

Software helps firms to reach for the sky



Microsoft's **Scott Dodds** looks at how smaller companies are embracing cloud technology in the hunt for growth through the downturn

After a sustained period of economic uncertainty, growing businesses are responding by innovating and redefining their role in a changing market.

At Microsoft we have seen investment in cloud technology accelerate over the past 12 months as firms in all sectors seek new paths to profitability. Some 39% of small and medium-sized firms expect to be paying for at least one cloud service within three years, against 29% today, according to our research, while the number of cloud services they use is forecast to double. Microsoft believes cloud computing is a transformational technology that offers huge opportunities for growing firms and their customers. Most simply, it is a utility model of delivering software and applications to individuals and businesses through a network. This allows companies to outsource IT hardware, such as servers and data storage facilities, and applications,

such as calendars and email, to a third party who then pipes them back into users' offices, rather like electricity, in return for a monthly fee. As a result, much less capital investment is needed because IT is provided via a subscription as a service.

For example, as the Fast Track research identified, cloud services have helped the severe-weather and winter-maintenance firm Gritit to minimise business risks, improve effectiveness and save money. Since its 2004 launch, the company, at No 37 on this year's Fast Track 100, has evolved from a gritting business into an organisation that delivers financial and operational protection against ice-related risks for clients in the public and private sectors, including hospitals and car-park operators.

In the past, Gritit had used spreadsheets and email to coordinate a complex matrix of information such as weather forecasts, temperature data, vehicle movements, and salt supplies across six regional

offices. There was no IT synchronisation between locations and no back-up system for communications. Manual data management meant the risk of human error — with expensive legal consequences — was unacceptably high, says operations manager **Brandon Petsch**.

So two years ago the firm migrated to a cloud-based system where a bespoke solution based on Microsoft software, including Exchange, Dynamics CRM and SharePoint, is hosted on outsourced servers. Petsch says this allows staff to access and share documents in real time on both PCs and personal devices, enabling them to deliver more efficient customer services. Gritit believes it has already saved an initial £240,000 by cutting overheads and removing the costs of maintaining and managing their own computer hardware.

By harnessing cloud power, firms can achieve greater cost savings, agility, scalability and global reach. Office 365 — Microsoft's productivity suite, which

includes collaboration and communication tools and is delivered through the cloud — has already been taken up by tens of thousands of firms around the world since its launch in June. For the first time, staff can access enterprise-grade email, documents, contacts and calendars from PCs, mobile devices or web browsers almost anywhere.

This is great news for smaller businesses because it enables them to expand quickly and successfully. Cloud services allow firms like Gritit to match larger rivals without a proportionate investment in IT staff and other in-house facilities.

Cloud power can also improve collaboration and productivity. Staff and customers can share documents and work together in real time, inside and outside the organisation, using existing software, devices, phones and browsers. And our flexible and pragmatic hybrid model enables companies to blend their in-house Microsoft products and our cloud-based services seamlessly so they can scale up as fast as their IT budgets allow. Our services help our network of partners in Britain to develop bespoke cloud-based software and services using technology they know and trust.

We understand some firms might still be concerned about the security of data stored in



Winter of content: cloud technology is helping Gritit's **Alastair Kight**, left, and **Jason Petsch** to work more efficiently

the cloud. That is why Microsoft provides industry-leading security and reliability in our cloud offerings with rigorous, financially backed service-level agreements. We also offer customers the choice between managing their own servers, moving to a private cloud via one of our partners or using public cloud services, which

means customers can move to the cloud at their own pace.

Across Britain, many larger companies have already discovered the benefits of cloud computing. Six months ago Dorna UK, which makes glass fittings and door controls, chose Office 365 instead of creating a bespoke software solution, saving an estimated £20,000 over the next

three years. The new system, which coincided with a global restructuring, is helping the firm meet strict international standards by enabling them to share documents with counterparts around the world.

Microsoft is committed to becoming a leader in cloud technology and to bringing its financial and operational benefits to

growth stars such as those on the Fast Track 100. With our Microsoft Partners, we are proud to support ambitious firms as they boost innovation, improve efficiency and drive economic growth into the future.

■ **Scott Dodds**, general manager, business strategy and marketing at Microsoft UK, was talking to **Catherine Wheatley**