

IHOTDESK LTD

ihotdesk provides outsourced IT to small and medium-sized businesses across the UK. Despite its staff being widely dispersed across the country, it uses broadband and internet tools extensively to create a 'virtual office'.

OBJECTIVES

IT support is now essential for any organisation and ihotdesk was established specifically to provide IT outsourcing services to small and medium-sized businesses across the UK. By utilising the internet and high-speed broadband connections the company is able to provide its service remotely, by connecting directly to its customers' IT systems in order to diagnose and fix problems without having to go to the customer's offices.

By developing its systems this way, ihotdesk could create a 'virtual business' that would not depend on staff being based in one particular location. It also meant that the staff could be flexible enough to react to new opportunities, new markets and a demand from clients for extended service hours.

The objectives for ihotdesk were to provide an IT system and data storage system that could be accessed by its staff from anywhere. It also needed remote access to clients' computers, wherever the clients' were located, so that ihotdesk staff could monitor clients' networks and systems. Alongside this staff needed to be able to contact each other quickly to retain the immediacy of a physical office, despite the fact that they were physically remote from each other.

SOLUTION

They made use of Virtual Private Networks (VPNs), which are private data networks that give the company the same capabilities as privately leased lines, but at a much lower cost by using the public telecommunication infrastructure. Staff can access the internet via broadband, which in turn allows them to login to ihotdesk's own computer servers, located in a data centre, where all the company's data and business applications run.

ihotdesk staff can login directly to clients' PCs via the internet to carry out their troubleshooting tasks. Using this system allows the team to monitor servers belonging to clients at locations as scattered as Tokyo, Florida, Reading and Munich.

By using Voice over Internet Protocol (VoIP) programs, staff can make free internal phone calls via the internet cheaply and this creates the appearance to clients that they are a much larger, unified organisation. "We transfer calls between homes in

Best practice in:
Broadband

Sector:
Computing activities

Size of firm:
24 employees

Location:
London

Website:
www.ihotdesk.com



“We transfer calls between homes in Littlehampton and Edinburgh as easily as if we were a large corporate transferring them between departments,”

DAVID HORWOOD – MANAGING DIRECTOR

Littlehampton and Edinburgh as easily as if we were a large corporate transferring them between departments,” says David Horwood, Managing Director of ihotdesk.

Staff use instant messaging systems for internal communication to stay in close touch. They also have smartphones, so they can access their e-mails and ihotdesk’s customer service systems while on the move. The growth of WiFi (wireless broadband) hotspots in public locations such as coffee shops and hotels, has also increased the number of places from which staff can work effectively.

RESULTS

As the company did not have to support a ‘bricks and mortar’ head office, it was profitable from the first year of operation. By using broadband, the company has kept overheads low, having its staff based at home. Says David: “Many businesses take several years to make profit and become cash positive. In our first year of trading, our pre-tax profit was £64,000 all due to the fact that we didn’t have to fund having an office and all the related costs that come with this.”

One of the most successful outcomes for the company is how it can retain key members of staff due to the flexible working arrangements it can offer. For example, when a senior staff member decided to move from London to Exeter for a better quality of life, ihotdesk was able to keep him in exactly the same role.


When ihotdesk won a contract with a business wanting four-hour service response in its London and Edinburgh offices, it took on a new employee in Edinburgh to provide ‘desk-side’ assistance. “He feels very much part of our team, because we aren’t restricted by a central office mentality,” says David. “This helped us win a contract worth more than £100,000, which without our flexibility we wouldn’t have got.”

As a result of its success, ihotdesk is the winner of the national category for best use of broadband in the DTI and InterForum Awards for E-commerce.

CHALLENGES

Some of the ‘virtual office’ technologies that ihotdesk tested were ineffective, but trying them out first meant the problems were not experienced by its clients. “We have been willing to invest in new technologies on a research and development basis so that we were the guinea pig, not our clients,” says David.





The focus on getting new clients has also led to resources being diverted away from keeping its website up-to-date for existing customers. “We do have a client portal, but it is under-utilised and we need to promote it more,” David acknowledges.

Having proven that a dispersed organisation held together by broadband can work, the company is now entering three new markets, in Edinburgh, Manchester and Birmingham, which will need sales managers with local knowledge all accessing the same central computing facility via broadband.

Top tips:

- Document in business terms your vision for the future of your company. How many people will you employ in two years’ time? How will you service your clients? Which markets will you be active in?
- Select three or four potential suppliers to provide a brief for your project. Get your supplier to commit to a fixed fee for the project: it should be able to scope it and understand the costs of providing your deliverables.
- Ensure you have a stable, reliable infrastructure built on well-specified branded hardware.

THE LAST WORD

“We use the internet constantly to support our clients remotely,” says David, “not being online is not an option”.

“We are fast, efficient, have low overheads and have an enthusiastic and motivated workforce. Our colleagues are spread across the UK,” says David Horwood, Managing Director of ihotdesk. “We actively promote the merits of our ‘virtual business’ concept to our clients; three have adopted it.”

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