Effective Collaboration for SMEs:

harnessing online collaboration tools to make SMEs more adaptable, flexible and competitive
Effective collaboration for SMEs

For today’s businesses, regardless of size, the power of collaboration tools can be harnessed to make businesses more adaptable, flexible and ultimately more competitive in the face of unrelenting market and economic pressures.

Over the last few years the practices of web conferencing and collaboration have become somewhat mainstream yet a train of thought has developed in which collaboration tools have been seen as applicable in the main, or even exclusively, to large enterprises. This is a profound misconception.

Collaboration tools are as appropriate for small to medium sized enterprises (SMEs) as they are for the larger firms. In fact it could be argued that collaboration tools are more suited to SMEs as they give them the ability to adopt more streamlined processes, increase the breadth of the organisation and increase effectiveness without draining too much valuable in-house resources. In many SMEs, collaboration software has become the preferred vehicle for conducting meetings, as the technology allows essential staff to meet at any point they happen to be located—such as near to customer premises—and remove the need to costly travel.

The aim of this executive overview will be to investigate what collaboration tools comprise, their typical running costs and the benefits that they can deliver to SMEs. Specifically it will aim to shatter the myth that collaboration tools are too expensive for SMEs and the preserve of larger enterprises. It will look at the infrastructure issues that SMEs will face and the way in which SMEs can overcome these and use collaboration tools to improve their business performance.

In short, this executive overview will form a guide as to why SMEs should consider collaboration tools not simply as ‘technology’, but instead as the means of achieving the competitiveness that is vital to their future profitability.

Contents

Page 3: Why collaboration tools are relevant for SMEs
What do content and collaboration tools comprise and how will they enable SMEs to improve their businesses?
We also look at the infrastructure implications for supporting collaboration tools

Page 5: Exposing the collaboration tools cost myth
Why the idea of collaboration tools being too expensive for SMEs is a myth. We show how relatively inexpensive such tools are and how collaboration tools can be used by SMEs to drive down costs

Page 7: Case study
Implementing collaboration tools allowed Columbia Ultimate to eliminate budgeting headaches while increasing its ability to use online meetings to train customers on its software solutions

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Online collaboration tools and SMEs: the perfect fit

Over the last few years the practices of web conferencing and collaboration have become somewhat mainstream yet a train of thought has developed in which collaboration tools have been seen as applicable in the main, or even exclusively, to large enterprises. Joe O’Halloran shows why collaboration tools are ideal for SMEs.

Today’s business world is precisely that: a 24/7 global entity. All firms, regardless of their size, are under ever-increasing, almost relentless, pressure to be more efficient, effective and ultimately more competitive. What this has meant is that the scope of company operations need to be become broader and that key staff, who are more than ever likely or not to be based in the company HQ, need to be in constant effective communications with their colleagues.

One effective solution offered by technology companies has been collaboration tools which are indeed intended to make businesses more competitive in the face of the increased pressures. Yet such tools have, in general, suffered from an imprecise definition about what they are and what they can achieve. Furthermore a train of thought has emerged that they are really only appropriate for larger firms who have the scale and the resources to make their applications cost effective.

Such thinking, especially in the latter case, is a profound misconception as it can be demonstrated clearly that collaboration tools can be an ideal vehicle for small to medium sized enterprises (SMEs) to increase productivity, reduce costs and effectively punch above their weight.

But first a definition: what exactly are collaboration tools? Richard Edwards, senior research analyst at Butler Group assesses what the different types of system comprise. “You have two clear tool types. [There are] those that allow individuals to collaborate in real time [with] whiteboard, videoconferencing, online meeting systems bringing together real time tools. These can be called electronic meeting spaces if transient or collaboration rooms [which] tend to be more persistent. [This is] one of the areas of the market that is starting to develop most significantly.

“We’ve seen companies [offer] web-based tools that give more persistent collaboration offerings, bringing together social aspects of computing, that are seen on the consumer web. [Then there are] asynchronous collaboration tools that allow us to do things when best to do for us, rather than for the other person. [They offer] email also collaboration portals and document management systems, peer-to-peer file sharing tools too and have request and respond collaboration.”

Chris Harris-Jones, principal analyst at Ovum offers a similar perspective and adds, “[As an] open definition, [a collaboration tool] is software that helps people work together, if you try and tighten it down any more things start falling to pieces, i.e. ‘what about this software, it goes right through from traditional messaging techniques, good old email, instant messaging in all its forms, etc?’ You can then add instant messaging via mobile phones, as well as texting. [which is] the same thing using slightly different underlying technology; the objective is to get messages from point a to point b. You then [have] a bunch of technology acting synchronously—i.e. VoIP, audio and videoconferencing—whilst instant messaging is asynchronous; it is pseudo real-time with still some delays. A third group of functions is asynchronous collaboration such as discussion groups, blogs and wikis if you want networking software, bulletin boards and things that many are using the web for. For example, [it includes] storing and distributing content to people and for creation of work places, [where you] can set up a work place that is project specific and stores all project documents and that acts as a virtual project office.”

Motivating factors

Such characteristics you may well feel make collaboration tools such as web appropriate for everyone but there is a common received wisdom that regards collaboration tools, and web conferencing in particular, as a large enterprise application. Not so, according to Citrix Online, a leading player in web conferencing services, who argues that such technology has shown remarkable attractiveness to SMEs. In 2006, Citrix Online asked Wainhouse Research to conduct an independent web survey of over 1500 companies in its GoToMeeting Corporate customer base. The goal was to identify which applications and underlying motivating factors are driving SMEs to deploy web conferencing; what SME users think about the results they have achieved, and whether the technology has become essential for conducting business. The sample was intended to provide the company with an opportunity to contrast the results between SMEs and large enterprises.

The main finding was an unequivocal desire from SMEs for collaboration tools such as web conferencing. Even though there were some similarities in the applications and motivation for using web conferencing between organisations of all sizes, the survey revealed that some key differences. Specifically, it showed that SMEs have embraced web conferencing for their...
The relevance of collaboration for SMEs

own set of reasons, most likely driven by their unique set of circumstances: the need to achieve bottom-line results whilst relying on a minimum of in-house resources. In general, SMEs also tend to be quicker in adopting new ways of working than their large enterprise counterparts.

Specifically, the survey data revealed that a significant number of SMEs have embraced the use of web conferencing to the point where it has now become the medium of choice for conducting meetings, while large enterprises prefer (or can still afford) to meet in person. Even though both SMEs and larger enterprises use the technology to drive business processes.

SMEs were seen as much more aggressive in using online presentations and demonstrations to drive revenue by facilitating meetings with customers and prospects – again perhaps by necessity. Citrix concluded. The company postulated that the ability to include more people (reach) and save on both travel costs and time (thus increasing productivity) were the major motivating factors for SMEs to use web conferencing.

This specific application of web conferencing came to the fore in the survey and for many firms had a pivotal role: three-quarters of SMEs reported solid-to-dramatic growth in usage. They also indicated a great sense of satisfaction, with over thirds believing that the technology delivers a high-to-very-high return in value.

When given the opportunity, several SMEs stated that web conferencing has taken on such an important role in their organisations that they could no longer conduct business without it. Proof positive one would think as to how appropriate collaboration tools are for SMEs.

Given the relevance, it’s thus logical to look at what is required to deploy successfully collaborative technology. In the Citrix survey, the SMEs gave some clear indications as to the key factors that they looked at in evaluating suppliers of web conferencing technology: trends which could be applied broadly to collaboration tools without a great loss of generality. The factors were ease of use, reliability, support, a flat/low-cost pricing model, and security. Overall ease of use and strong screen performance are top feature priorities.

But even if your supplier can address these issues, you may well encounter some challenges before you get the collaborative tools to work as you intended them to and deliver the things that you wished for. This is especially true in terms of establishing an infrastructure for your collaboration tools. Mark Adams, unified communications practice manager at Logicalis believes that one of the key concerns that you should heed is integration of the new collaborative infrastructure and the existing one.

He advises, “If you spend money on desktop and telephony infrastructure, and like them both, and believe that they add value to your company etc...where you get the most value is [suppliers] ensuring interoperability and gluing [different parts] together, assisting in what can and can’t be done, and [offering] a path forward to deliver benefits.”

As you may well be only too aware, the process of bringing together any disparate and different technologies always presents issues whereby elements do not interoperate as well as they should, or even as you may have expected them to but Adams for one is confident that a good supplier will offer realistic solutions to this situation. “[The supplier should] know what these areas are and assist to mitigate them. It might even be [a case of] just saying wait for next revision,” he added.

In general though you should be aware of the time that you may have to spend some time ensuring that systems interoperate; if this takes too long then any benefits that collaboration may bring could be diminished.

Benefits realised

With some of the most effective yet relatively uncomplicated systems, it could be the case that you will likely need no more than a web browser in order to activate collaboration and conferencing technology that supports document sharing, online remote support, online webinars/events and other interactive functions. It may also be the case that such functionality is what will get the majority of SMEs through their remote working requirements.

This idea must be wonderfully attractive: directors and owners will probably see scenarios where all that their staff need to actively participate in conferencing or to collaborate with team mates was web access at a hotel or Internet café etc. It may not be just as simple as that—as issues like security certainly needs to be considered—but in truth it might not be that far removed either.

The bottom line is that collaboration technology is totally relevant for SMEs. In fact, as the Citrix survey points out, it may well be the case that you can’t afford to be without it: not only for the business benefits that it brings to your company but also because if you’re not using collaboration tools it’s a fair bet that your competitors will be.
The real value of collaboration

Exposing the collaboration tools cost myth

The idea of collaboration tools being too expensive for SMEs is a myth. Joe O’Halloran reveals how relatively inexpensive such tools are and how SMEs can derive true value.

There’s no doubt that collaboration technology should be in the armoury of all SMEs, giving you tools that provide a way for your staff to work together on projects at any place at any time using email, shared contacts, shared calendars, shared workspaces, shared knowledge centres and intranets.

Yet whilst the relevance of collaboration technology for SMEs has been proven there remains one nagging doubt: that is to say, a train of thought has arisen that collaboration tools are somewhat too expensive for the average SME to purchase and maintain. Such thinking is rather wide of the mark as today’s collaboration technology is not only relatively inexpensive and within the budget of many, but it is also cost efficient and can even be used to drive down cost in your business.

Let’s make the case from the outset: collaboration tools are generally affordable for SMEs. At the most basic level, all you need is an email account—from a variety of fixed and or mobile devices etc—and you can liaise with another individual by email and thereby you can work together on a project. Is this not collaboration? Gregory Bachelor, marketing manager for EMEA at Citrix’s online division, firmly rebuffs the myth that collaboration technology is anyway expensive for SMEs.

“A small company can easily use online collaboration for the price of a return plane ticket to Madrid or Munich. Online meetings have become affordable over the last few years and very simple to use – our vision is ‘simpler is better’ and [this] makes it very easy for an SME to set up and use online meetings.”

Celia Hyde, Commercial Director of Small Business Computing, agrees and outlines why she believes that collaboration tools will be used more by SMEs. “This is mainly down to two things: firstly, the price for the software that provides this functionality has reduced significantly over the past couple of years; secondly, there is a new generation of IT systems where companies no longer need their own infrastructure to support these tools, but can instead subscribe to hosted services, which provide all the backend for a monthly fee, allowing even a day old company, to take advantage of these systems.”

This is an important point as you may have to provide a robust total cost of ownership calculation (TCO) to gain funding for implementing collaboration technology. Calculating a ‘typical’ TCO, even for SMEs, may be tough as ‘typical’ collaboration needs vary widely among firms: some may need to spend huge sums addressing the needs of large numbers of mobile and flexible workers, others not at all; some firms may decided to use collaboration technology specifically for them or customised for specific business requirements, others of a similar size may well be happy with more generic solutions.

Avoiding costs

Collaboration systems do require you to implement a client/server infrastructure so if your business doesn’t already have a server, it will need to get one, maybe adding £2,000-2,500 for the hardware, plus other software, installation and support costs. Therefore, a 5-man business that wants collaboration tools could look at a capital investment of approximately £8,000 for hardware, software and installation, and then a further £2-3,000 a year in support costs.

There is a way of avoiding such costs and that is to explore a hosted service. Explains Gregory Bachelor, “People can subscribe to service and pay fees every one month. We [offer] software as a service so you don’t need an IT manager to administer the system, maintain the servers and update the software; we, the service provider, do that for you. The TCO savings are thus on hardware, personnel and time for upgrades etc.”

It’s also important at you speak to a number of service providers and get their opinion not only on cost of software, hardware, installation and support, but most importantly on what types of solutions will work best for your company. In conclusion don’t forget that collaboration tools do indeed work for your company. It means that your staff can do more during the day, sales reps can make more calls, business meetings become cheaper and other resources are saved, all of which can be ploughed back into the business. In short, collaboration tools can easily pay for themselves.
Columbia Ultimate is a privately held company with just over 150 employees delivering software and solutions for collecting money. It has offices in the US and the UK and is the leader in providing revenue recovery to governments.

For businesses that sell and support software solutions worldwide, online meeting technology can be indispensable. “We need online meeting technology to show our software products to prospects and train customers,” says Shaun Simpson, information systems manager for Columbia Ultimate. The company has proven that online meeting technology improves sales and significantly reduces travel costs. However, not all online meeting products are the same.

Until recently, the company used a solution with a complicated licensing scheme that required Simpson keep a close eye on usage. “Because the overage charges added up very quickly, I always had to manage who was using it,” he explains. “I didn't like the fact that there could be a surprise on our monthly bill.” Fed up with the hassle of the previous product, Simpson set out to find a solution that was easier to manage. He found Citrix GoToMeeting Corporate, with its flat rate All You Can Meet licensing. After switching, Simpson deployed online meeting technology to more employees, lowered his overall meeting costs and said goodbye to his administration headaches.

“I don't have to spend any time worrying about overage charges,” he says. “It's a very friendly licensing model that helps with budgeting because we know it's going to be a fixed monthly cost.” Gone are the days of monitoring and planning to determine when employees can use the technology, because the licensing allows the firm to conduct unlimited meetings for a flat fee. Today, the company’s sales executives and engineers deliver demonstrations to prospective customers around the world. Typically, several presentations and product demonstrations of the company’s software are required during the sales process, according to Simpson. The collaboration technology enhances sales demonstrations by showing the company’s software products directly from the desktop.

Using collaboration technology has replaced travel for other employees as well, such as product managers visiting customers and vendors. “Our product managers need to meet with customers or vendors to show a feature they’re considering adding,” says Simpson. “They’re now able to avoid the travel and all the costs that are associated with it,” he says, explaining that trip costs could quickly add up. Now the company can reduce travel costs and improve productivity.

Columbia Ultimate has also recently discovered significant travel savings by holding its training classes online. Previously, customers travelled to the one of the company’s offices for scheduled classes. In some cases, trainers travelled to a customer’s office for customised implementation training: now travel in either direction for training has been reduced. “The training team is finding [the software] to be a lot more economical because they can train customers right from their desk,” he says. Another benefit was discovered: the training team can now provide just-in-time training to smaller groups. “It’s a win-win situation,” enthuses Simpson.

Security and flexibility
Columbia Ultimate depends on products and services that facilitate compliance with privacy regulations such as the Health Insurance Portability and Accountability Act (HIPAA). For this reason, privacy and security were key considerations when choosing an online meeting product vendor. “Sometimes we're looking at a customer system and potentially viewing live data. It’s a privacy issue,” he says. The 128-bit end-to-end encryption and user authentication features of the collaboration software met the company’s standards for protecting confidential customer information from eavesdroppers and unauthorised viewing. In fact Simpson attests that the security features made the software “very attractive.”

Although the licensing of the collaboration technology was advantageous, its ease of use sealed the deal. “One of the reasons we switched [software] is that GoToMeeting is very easy to use,” says Simpson. “The previous product had a lot of bells and whistles that our people didn’t use. Our trainers said they immediately liked [the new solution] better than what they had used before. For example, transferring keyboard and mouse control to another online meeting participant is important during a training session. To see how well a student performs a task,” explains Simpson, “trainers want students to take control of their desktop so they can look over the student's shoulder.”

Such ease of use means that Simpson can deploy online meetings rapidly and with minimal, or even no, training. Case in point: an employee approached Simpson a mere 30 minutes before an important demonstration and was able to conduct his demo without any training.

Overall, the switch to the new solution has been a relief for Simpson because he spends much less time managing his company’s online meeting solution. Moreover, he no longer fears opening his monthly bill. “Now,” adds Simpson, “there are no surprises. It has opened our eyes to a new way of thinking about the datacentre.”