



Hosted Desktop

More than just a cost saving

Hosted Desktop - More Than Just a Cost Saving

A hundred years ago, companies stopped producing their own power with steam engines and generators and plugged into the newly built electric grid. The cheap power pumped out by electric utilities not only changed how businesses operated but also brought the modern world into existence.

Today a similar revolution is under way.

Companies are dismantling their private computer systems and tapping into rich services delivered over the Internet. While it can be easy to justify the adoption of a cloud computing delivery of core business technology based on the straight comparison against hardware and software savings, it is also important to understand the other business issues which can be addressed by the adoption of services such as Hosted Desktop. Changing work patterns, increasing need for faster reaction to market conditions and government legislation all combine to a greater requirement for business technology that can help businesses to achieve their goals.

There are many different factors which lead companies to adopt new methods of using technology, smarter ways of using what is already common place and accessing enterprise grade solutions no matter their company size.

This whitepaper looks at the most common of these reasons and discusses why they are so important when looking at changing the way you work.

What is happening to computing today is a revolution, the biggest upheaval since the invention of the PC in the 1970s...As information utilities grow in size and sophistication, the changes to business and society – and to ourselves – will only broaden.

*Nicholas Carr author of IT doesn't Matter and The Big Switch:
Rewiring the World*

Simplicity

We have all experienced how technical solutions, which are supposed to make our lives easier, really can be complex. In the 1970's it was predicted that we would all be struggling to find things to fill up all our spare time as technology would have halved our work load. Deploying, managing and maintaining these systems which are supposed to make our lives easier are a full time job, either for an employee who is an overhead or eating into your own day when you should be running your business.

With cloud computing delivery there is nothing to manage in-house - the service, such as Hosted Desktop is managed by the provider. Having core business applications managed and supported by a trusted partner means you can concentrate on your business not the tools you use to run your business. Adopting services that can be deployed in days not months means businesses do not need to spend time on complex deployment plans.

Enabling remote working has previously required Virtual Private Networks (VPN) for security which are very involved in set up and management. By adopting Hosted Desktop remote working is now quick to deploy, secure and above all simple. But it's not just the simplicity of deployment, it also adds operational simplicity and reduces support burden.

By simplifying and standardising desktop deployment, it reduces the resource and skills needed to support users. Removing internal hardware and software lessens the need for skilled staff and frees existing staff to work on more strategic projects rather than daily support. This can be further enhanced by introducing thin clients instead of PCs, which also can reduce the hardware refresh rate and capital expenditure within a business. Simply choose the service you want and subscribe how many users you need.

Hosted Desktop can remove application compatibility issues often arising from companies have many different machine images to support.

CTOs only spend 20% of their time on strategic projects, 80% of their time is spent on "keeping the lights on" management

Management of Information

Information is critical for every company. Most information is now held electronically and this data needs to be treated as important as the paper work files. Removing data from unsecure laptops and onto a centrally hosted secure location backed up daily and protected by enterprise security is the ideal, and is standard within Hosted Desktop.

In a recent survey it was found that just under half of all SMBs operate from a single physical premises and when this is the case their main IT infrastructure is housed at that location. With companies of all sizes now so reliant on IT, few are taking the precaution of housing IT in a separate location to the majority of their users. Whilst this is not hard to do with Hosted Desktop and the network bandwidth now available, most companies still face total business failure if their single physical location is hit by disaster.

Over 90% of companies provide some of their employees with laptops and more than half allow access from handheld mobile devices. Such widespread use of mobile devices means much valuable information is stored, at least initially, away from the central IT infrastructure. If these devices are lost, stolen or just fail this information can be lost too. Using Hosted Desktop removes this issue and enables secure remote working.

Maintaining PCs, IT security and network access are the drudgery of SMB IT management, taking up the majority of IT management time. There will always be such problems running services in-house but minimising them makes a big difference. Having confidence in an outsourced service like Hosted Desktop and the resilience of networks allows open access to be pushed to the limits, and the mobility of users and automated interaction with third parties to be exploited to the full.

Almost 80% of businesses think it is critical for employees to be able to back up their own devices and data and many expect them to be able to do day-to-day maintenance. Helping employees to help themselves is a good thing but their cooperation should not be relied upon. Hosted Desktop is backed up as standard removing the burden from your staff, ensuring that your company data is safe.

85% of companies who have a major data loss go out of business within a year

Flexible Working

Whether allowing home working, accessing a new workforce hither to restricted by location or just removing the dead time between meetings, companies benefit from a happier more productive work force. It also enables them to respond to Government legislation for parents' ability to work from home. Hosted Desktop enables this simply.

Flexible working is not just good for employees but there are real business benefits including:

- Motivated workforce - in a DTI Work Life Balance Survey in 2006, 75% of companies introducing these work practices said they had a more committed and motivated workforce.
- Reduced staff turnover - according to the DTI Work Life Balance Survey, 60% of companies surveyed reported reduced turnover of staff after introducing flexible working.
- Absence due to sickness currently costs UK business £12.25 billion a year. This is reduced dramatically when staff are motivated and committed.
- Infrastructure cost savings - savings in real estate and office costs and 24/7 operations can be introduced as a result of flexible working. Employees can work from home or on a customer's site with Hosted Desktop without complex expensive or long deployment cycles.
- Social Responsibility - working smarter practices will assist groups that have traditionally found work difficult, such as single parents and those with disabilities. When BT introduced these working practices, the number of mothers returning to work after maternity leave increased to 99 per cent. (Office for National Statistics Labour Force Survey)
- Social benefits. By introducing flexible working patterns you will reduce stress - at present one in six workers work over 60 hours a week . This leads to mental health and stress problems which the CBI states costs UK business £5 billion a year. In a typical year, 28 million working days are lost through stress.
- Transport benefits. Less road congestion - heavy traffic on the roads of the UK is damaging the efficiency and competitiveness of British business. UK commuters have the longest journeys into work in Europe at an average of 45 minutes and according to the RAC 60% of cars on UK roads have only one occupant who is primarily a business traveller. Flexible working is one of the primary ways in which to reduce direct air pollution and reduce the amount of fuel energy used. The amount of vehicle emissions will fall because fewer vehicles will be idling in traffic jams. According to the Road Users Alliance a car travelling at crawling speed generates over 500g/km of carbon dioxide. At 100kph this falls to around 175g/km.

Reducing Strain on Resources

The demands on business increase and often technology is a burden not an enabler, delayed projects, miss spent budgets and limited internal resource often delay projects which directly affect a company's success. Using the simple Hosted Desktop service means you can achieve more for less and faster. Fully managed, simple, non complex deployment. Let people concentrate on what the business needs not dictated by failing technology. Companies of 100 staff have an average of 2 internal IT staff. Typically this staff is never charged out to clients and therefore are a direct overhead. The company's strategic use of technology can be limited by the knowledge and experience of internal IT staff. Time taken to deploy new projects can be effected by the limit of internal IT resource; this regularly inhibits a company's ability to react to changing market conditions.

Many businesses have many machine images to support. Each laptop has often been configured with a different image; software has been purchased as and when needed leading to no one standard across the business. When a major upgrade, such as moving to Office 2010 or Windows 7, is carried out multiple images can lead to increased complexity when testing compatibility with applications and line of business software.

Adopting a simpler approach to business computing can not only reduce the burden on the internal resource but also provide the business with a fully future proofed business computing system.

On-going support, whether for the desktop users or the applications is greatly reduced, removing the need for much of the daily lights on operations such a patching and back up.

Fixed Costs and Lowering CAPEX

Cash flow is always a concern for any business, 70% of business failure in the first year is directly attributed to cash flow. IT projects are notoriously expensive. Credit has been hard to arrange for hardware and software licences and when it is available it is at a premium. Consultants and engineers also require payment. No matter the size of the organization and the planning, IT projects regularly fail. The cost to the taxpayer of abandoned Whitehall computer projects since 2000 has reached £2bn. One example is the pilot work done on the new £12bn NHS computer system - where out dated technology was installed at Bexley Hospital in south London, and has had to be replaced after it was found to be "unfit for purpose".

In the 2010 Gartner CIO survey Gartner says several years of declining spending mean that on average most IT budgets for 2010 or roughly equal to the IT budgets that CIO's had in 2005. So any project will need to have its cost carefully controlled and the success of these projects imperative. However companies may find it harder to finance the large capital expenditure usually associated with IT projects. With Hosted Desktop there are no large capital costs as it is a fixed monthly cost based on per user per month. A change in a business needs technology to be able to change with it. Many projects are shelved halfway through as the needs of the business have changed. The IT budget is very often wasted by poor purchasing choice and the fast moving nature of technology change. Projects are planned and the cost is amortized over a number of years but rarely are the original return of investment (ROI) calculations met as additional expenditure is required to meet the changing demands of business.

IT departments are pressurised to work within reduced budgets because of poor spending, this can lead to non-licensed software being introduced into the company. Licence management is essential within an organisation. The consequences for using unlicensed software will include heavy fines, possible jail sentences (up to 10 years) and computer/networking equipment prohibited in the workplace - permanently. Hosted Desktop is fully licensed.

In April 2010 the Business Software Alliance investigated a London design agency for using Apple, Adobe, Microsoft, Symantec and Autodesk products without proper licenses. The result is a £24,000 settlement with the BSA and a further £20,000 to

Business owners face up to 10 years in prison if found to be using unlicensed software

get the necessary licenses.

Business Continuity

Floods, transport worker strikes, burning buildings all stop people getting into the office. With the ability to work from anywhere at any time Hosted Desktop is being adopted by companies looking to mitigate risk. In plain language, Business Continuity is how a company prepares for future incidents that could jeopardize the organization's core business and its long term operational health. Incidents include local incidents like building fires, regional incidents like floods, or national incidents like transport strikes and pandemic illnesses. Removing core technology from a company's site to a secure location can enable a business to function after a disaster. Enabling staff to work from anywhere at any time means that work no longer needs to be a place you go but becomes a thing you do.

"There are activities which rely on electronic equipment that is not tolerant of being damp, let alone flooded, and if any companies have lost data from hard discs, that could cause all sorts of problems. Losing information can cause major concerns. The chamber itself had no external email yesterday because the server is in Rotherham and was underwater." - chief executive of Doncaster Chamber of Commerce.

The transport strikes in Germany in early 2008 were estimated to have cost business 75 million Euros.

80% of businesses affected by a major incident close within 18 months. Companies use Hosted Desktop to make sure they are always going to be amongst the companies who continue to trade.

"It took us 23 years to build up this business and it was gone in one night."

Yorkshire businessman after the floods in 2007

Fast Delivery of Service

IT projects take time to deliver. Companies may not have time/resource. Hosted Desktop can be deployed in a few hours. All projects should have a Return of Investment (ROI) calculated but delays in these projects affect the ROI. If a company estimated that by increasing staff productivity the company can make a 5% increase in profit, every month of inaction or delay costs the enterprise the value of the delayed benefits for that month. Multiply by 12, and adjust for the cost of capital, and you can estimate your annual cost of delay.

Having sensed an opportunity, it is the speed of reaction and ability to quickly react that will allow the firm to accelerate away from its competitors. This reaction time can be a critical differentiator between firms. Without a direct path to execution (i.e. avoiding the delays in planning and deployment of new hardware), the opportunity could well have passed by as a competitor got to market first.

Hosted Desktop enables companies to open new offices, change size of workforce and add the speed of mobility to react to the market changes.

Security

When considering the risks of letting a third party manage company data first a company need to look at the current policies that it employs. Whether that is backup policy or deciding who has access to what data, many companies still do not place enough importance on security Physical security in the office stopping people stealing data or even hardware is crucial along with defining who has access to data is often seen as a secondary matter.

In April 2010 the Data Protection Act was amended Data Protection Act, the Information Commissioner's Office is now able to impose a fine of up to £500,000 where businesses have seriously breached the Act in a way that is likely to "cause substantial damage or substantial distress". Removing locally held data from laptops to a secure central source would have protected a number of organisations form high profile data loss. This will be the first time companies suffer more than damage to their brand as a result of a data breach, according to Peter Gooch, part of the privacy team at Deloitte.

"What this means in practice is that...the ICO now has a bigger stick to wield. The ICO will have a wide scope of interpretation when applying its new regime, as the fines can be levied for breaches of principles, rather than against the underlying detailed legal requirements. The first few fines the ICO levies will therefore set the tone going forward."

"While the largest fines may only be dealt out to larger companies for serious breaches of the Data Protection Act, all organisations are now faced with a very real threat of significant financial penalties over and above any existing operational clean-up costs and reputational damage should they suffer a breach,".

But the biggest threat to security is from internal staff in a survey of 1000 people the following shocking facts were uncovered.

- 37 per cent of sales staff believe it is acceptable to take database information and sales leads
- 49 per cent of 16-24 year-olds do not think that workplace theft is 'stealing'
- 73 per cent of graduate trainees admit to office theft
- 56 per cent believe that companies expect things 'to go walk-about'

Removing the ability for staff to access sensitive data or remove databases is extremely important for companies. And when you add the real threat that internal IT staff have access to every piece of information in a company from accounts to reading the executives email, understanding internal security threats is paramount.

Ideally removing these threats using an externally hosted and managed system such as Hosted Desktop is the best approach. Threat from email borne viruses is recognized as a real issue for business and most companies run antivirus scanning on inbound email. However, these are often not updated and maintained leaving a company open to attack. Blocking virus at network level, as is done in Hosted Desktop, removes the risk of a company having a virus on their systems. Physical security is a priority for some businesses. The cost of fully securing data held on internal servers sometimes leads to compromises, leaving a company at risk from physical data loss. In an ideal world the site would be manned with security 24/7, access only gained by pre cleared staff, chip and pin movement restriction, biometric scanning, locked sever racks and a floor to ceiling metal cages. All this is standard with Hosted Desktop.

Logical security, protecting from external attacks is more than just placing a firewall between the company's data and the public internet. The firewalls inspects network traffic passing through it, and denies or permits passage based on a set of rules and is only as secure as the people managing it, ports are opened for specific action but sometime they are never closed. But even if a company has managed their firewall correctly some ports need to be open to allow internet traffic for example. So additional protection is required such as intrusion prevention system which monitor and block unauthorized access, a leading example of this is the IBM Proventia suite as used in the Hosted Desktop solution.

Additional areas to consider are:

- Secure Remote Access - Enabling employees to work from home or the field, granting safe access to partners and consultants, and leveraging outsourced and offshore resources can be tricky or simply impossible without secure and reliable remote access. Hosted Desktop gives companies this security by combining a number of techniques including password authentication and SSL security.
- Access Control - Hosted Desktop sets end-to-end access policies that dictate scenario-based control of how and what IT resources users can access. These access policies can take into account users, groups, device types, network locations and end-point security.
- Authentication Management - The Hosted Desktop protects, controls, and strengthens user authentication to secure corporate resources.
- End-point Security - In partnership with industry leaders ranging from Microsoft to Citrix, the Hosted Desktop Platform leverages new and innovative end-point compliance-enforcement solutions, centralizing the assurance that end-points are secure and compliant before access is delivered.

Reliability

Technology is now core to the efficient working of so many businesses. Whether it is customer facing email communication or preparing proposals on word processing packages technology every day. And when it stops working so do most employees. In a recent survey carried out for The British Chamber of Commerce and Microsoft 42% of people said downtime has had a negative effect on their business 29% said loss of data has had a negative effect on their business but 50% of businesses do not back up their data And it was found that 16% of a business owners time is spent fixing computer and IT problems

The cost of downtime is more than the simple equation of users "x" man hours lost. When you look at the effect across all departments and its effect on both internal and external perception of the company the real costs can be higher.

Very few companies build in the levels of resilience that are needed to reduce potential down time to an acceptable risk. By using an outsourced multi tenanted service like Hosted Desktop the economies of scale enable you access to full enterprise grade technology at a low monthly cost.

Calculating the Cost of Downtime

Direct Employee cost £

Indirect employee cost £

Employee recovery cost £

Loss of productivity £

Non employee expenses £

Client Service value £

IT recovery cost £

Other £

Total £

About Hosted Desktop

Hosted Desktop cloud computing enables companies to enjoy the benefits of Windows 7 the Microsoft Office 2010 suite and additional line of business applications without a complex technical infrastructure or upgrade costs. Working in partnership with the very best technology providers, Hosted Desktop enables you to harness the power of enterprise grade technology without high costs and the need for specialist knowledge. Whether it is responding to a customer while you are on the road or finishing a quote at home, Hosted Desktop gives you the freedom to work where you want to when you want to. Do not be tied to the office, work from any internet connection or even a mobile, getting more productive work out of every hour every day. Use the latest technology and Microsoft software to get more done. Hosted Desktop is the fully licensed true future proof solution. All your work, your 'My Documents' and your company file structure will be available on-line from one of our state of the art highly secure data centres, removing any risk of losing vital company files stored on local computers. Hosted Exchange email guarantees you 100% business email delivered to your inbox around the clock. Hosted Desktop service means:

- pay monthly for your IT - just like any other utility bill, you pay monthly for what you use
- immediate access to enterprise technology
- fully managed service, supported by experts
- telephone support available 24/7
- peace of mind - all your company's data is securely hosted and backed-up in our state-of- the-art data centres
- access your company files from anywhere
- no more IT headaches - we support you 24/7 with a dedicated service desk
- flexible working - home, office, web browser, abroad, mobile devices - you can access your desktop from anywhere, anytime
- all your applications and data centrally accessible - from Microsoft Office Word 2010 and Microsoft Outlook 2010 to Adobe Acrobat and accounts packages such as Sage or Quickbooks
- subscription based service, you subscribe for the software you use