marketing activity, which is really useful when managing databases across a number of departments or brands.

The reporting capabilities are great. People like to measure responses to see who opened the email, who clicked through to an offer, who forwarded the email to others and so on.

The reports section is a very important part of any email campaign, as it lets clients see how well they are connecting with their customers. A little bit of time to reflect can make campaigns stronger and help them engage more actively with the audience. Clients can measure the return on investment for every campaign and compare campaigns as well.

### **Who are your main competitors?**

There are a range of email marketing tools, from basic “email blast” solutions right through to enterprise level direct marketing solutions. There is a lot of differentiation in each segment and each product has strengths that position it positively for different customers.

### **What changes are taking place in your category?**

Today, email marketing has become a standard part of business practice. Seven or eight years ago it was hard to convince customers about the value of email marketing. They were used to the idea that email was free.

Most companies come to us with existing customer contact databases. We have a feature called Web Forms that clients can put on their website to start growing or building onto an existing list. They can gather additional information from customers such as contact details, purchasing preferences, email frequency preferences – pretty much anything they want.

That information can help personalise their database so that email can be more relevant, targeted and valuable to the customer.

Email direct marketing is permission based. Because of the Spam act, you have to have the recipient’s permission and give them the option to “opt out” at any time.

Email has to be relevant if you expect to build a long-term relationship. Our system has been designed to ensure Spam compliant communication. It will prompt the client to make sure they are doing the right thing.

There has been a huge transition from Direct Mail to electronic Direct Mail. Advertising agencies are one of our biggest customers. They “white label” the product and manage the service for their clients.

### **What changes are taking place with the customer?**

In general, our clients have become savvier. They want more. They have higher expectations. They are more aware of the data and what it can do for them. They are more aware of the importance of dividing their customers into key segments to communicate with.

They are moving towards systems integration and want different databases and software tools in their business to be able to share data and information easily. They are becoming more resource aware.

There has been a move for larger businesses to bring their direct marketing in house, with less reliance on advertising agencies. Proficiency in Software as a Service (SaaS) products like ours is now a tool that marketing professionals and their employers value. We have even seen Marketing Managers putting on their resumes that they are experienced practitioners of Vision6.

### **What changes are taking place with government?**

The Spam Act 2003 had a big impact on the market. It has become more difficult for people to deliver emails to anybody and everybody, which is a good thing for us all.

So Vision6 is a tool designed to help companies comply with the Act. We have built a double opt-in mechanism into Vision6. If somebody subscribes to an email newsletter through a Web Form, the system generates a link for them to click, which confirms their subscription.

The client therefore has a data trail showing compliance with the Act. The customer has the comfort of being able to unsubscribe at any time.

### **How have you been successful?**

The technology. It was built from day one to be easy to use and intuitive. It works all the time, every time.

Another important thing is that we are Brisbane based, with all our data hosted here in Brisbane, not overseas like many other email marketing software companies. This provides a local trust foundation that is very important to larger customers whether corporates, government or others.

### **How did Vision6 begin?**

The two founders originally had an online video business. They got enquiries about how to get the advertising and marketing out for videos, and from that came our email marketing solution, Vision6. The solution had to be able to deliver emails with content, track the delivery and measure the results.

### **How did you decide what to do?**

Vision6 needed to be simple, intuitive and a do-it-yourself email marketing solution. The plan was always to be a leader in the electronic email marketing area with a solution that is easy for customers to use.

Everything we do is customer driven. We run an annual customer survey that helps us see what we should be doing in the next year. We have about 7,000 customers. Some are resellers and most are direct clients of ours.

### **What were the issues that arose?**

The market has evolved very quickly. It has adapted to demand for more efficient ways to manage customer relationships and expanded very quickly.

The Spam Act gave us a huge opportunity at the right time. People got nervous. Our product is the solution to doing email marketing properly.

The underlying Vision6 system is very detailed. So making it simple and intuitive for users is harder than it might look.

### **Where did you go for advice?**

We have run an annual survey of customers for the last six years, so we go to customers for advice on what they want. We ask them if they would refer the product to others and we ask them if they would recommend our support team. People like the product and people like the support.

Clients ask for specific improvements from their operational point of view. We speak with them about their ideas and if enough people want it, then we build it into the system.

We continually develop the Vision6 product and we continually speak and listen to our customers. And we also keep a close eye on the overall market, tracking what is changing and keeping up with the new trends in marketing.

### **How much does it cost?**

The cost to use Vision6 starts from \$30 a month. That allows a business full access to the product so they can start their email campaigns. They simply upload their contact database to the system and they are up and running.

For that cost they can manage up to 1,000 contacts and the cost scales up from there, depending on the size of the contact database.

There is also a small fee for each email sent. For an average small business with 1,000 contacts sending 1,000 emails a month, the typical overall cost would be \$60 a month - \$30 for access and use of the Vision6 system, and \$30 for the emails.

That gives a business everything it would need to run an email campaign in the most effective manner.

#### **What mistakes did you make that you wish you hadn't?**

In the early days, we had to inform the market as well as deliver the Vision6 software, so we ended up trying to be everything to everybody – building websites, consulting and so on. It distracted us from our core business, which was to deliver a do-it-yourself email marketing solution.

#### **What were the main risks you took?**

We chose to adopt a two channel approach to market, going direct and also using resellers. It has worked well, but there is a risk in that.

#### **What advice would you give someone else?**

Businesses can't afford not to be doing email direct marketing. The cost effectiveness speaks for itself. They can reduce their traditional direct marketing budget considerably and achieve far greater results.

It is powerful. It is immediate. It is measurable.

If you are going to do email marketing, do it properly.

We do see companies that traditionally had an email budget of \$60 a month and a print budget of \$300 a month and they keep those proportions the same without questioning them. What you spend and where, should be based on results and the return on investment.

Electronic direct marketing can be integrated with print, letting the email lead and then sending out print material only to those who don't respond to the email. That is far more cost effective. Electronic direct marketing works well with other marketing channels.

#### **What are the barriers to your product?**

Clients originally didn't understand the opportunity that email marketing represented.

People worried about privacy, but a lot of the data that people use to market themselves is not private data. And the Spam Act did everybody a favour, by forcing everybody to be more professional. So most of the barriers have now disappeared.

#### **Are customers happy with what you have done?**

We get feedback through the support team and at customer training sessions and customers are happy with the product and what it can do for their business. We have a high number of referrals and marketers that reengage with us as they move from one business to another.

We also run the annual Email Marketing Summit of Australia (EMSA) where we get a lot of positive feedback from customers. EMSA is the only dedicated event of that kind. We usually get about 400 attendees and the event has been run in Sydney, Brisbane and on the Gold Coast.

#### **What is the most important thing you've learned in the last year?**

Mobility is going to be a big thing in email marketing. People look at their smart phones, iPads and other mobile devices constantly, so we are taking this seriously in product development.

#### **What are you planning to do next?**

Part of the reporting suite in Vision6 is being updated now. In addition to the standard open, clicks and bounce statistics some new features will allow clients to quickly and visually see what customers are doing with the emails they receive. We will show a "heat map" of how people saw the email and where it drove them to an action.

We have also incorporated device statistics so you can see which devices customers are using to open your emails - mobile devices or desktop. This will allow you to better customise the design of your emails to meet your customer's preferences.

We are also looking to increase our level of social integration with Facebook, Twitter, LinkedIn, Pinterest, Google+ and so on. Our API is also being updated to make it even easier to integrate with other systems, whatever they may be.

## Case study: Salesforce

### Customer relationship management can build success

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Proactive Accountants Network 'provides coaching, content and technology solutions to accountants and via those accountants, to their clients.

**Who are your clients and customers?**

Accounting Firms, however, through this market we are beginning to offer our business improvement applications to their clients as well.

**How do clients benefit from your services?**

We have developed a business improvement journey that members undertake. It begins with analysis of their current business activities and results. We look at their business numbers. We look at their targets. Helping a business to refocus their objectives and reorganise their processes doesn't just help the bottom line, it helps improve teamwork, morale and the lifestyle of stakeholders in the firm.

Additionally we provide tools for members to improve the results of their own clients

We started as a coaching business. We then grew into a coaching and consulting business. We can improve practices across a wide range of issues – best practice, financials, how to work with clients, strategy and so on, all the while providing quantification and real feedback during the coaching process.

We then looked at how we could apply technology to the business. Formalising and automating the training and coaching processes allowed us to extend our reach to a lot more clients across Australia. We saw that we could do this better so we then built a collaboration platform for clients that we call "Community".

We invited all of our clients to have access to our team and all of the knowledge resources used in the programs. The platform allows clients to communicate with us and also with other clients in the Proactive Accountants Network.

We soon began to see different clients with similar issues collaborating on the platform to solve problems. So we then provided two new applications to make this even easier.

We created a "Success Library", with the full range of content required to implement a strategy, and a "Learning Centre" with a range of videos, illustrating best practice solutions for accountants.

Next we released "The Member Benefit Centre", which is like GroupOn for accountants, giving them access to special deals and offers. Then we built the "Knowledge Factory", which allows us to help accountants help their clients.

We have now developed the "Proactive Success System", which takes all the knowledge and data we have gathered covering income, salaries, profit etc and puts this into an application that allows members to track their financial status against benchmarks. Each client is in a coaching group, which is composed of similar accounting practices, non-competitive, confidential and collaborative, where they can share their knowledge and insights with each other.

We have now built a new similar product – "PANalytics", which allows an accountant to do the same things with their clients. We are also now working with third party web-based accounting systems such as Xero, MYOB, SAASU and Quicken.

### **What changes are taking place in your business category?**

Clients are a lot more demanding. They want access to key staff when and where they want. Mobility is becoming more important for us. Clients are beginning to recognise that computers can take on a different role than just processing. They can gather data, be a mobile resource and become a sales support tool.

### **How have you been successful?**

We are constantly evolving and transforming to meet our clients demands. So being prepared and able to evolve relevantly and swiftly is the main reason for our success.

### **What prompted you to use Salesforce?**

One of the first projects I took on was Salesforce. I had used it at a previous employer. We did have an existing CRM system, but it was clunky and impractical for the modern enterprise. I discussed the existing system and the company objectives with the executive team and said that we could do better.

### **Did you write a project plan before starting?**

I had done a lot of research in the past. It came down to a choice between MS Dynamics or Salesforce. We wanted something we could use for the rest of our business life. Salesforce was secure, scalable, mobile and the right price.

### **How do you decide which technology to use?**

I had six years experience with Salesforce. It allowed us to customise things on demand. Configuration is straightforward, even for a non-IT person. With Dynamics, there was too much coding involved.

That was what led us to choose Salesforce. Whatever issue comes up we know we can modify the platform to our needs. We use Force.com, which is the application development platform that the Salesforce platform is built on.

We have spent the past seven months constantly modifying the platform as we are evolving. With all our new products, we can build APIs back into the Salesforce platform easily. It is very flexible.

If it works for the big international players like Dell, then it will allow us to meet all our needs.

### **How much time did it take to get up and running?**

When we looked at the Salesforce solution, we knew that there would be change management issues implementing it across our workforce, especially with all the other changes taking place.

So we brought in somebody to help manage that for us. We put a plan in place and brought in the vendor. They helped our 25 staff come to grips with the new system. It started with training and then the trainers worked with staff individually until they became familiar with the program.

When I first suggested the idea of Salesforce, I presented the option to the executive team. The first slide I put up was about support during change management. For this to work, we needed 100% support from the executive team, then 100% support from the management team and then 100% support from the full team. Which is what we got.

The initial data migration took us two and half weeks. We moved 4.5 million records to the Salesforce.com environment. There were five of us doing it. Everything was working. The system was running.

We now have the capacity to do workflow. We can change our sales process if we want to. And we can do it easily as our business evolves. That's why we have a dedicated team of ten people

on the Salesforce team. We have the leadership and strategy in house, and we work with an external development team in India to develop our apps.

#### **What were the main issues that arose?**

Change management was huge. It really was 70% of the transformation. We had initial and ongoing training. People have to become comfortable with any new application to get the most out of it.

That was the main challenge, changing people's mind-set. People began to realise that if they did it using the new system, it was ten times quicker.

#### **Where do you go for advice?**

I had experience with Salesforce and we had a good relationship with the development team in India from a technical standpoint.

#### **How do you know who to trust?**

Initially we looked at Salesforce and their customer list. They have a lot of large corporations with sensitive data. The Salesforce system is all documented, certified and so on.

The main issue for us, was what would happen if we didn't implement the CRM system? Then we wouldn't have mobility, flexibility and scalability. Business is about taking calculated risks.

#### **Were you happy with the work and help given?**

Yes. We used Salesforce, SaaSforce and our technology partner in India. We needed them. I knew them. We trusted them.

#### **How much did it cost?**

Technology support is \$25,000 a month. Salesforce is around \$40,000 per annum, based on the overall number of users.

#### **What mistakes have you made that you wish you hadn't?**

No mistakes. We already had a lot of experience with the product. But we did learn how important change management was. We had a wide range of users, with different ages and experience. The change management issues for each of them were vastly different.

#### **What are the main risks?**

We manage risk. We regularly export data from the "cloud" platforms. We back-up and replicate all our data. Even with Google Apps, we use the Postini email security and archiving service to back up our data for 10 years. Our main risk, as I mentioned was really the risk implied by not doing something rather than doing something.

What was the risk of staying where we were? It was huge. We would not have been able to accomplish everything we have without moving.

#### **What advice would you give someone else?**

It would depend on who they were. If you don't know what you are doing with CRM, then engage a consultant or technology partner.

#### **What were the barriers to your project?**

The main barriers were people who had a lot of experience with the existing CRM system. We had to bring them along. It came down to dollars and the agility provided by the way we spent those dollars.

I built a "proof of concept" and allowed people to play. They began to realise "Maybe it is not so bad after all".

### **What are the business benefits?**

There is definitely a financial benefit. From an infrastructure standpoint and application standpoint, we are saving \$100,000 a year. But the main financial benefit was the productivity increase. My team's productivity has increased by 30%.

Our National Sales Manager is impressed by the speed and efficiency of not having to connect to a VPN. "I just bring it up on my iPad". People are happier because it is a much easier tool to work with.

### **Are customers happy?**

All of our business products are now connected to the Salesforce platform. Our customers ask us how we do things? We can identify issues and problems in their businesses even better. We are transparent in everything we do.

### **Are staff happy?**

Our staff are now comfortable with the system. But we keep changing the platform, so change management is always a consistent issue.

### **What is the most important thing you've learned in the last year?**

I have never worked in a business that is so adaptive, so agile. Agility is possible with these platforms. You dream of something and it can be real.

Our customers say "We want this" and we can respond. I have confidence that the platforms can do it and our team can do it.

### **What are you planning to do next?**

There is now a huge focus on mobility. We are working on a large project called "TRUST – The Really Useful Selling Tool". It is designed to identify opportunities for business improvement with our Members Clients.

The TRUST tool will connect to Community. You will also have the ability as a client to put your questionnaire template into the Knowledge Factory in Community for others to use. That is where we are heading next.

## Case study: Bizeo

### Business monitoring system

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Bizeo is a business monitoring system that allows a manager to monitor operations, processes and activities both within and outside of the business. It is a combination of a business intelligence system with an early warning system. The business started in 2011 and employs 17 people in its head office in Milton, Brisbane.

#### Who are your clients and customers?

Bizeo is a business monitoring system designed for business owners, decision makers, boards and senior management.

Our customers range from small business owners monitoring their websites, sales activities, operations, accounting, cold rooms, POS, security systems and so on right through to major corporations where Bizeo provides direct oversight of data within the organisation for senior management.

Bizeo is being adopted by a wide range of vertical industries, each with a different view of its value. In fact, our biggest problem is explaining the value of Bizeo to all the various market sectors. We've solved the problem of presenting and understanding metrics and information, regardless of the industry.

The not for profit sector is using Bizeo to give the board access to data. The manufacturing, agriculture and construction industries are using Bizeo to manage sensors and monitoring devices. Bizeo can be used in multiple ways.

#### How do you describe your business?

Bizeo provides key performance indicators, trends, values and alerts to business owners in the simplest way possible.

The real key is simplicity of use, access and integration. It helps an organisation understand its business operations in real time – alerts, current metrics and trends. It is simple to use and easy to understand.

It gathers data from sources both inside and outside the organisation and presents the information in a graphical form that is really easy to understand.

Any variation from the acceptable values creates an alert – a green dot on screen turns to red – which highlights an issue that needs addressing. An SMS alert, mobile notification or email can also be sent if it's urgent. It is that simple.

We have created our own class of product. Dashboards are our biggest obvious competitors. But in a way, we are the dashboard of dashboards. So we don't really compete with dashboards, we make them more accessible to the non-technical business owner.

#### What changes are taking place in your category?

There are a lot more people and organisations adding complexity to the business environment. If you Google business dashboards, you get hundreds of options. Right now, everybody is adding a dashboard to their software products, websites or social media platforms.

But if you want to overlay other data that is important to your business, you can't do it. That is just one of the many problems that we identified with existing dashboard products. We realised that if we developed a solution, then it had to be simple.

We had to break the barrier between the data and the real information that management wants to use to make decisions. So we left out the complexity, cost and the IT department – all the barriers that stop people getting access to data.

Complexity is the biggest barrier, especially in a time poor world. Instead of IT being a valuable tool, it becomes a blockage.

Another issue is the scope of what managers need to know. A business owner has to juggle multiple responsibilities. Bizeo lets you monitor and manage all KPIs that are important to you, no matter how many.

The barrier of metrics isn't the number of issues you want to monitor, it is how they are presented to the user. Bizeo provides one indicator for the whole business.

What is the level of complexity the average business owner can manage at one time? Green and red! Green means everything is fine. Red means I have a problem.

There is a difference between constantly checking to see if there is a problem, and knowing that everything is ok. If everything is green, then everything is ok. It is that simple. If it goes red, then people can take action to fix the problem.

#### **What changes are taking place with the customer?**

Customers are connected. But as a result, they are overwhelmed with complexity. They want a simple solution, but are offered more complexity. Bizeo works across multiple tools and devices, and across very low bandwidth connections.

It can even identify problems with an internet connection. We are showing people that their internet switches, routers and DNS are not as reliable as they assumed. Bizeo then provides the evidence for a discussion with the supplier. Sometimes the data isn't about providing an answer, it is about identifying and raising a question.

#### **How have you been successful?**

Risk, compliance and regulations are all critical factors for boards and management. So having 24 x 7 oversight and early notification of problems is very powerful.

Bizeo allows people to track changes in attitude as well as data. It can be used to measure stress and other factors as well.

One of the strengths of Bizeo is its ability to share data sources. So managers can set their own indicators and KPIs. But if they notice something, they can quickly share those KPIs with other managers or even with people outside the business.

It becomes a tool to manage operations, PR, social media or other relationships. It provides proof in the event of an environmental or PR crisis. Bizeo is an extremely innovative yet simple product. Simple to use. Simple to set up. Customers see immediately how to use the tool in their area of expertise.

#### **How did Bizeo begin?**

During the 2011 Brisbane flood our business was severely impacted as were most in SE Queensland. As a result the business got out of hand. Nothing, not even the basics of power and telephone worked reliably for some time.

While I was trying to keep the business running and rescue records, data and information from the flood, I realised just how much time I spent checking on things.

I started searching for a software tool that could help me stay on top of business information and I couldn't find a product that was wide ranging, comprehensive and simple enough to use. We looked at third party products. But they were too complex and expensive. So we built our own tool. We then found that we could monitor other systems.

We realised that integration was a barrier for business owners. They had data stored across many different systems, in Excel spreadsheets and on websites and none of them talked to each other.

Then we found that even when an organisation was using business intelligence (BI) software, they weren't happy with it. "How do we get data from any location?" or "How do we get data from any system?"

The drone was how we solved all these issues. The Bizeo drone is installed, and authorised to access specific data. It then pushes the data out to the Bizeo cloud.

It can only push the predetermined metrics out. It has no access to customer data, no credit card data or transaction data...only the metrics. Security was always going to be an issue for Bizeo, so we took it very seriously. The drones collect data from within a business, but can also collect data from any selected site on the internet.

When you couple the ability to collect data using drones, with the ability to select which KPIs are important to you, then you get the power of Bizeo.

In development, the criteria were which systems did the customers want to access, and the ease of development for us. We started with general packages that allowed people to access anything. Then we went to Xero, Google analytics and social media packages. We now have more than 50 packages on the system and by the beginning of 2014 we will have a hundred.

#### **Did you write a project plan?**

Yes, because we wanted a Commercialisation Australia grant. We have a patent pending in Australia and have secured our trademark protection across the world.

#### **How did you decide what to do?**

It was the right time to build Bizeo. We needed the cloud, smart devices and software as a service to be understood and deliverable. Five years ago it would have been very difficult. Today is the right time to do it.

#### **How much time did it take to get up and running?**

We prototyped in 2011 and then spent a year redeveloping to get the architecture right, scalable and secure. We wanted a solution that could scale immediately.

#### **What is the web address?**

It is, [www.bizeo.com.au](http://www.bizeo.com.au). The website has full explanations of how the product works, the packages and pricing.

#### **What were the issues that arose?**

The biggest problem was the lack of stability with some third party providers. Security cameras for instance...the video feeds don't work across all browsers.

#### **Where did you go for advice?**

We used the "mentoring for growth" program. Now we have our patent filed, we have less reason to worry. Bizeo is a product in the public domain that people can evaluate. The biggest barrier is our ability to successfully launch into the ever-changing business environment.

### **How much does it cost?**

We offer free trial. People want to assure themselves that it is as easy as we say it is.

For small businesses, we offer two packages, Basic and Professional. Basic is \$49.95 a month or \$495 a year and Professional is \$99.95 a month or \$995 a year. The main difference between the two is the number of KPIs you can monitor. For larger businesses and corporates we offer Corporate and Enterprise. Corporate is \$4,990 a year and Enterprise is from \$19,990 a year.

The key difference is the number of tasks that can be monitored or the number of users. You can lock specific tasks to different users. Large corporates need more drones if they have more locations. A large retailer with a lot of stores would need one drone per store.

### **What mistakes did you make that you wish you hadn't?**

The biggest mistake was misinterpreting the big end of town. We went to market with Basic and Professional and thought we would target Enterprise in 2014. But we found that Enterprise was struggling more than anyone.

The Business Intelligence systems they had were too complicated or the system didn't cover all the departments in the organisation.

People had a dashboard plus lots of Excel spreadsheets to fill the gaps. Big businesses didn't have the tools they needed. By mid-year, we had more trials at the Enterprise level than anywhere else.

### **What were the main risks you took?**

Risks to end-users are nil. We spent a lot of time on security. Our biggest risk is if we don't market it properly.

### **What advice would you give someone else?**

It is incredibly difficult to make something easy. There is no reason that CEOs should be in the dark about any aspect of their business operations. There is no need for that to be a question mark. Bizeo provides reassurance.

### **What are the barriers to your product?**

We know how to develop the system. Our biggest barrier was being a small organisation trying to get a product to multiple markets across different industries and geographic locations. That is why we have gone down the partner route.

### **What are the business benefits?**

It puts people in control of their business. It reduces stress. It is a driver for cultural change. Hard data rather than gut feel. All of the key benefits are quantifiable.

Keeping track of all the issues that impact any organisation is becoming increasingly overwhelming. Bizeo provides insights for staff at the mid to upper management level.

Is the network performing? Is the website up and running? Are the databases on line? Have they been backed up? Are sales going well on the current campaign? What is our profit and loss situation this month?

Whatever the important indicators are for any organisation, Bizeo allow them to be understood at a glance. Real data, collected and collated in the way the customer decides. Rather than having to run reports, Bizeo makes monitoring a real time process.

### **Are customers happy with what you have done?**

People are taken aback by the simplicity and the approach. They see the benefits. It gets attention.

**What is the most important thing you have learned in the last year?**

Everybody is struggling with the complexity of business. Even the best businesses are struggling with change. Most solutions solve problems but add complexity. Bizeo reduces complexity.

**What are you planning to do next?**

National and international expansion through partnership.

## Case study: Macquarie Telecom

### Australian based hosting and data storage

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Macquarie Telecom is a provider of voice, mobile, data and hosting services, built on a long history of telecommunications. The business started in 1992 and was the first deregulated telecommunications company in Australia. Macquarie Telecom employs 450 people in its offices across all states and the ACT.

#### **Who are your clients and customers?**

We specialise in business and government customers only, ideally from mid-sized corporate Australia. We have been growing business in Queensland 25% every year for the last seven years.

#### **How do you describe your business today?**

We are a customer centric organisation providing high touch account management. We provide customers with a range of management tools that allow them to see their use of services at any time. So they can track their use of voice, mobile, data and hosting services. That is a major difference between us and the other providers.

We provide a real person who is dedicated to looking after each customer, not a voice on the phone or a call centre. Unlike a lot of our competitors we don't have an Indian or Philippines call centre. All our people are trained by us and located in Australia.

#### **What changes are taking place in your category?**

There has been a steady move from traditional voice to IP telephony and a growth in the selective outsourcing of IT services. Seven years ago our business was 75% voice. Now voice services are less than 20%.

70% of our business today is data and hosting, managing networks for interstate, intercity and international customers.

We have seen the rise of "cloud" computing with the requirement for "Infrastructure as a Service", mainly driven by Chief Financial Officers looking to move costs from Capital Expenditure to Operational Expenditure.

#### **What changes are taking place with the customer?**

Customer expectations have risen, especially around the quality of service. We have many customers who have moved from being "big telco" subscribers to becoming Macquarie Telecom customers. They expect better quality service management and reporting, and they want to be able to control their expenditure. That is why they moved.

People know that they have to change or die in this new disruptive operational environment, but they are very analytical about their business decisions. They consider things carefully.

Customers are also looking to establish a strategic ongoing relationship with an IT provider in much the same way they have a professional long-term relationship with an accountant or legal service.

On that basis, trust, commitment and reliability are critical factors. Customers want risk sharing. They want a business relationship with somebody they trust and will help them to succeed.

We have responded to this demand and organised ourselves to be able to support our customers strategically both for today and for the long term.

### **What changes are taking place with suppliers?**

There are three major changes that affect everybody – the National Broadband Network (NBN), Mobility and “Cloud” or managed services. They are all game changers and will drive efficiency and productivity in the years to come.

We have an ongoing discussion with NBN Co. We can broker the demands of our customers with all major suppliers, always looking for the best outcome for the customers.

This allows us to deliver a whole range of solutions to the customer as a single service. We can select the best providers for a specific customer need. So in effect, we are a services integrator for voice, mobility, data and hosting services. Customer demand for these different services can vary widely based on exactly what they do and what they want to achieve. But we can then provide them with control over the service through our management tools.

### **What changes are taking place with government?**

The Privacy Act is important to all Australian businesses and other organisations. The result of the Act is to promote and establish Australia as a reliable and trusted hub for data. This is great for Macquarie Telecom because all our services are delivered from Australia and are subject to the Australian regulative and legislative framework, unlike our competitors who deliver many services from overseas.

This issue will increasingly become part of every management decision. The obligation on senior management and boards to take data privacy seriously is fundamental and can't be glossed over. Most law firms in Australia are now advising their clients accordingly.

What does this mean for Macquarie Telecom? Quite simply, as an Australian entity with all our data centres based in Australia, we provide privacy act compliant solutions to all our customers.

### **How have you been successful?**

We have been successful through delivering personal, accountable and relevant services to our customers. We have a clear vision of where we sit in the market.

That is how we operate. Our capacity to collaborate with customers, provide personal account management, customised services and management tools, all combines to create a powerful reason to work with Macquarie Telecom.

From a hosting perspective, nobody in the country has our accreditations. Tier three is the highest level of accreditation for commercially sensitive business, such as finance or government. Our hosting centres are PCI compliant for ecommerce and medical records. They also have ASIO T4 accreditation for physical security. That adds up to the highest level of accreditation that you will require.

### **What is Macquarie Telecom aiming to achieve?**

We continually ask ourselves “what do we need to do to become the best in the world at delivering telecommunications services?” That is a provocative question and it sets the bar high. But unless you establish the highest goal, you are unlikely to create an environment that encourages continual improvement.

We actually won an award for the “best in the world telecommunications company” in 2008. This set the benchmark for how we want to address collaboration and improve customer relationships.

### **How do you decide what to do?**

We conduct research to ensure that we are relevant to our customers. They tell us what to do. They tell us what they want.

We also look around the world at what others are doing well. We actually go and look. A recent trip to the USA was solely to look at customer service. What were they doing well in the IT and telecommunications industry regarding customer service? Our mission is to be the best in the world, so we have to look at what the best are doing.

#### **How much time did it take to get up and running?**

We decided twelve years ago to move into hosting. It was the precursor for the move towards “cloud” services. This decision has been confirmed with solid growth since then.

#### **What were the issues that arose?**

Maintaining connection with staff and customers as we have grown. Following a period of rapid growth, you have to review and renew relationships both internally and externally to check that everybody is of the same mindset. When you employ more new people, you have to monitor the relationship with customers to maintain the high standard that has been established. You can't take anything for granted.

The cornerstone to our business is the best possible customer service. That is our offer and our promise, so we have to be careful not to dilute the offer.

#### **Where did you go for advice?**

The hosting management centre (HMC) is an initiative that we picked up on the USA trip. We need to make sure that when somebody calls, they are talking to a real person with enough knowledge to deal with their problem.

So we now give customers direct access to a Tier 2 engineer, with the option to access a Tier 3 engineer if necessary. So customers know they are talking to somebody who really understand their issue and can address it directly, not somebody in a call centre who can only offer frustration. The HMC gives us an enormous competitive advantage. It directly reflects what customers want.

We need to deliver. We need to be able to challenge the status quo. We need to look for better ways to get things done. We have to be measured on a one to one basis. Our customers are all individuals with unique issues and problems.

So our success is based on how we manage each customer, not how we manage “our customers”. They are all unique. So we have to make sure that our individual account managers and engineers are doing the right things for the right reasons for the right customers.

#### **How much does it cost?**

We offer a wide range of services and our key focus is to deliver better value for money across all services. The customer management tools allow customers to keep track of the services they use and the costs for each service.

We want to deliver consistent high quality service at the going market rate. We are there to help our customers be successful and that will ensure a long-term relationship.

#### **What mistakes did you make that you wish you hadn't?**

Most of the challenges that we have faced have been internal, reflecting the constant change and growth of the organisation. We want to leverage the technology of the NBN, mobility and “cloud”.

The main mistakes we have made have been moving either too slowly or too fast in response to these external factors. We also outsourced our helpdesk in the early days. But we listened to our customers and took the service back again. You can't maintain the same culture if you go through a third party.

That is a problem today for many large ICT companies that have helpdesks in call centres overseas. It doesn't really work. And we hear this from businesses all the time. That is one of the many reasons that businesses move to Macquarie Telecom.

**What were the main risks you took?**

Risks are always financial and technological. We manage technology risk by splitting reliance across providers, such as HP and Cisco. We have also made a considerable investment into data storage and hosting. That is a risk, but we are already seeing the wisdom in that investment, as more and more organisations move into the data centres.

**What advice would you give someone else?**

You have to be comfortable with your choice of business partners. You can't do it all on your own. Opportunity is alive and well in Australia. It is starting to open up with the advent of the NBN, mobility and "cloud".

**What are the business benefits that customer expect?**

Visibility of what they are doing on a day-to-day basis. Reporting that is intelligible Flexibility and choice. We can offer flexibility in solutions for any organisation. Each one has different business issues and needs.

Some customers transfer large CAD files. Some just email. Some want storage short term, some long term. We have to understand each customer's business needs and respond. They are all different.

**Are customers happy with what you have done?**

The opportunity for us is to keep building on our high-level, high-touch customer services. Our customers understand that Macquarie Telecom can add huge value. We have a lot of mid-tier customers for whom we are the preferred supplier.

Some customers still believe that we are a commodity supplier. That is where we will focus and help them understand what we can do for them.

**What is the most important thing you've learned in the last year?**

You can't fake customer service.

**What are you planning to do next?**

To be the best at customer service in the world.

## Case study: IMS

### OH&S as a web based service

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IMS is a leading Occupational Health and Safety (OH&S) software system, distributed by Safety Concepts in Australia. Safety Concepts is an online community for OH&S professionals. The business started in 1998 and employs 6 people in its head office in Spring Hill, Brisbane.

#### **Who are your clients and customers?**

Our customers are mainly OH&S professionals from all sizes of business and from all industry sectors including the not-for-profit sector. At this stage, customers mainly come from business sectors with more risk of injury.

#### **How do you describe your business today?**

We respond to the needs of the OH&S profession and those needs have changed considerably. It used to be “I need a draft OH&S policy” or “I need standard OH&S templates” for my customers.

It has now moved to OH&S professionals looking for governance, risk and compliance software that will give them efficiencies in their business.

We looked in depth at what software products were available in this area and identified IMS as being the “best of breed” software solution for OH&S.

#### **What are the main benefits to your customers?**

There are lots of organisations that need better induction and training in the area of OH&S, and there are many different kinds of safety.

For example, personal protection equipment is a subset of the general safety area and there are lots of businesses supplying equipment for that purpose.

Workplace safety is now moving to include the environmental issues that affect the workplace and the workforce. So there has been an expansion of interest in the area of health & safety and a broader view of what it means. Fire, safety, evacuation and emergency are also being included in this area.

So organisations are looking to manage the safety of individuals across the whole workplace environment. We can help them do that more effectively.

#### **What changes are taking place in your category?**

The most significant change is the new legislation designed to harmonise Workplace Health & Safety across all states in Australia. The media coverage and public discussion has raised the issue onto the radar and highlighted the obligations of senior executives and boards that may have been ignored in the past.

Managers have responsibilities to their workers and can now expect to be fined and even jailed for ignoring these responsibilities, especially if something goes dramatically wrong. Senior management can't delegate responsibility. Safety is now important right up to board level.

The whole business OH&S environment has to change.

One, the business has to put real compliance in place. Two, they have to make their compliance system easy to use and efficient, otherwise there is a risk that people won't use it.

People now want to manage their compliance by investing in software for document management and auditing purposes. It is really the only way to go.

The law has brought the requirement right down to the small business level. Even if there are only two people in a business, there is a requirement.

#### **What changes are taking place with the customer?**

There is now an increased level of compliance based on the law. What was missing for many years was the “teeth” in the law. Under the new legislation the cost of non-compliance is more acute. Boards are now taking this seriously. Certain industries are being targeted for audits and this is having a big impact on everybody in the sector.

A typical small business probably doesn't need software at this stage, but in the future they will probably use an “App” of some kind so they can prove compliance.

Larger businesses really need a software system for efficiency and to manage compliance across the whole organisation. High risk industries with employees spread across locations with a lot to lose are the customers who really need an OH&S software solution.

Reputational risk is also important. If I'm a contractor, I will be expected to comply with the legislation, and large organisations have to ensure that their contractors comply. Contractors have to prove this to the organisation's satisfaction or they will not be allowed on site.

The software gives proof of compliance. Even for small businesses, the cost of software is a lot more affordable than it used to be. A system that used to be a server based, legacy system is now available and accessible from anywhere at an affordable price.

For local government, contractors, visitors and volunteers have to all be accommodated in the OH&S system.

#### **What changes are taking place with government?**

The harmonisation Act came into effect in 2012. Industry has had a year of transition. Now more businesses are getting serious fines. There are two or three a week. It is real. We used to get about 5,000 page visits a month on the website. Now we are getting 20,000 a month.

People are looking for information. They are looking for help. People are reading the articles on the website. They are asking, “How do I comply?” “How do I stay out of jail?” “What do I do about a particular issue or problem?”

Australian and New Zealand standards are the highest in the world. Businesses have to comply with them to operate. There are also codes of practice in all industries.

#### **How have you been successful?**

The point is to provide a proactive solution. It is better to try to stop problems occurring in the first place. By capturing information on incidents and accidents as they occur, it makes it easy to report on the data and spot issues that can be addressed.

It isn't just about an accident happening, it is about everything that contributed to the situation in the first place.

Most businesses want a software solution that fits in with their existing systems. They want it to be easy to use and that want everybody to be able to enter data. You can't put this solely into the hands of the IT department and expect it to work.

It has to be accessible across every department and every location, and that means a web based solution. That is what IMS delivers.

### **How did the IMS solution begin?**

The IMS software solution has been used by Queensland Health for OH&S statewide since 1996. IMS software is also used in many other industries, including local government, utilities, ports and aged care.

It has now been tailored and configured to make it available for any business in any industry sector. A version of the product has even been developed focused purely on environmental issues. It can be configured for any use and delivered anywhere, because it is 100% web based.

### **What were the issues that arose?**

All issues have been ironed out over the last twenty years. The product is mature, thoroughly tested, flexible and reliable. It is easy to use, fast, functional and intuitive.

Customers receive all new enhancements to the product as they occur. Clients can select and add on different modules to suit their needs.

### **How much does it cost?**

The price is based on the business size, and scales up according to the number of full time (equivalent) employees. There is no limit to the number of users.

The more people you have using the system, the more effective it is. So we encourage rather than discourage businesses to include all people involved, including volunteers, contractors and so on. These extra users do not affect the cost of the software.

The price of the system is based on the size of the business not the number of ultimate users. The smallest price band is 0-100 employees, and the price bands increase to incorporate the largest organisations in the country.

### **What mistakes did you make that you wish you hadn't?**

No mistakes as such. The issue has been keeping up to date with the extensions and embellishments that are required to match customer demand. We are continually developing IMS to give clients what they want and delivering it to them in the way that they want it.

A lot of customers now want the system delivered to laptops and tablet devices. The telecommunications access cost is also coming down as a result of more competition among the wireless network providers.

### **What are the main risks?**

The main risk is that customers believe that if they licence the software, then they comply with the legislation. But if they don't use it then they don't comply. It is not enough to just have the software, they have to use it.

On the other hand, one client just putting in the software achieved a safety culture change. Before, nothing was happening. After, there was a change in attitude to safety and a culture change across the whole company.

### **What advice would you give somebody else?**

You need to treat this as a serious part of your business. You have an opportunity to improve your business in many ways.

With one business, within a year of using the IMS system they reduced their number of lost time injuries from 45 to 2. Some businesses are only now measuring the impacts of accidents and injuries for the first time.

The system allows you to look for and identify hazards and fix them, reduce the risk and reduce injuries as a result.

It has a series of alerts and escalation messages that remind the person that any issue will go to their manager or even to the CEO if it is not addressed properly.

#### **What are the barriers to the product?**

Normally, the barriers are attitudinal, "It's a change and I'm resistant to changes."

Another barrier is that delegation of OH&S turns into abdication. The CEO delegates the issue and leaves it, "Just do what you need to do." Another response that we hear is, "That's why we have insurance." If they looked at the legislation more closely, they would realise that they could go to jail. You can't delegate responsibility for safety.

Initially we get the most support from the safety officer in an organisation. They are often very frustrated and buried in paperwork. The IMS system gives them a chance to become proactive and really make a difference.

Trials of the system are very effective in helping customers to understand the value. A 30-day trial lets people see the way the system works, how easy it is and what they can get out of it. At the end of the trial, it usually becomes a sale.

#### **What are the business benefits that customers expect?**

Efficiency. Risk management. Risk reduction. Sustainability. Compliance. True ROI. Better decision making and reassurance.

There is increasing interest in reporting. Clients are now realising that being able to view data in meaningful reports can help them make the right management decisions.

They want to know more than how they can comply with the legislation. They want to know how the data can improve their business. There are 500 standard reports in the system for health. So the "return to health" coordinator can just log on and easily see how many people are returning to work. For a lot of people using the system, the reports may be the only thing they see.

There is no limit to the number of reports that can be generated. We provide a reporting tool that can be used for this purpose. We can also pull data from other databases into the system, from payroll, HR, learning management system or whatever, so the overall data can be viewed collectively to give the most meaningful business intelligence.

Trends are very important to business decision-making. Reporting is available through across all devices. And we offer a fully Australian hosted environment for those that want it.

#### **Are customers happy with what you have done?**

If you are talking to your clients all the time, it is easy to understand what they want. Our customers want an out-of-the-box solution that is customised to suit the legislation.

They are not buying an American software product and having to customise it to Australian conditions. IMS is fully Australian based, can interface with the insurers, Workcover and can interface and collaborate with other systems.

#### **What is the most important thing you've learned in the last year?**

The most important thing I have learned is that IMS existed. We have focused on finding the best product for OH&S and now we are focused on distribution.

#### **What are you planning to do next?**

Rollout the IMS system to local government, the health and community services sector, transport, ports and aged care.

## Case study: UnrealAR

### Augmented reality presents information in a new way

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UnrealAR is a publishing business that uses the internet, websites and augmented reality (AR) to present information in a new way. The business started in 1996, employs 10 people and is based in Archerfield.

The business started with a database of accommodation, travel and tourism information for the UK. The database was steadily expanded to incorporate Australia.

We created a website – “trips-online”, designed to help people find accommodation that didn’t appear on the usual websites - B&Bs, stately homes, self catering and quaint hotels.

#### Who are your clients and customers?

We have two kinds of customer – end users who use our websites to search for accommodation and other interesting things to see and do, and we have tourism and accommodation customers who list their services on our sites.

Originally, our end customers were everybody looking for unusual accommodation options. We charged twenty pounds a year to the accommodation businesses for listing on the website. There were no booking fees and most of our accommodation customers didn’t have websites of their own.

Then we started to include local attractions around the customer locations. This included climbing trails, walking trails and historical sites. It was hugely labour intensive.

The website was way ahead of its time. But the structure was in place to allow us to move the site to any other country in the world. We then changed the site so that people could update their own information. We created a Joomla based interactive site and that was a huge transformation for us.

#### How do you describe your business today?

Essentially, we are still a publishing business. But the business today has evolved so that all our information is available across multiple devices – websites, smart phones and tablets.

For the end customer we offer a smartphone service. This operates like a magazine or newspaper. There is editorial that is useful. There is also lots of entertaining content. For example, you can find the Beatles old headquarters in London and call up the final Beatles concert on the roof.

Yesterday, I augmented the Burj Khalifa, which is the tallest building in the world. I added a film clip onto it of Tom Cruise in Mission Impossible. It is a mini documentary showing the stunts in the film and explaining how they were done.

So you can see, we are able to present locational information and attach all sorts of other information to it as well.

We can add advertising content for retail shops – promoting special offers which allows a visitor to click through to the retailer website if they want to see more.

We add community content as well - public safety content, police stations, hospitals and medical centres. In an emergency, you can see where your closest police station is and click on the phone number – either 000 or policelink.

So today, our customers are everybody and anybody, especially tourists, travellers and visitors.

Essentially we offer a directory service with geolocation, plus the ability to find a lot of interesting content that is being constantly updated.

For businesses that don't have a website, this is the quickest way to get a site that is available with augmented reality.

For retailers and tourism operators, you buy your "point of interest" on the site for \$99 a year and control it. Everybody using the service knows that the site owner controls the information. All the historical information on the website has been put there by a journalist or a community group.

One council in the UK is buying 50 points of interest and we are giving them 150 points extra for free. Movie locations are big in that part of Britain, so a lot of the information points relate to that.

### **What changes are taking place in your category?**

Everything to do with publishing has changed. It has changed in the way it is being delivered. Publishing became too expensive for what it was delivering to advertisers. A full-page advertisement could cost several thousand dollars. Online advertising is cheaper and you can track results.

Customers have changed as well. They want everything now. They want it to cost less money. And they want proof.

The print industry is largely broken in Australia. Publications haven't been able to make money using the traditional model for some time. Printers used to dictate to publishers delivery times and fees.

As publishers looked around for cheaper ways to do things, the power has shifted.

The move to digital printing has also changed the industry. Printers invested in equipment and the price has come down.

A lot of publishers used to want their magazine or brochures printed and delivered in under three days and they were prepared to pay for it. Now they get the same publication printed at a third of the cost in China. So they are now prepared to wait for three weeks. That is a big change in attitude and action.

The price has become the defining point. As another example, labels used to have a turnaround of two days. Now customers will wait for three weeks out of China. The cost is now more important than the time for delivery.

As a result the local print industry is contracting. A lot of printers have gone out of business.

The vendors who produce printing equipment have changed their model as well. The amount of useable print equipment for sale in auctions at the moment is frightening. In printing the future is digital. We are always looking for better ways to deliver our magazine and other products.

We print and publish online. We rely to a large extent on web developers to support our online publishing. The trouble is finding a web developer that you can trust.

Three quarters of the developers we have used have been cowboys. When you ask how much the site is going to cost, they say \$150 an hour. What does that mean?

The value of having a web developer that you can trust is enormous. In the absence of finding the right support, we are learning Joomla ourselves.

### **How have you been successful?**

For Unreal, it is the “through the camera” augmented reality that turns people on.

People get excited by being able to point an iPad or smart phone in any direction and see all these different points of interest – things they didn’t even know were there. This surprises them.

### **What prompted you to use augmented reality?**

Our “trips-online” website was moving slowly. It was the best travel and tourism database in the UK, but it was taking time to get customers on board.

We decided to look into augmented reality to expand the value of the database. So we researched all the augmented reality programs and decided on Layar. It was a pretty sexy software product and caused us to consider other content that might be really useful to include on the sites.

We looked at fire and rescue. If somebody is driving along and they see smoke, they can turn on Unreal and get messages showing where the fire is heading and avoid the dangerous roads. It is the same with the police. They can use it if there is a road closure or an accident.

Or if a music band is travelling from pub to pub across the state, they can geolocate their next performance, so that all their fans know where they are playing next.

We are currently putting in all the Aboriginal Heritage sites in Brisbane. Did you know that the Regatta Hotel on Coronation Drive is built on an Aboriginal ceremonial ring?

### **What were your next steps?**

As soon as we saw it worked, we went straight back to “trips-online” and restructured it so that augmented reality can be used with the website. The website does two things. It acts as a normal website and also allows people to claim and manage their points of interest for Unreal.

As we developed the site, it became obvious that it was a new way of communicating. People seek things out and find them. They are then connected to other things they didn’t expect to find in the same location. We hand over the points of interest to people that should own them – councils, associations, community groups and clubs.

It works well on smart phones and iPads. We will soon have it available as a mobile phone site as well. Layar is still the best and quickest delivery system for AR. We are planning on securing our own AR system in the future, so we are not reliant on a developer.

### **How much time did it take to get up and running?**

It has taken 18 months to get to where we are today. We are putting Unreal AR into the UK, middle-east, south east Asia and Australia. Most competitors are creating very narrow content and none of them are handing over content and points of interest.

### **What were the issues that arose?**

A lot of the big businesses and vendors are very interested in what they see. The major issue is people understanding the advantage for them and seeing the opportunity.

Under funding is an issue. This puts us at risk from the competition. Thankfully, it is complex. It is a simple idea, but a complex platform.

### **Where did you go for advice?**

We haven't really been able to go anywhere for advice. Customers tell us their problem. We look to solve it.

We get ideas from our potential customers. We are listening and learning what they are up against every day, the problems they can't solve and the changes that happen in Google. With the changes in Search Engine Optimisation, UnrealAR becomes very powerful. In the UK, Hertz will probably be our first customer over the line and we will be augmenting drive routes across the UK.

### **How much did it cost?**

The major investment has been 15 years of content creation. People pay \$99 a year to own their own site. For larger players they can buy multiple points of interest and we have group deals.

### **What mistakes did you make that you wish you hadn't?**

Working with the wrong web developers. Telling too much to the wrong people.

### **What were the main risks you took?**

Cashflow. The other risk is that Layar, the augmented reality software, might change before we secure our own system.

### **What are the business benefits?**

For those who pay \$99 a year, they can get new customers, inform and service existing customers, build their brand and promote their services. For small businesses without a web presence, this provides an easy point of entry.

For end users, they get knowledge of multiple points of interest in a region – offers, time saving, tourist information and so on. As the content grows, the opportunities grow as well.

When we visited Sydney recently, we augmented all the Wilson Parking sites in Sydney with prices. It allowed us to find the cheapest parking option for wherever we happened to be as we travelled around the city. If we put in all the other parking options as well, it becomes a powerful tool.

### **Are customers happy with what you have done?**

We are now speaking to the "trips-online" customer database and introducing UnrealAR. They are all pleasantly surprised.

### **What is the most important thing you've learned in the last year?**

People are confused about the digital revolution. Some people are paid a lot of money to lead their organisation and they are as confused as everybody else. People are scared of change. There have been so many false starts in this arena.

Big organisations don't necessarily want to be leaders. They would rather follow. They want to be there once they can be sure of success.

### **What are you planning to do next?**

Complete the technology review and ensure the robustness of the system. In big cities the points of interest can be too many. So people have to select their categories of interest first.

We are working on these categories and updating the display. At the same time, we constantly keep putting in more content. Then we will expand country by country and region by region.

## Case study: Xero

### Cloud accounting software

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Change Accountants and Advisors helps businesses and individuals make smart financial decisions in order to have a better financial future. The firm was started in 2011, and employs 26 staff at the head office in Brisbane.

#### How would you describe the business you are in?

We give people advice. Accountants are natural advisors but most are too busy with tax and compliance services to focus on this role. We have turned the model on its head using Xero and some other tools as the basis for our new business. You have to use Xero to be a client of our firm.

It gives us better, real time data to help our clients. So we know on a daily basis what is happening with cashflow, invoices, payments and so on. Because we can do the basics faster, it allows us more time to then spend with clients.

#### Who are your clients and customers?

Business of all kinds and sizes across all sectors, and also individuals who want to manage their wealth creation and financial objectives better. We ask all our clients why they are in business and what they want to achieve over the next ten years. We then design our services to always be focused on the client's goals. So we need to ask questions and challenge them. That's why Xero is so powerful as a support tool for offering the wisest and most useful advice.

#### What changes are taking place in your category?

To be relevant in the industry you have to be able to offer advice on wealth creation and financial planning. It is no longer enough just to manage tax and compliance.

Most of that traditional activity is now automated and businesses and individuals expect more from their financial advisor.

The number one change in our industry has been Xero and some of the other cloud based financial services. When I first saw Xero, I said that this will be a game changer and I was right.

There has also been an emergence of client need for wealth creation advice. A lot of what accountants used to do is now automated and that leaves time for data analysis and advice.

Many customers are now aware of what can be done. It is our role to lead and educate. Clients naturally turn to their accountant for advice in this area. Most don't have the time or experience to understand and work things out for themselves. One of our clients in the catering industry used to spend 3 hours a week on payroll. Now, using Xero she takes ten minutes.

The traditional software players in the accounting area have been slow to respond to change. The new, young accountants entering the industry are attuned to technology and what can be done. They expect things to be easier, online and shared.

#### How have you been successful?

We use three basic software products to run our business – Class Super, from an Australian software company, CCH iFirm, which is our practice management system, and Xero.

The consolidation of these three products allows us to do everything we need. We can then help our clients realise and achieve their goals in life.

### **What prompted you to look at Xero?**

About four years ago I first became aware of Xero. We are always looking for ways to deliver better services. We were also very frustrated by the existing accounting software packages. Then somebody said, "Have you checked out Xero?"

When I realised that Xero could offer me a secure "ledger in the cloud" that could be shared by both me and my clients at the same time, that was a game changer for me. We could both access accounts payable and receivable, cashflow, assets and purchasing through a secure login.

It meant that we could be connected to our clients in real time and the product would bring us both together as we discussed business problems and opportunities. I looked into Xero further and realised how powerful it would be to use it as the platform for all our clients.

I knew that I couldn't advise my clients to do something unless I had done it myself, so I set up my personal accounts on Xero and spent time getting used to the product. I loved the time that I could save because of the auto bank feeds. I didn't need to bring in the data, it was already there. I could use the data to quickly generate reports. It was simple.

### **How did you decide which program to use?**

The decision made itself. We use CCH iFirm as our accounting practice management system and Xero for the overall ledger for our firm and for our clients.

At the time, there was nothing else. For our clients to accept the system it needs to be simple and easy to follow, and to look good. If I am going to switch clients across from MYOB and other packages, it has to be simple and easy to use.

### **How much time did it take to get up and running?**

It was quite quick, because it is a simple system. It was very quick to learn. It just worked.

### **What were the main issues that arose?**

For our firm there weren't any issues. Initially it didn't include payroll, but now it does. And it is beautifully integrated.

With the first client, I just showed them the product. I demonstrated how it worked rather than try to explain. When I showed them the auto bank feeds they were amazed. The one-click bank reconciliations impressed them and so did the simple invoicing and the ease of generating reports. The product sold itself.

### **Where did you go for advice?**

We didn't need advice. The decision to use Xero was obvious. Then we got to know the people at Xero. They saw what we were introducing more and more of our clients to Xero so they contacted us. They wanted to know what we were doing.

When I set up the firm, I intended to have a firm that was solely cloud based. I wanted to drop the legacy systems. I made it my job to get to know the people at Xero, because they were in effect going to become an extension and support for our firm.

We give them feedback on what our clients are looking for and that helps steer the development of the product.

### **How did you know who to trust?**

We looked at all the other software products that were available. There was no comparison for simplicity, service or support.

Some people are concerned about the trust issues associated with cloud services, but in many ways cloud services can be safer than your own servers, because the systems are designed and structured to be secure, robust, backed up automatically and mirrored to ensure resilience, data delivery. Xero is hosted in Australia and all data is managed according to Australian legislation and regulation requirements for privacy, data ownership and security.

#### **How much does it cost?**

For a normal business it costs \$49 a month. If you want payroll with automated super payments then it is \$69 a month.

#### **What mistakes did you make that you wish you hadn't?**

Initially, we didn't really understand how much time might be involved to transition a client to Xero, in terms of migrating the data across to the new system. Now we have a clear idea of what each client can expect and we have priced our services to manage that accordingly.

#### **What were the main risks?**

There are no real risks. For a lot of clients we manage all their back office. That allows them to focus on their business.

Some of the not-for-profits that we look after have real time accounts. They make big savings on labour costs using us to manage the back office. They have better financial information and can make better decisions.

Not-for-profits and small businesses have similar needs. From an accounting point of view they have much the same requirements. We can make their lives easier by giving them access to more and better information in real time, not retrospectively. The other benefit is that when you use a product like Xero you have to be up to date with all your financial information.

There are a lot of people who don't have the financial skills or experience to manage book keeping and other financial tasks effectively. With Xero, we can clean up the accounts and allow the CEO of a not-for-profit or small business to keep their finger on the pulse.

It is the most responsible use of funds and the most responsible use of assets. It works because we, as the accountant, are in the loop. In the past mistakes often wouldn't come to light until the end of year or end of quarter. Now we are on top of financial information on a daily basis.

We have become an extension of the administrative function for a number of not-for-profit organisations.

#### **What advice would you give to somebody else?**

We help people to see how technology exists to help them do things better. It is our role to help them. Instead of spending \$50, \$60 or \$70,000, you can design a whole array of cloud-based solutions for a very small cost.

We get four or five phone calls every day from people who want to move. There is a ground swell of businesses wanting to move to Xero and not all of them are getting the support they need to do this, so they call us.

#### **What are the business benefits?**

Our team members love it. What our team and clients really enjoy is being able to run tax planning sessions with real time information on the screen. We can give them advice on how to save money and it is real advice about their business, not notional. We can bring clarity to our client's lives and give them confidence in the future.

### **Are customers happy with what you have done?**

We have a full range of happy customers. We have IT consultants, medical practices, property developers, schools, dentists, construction companies...all sorts of organisations.

Across the board they are unanimous. They love it. Even people who resisted at first, now love it and say they should have moved sooner. Even simple things like the employee payroll portal, allows people to logon and bring up a report, apply for annual leave, download a pay slip and so on. They can even submit their time sheets.

### **What is the most important thing you have learned in the last year?**

Xero is always adding new features. The biggest thing for me this year was when they turned on the Payroll system. It took payroll way beyond what anybody else is doing.

The other thing is the add-ons. There are more and more coming all the time that are industry specific. Xero has an open API that allows developers to create add-ons for a whole range of business functions that should be aligned with the financial system.

The add-ons will continue to grow and become available as more developers recognise the opportunity. There are add-ons for time tracking, CRM, currency exchange, inventory, document merging, ecommerce and mobility with more being developed all the time.

### **What are you planning to do next?**

I see that accountants in general need to embrace new technology or risk becoming irrelevant. There are always people who don't like change. But you shouldn't treat change as an enemy.

We will continue to look at how we can do things better. That is why we are called Change Accountants and Advisors.

## Case study: Apache

### Moving customers successfully into the cloud

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Apache is a software services solutions company based at Coolum Beach on the Sunshine Coast. The business started in 1999 and employs 35 people, specialising in cloud services, software development, infrastructure and consulting.

#### Who are your clients and customers?

Apache has clients in all sectors including government, corporate, commercial and non-profit.

#### How do clients benefit from your services?

We deliver productivity improvements that show a measurable return on investment. This is increasingly important to customers of all types, given the current disruptive market conditions experienced by many industry sectors. This is causing many organisations to review their operations and look for ways to become more productive and cost effective.

Every project we do is via tender or proposal, with our response clearly outlining project stages, deliverables and showing the return on investment. To do that we have to thoroughly understand the business we are working with.

Everything is defined by the financial return on investment, quantified by money saved, time saved and the productivity improvements delivered.

We promote our services both on the Sunshine Coast and outside of the region. We now have customers all over Australia, in India, the USA, Europe, Singapore and Hong Kong.

#### What changes are taking place in your business category?

I have seen a huge shift towards cloud and managed services. What I mean by that is a shift towards cloud brokerage, where a trusted consultancy like Apache manages the relationship for a customer with all the cloud services that are relevant to their specific needs. That includes creating and developing software to connect and link all the cloud services available to match the integrated needs of each customer.

Integration is the key to the successful use of cloud services. To get the maximum benefit from the lower cost of cloud services, organisations have to fully integrate them into their business network, infrastructure and day-to-day operations.

That means working with a consultant who fully understand what that implies and can create the right solution to match all the internal and external business requirements, through all business processes including communication, networking, processing, storage, security and backup. That is where we excel.

In the past five years we have seen things move from on-premise IT, to data centre to infrastructure as a Service to cloud. At the moment, most organisations operate a hybrid mixture of all these options. Customers now demand more value, better ROI, increased security, business continuity and reliability. These are all the things we deliver.

#### How have you been successful?

Persistence. Apache has a very good mix of senior business partners whose skills and experience all complement each other. This brings balance to the business.

Being at the forefront of cloud is also hugely beneficial for us. We have developed all the right industry partnerships to deliver successful outcomes.

Opting for a global strategy has allowed us to minimise the impacts of the GFC, which is impacting specific markets more than others. Our business is now spread across a wide range of customer locations. We have a lot of Asian contacts and connections, which has led to us building a strong client base in Asia. Plus we have the right mindset and experience to deal with bigger clients.

### **Can you give an example of what Apache has done for clients?**

One of our local clients is Ellerfield, a financial services company with offices in Buderim, Brisbane and Mt Isa.

When we first won their business, we upgraded and developed their IT system supplying the infrastructure, file storage, document management, workflow, training and support.

They needed their information sorted out to work more efficiently and effectively. We analysed their workflow and customer relationships and then created a new file structure to provide the most productive system. We wanted to help them move to a paperless environment.

We transferred all their paper files into the system and then integrated the document file storage with their ERP system, which was the MLC proprietary product used by all of the financial services firms in the MLC network.

Once completed, we continued to manage their IT needs and act as a consultant for their future IT planning.

Then two years ago, it became time to replace and upgrade some parts of the IT system and during the review we discussed with senior management at Ellerfield the prospect of moving to the cloud.

To replace their exchange server would have cost over \$50,000 and we were able to put a cloud solution in for under \$15,000.

### **Did you write a project plan before starting?**

We developed a plan to move to cloud, with the first step comprising a hybrid model of some on-premise services and some cloud-based services. In twelve months we will move completely to cloud services.

One of the senior managers at Ellerfield recognised the potential of what cloud could deliver to the business in cost savings and in extending their reach into new and bigger markets. He saw that he could potentially manage the financial services needs of customers anywhere in the world, beginning in Australia.

He had started developing a financial services product – MRP (Mortgage Reduction Planning), which is a part of an overall ellerCentral web-based CRM service for its clients.

We sat down and discussed the vision, to first offer the new MRP product to his existing clients and then offer the product to external customers as well. This had completely different implications from an IT solutions development point of view.

The web-based product was first trialled and proven, and we then determined how to create a robust, scalable, reliable version of the product for delivery to customers across Australia and beyond.

### **How do you decide which technology to use?**

We looked at all the options and at all parts of the solution. We still needed to upgrade the internal IT infrastructure and deliver the new MRP solution.

But MLC was also in the process of moving to a web based planning system, and we had to ensure that everything would work seamlessly together.

We finally decided on the Microsoft suite of cloud solutions – Azure, Exchange online, Sharepoint, Lync and Dynamics CRM. Using this product suite, we were able to create a low-risk strategy to steadily move Ellerfield to 100% cloud.

Primarily, the decision was based on the need for privacy, reliability and security. Ellerfield is a financial services organisation with a wide range of customers and these issues are extremely important.

But as you would expect, the decision also took account of speed, scalability, business continuity and price. There was no other comparable option that ticked all the boxes other than the MS suite of solutions.

We evaluated Google, IBM, Dell and Amazon to see whether they could compete, but Microsoft came out top, especially with privacy.

#### **How much time did it take to get up and running?**

There are two stages to the implementation. We are currently rewriting the Mortgage Reduction Planning software to integrate it fully with the new web-based MLC XPlan system. We are ensuring that the two systems work reliably and seamlessly together.

Once that is approved, we will take the MRP component of the overall package and format it for promoting to external customers globally.

#### **What were the main issues that arose?**

The main issues are the integration of the MLC system, plus ensuring that the new Mortgage Reduction Planning software works with the other Ellerfield business systems.

Compliance is very important in the financial services sector. Data synchronisation, reliability and consistency are essential for reporting and governance. The other challenges were having three organisations involved in the project. Project management is key.

Change management is another major issue. The staff at Ellerfield had to be willing to come on the journey. The culture had to be attuned and aligned to the new vision and that involved managing considerable change, which is always difficult.

To a certain extent, we have had to hold back on development to thoroughly test the new product in action, to make sure it could reliably be promoted to its new market.

#### **Where do you go for advice?**

Microsoft loved the project. They offered us a lot of help and advice. As a result we have now become part of the Azure Circle – their elite development group.

#### **How do you know who to trust?**

My trust has been built up over 11 years working with Ellerfield. We have been a Microsoft partner for 6 years and they have been very helpful during the whole time. It gives us a lot of insight into what Microsoft is doing in the cloud solution space.

#### **How much did it cost?**

The whole project will end up costing around \$500,000, but that includes the development and implementation of a global software solution as well as updating all of Ellerfield's internal IT requirements.

The new MRP product will be a “Software as a Service” solution that generates a continuous income stream for Ellerfield. A proportion of the income will be allocated to future development. The product will need continual development in response to ongoing changes in the regulatory and financial services market, and customer feedback.

There could be hundreds of thousands of customers, possibly more. Anyone who has a mortgage will be able to monitor their costs, options, lifecycle changes and track the time left to paying off the mortgage in the quickest time possible.

The MRP product will be marketed to Ellerfield customers and through various channels including major banks to customers in Australia and beyond.

#### **What mistakes have you made that you wish you hadn't?**

No real mistakes. But very early on, Ellerfield was using a developer with a limited view of what was possible. He was replaced with an Asian development company with Apache project managing the bigger picture and vision. This has worked very well for all concerned.

#### **What are the main risks?**

Investment in the product development is a risk. There is a risk in the scale of uptake and adoption of the product. Data integrity is always a risk with integrated systems.

#### **What advice would you give someone else?**

Think big. Plan in detail and execute.

#### **What were the barriers to your project?**

The main barriers internally were staff acceptance and change management. The staff at Ellerfield had been using the MLC system for many years. So we had to put a training program in place to help people move onto the new system with minimal impact to the existing business.

Most of the staff at Ellerfield are long term and very dedicated to the business, so it was reasonably straightforward to bring staff along. They have a lot of trust in the leadership and they are committed to the project and its potential success.

#### **What are the business benefits?**

Productivity improvements internally and a new business externally. The new business has potential to be a global business.

#### **What is the most important thing you've learned in the last year?**

Work closely with your clients. Spend time in understanding their business. 90% of clients have better ideas about where to take their business than you do.

Technology is there to support their vision of what they want to do. The managers who have successful businesses don't stop. They continually have new ideas and directions. Our job is to be there to help them.

# Case study: Microsoft Dynamics

## ERP software for manufacturing

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RMD Industries is a diversified manufacturing group, providing metal products for building industries worldwide. The four divisions - Brio, Downee, Ductware and Pratco, manufacture sliding door hardware, fence and gate fittings, components for HVAC systems and cutting blades for the cane industry.

The business started in 1953 and now employs more than 200 people across its different sites in Australia, New Zealand and Brazil.

### Who are your clients and customers?

We have a mixture of local and export clients and customers across Australia, Europe, Asia and America.

### What changes are taking place in your category?

There is a lot more competition, not just from manufacturers but from importers. A lot of customers who used to buy from us now buy directly from overseas. Some of our biggest competitors now import everything. That is a major shift in the market, certainly influenced by the high dollar, but we still try to manufacture as much as we can here in Australia.

The larger retailers and chains, use their size and leverage to set prices and even spec products.

IT has changed the way we operate over the last ten years. Our customer service levels are outstanding and we consider a one or two day product delivery as normal.

We manage our business better. We can now downsize our warehouse, because we manage the stock better and have the right product available at the right time.

We have a very good understanding of our stock, customer demand and how it moves over time. When I first started here eight years ago, people couldn't even tell me what products we sold in each state.

### What prompted your most recent IT project?

When I arrived we were using an ERP system that was not ideal. We knew we had to improve the systems we used if we were going to take the business where we needed and wanted to go.

### How did you decide which technology to use?

The first thing we did was to add some business intelligence software to the existing ERP system to that we could run our business with more insight. Q4Biz gave us the ability to create reports and use dashboards to understand the status of the business.

From a sales and reports point of view, we had a much better view of what was happening. But it wasn't ideal. We wanted a better system altogether, that would scale and grow with the business and the expectations we were putting on the system as a management team.

So we looked at a number of ERP systems including Pronto, SAP and MS Dynamics. SAP was too complicated for our needs. Pronto felt like the previous system and I wanted a change. Dynamics was the new option for us.

### **How much time did it take to get up and running?**

There are always a lot of problems with implementing a new ERP system. We had to do it quickly and we had to manage the implementation successfully across all four business divisions, without major disruption to our overall business.

So we established a plan to complete the implementation, one division at a time, starting with Brio. That took six months. We then moved onto Downee and so on through all four divisions.

### **Did you use outside contractors?**

We developed our plan with a Systems Integrator familiar with MS Dynamics. We brought the managers and staff into the project, showing them what the system could do, what they would get from the new system and the procedures for moving from one system to another.

The reality was that people didn't really take notice until it happened. We had three people on site for two weeks to handle training and any issues that arose. It was pretty intense for a couple of months. Even four years later, things are still improving.

We have IT contractors that we use for helpdesk, Citrix and for Dynamics.

### **What were the main issues that arose?**

Some of the units struggled moving from one system to another. By the time it came for Downee to do it, they were better prepared. They had better people, who were better trained and more attuned to IT.

I would hate to be running the business today without the system in place. The overseas offices and manufacturing plants are all run from the servers here in Melbourne. We are planning to move to cloud, mainly to back up and replicate the system and give us a reliable disaster recovery option. We couldn't afford to do that any other way.

### **Where did you go for advice?**

We outsource to specialist IT services to support what we decide, but we also have knowledgeable IT staff within the organisation.

### **How do you know who to trust?**

It's a personal thing. It's based on your experience with them. How did we find our Dynamics partner? We rang up Microsoft and they gave us a list of business partners. The most responsive got the business.

Some of their staff are very good and the key manager works closely with us. You have to have the right people, both inside and outside your business.

### **How much did it cost?**

We are spending more on the new Dynamics system, but it gives us everything we need. We want a strong, robust business system that performs well.

Our board and shareholders get rich data, and monthly reports giving them a clear view of the business.

### **What mistakes did you make that you wish you hadn't?**

My idea is always to make things as simple as possible. We dropped our original Systems Integrator relationship when it quickly became obvious that it didn't suit the way we work. It was too complicated.

We then found somebody that we could work with and still do today.

The other mistake was allowing the different business units to make too many modifications to the system and the way it works. Every time we upgrade the system, the fewer modifications the better. There is also a cost consideration. We want upgrades to be simple, not complicated.

**What were the main risks you took?**

There is a risk if you don't do it. IT adoption and use is a natural progression. That is the way the world is moving.

We are looking to match our IT investment with increased efficiency and productivity. We should be able to save money in labour and sales. Sometimes it is hard to quantify all the benefits that you get.

**What advice would you give someone else?**

Do it. You can't stand still. Most larger companies know that already. Recognise that straight away.

**What were the barriers to the project?**

There were no barriers at the top. But in the individual businesses, we had different issues. Some units have adjusted easily, others not so easily. Some are more capable than others, even today.

The Dynamics system gave us such wonderful tools - sales, gross margin by location every day. That is powerful. And of course that information is shared across the whole business. The managers know that I know what is going on as clearly as they do. So they use it.

**What are the business benefits you are hoping for?**

Consolidated information. Ease of life. No surprises. No stress. Information that we need to understand what is happening in the business.

We can now manage the business. Without it we would be flying blind. It lets us generate reports for anything on two pages with absolute clarity. We are much more disciplined in the way that we manage existing products and introduce new products into our business.

**Are customers happy with what you have done?**

They are not really aware of our systems, other than us meeting their objectives – delivery times or having the right products available.

**Are staff happy with what you have done?**

In the implementation phase, we had a few issues, but now it is fine. Everybody has an iPhone and an iPad and more people are using the system through those tools.

**What is the most important thing you've learned in the last year?**

We realised that we shouldn't be doing so many modifications to Dynamics. We should have a more standardised approach to the system across all our businesses.

**What are you planning to do next?**

We have now appointed a Manager for Information Systems to help people learn to use the system more effectively. Don't try to get too cute. Keep it al practical. Don't over invest to get a minimal return.

We are also now looking at what Customer Relationship Management (CRM) might deliver to the business. There is a CRM module in Dynamics and we are about to do a customer analysis to see if we can develop the module to improve relationships.

## Case study: Bridge Point

### Network security isn't an optional extra

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Bridge Point has built a reputation as one of Australia's leading providers of information security and network integration services.

The company provides networking solutions covering Internet Protocol (IP) convergence, unified communications, network analysis, optimisation and management, and security.

Information security covers secure gateway solutions, endpoint security, encryption, secure remote access, vulnerability and penetration testing. Bridge Point also offers a full range of compliance services including reviews, audits, policy and procedure reviews, risk assessment, training and security awareness. Bridge Point employs forty-five people with its head office located in Fortitude Valley in Brisbane.

#### How would you describe your business?

Our business focuses on networking and IT security for customers of all kinds. Our role is to provide solutions and solve the problems of secure access to networks and applications.

#### Who are your clients and customers?

Our customers come from both the mid-market (50%) and enterprise (50%), split across corporate (70%) and government (30%).

#### How do they benefit from your service?

We enable secure network connectivity for business applications of all kinds. Our role is to ensure people have access to the applications on their networks.

We work with a number of building services providers for BMS, CCTV, security, energy management etc. We aggregate a number of their networks onto a common IP network using Cisco. Customers want us to be ahead of the issues, providing not just solutions around mobility, collaboration and secure access but also thought leadership about where everything is heading.

#### What changes are taking place in your business category?

Over the last ten years, there has been an increasing complexity of networks and applications. This has led to larger bandwidth requirements.

We have seen new opportunities arising with mobility and virtualisation. Both these trends bring challenges around access and security of data. We are also seeing a growing demand for more bandwidth at the mid-market level.

We are seeing a number of building service applications (BMS, CCTV, security, energy management etc) being IP enabled. This enables us to aggregate them onto a common IP network.

Increasingly we are seeing large corporates, government and enterprise customers seeking to consolidate their networks in a way that would never have been considered before, to provide cost savings and centralised business intelligence for better strategic decision making and control.

With more connectivity, collaboration and integration, there are major implications and opportunities for communities of all kinds – in health, housing, transport, schools and academic institutions, as well as towns and cities themselves. We are seeing developers and utilities beginning to think and plan holistically for the first time.

The bigger vendors are looking to benefit from these trends to create new markets and revenue streams. Companies like Cisco and Bridge Point are becoming involved in a collaborative discussion about how to make this work best.

#### **How have you been successful?**

We have remained focused on networking and security. We have been selective in the partners like Cisco that we work with, and we have employed some very good people over the years.

#### **Explain what you do for clients?**

Traditionally, we have focused on secure networking and IT security. This has been mainly on the IT requirements of an organisation. We are now expanding our services steadily into building management and industrial networking.

In the past, there has been little or no connection between the building networks, control systems and the IT networks carrying the enterprise business applications, such as accounting, ERP, email and CRM applications.

As building networks and control systems become IP enabled, there is a movement to establish connection across the entire network. It makes sense from a management perspective, but introduces a new series of challenges around IT security, because the systems were physically separated in the past. Now the building networks and control systems are open to the same virus, worm and intrusion issues as the IT enterprise networks. Our role is to solve the problems of secure access to networks and applications.

#### **Where are you seeing this new trend?**

We are seeing the Cisco Smart and Connected strategy being implemented everywhere, in hospitals, stadiums, buildings and intelligent transport networks. Everybody is starting to think about this, and the earlier they start thinking the easier it is to map and create the right solution.

Consideration for building automation and industrial networking has to start at the concept stage of any new development. Architects, engineers, planners and system designers of all kinds have to be aware of all the possibilities, to be able to design the right solutions into their developments.

The other key trend is the convergence of different building systems. Traditionally, each system has been run on its own proprietary network. We are now seeing the aggregation of building systems – BMS, CCTV, physical security and energy management into a common IP network within a building. This provides cost efficiency and more effective control by running multiple systems on a common network.

We can also add non-building services such as internet, Pay TV and telephony into the same building network. This provides even more cost efficiency and control.

#### **Can you give some examples?**

We are currently working with Cisco on major projects in sporting stadiums, government buildings such as law courts and hospitals and other developments.

All of them are examples of how it is now possible to converge and connect networks of all kinds that traditionally were separate, running proprietary systems and equipment. IP convergence is the key to cost savings, simpler systems, freedom of choice with equipment and applications, and better management and control.

At the new Gold Coast hospital we are providing the IP based connectivity to run the CCTV security network. There are 307 CCTV cameras in the system, linked back to the security centre. Siemens will provide the CCTV equipment.

In another hospital, we are planning to initially provide the infrastructure to run the CCTV and building management system, including all the monitors and meters for the air-conditioning system. This will also include the swipe card security access system. Later, we will extend this to incorporate the nurse call system, telephony and IT system into a converged network. The new hospital will be complete in 2014.

In the Brisbane Supreme Court building we will be installing Cisco network infrastructure as a platform that can be added to at any stage. Initially, they will add in the building management system, CCTV and access control.

We are seeing the duplication of networks steadily decrease as people begin to understand the advantages and possibilities of converging everything into one network.

The new AFL stadium at the Gold Coast is a little bit different. We are providing the integrated IP network from Cisco for the stadium. The stadium management will run IPTV over the network, streaming each event to all the televisions in the stadium. The event can be projected onto the scoreboard system as well.

The Point of Sale terminals will be connected to the internet, and in the not too distant future, the system will enable smart card recognition at any Point of Sale terminal in the stadium.

The system will have the capability to be linked to external agencies such as Translink, so that queues, foot traffic, bus and train arrivals can be managed efficiently, and ultimately this can be connected into the vehicle traffic control system around the stadium and its approaches.

It makes sense that once all of your cameras, monitors, meters, card and access systems can be IP enabled or aggregated onto a common IP network, that they should be put into the same network.

It's the same approach that is being applied to building management systems covering temperature, lighting, air conditioning, energy management, CCTV, access and telephony.

In a Traffic Management Centre, they have CCTV, emergency phones, traffic counters, traffic displays, traffic lights and so on all running on the same IP network managed from the one building.

In the past the systems were all separate and analogue. Today, the system is IP enabled and on one network.

In one example we have worked on, the server and equipment room was 50 square metres and was packed full. Today there are two racks of servers and equipment sitting in a big empty room now that we have IP enabled the network. That saves energy, equipment cost and space.

The system is much more efficient and robust than before. We have provided Cisco industrialised routers along a major motorway that can cope with extremes of heat, cold, rain, hail, flood and possums, whatever the environment can throw at them.

All these are examples of what's possible and what's happening now. Our role is to ensure the networks are secure and enabled.

#### **What are the business benefits?**

The Total Cost of Ownership becomes significantly reduced when looking at collapsing multiple networks onto a common IP network. We also see the simplification in management.

### **What is the most important thing you've learned in the last year?**

This trend is a real growth area. The major stakeholder in all projects is consulting engineers, who have the initial responsibility for determining the design of these networks.

They should ensure that every new project is IP enabled. They should make sure they use commercial grade equipment like Cisco ruggedised equipment. They should make sure that the network is secure. And for big projects, you need to consider all this at the start. When you start connecting everything up in the way it is happening today, there are a lot of players involved. It is a collaborative exercise by a broad industry with many stakeholders.

Our objective is to present our capabilities to as many of them as possible. That's a big challenge, because on the really large projects, our role is a very small part of the big picture.

### **What are you planning to do next?**

We see this as a growth area for our business. We have to continue to be good at the foundation work, which is networking and IT security. That foundation allows us to be knowledgeable, effective, and efficient in these new big converged network projects.

It has taken a while, but there are now many examples of where this is happening. It is no longer a wild idea with high risk. Now, it is a good idea, practical, secure, manageable, proven and the way the whole world is heading.

## Case study: Interactive

### Keeping heads above water in the Brisbane flood

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Interactive is an IT Services company that supplies hardware maintenance, managed services, data centre and hosting, cloud and disaster recovery services to organisations of all kinds. The company was started in 1988 and employs more than 350 people in its offices in Brisbane, Melbourne and Sydney.

#### How would you describe the business you are in?

Playing a large role in the recovery effort following the Queensland floods early in 2011, Interactive had a number of customers that were significantly affected by the disaster. The systems availability provider kept all its customers businesses in operation throughout the crisis, thanks to robust disaster recovery solutions that had been fully tested.

#### Who are your clients and customers?

We have more than 1,800 customers in all areas of the market, from small businesses to government departments, corporates, banks and utilities.

Disaster recovery is particularly important to the banking and finance sector, but with the recent floods and cyclones in Queensland, the importance of resilience, backup and systems availability has hit home with customers of all sizes and from all business sectors.

#### How do customers benefit from your services?

We provide highly competitive solutions that can reduce operational costs for any organisation. Our experience and technical capability allows us to provide a high level of service for hardware maintenance, systems availability, infrastructure and networks.

We have very strong relationships with our customers based on a real understanding of their needs. We have a team specifically dedicated to working with customers to address their current issues and identify future needs. This allows us to stay ahead of the market, giving us the flexibility to respond meaningfully to our customer expectations. Over the last twenty-three years, we have developed a lot of expertise in disaster recovery and business continuity.

#### What changes are taking place in your category?

Our business has shifted towards managed services. This area of our business has grown from 5% to 30% as the demand for storage, hosting and managed services has grown. Managed services and cloud services have been the biggest growth areas in our services business and we expect this to continue in the future as businesses seek to reduce their operational costs.

There has been an evolution driven by increasing storage needs and customers understanding the value of outsourcing selected services to trusted specialist IT service providers such as Interactive.

A lot of our staff members are engineers and technicians with accreditation and thorough knowledge of IBM, Intel, HP, Oracle and Cisco products and systems. We can support all the hardware, middleware and software typically found in larger organisations and government, and also have dedicated engineers with deep knowledge of all the main disaster recovery systems.

Customers are becoming more sophisticated in their understanding. It is no longer just the IT department or CIO making the decisions. The business leaders now understand more and they demand more from technology in supporting their businesses and organisations. There is a lot more understanding of the need for disaster recovery strategy and planning, particularly since the floods. It is a top down push.

### **What prompted you to move into disaster recovery?**

It has been an evolution. Eighteen years ago we were setting up disaster recovery sites for existing customers, and it became apparent that other customers required disaster recovery but could not justify their own dedicated recovery sites, so we started to offer multi-subscriber disaster recovery facilities.

Initially we provided disaster recovery services on IBM midrange servers, and as demand grew we started setting up specialised disaster recovery centres and offered services across broader platforms. This has continued to evolve into us building highly resilient data centres with attached business continuity facilities. We now run five world class data centres in Australia and we are planning to build more.

### **How do you decide which technology to offer?**

We started as an IBM services company. A lot of our disaster recovery offering was based on the IBM platform. Now we are completely vendor agnostic. Customers often decide which products they want to use and we are fine with this. We do have established relationships with various vendors such as NetApp for disaster recovery, but we are vendor agnostic on all solutions these days.

Because we have done this for so many years, we have a lot of background and understanding on which products are best for different services and different client needs. So we can match the best products to any need. We tend to stick with IBM and HP for servers, Cisco for networks and NetApp for storage and so on.

### **How much does a project cost?**

It really depends on what the customer wants. For a small business we can provide disaster recovery services for nominal monthly fee, which provides the customer with access to a workstation for testing and disaster recovery. This enables the business to relocate staff if there is a problem.

For smaller customers, we would replicate their hardware, provide tape-based recovery and make sure their back up system works. We would also provide seats and workstations at our recovery centre for business continuity.

For larger customers we would scale the solution to suit their needs. Usually, we would go into their organisation and help them to plan their needs, which could call for a Storage Area Network (SAN) for backup, storage and replication. We can help them to set up a system, which they can manage and control internally, or we can provide everything as a managed service.

For a high-end customer, we can provide replication between two sites, with both sites mirrored and fully active, and with disaster recovery at both sites. This type of solution would only be justified for a large organisation with multiple transactions and demand for continual access. This is typically the service corporates, banks and government departments use.

For example, we look after two major finance organisations. One of them has a dedicated room that hosts their services so that if there is a disaster they can move into the facility and continue to manage their operation seamlessly. The range of solutions we offer is broad and based totally on what the customer needs to ensure business continuity.

### **What were the main risks you took?**

No risks. From an operational perspective we spend a lot of time ensuring our data centres are resilient and also that when the time comes to provide a recovery service, we haven't over subscribed customers.

Location selection for our data centres is also extremely important. The Eight Mile Plain data centre, outside of Brisbane, is positioned 50 metres above sea level in an area that was easily

accessible following the floods – the building was fully secure and received no flood damage during the crisis.

We managed the Queensland floods for a number of companies that were based in the Brisbane CBD or by the river. Whether it is fire, flood or denial of service we can cater for customers.

#### **What advice would you give others?**

Disaster recovery needs to be taken seriously. Some customers do test diligently, making it as realistic as possible and working through different scenarios; whilst others put it in place, but don't work through all the issues.

If you are serious about disaster recovery you need to consider all aspects of the process. We had some customers in the floods whose disaster recovery managers were stuck at home and couldn't get on site, and there were others that thought they could work from home but didn't have electricity. It's all about planning; sitting down and working through every possible scenario and the best solution for the customer.

People underestimate things such as how long it takes to get access back into a building after a flood or other event. Insurance company assessments take time, as does building refurbishment. It might take four or six weeks to get back into a property and businesses need to plan for this.

When the floods hit, we had eight customers who called us. We had to start rationing seats, but we managed to get everyone out of trouble. At the peak of the crisis, we had 140 seats occupied and we needed to relocate engineers and technicians from out of state to supplement local staff.

At one stage, we had 220 people operating out of this office. It was an intense time for all. We have great local relationships in the office park, so we were also able to locate people across the business estate to cater for the overflow. The Brisbane floods have certainly encouraged people to think more seriously about disaster recovery.

#### **What are the business benefits of having a DR solution in place?**

The main benefit is that you know that you can recover and continue to operate as normal. Being able to manage your business means ensuring no loss of revenue, and the extent to which a business can be disconnected from its data and resources varies from business to business.

During the Queensland floods, Interactive kept many customers in operation including a major financial institution that was able to make critical payments to Centrelink from the recovery facility, which in turn was distributing crucial funds for flood relief victims.

An insurance company was also able to process millions of dollars worth of payments to the Government from the recovery suites – due to the continued processing of payments, it was reported that the Government were completely unaware that the floods had even affected the insurance company. Call centres were also relocated to Interactive, ensuring the general public could still call and speak to someone and be reassured. These are the business benefits of having a disaster recovery solution in place – being able to continue to operate your business as normal.

#### **What is the most important thing you've learnt in the last year?**

What was proven during the Queensland floods was the importance of planning and testing for situations such as this; as well as not to make assumptions. Many businesses assume that basics will be available, however at one point during the crisis, the main interstate highways were blocked and it was hard to even get hardware supplies into Brisbane.

We were able to demonstrate our ability to handle multiple disasters in a crisis situation. Our attention to detail and service focus ensured we were able to provide business continuity to all our affected customers.

## Background

There are just over 2,000,000 businesses in Australia. According to the 2012 Sensis report, 5% of Australian businesses still don't use a computer for business purposes (too old, too small, too hard, no ROI).

For the other 95%, information and communication technologies (ICT) have become the fundamental platform for business activity – the foundation of our new digital economy.

Small to medium-sized organisations employ seventy percent of Australians. They contribute fifty five percent of local economic output and are the driver for most innovation and job creation in this country.

Small businesses carry out a third of research and development in hi-tech industries. For small to medium-sized organisations across all industry sectors Information and Communication Technology (ICT) can deliver valuable productivity benefits.

Government studies show that any use of ICT delivers productivity benefits and improves business performance. Benefits are – informational, strategic, transformational and transactional.

### Information

Information sharing within an organisation is critical to success. Decision-making has to be based on knowledge not guesswork. The ability to gather, organise and share information easily encourages more collaboration, common purpose and teamwork.

Gathering information on customer habits allows communication to be better planned and targeted. Accessing information on wider issues, such as legislation, trade, trends and changes in customer behaviour, is important to long term survival.

### Strategic

ICT helps an organisation make strategic decisions. Competitors and customers can be monitored and tracked. Gathering and analysing product, price and performance information means a manager can direct an organisation with eyes wide open.

No more fire fighting, fewer unexpected problems. Decisions can be informed, timely and relevant.

### Transformational

Technology has a transforming effect on organisations. Faster information, analysis and decision making, the automation of mundane processes and tasks, quicker response times and turnaround all make organisations more efficient and productive.

Workers become more flexible and managers can think and plan more effectively.

### Transactional

ICT has sped up and automated ordering, booking and payment. It has reduced the cost of training, professional services and advice, supply and marketing. Technology lets small organisations have a bigger impact and profile in the market place than ever before.

Productivity benefits can be found in all organisations, regardless of industry type and size. So productivity improvements can be enjoyed by all organisations regardless of where they are, who they are and what they do.

## ICT & the organisation

It helps to understand the value ICT can deliver by looking at the relationships the organisation has. All organisations have internal relationships and activities, as well as external relationships with customers or clients, suppliers, competitors and complementary organisations.

### Internal

ICT enhances various internal administrative business activities for a business or non-profit organisation – accounting, payroll, records and information (database), analytics, rostering, internal communication, overall business management system (ERP, practice management system, farm management system, hotel management system etc) and so on. Integrating applications within an organisation provides the tools to drive change and manage it productively.

### Customer

Customer relationships will vary depending on the type of organisation, but they are always important. ICT can enhance communication through telephone, SMS, email, email newsletter, social media and website, and also help with the active management of relationships through client and customer relationship software (CRM).

Research and understanding customer needs has become imperative and technology now provides the means to engage customers as individuals.

### Supplier

Supplier relationships will also vary depending on the type of organisation. For public serving organisations funded by government, there is an ongoing cycle of tendering for funding and reporting on services delivered.

Businesses may buy general goods and services. Organisations may raise funds and sign up and manage volunteers. ICT can support all these activities through fundraising software, telemarketing, Government tender and reporting portals, and general supplier websites and portals.

### Competitor

All businesses and organisations compete for customers. Some compete for funding. Membership organisations compete for members. The internet provides a simple, quick research platform for competitive intelligence gathering as well as a research resource for surveys, proposals and reports. Google and LinkedIn are valuable resources for competitive intelligence gathering.

### Complementary

Organisations increasingly collaborate or partner in product and service delivery, lobbying, promotion and education, and even collaborate to drive innovation. ICT provides a variety of collaborative platforms including social media platforms, blogs, wikis and portals.

## About the survey

During the last quarter of 2013 DBi conducted an online survey of ICT use with businesses and non-profit organisations across Western Australia. 533 responses are included in the report.

### Organisations

Sector	Total	Percentage
Professional, Scientific & Technical	76	14%
Other Services	71	13%
Health Care & Social Assistance	68	13%
Retail	43	8%
Manufacturing	39	7%
Administrative & Support Services	37	7%
Public Administration & Safety	37	7%
Education & Training	36	7%
Information Media & Telecommunications	30	6%
Construction	22	4%
Accommodation & Food	19	4%
Arts & Recreation	18	3%
Agriculture	10	2%
Transport, Postal & Warehousing	10	2%
Rental Hiring & Real Estate	7	1%
Wholesale	5	1%
Finance & Insurance	2	0.4%
Mining	2	0.4%
Electricity, Gas & Water	1	0.2%
<b>TOTAL</b>	<b>533</b>	<b>100%</b>

### Employees

No of staff	Total	Percentage
1-2	202	38%
3-4	107	20%
5-9	76	14%
10-19	51	10%
20-49	47	9%
50-99	24	5%
100-499	22	4%
500+	4	1%
<b>TOTAL</b>	<b>533</b>	<b>100%</b>

### Organisation age

Years	Total	Percentage
Less than 2	52	10%
2-5	58	11%
5-10	67	13%
10-15	95	18%
More than 15	259	49%
<b>TOTAL</b>	<b>531</b>	<b>100%</b>

### Technology adoption rating\*

Rating	Total	Percentage
Leading edge	52	10%
Fast Follower	141	26%
Average	246	46%
Lags behind	79	15%
In trouble	12	2%
<b>TOTAL</b>	<b>530</b>	<b>100%</b>

\* Self-assessed

### Location

Region	Total	Percentage
Perth RDA	174	33%
South West RDA	94	18%
Great Southern RDA	69	13%
Kimberley RDA	51	10%
Pilbara RDA	45	8%
Wheatbelt RDA	29	5%
Goldfields RDA	24	5%
Mid West RDA	24	5%
Peel RDA	23	4%
<b>TOTAL</b>	<b>533</b>	<b>100%</b>

The report is based on a sample of organisations contacted, not a complete census, and results are subject to sampling error. The maximum margin of sampling error for a sample of n=533 at the 95% confidence level is less than plus or minus 4.5%. When comparing results for divisions of the overall sample the margin of error increases.