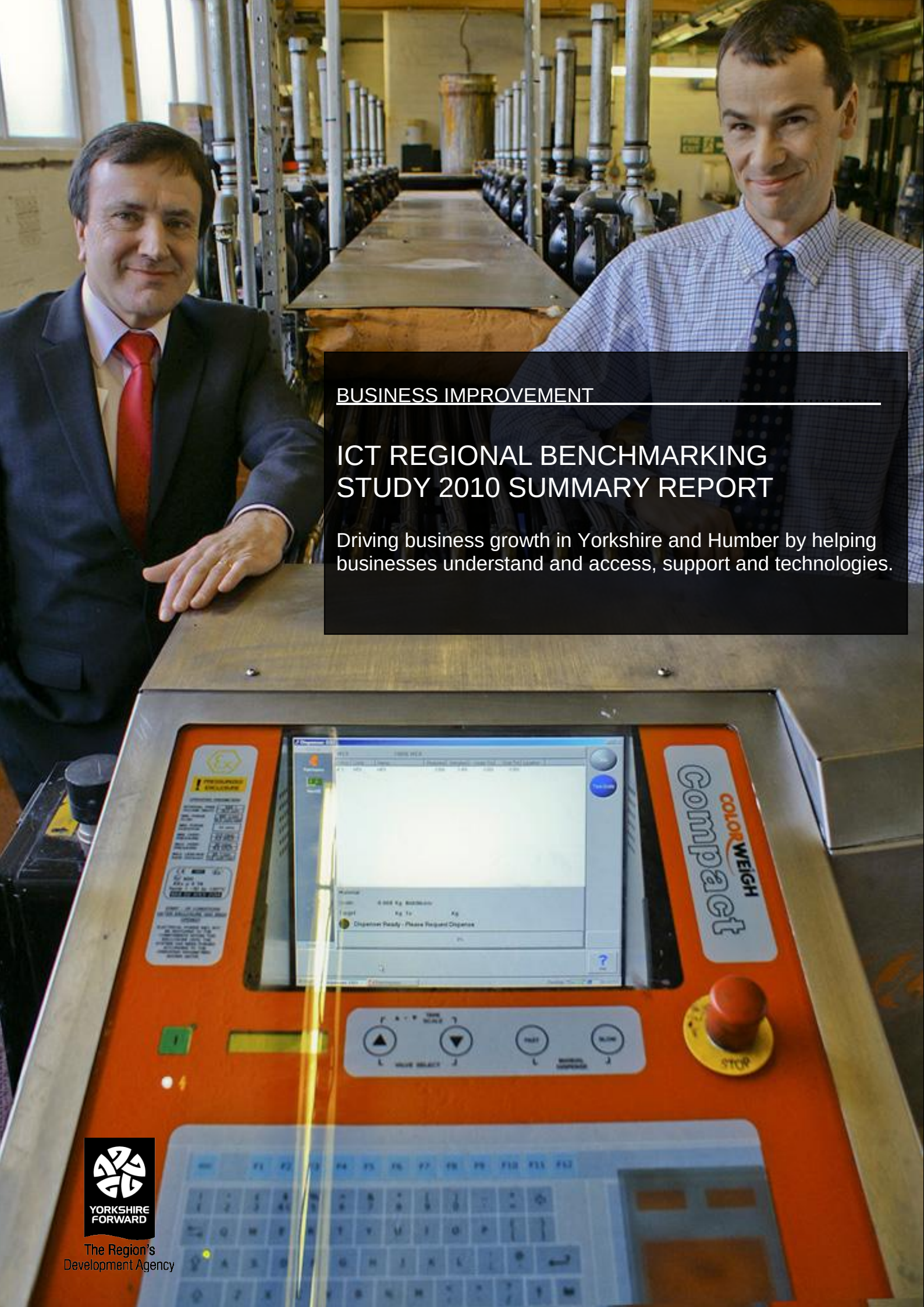


BUSINESS IMPROVEMENT

ICT REGIONAL BENCHMARKING STUDY 2010 SUMMARY REPORT

Driving business growth in Yorkshire and Humber by helping businesses understand and access, support and technologies.

YORKSHIRE FORWARD
The Region's Development Agency

YORKSHIRE FORWARD IS DRIVING BUSINESS GROWTH IN YORKSHIRE AND HUMBER, HELPING BUSINESSES UNDERSTAND AND ACCESS SUPPORT AND TECHNOLOGIES THAT CAN OFFER LONG TERM GROWTH.

1. INTRODUCTION

Welcome to the fourth year of the Yorkshire Forward ICT Benchmarking Study.

This year has again indicated that businesses in the region that have adopted ICT are using it more strategically to increase market reach and achieve productivity gains. In parallel, there is a surprising increase in the number of non-adopters of ICT. This may reflect the lack of an ICT support programme for small and medium-sized enterprises (SMEs).

This year has seen the introduction of three new questions. The first, regarding 'Applications and processes enabled through the website', tests the theory that businesses have started to move on from basic 'brochure website' implementation. The second, regarding 'New online processes', is designed to capture whether regional businesses are now moving more of their processes online. Both questions are aimed at gauging the extent to which businesses are starting to adopt ICT more strategically.

The third new question on 'Green impacts of ICT' reflects the marked rise in awareness of ICT as a key contributor, both negatively and positively, to the low carbon economy. The region is working at the leading edge of low carbon developments and has developed a community of interest specifically around the Green ICT agenda. The new question in the benchmarking survey aims to ascertain the level of awareness across the SME base as well as amongst larger organisations now mandated to take action.

The 2010 ICT Benchmarking Study has again been shaped and overseen by the Digital 20/20 ICT Business Group which includes representatives of ICT industry leaders, regional employers, business associations and the public sector working together to harness the benefits of ICT for the regional economy.

Supported by Yorkshire Forward, Digital 20/20 is a collaborative network that joins up strategic planning on Skills, Business Improvement, Public Services and Digital Inclusion to maximise resources, leverage investment and build a strong digital economy in Yorkshire and Humber. Further details about Digital 20/20 and the ICT Business Group can be found in this report, together with information on the Transformational ICT Pilot that is planned to develop.

Digital 20/20 has developed a number of case studies illustrating strategic use of ICT by businesses in the region. These have been featured throughout the report to illustrate the implications of the survey results and highlight the positive impacts that ICT does have on business performance when implemented effectively.

Research for the 2010 ICT Benchmarking Study involved 1,342 telephone interviews with businesses of varying sizes across a range of industries within the private sector. This year we also introduced 158 additional interviews with public sector companies in order to provide a more representative picture of the Yorkshire and Humber economy.

To ensure the quality and accuracy of responses, interviews were carried out with the person responsible for making decisions about how their organisation uses ICT. As with previous years, results from the survey interviews were re-weighted to represent the structure of the business population in Yorkshire and the Humber. According to the Annual Business Inquiry data which was used to generate the sample of companies for the survey, there are around 181,872 businesses in Yorkshire and the Humber.

The findings from the survey were coded and analysed using Statistical Package for the Social Sciences (SPSS). As well as providing simple counts for each variable, a series of cross-tabulations were also carried out, breaking down key questions by business size, region, and sector, amongst others.

2010 ICT Benchmarking Study

The key finding this year is an apparent 8% fall in computer usage across the region compared to 2008. However, when focussing on the usage of more specific ICT among those businesses that are using computers (excluding those not using a computer), it is evident that businesses are using ICT in more advanced and diverse ways.

This fall in computer use seems to have occurred in the period since the E-Business Unlimited (EBU) project finished. EBU supported small and medium sized enterprises in Yorkshire and the Humber with the development of their e-business strategies and helped them to understand and exploit the benefits that can be achieved through effective implementation of ICT. Given the significant impact this seems to have had it raises the question whether a new ICT business support programme is required. Transformational ICT - a programme designed to assist businesses to exploit advanced ICTs which have the potential to transform and improve business processes - may be the solution.

As a result of the drop in computer use, this year has seen the re-introduction of the ‘non-adopters’ category in the k-means analysis.

Our research questionnaire covers a wide range of topics. The questions have been grouped under 8 key headings. These headings make up the main sections of the report:

- **GENERAL USAGE**

Computer use

Adoption of key technologies

- **INTERNET USAGE**

Internet access

Connection type and speed

- **WEBSITE USAGE**

Website ownership and impact

Applications and processes enabled through website

- **TRANSACTING ONLINE**

Online ordering and payment facilities

Transacting online with the public sector

- **PRACTICES AND PROCESSES**

ICT supported business processes

Security

Remote access

Green impacts of ICT

New online processes

- **SKILLS AND SUPPORT**

Internal ICT resource

E-Learning

Sources of IT Training and advice

Outsourcing

- **PRODUCTIVITY AND PRODUCT DEVELOPMENT**

- **ATTITUDES**

Drivers and barriers for adoption

Importance of e-business

SEVENTY FOUR PERCENT OF BUSINESSES IN YORKSHIRE AND HUMBER USE COMPUTERS. THIS IS AN 8% DECREASE FROM 2008.

2. SUMMARY OF SURVEY FINDINGS

2.1 GENERAL USAGE

Seventy four percent of businesses in Yorkshire and Humber use computers. This is an 8% decrease from 2008.

Further analysis demonstrated the fall in computer use has been led mainly by an increase in non-adoption levels among micro organisations, compounded by the increasing proportions of micro organisations across the region.

The non-adopting businesses are comprised of a greater proportion of the newest and the oldest businesses, compared to adopting organisations. This would suggest that the older, micro, non-adopting businesses are persisting, and have not reduced in proportion as much as expected. Those newer, smaller companies that have come in to existence in the past couple of years are demonstrating a lower adoption rate, which has further lowered computer usage levels across the region. 7% of non-adopters are planning on installing a computer in the next 12 months.

The key technology being utilised is Local Area Network (LAN), with 52% of businesses using it. This has increased by 2% since 2008. The technology which has seen the largest increase in utilisation is Wireless LAN, with 44% of businesses using it. This is an increase of 15% compared to 2008.

2.2 INTERNET AND BROADBAND

Seventy one percent of businesses in Yorkshire and Humber have internet access, which equates to 96% of those businesses using a computer.

Over half of internet users (52%) do not know the speed of their internet connection. 26% have a connection speed of over 2Mbps. And 8% have a connection speed over 10Mbps.

The majority of internet connected businesses felt their connection speed was sufficient to their business needs (89%), this was the same proportion as 2008. Around one fifth of businesses in the region are planning on getting a faster internet connection (19%).

2.3 WEBSITES

Fifty three percent of businesses in Yorkshire and Humber have a website. This equates to 72% of computer using businesses; an increase of 6% compared to 2008, and an increase of 26% over a four year period (46% in 2006).

Large businesses were more likely to have a website than medium businesses. The most significant increase in website usage is amongst micro businesses, this number has increased from 62% in 2008 to 70% in 2010.

The highest levels of website usage by sector were among manufacturing companies (80%).

The main usage of websites was to act as an online catalogue of products and services (55%).

Seven percent of businesses websites have the ability for customers to track the progress of orders already placed, with a further 7% saying this will be available within the next 12 months.

Just over half (52%) said they monitored the number of visits / hits. A similar number (51%) said they would suffer at least a small impact on business performance should the website be removed for a day.

2.4 TRANSACTING ONLINE

Fifty five percent of internet connected businesses in the Yorkshire and Humber region receive orders online, with a similar number receiving payments electronically (54%). The majority of businesses with online ordering enabled receive under half of their orders from an online source (75%).

2.5 PRACTICES AND PROCESSES

Eighty seven percent of businesses believe finance and accounts are important, with 80% of businesses using ICT to support the process.

Use of ICT to support managing the relationship with the customer has increased since 2008, when 52% said that they did. This year, 60% are using ICT to support managing customer relations. A new introduction for 2010 was ‘Minimising the environmental impact of our business operations’. Sixty three percent of businesses believe this is important with 43% using ICT to support it.

The biggest ‘green’ impacts of ICT use, were in the areas of reducing the number of letters sent and received (64% of businesses experienced a decrease), and also reducing the amount of paper used on a day to day basis (60% experienced a decrease).

Fourteen percent of businesses with a website are using social networking sites to develop marketing strategies, with 11% of website enabled businesses using social networking sites as advertising forums.

Ninety three percent of businesses who are currently connected to the internet have an internet firewall system, and 96% have virus checking or protection software. The total proportion of computer using businesses who back up their data (either off-site or on-site) is 92%. In general the use of security software / hardware in 2010 has remained relatively consistent with 2008.

29% ‘DONT KNOW HOW E-BUSINESS COULD HELP’.

2.6 SKILLS AND SUPPORT

Positively, there has been a decrease in the levels of businesses with no internal ICT resource over the two years. In 2008 44% of computer using businesses had no internal resource, this figure has fallen by 14 percentage points to 30%. An ICT enthusiast is the main source of skills for 50% of businesses in the region. Those businesses utilising an ICT enthusiast provided information on whether the enthusiast had a formal ICT qualification; 80% had no formal ICT qualification, with just 20% holding a formal ICT qualification. Eleven percent said that they had a dedicated ICT role and 6% reported that they have ICT departments.

Web hosting or data storage services are the most common areas to be outsourced, with 41% of businesses doing so. This is followed by maintenance of hardware and / or the network, with 40% of businesses already outsourcing this application area.

Under a fifth (16%) of computer using businesses have used e-learning to provide ICT training to their employees, with 13% using e-learning to provide training in business skills.

ICT suppliers were the most often used source of ICT / e-business advice (24%). With Business Link (21%) being the second most often. Generally, usage amongst non-adopters was around 1-3% for all the organisations listed. However usage of Business Link rose to 11% among non-adopters. This highlights the importance of Business Link as an organisation providing an avenue of support for non-computer users wishing to adopt ICT.

2.7 ATTITUDES

A third (33%) of all businesses in the Yorkshire and Humber region view ICT as essential to their organisational needs, this is an increase on the 26% that was seen in 2008. The proportion of businesses describing ICT as very important has also increased, from 21% in 2008 to 24% in 2010. The share of businesses stating ‘e-business is not important at all’ has decreased by two percentage points on 2008 (21%) to the same level as 2007 (19%). However, this is still showing that almost a fifth of businesses in Yorkshire and the Humber do not feel e-business is at all important to their business.

The main drivers for e-business in the region appear to be improving the quality of services or products (81%) and improving business competitiveness (77%). Whilst ICT was felt to be least important in reducing a business’s carbon footprint, over half of businesses (58%) felt that ICT had at least some importance in allowing the business to become more ‘green’.

Thirty one percent of computer using businesses feel e-business is not relevant to their organisation and 29% ‘Don’t know how e-business could help’.

2.8 PRODUCTIVITY AND PRODUCT DEVELOPMENT

The largest impact ICT has had is in the area of profitability, where 40% of computer using businesses stated that ICT use has led to an increase in business profitability. Thirty eight percent of businesses reported that ICT has led to an increase in sales.

New to market developments have remained consistent over the past 2 years. However in terms of innovation internally, there has been an increase over the past 2 years with 33% of computer using businesses introducing new or improved products, compared to 22% in 2008. In the main, companies are utilising internal finance from profit or personal funds for investment in ICT (84%), this figure remains reasonably consistent across organisations of different sizes.

3. PROFILING

Given the often specific usage of ICT from one industry type to the next, it is necessary to classify businesses ICT use which does not bias one sector, or businesses size over another. This means classifying businesses on a range of indicators. Through analysis of selected variables, companies have been grouped into the following profiles: Non-Adopters, Basic Connectors, Intermediate Connectors, Advanced Connectors and Strategic Adopters. Over time the definitions of the different profiles have changed due to the evolution and availability of technology. As such the naming of these profiles have been adjusted to account for these changes.

The table to the right shows the proportion of businesses in each profile that answered positively to that question.

	Non-adopters	Basic Connectors	Intermediate Connectors	Advanced Connectors	Strategic Adopters
E-business is important	0%	80%	99%	97%	99%
Use computers	0%	87%	100%	100%	100%
Use broadband	0%	57%	85%	84%	85%
Use e-business for finance and accounts	0%	46%	96%	91%	97%
Use e-business for online processing	0%	7%	63%	86%	94%
Use e-business for managing customer relationships	0%	8%	82%	84%	80%
Use e-business for managing capacity	0%	4%	49%	73%	77%
Use e-business for joint product development	0%	4%	30%	47%	53%
Feel an impact if website ceased working for a day	0%	35%	47%	57%	63%
Planning on investing in ICT in next 12 months	0%	27%	42%	53%	65%
Provide links to other suppliers and companies	0%	31%	43%	47%	56%
Introduced new products in past 3 years	0%	28%	26%	40%	59%
Expect ICT to have positive impact on sales over next 5 years	0%	30%	47%	50%	64%
Total % of businesses 2010	**23%**	**25%**	**16%**	**22%**	**14%**

3.1 NON ADOPTERS

Non-adopters consist of businesses who do not use computers (0%), and have no intention of using computers in the future. Non-adopters feel ICT use has no importance to their businesses, and have never accessed support in developing their businesses ICT use. 23% of the businesses in the region are non-adopters.

3.2 BASIC CONNECTORS

Basic Connectors are generally using computers (90% - a small proportion of non computer users expecting to adopt within the next 12 months have been included in this category), and think ICT is important to their organisation (80%). Just over half of these businesses use a broadband connection to access the internet (57%). Around two fifths (44%) of these organisations use ICT for finance and accounts, but usage of ICT in other areas of the businesses is generally low. 25% of businesses in the region are basic connectors.

3.3 INTERMEDIATE CONNECTORS

All of these businesses are using computers (100%) and the vast majority (99%) feel e-business is important to their organisational needs. Most use e-business to manage customer relationships (81%), and around two thirds are using e-business for online processing of orders (61%). Just over half of these businesses use e-business to manage their capacity. 16% of businesses in the region are intermediate connectors.

3.4 ADVANCED CONNECTORS

Advanced connectors all use computers (100%), all think e-business is important (99%), and all have the capability to receive orders over the internet (100%). ICT becomes more integral to all aspects of the business when moving to advanced connector level, with the majority of advanced connectors using e-business to manage capacity (76%) and customer relationships (84%). Half of all advanced connectors use e-business for joint product development (50%). Just under a quarter (22%) of businesses in the region are advanced connectors.

3.5 STRATEGIC ADOPTERS

Strategic adopters use ICT to support a broad range of practices and processes within their organisation. 97% of strategic adopters use ICT for finance and accounts, with 95% using ICT for online processing. Over three quarters use ICT for managing capacity (77%). All strategic adopters have experienced an increase in turnover in the past 12 months (100%). Strategic adopters make up 14% of the businesses in the region.

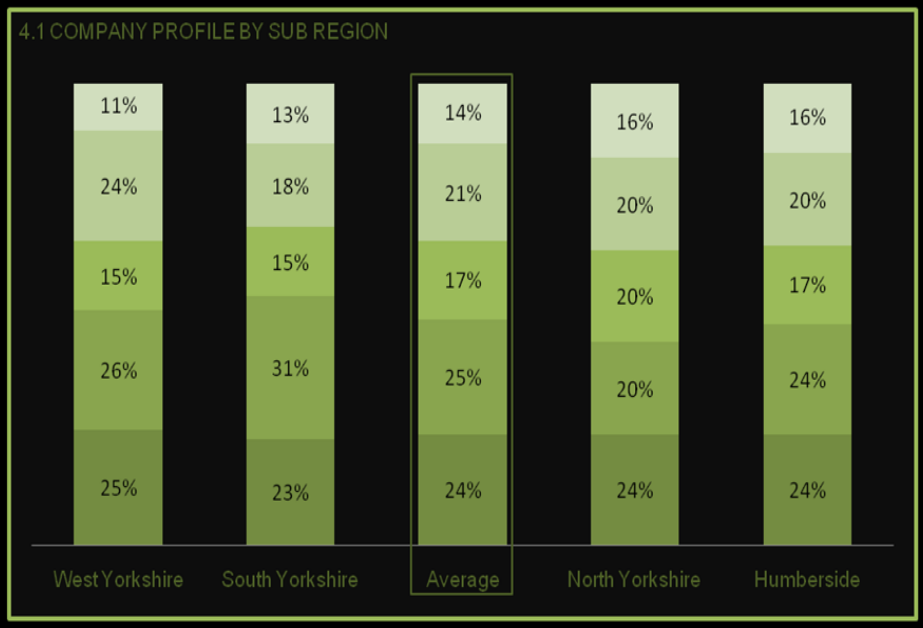
WEST YORKSHIRE HAD THE HIGHEST PROPORTION OF ADVANCED CONNECTORS, WITH SOUTH YORKSHIRE DEMONSTRATING THE HIGHEST PROPORTION OF BASIC CONNECTORS.

4. ANALYSIS BY COMPANY SUB-REGION, SIZE, SECTOR AND YORKSHIRE FORWARD SECTOR

Using the five company profiles: Strategic Adopter, Advanced Connector, Intermediate Connector, Basic Connector and Non Adopter; we can make comparisons between the different sub-regions, company sizes, sectors and clusters.

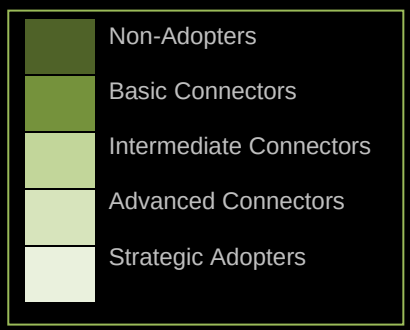
4.1 COMPANY PROFILE BY SUB-REGION

West Yorkshire had the highest proportion of Advanced Connectors, with South Yorkshire demonstrating the highest proportion of basic connectors. South Yorkshire also demonstrated the lowest proportion of combined advanced / strategic adopters in the Yorkshire and the Humber region.



4.2 COMPANY PROFILE BY COMPANY SIZE

The breakdown of company profile by business size demonstrates a similar pattern to previous years. The larger an organisation becomes, the more advanced its adopter profile. For micro companies, non-adoption rate was at 26%, for large companies this fell to under 2%.



THE HIGHEST ADOPTION LEVELS AMONG THE YORKSHIRE FORWARD SECTORS ARE HEALTHCARE TECHNOLOGIES, ENVIRONMENTAL AND DIGITAL AND NEW MEDIA INDUSTRIES.

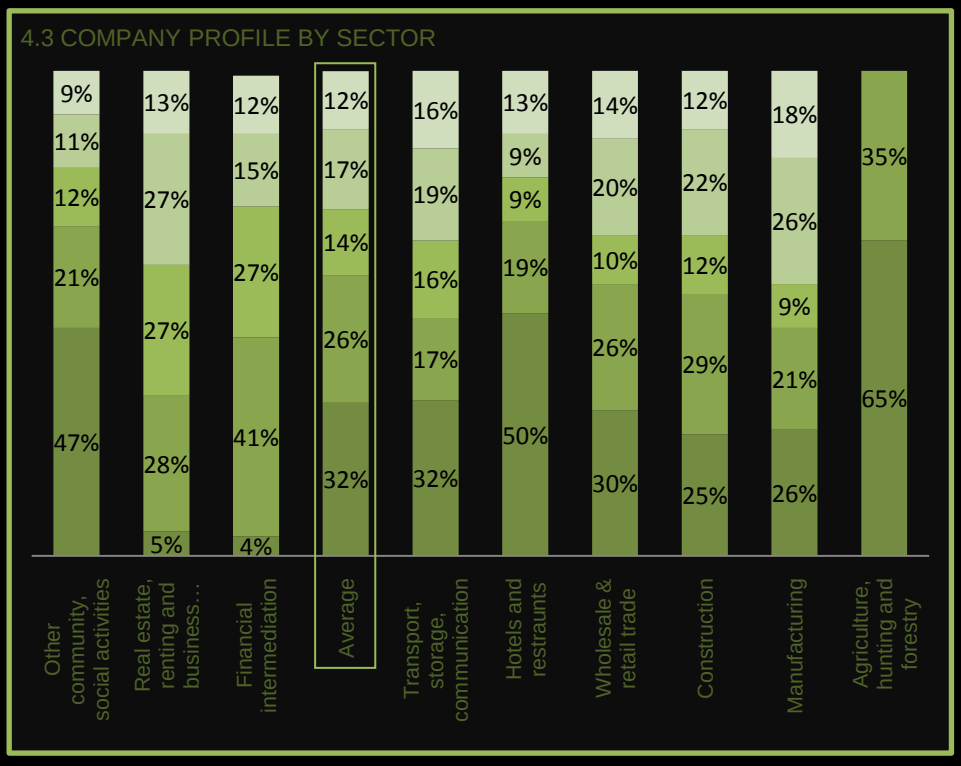
4.3 COMPANY PROFILE BY SECTOR

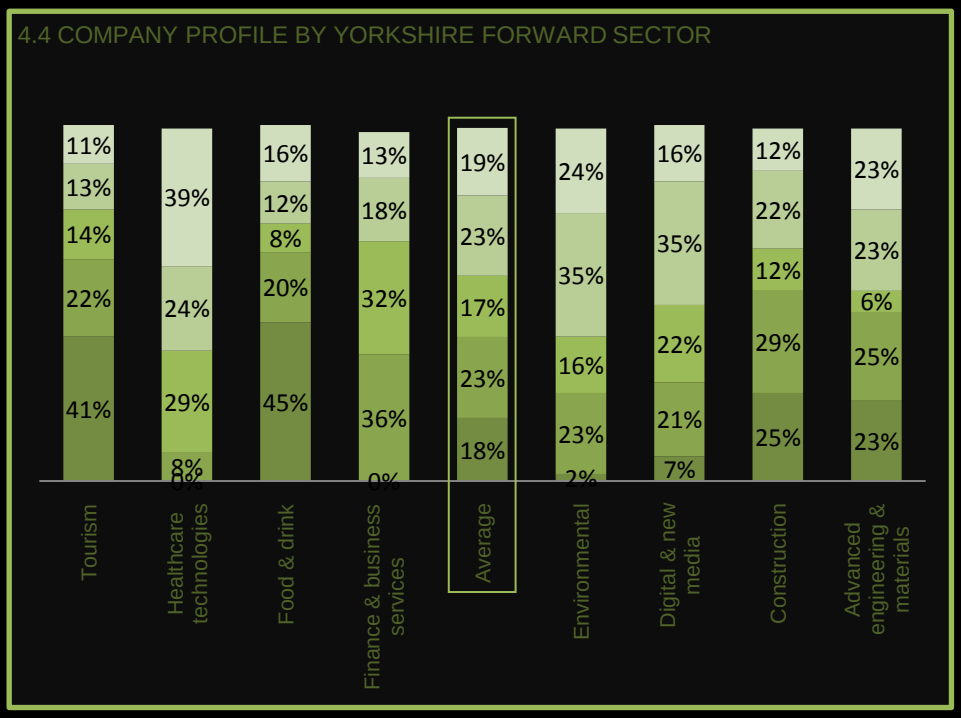
The highest non-adoption rates by sector were among Hotels and Restaurants (50%) and other community and social activities (47%). Businesses in the Agriculture, Hunting and Forestry sector have a very high non-adoption rate (65%), however given the low base size (6), this result should be taken as indicative only.

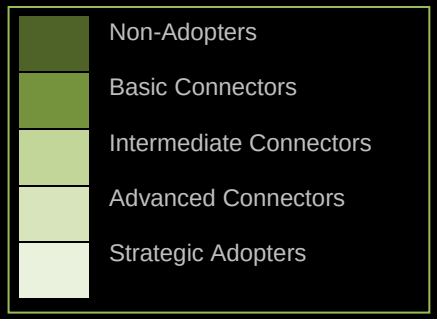
Similar to 2008, Manufacturing businesses demonstrated the highest levels of strategic adoption (18%). Although the manufacturing industry was fairly polarised, with an intermediate connector level of just 9%.

4.4 COMPANY PROFILE BY YORKSHIRE FORWARD SECTOR

The highest adoption levels among the Yorkshire Forward sectors are Healthcare Technologies, Environmental and Digital and New Media Industries. Those with the highest numbers of non-adopters are the Tourism sector (41%) and the Food and Drink sector (45%).







5. FUTURE ADOPTION AND BUSINESS SUPPORT

5.1 FUTURE ADOPTION

Current adoption levels have decreased by 8% since 2008. Of those non-users 7% are planning on using a computer within the next 12 months, however 93% are not planning on using computers at all. At first glance, the decline in computer usage amongst businesses may appear to highlight a negative picture amongst businesses in the region, but this is not necessarily the case. While it is true that the top line proportion of businesses that are using computers has declined since 2008, it is also true that there has been a positive shift in the way organisations in the region are using ICT and the proportion of companies utilising more advanced ICT.

5.2 BUSINESS SUPPORT

Non-Adopters and Basic Connectors

While utilisation of ICT remains low amongst basic connectors, their attitudes continue to suggest that support can lead to greater levels of adoption. Given that 80% of basic connectors feel e-business is important, this presents an opportunity for providers to focus their support on encouraging usage of technologies which will assist and improve these businesses (for example, support with finance and accounts, managing customer relationships and managing capacity).

In order to raise awareness of the benefits of ICT, support needs to be tailored towards individual company needs and company size. It is recommended that examples are communicated of successful ICT implementation with similar companies in the same sector.

Support with website development would also be advantageous. Over half of basic connectors are utilising a website (58%), but are much less likely to be utilising more advanced web services such as online ordering and providing online catalogues of products and services.

Basic connectors also demonstrated lower levels of ICT security awareness and usage of protective software / hardware. Therefore any support in this area would also need to encourage greater uptake of e-business security facilities.

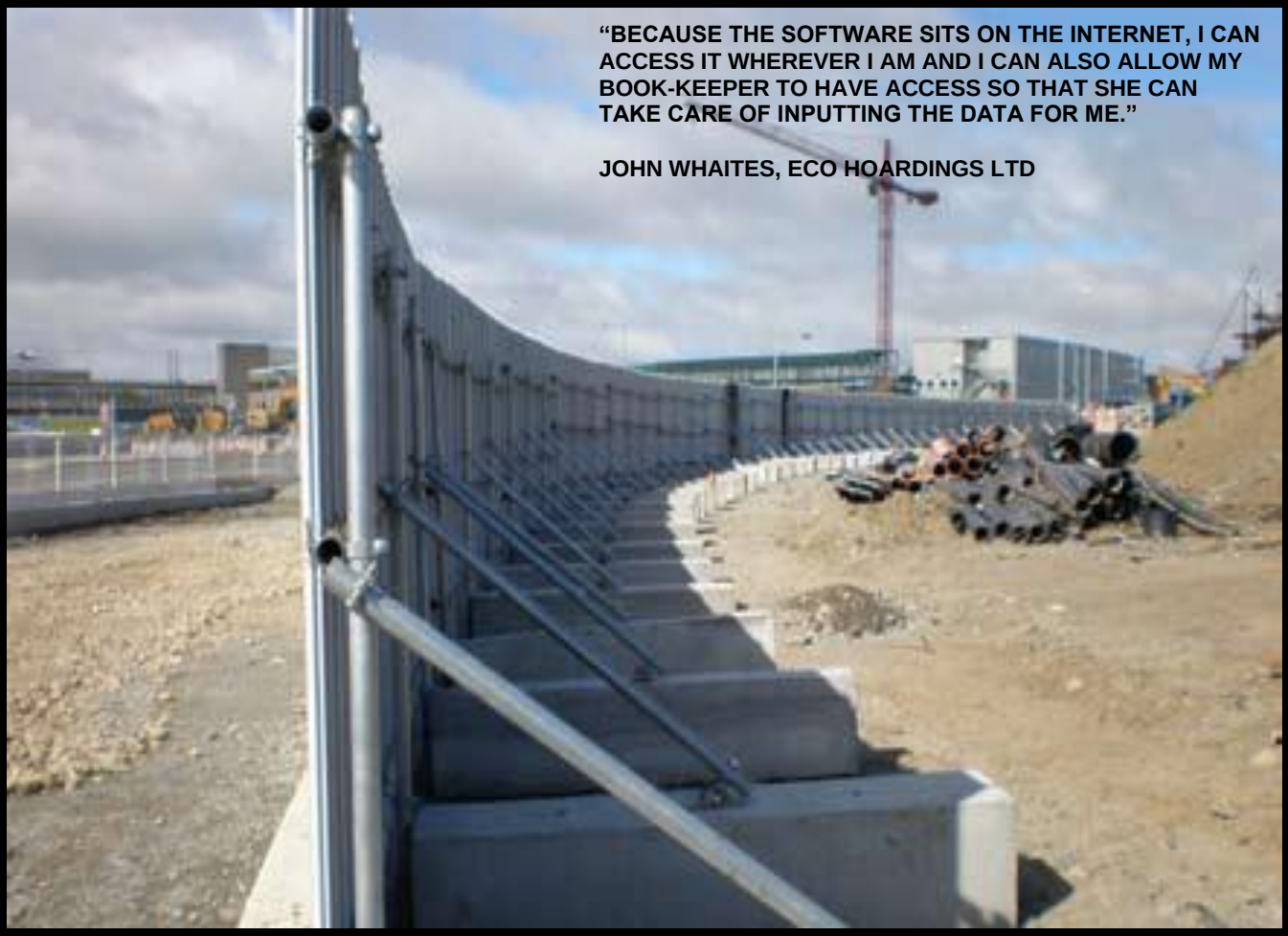
The K-means analysis suggests there is a proportion of non-computer using businesses in the basic connectors e-adoption category that would respond positively to business support to encourage ICT uptake. 13% of businesses in this category are not using computers, yet felt e-business was important and have attempted to access ICT support in the past. Business Link has a particular importance for this business group, with the increased likelihood of smaller businesses accessing ICT support through Business Link.
Given this, it may be useful to develop a targeted package of support for these smaller start-up companies, demonstrating the importance of ICT to the growth of their company, and offering guidance on investment sources and suppliers that can be utilised.

Intermediate Connectors

Intermediate connectors are one of the smallest e-adoption categories forming 16% of the Yorkshire and Humber business population. The focus of support for intermediate connectors should encourage investment in ICT products and services. Only 42% of businesses in this e-adoption category are planning on investing in ICT in the next 12 months. More advanced users of ICT are investing more heavily in ICT. Therefore support to encourage increased ICT investment should give businesses an incentive to make their investment work, and create a positive cycle of increased future investment, in turn increasing the proportion of businesses in the highest e-adoption categories.

Intermediate connectors also demonstrated lower levels of contact with private ICT suppliers. Given the increasing diversity of ICT use among this e-adoption profile, it is important that contact with ICT suppliers is encouraged so appropriate advice and investments can be made.

Also only 30% use e-business for joint product development. By encouraging further interaction with support providers, suppliers and potential partners, this may be increased. Both intermediate and basic connectors demonstrated much lower levels of online trade than advanced and strategic e-adopting companies. This is an area that needs to be developed as there is a clear relationship between improved business productivity and the ability to receive orders online.



Advanced Connectors and Strategic Adopters

Strategic Adopters make up 14% of the businesses in Yorkshire and the Humber, and just under a quarter (22%) of businesses in the region are Advanced Connectors. Whereas previous research suggested the biggest similarities (particularly attitudinal similarities) were between Basic and Intermediate Connectors, this research has found that the biggest similarities are now between the Advanced Connectors and Strategic Adopters, providing some indication of the increase in ICT use among computer using organisations.

Support for businesses operating in these e-adoption categories will need to focus on the individual needs of businesses. Tailored assessments of current ICT usage and areas of possible further developments will allow appropriate interventions to be made. The greatest share of Strategic Adopters and Advanced Connectors were found among the largest businesses. The research has shown that larger companies, with greater employee levels, are often using a greater variety of ICT to support the production of products and services, and to make efficiency savings in internal communication that are necessary in organisations with many employees and larger order volumes.

‘Cloud Computing’ may provide an opportunity to level the ICT playing field; by reducing capital costs of more advanced ICT, and making the Advanced Connector status more accessible to smaller organisations.

WITH OUR ABILITY TO UNDERTAKE CONSULTATIONS OVER THE INTERNET USING VIDEO TOOLS, WE HAVE OPENED UP OUR SERVICES TO A WIDER AUDIENCE.

CASE STUDY: TICKHILL CLINIC

Tickhill Clinic has been practising complementary health therapies for over 20 years from a beautiful location in the village of Tickhill, near Doncaster.

The Problem

Due to the diverse complementary therapies offered at Tickhill Clinic and Tam and Mary's extensive experience, demand from overseas has been an integral part of the clinic's success. Tam and Mary have travelled all over the world to speak at conferences on complementary therapies or train new therapists on emerging techniques. It was not unusual for the couple to be travelling to six or more conferences a year, which left them with less time at the clinic treating individual clients.

Tam recalls, "We could often be travelling as far afield as Saudi Arabia for what equated to a few hours teaching. As well as the costs involved to the customer, it also took up a lot of our time purely travelling.
"We already carried out a number of consultations over the telephone so, with the advent of internet technologies such as Skype, we began to look at alternatives to travelling to every overseas appointment and equally to give our clients another option to a face to face meeting."

The Solution

In order to maximise opportunities, the clinic looked at relatively inexpensive internet technologies such as Skype and Skype video. Skype is an internet-based service that can carry both voice and video calls, at little or no cost. It is simple to install, requires no special equipment and can be operated from any computer that has an internet connection and a webcam. This means that it is easy for the clinic's clients to access and use.

With Skype and a simple webcam, the clinic can now be in contact with clients anywhere in the world at any time. The clinic can give face to face consultations, regardless of the patient's location.

Tam explains, "We would prefer to have an initial consultation face to face, but that is not always possible due to location. Then, for follow up consultations when we know the patient, using Skype video can be an effective tool in terms of time.

"Some patients may be suffering from agoraphobia and be unable to leave the house, so online consultations are invaluable. Also, for our disabled clients or those suffering from MS, it is a great, simple way for them to communicate with us."

Benefits

For Tickhill Clinic, the internet has provided the opportunity to present at conferences without having to travel. Using an Apple Mac and Apple Video, they can link up to four computers, allowing the presentation to be shown on the screen at the conference and their voices to be projected within the conference room.

Saudi Arabia has become a growth area for complementary therapies. Tam and Mary have visited the country on a number of occasions to train doctors and health professionals in a number of complementary therapies. However for cultural reasons, Mary could not be seen to be physically teaching the women, meaning that Tam would have to lead the sessions. An online presentation overcomes this issue and can include both Mary and Tam taking teaching roles as they are not in the same room as the women.

Mary Llewellyn concludes, "With our ability to undertake consultations over the internet using video tools, we have opened up our services to a wider audience. Those people who may not have the time or the budget to travel can now have face to face consultations.

THE SYSTEM IS INTEGRAL TO OUR BUSINESS. IT ENSURES WE WORK SMARTER AND ALL AREAS OF OUR BUSINESS COMMUNICATE OVER THE SYSTEM.

CASE STUDY: STOKES PAINTS

Stokes Paints is a family concern going back four generations to the 1800s. It has grown to be one of the country's most established paint manufacturers and is now in the top six industrial paint manufacturers in the UK.

The Problem

Around three years ago, Stokes Paints was aware it needed to look at a new IT system. The existing system was proving inflexible and did not have the ability to grow with the company.
As a highly process driven business, Stokes required one intuitive system that could work and communicate across all the functions within the organisation, from manufacturing, stock control and deliveries to orders and sales.

"We had an old DOS based legacy system that we needed to update. We looked at the market and reviewed the benefits of both bespoke and large enterprise packaged solutions. We needed a system that was both flexible and scalable. It needed to be adaptable to the ongoing changes within our industry.

The Solution

A bespoke system was developed by Richlyn which sits across the business' supply chain as a whole, with applications covering sales orders, stock control, production, scheduling dispatch, inward deliveries and transport.

If prices change at suppliers, this is entered into the system and automatically reflected in the selling price. The system has a complex rules engine that allows Stokes to constantly review prices and rate its status with customers and suppliers on a monthly basis. It is interlinked from the initial order system right through to delivery, giving complete transparency and traceability throughout the system on every product and order.

In total, Richlyn spent around 15 months developing and implementing the system at Stokes, including reviewing initial programmes, file conversion and testing the system. However, the time and effort has proved to be a very worthwhile investment.

Benefits

"The system is integral to our business. It ensures we work smarter and all areas of our business communicate over the system. There is nothing happening in our business that is not recorded onto the system. It gives us complete visibility of the business as a whole.

"We truly believe we chose the best route with a bespoke solution. In such a complex and ever changing industry it is vital that our technology works with us, not against us. We already had the processes in place, we just needed the technology to make them more efficient.

Yorkshire and Humber digital20/20 The connected region

DRIVING ICT ADOPTION
FOR COMPETITIVE BUSINESS

Supported by Yorkshire Forward, Digital 20/20 is a partnership between industry leaders, employers, the public sector and skills providers working together to grow a strong digital economy in Yorkshire and Humber.

Digital 20/20's mission is to energise the region's economic growth by:

- Helping employers to make productivity and market gains through appropriate and effective use of technology
- Ensuring the workforce has the right digital skills to meet the needs of current and future jobs
- Helping citizens to take full advantage of on-line services

Digital 20/20 does this by:

- Enabling partners to co-ordinate policy and projects in order to achieve synergies and reduce duplication
- Leveraging new investments and targeting partner funding
- Providing a strategy and a specialist reference point for Information and Communications Technology (ICT) based development in the region
- Driving action and interest groups informed by insights into the latest technology trends and opportunities

Digital 20/20 works across a number of inter-linked areas:

- Skills for a connected region
- ICT for competitive business
- Use of technology to streamline public services
- Digital inclusion to give citizens and communities new opportunities for participation

Digital Skills:

Digital 20/20 aims to help everyone in the region acquire skills that will allow them to get more out of life and work in the digital age. Working closely with the Sector Skills Councils, it also addresses the specific ICT (Information and Communications Technology) and specialist skills needed for the region's thriving digital industries. This work has evolved from the Digital and ICT Skills Action Plan 2005-2009 for Yorkshire and Humber, which has provided an ongoing and updated reference point.

Business Improvement:

In the Business arena, Digital 20/20 champions the importance of ICT as an enabler of business improvement and aims to drive business adoption and strategic use of ICT. This work is driven by representatives from industry, employers, business support agencies and public sector partners. It is also informed by input from the IT Leaders Group, a forum of corporate sector CIOs, predominantly from Financial Services and Retail, who have come together to help drive the growth of a strong IT sector in the region.

Public e-Services:

People talk about technology as an enabler for seamless public services and joined up communities but there are few if any visible examples of joined up thinking and implementation. Digital 20/20 is working with colleagues in local government to identify the

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info@digital2020.org.uk

building blocks for a digital community strategy – creating a framework that could be replicated across different towns and cities – and also to identify examples of technology solutions that are already known to work in this context. This presents significant opportunity for private sector investment and growth.

Digital Inclusion:

Yorkshire & Humber is leading the UK in the deployment of next-generation access (NGA) of fibre broadband in South Yorkshire's Digital Region development. In addition to industry investments, the region also has NYnet in North Yorkshire and now NorthernNet, a secure high speed network for creative & digital industry clusters across the North. The challenge for the region is to extend and exploit these opportunities. Digital 20/20 is working with industry and public sector partners to bring investment into the region and develop new approaches for maximising digital participation.

D20/20 has enabled stakeholders across these interlinked agendas to work together in new and productive ways. This joined-up way of working will be even more vital in the coming period in order to achieve UK economic priorities of expanding private sector employment, streamlining public services, and building more active communities – whilst also responding to the challenges and opportunities of developing a low carbon economy.

ICT Business Group

Digital 20/20 business improvement activity is led by the ICT Business Group which provides a forum for representatives from global industry, regional business groups and public sector partners to share ideas and strategic priorities, to identify fit between complementary initiatives and to discuss potential for joint marketing and delivery.

The ICT Business Group has helped to shape and develop the annual ICT Benchmarking Study to become an established and increasingly valuable tool for identifying areas for business improvement support in the region.

Working with Yorkshire Forward, the Group publicises the messages coming out of the annual survey and formulates action plans to address the issues that are raised.

The ICT Business Group has played a key role in scoping the Transformational ICT Programme for the region and will be responsible for monitoring and evaluating programme roll out.

Transformational ICT Programme

Evidence from the ICT Regional Benchmarking Study shows that the vast majority of businesses have now adopted basic levels of IT and communications technologies, but the proportion of advanced adopters using ICT strategically is much smaller.

Yorkshire Forward is currently working with Business Link Yorkshire, Digital 20/20 and regional partners to design the Transformational ICT programme to support businesses, regardless of size, in using ICT and digital technologies to make a step change in their business processes - something that is critical in the current economic climate.

BECAUSE THE SOFTWARE SITS ON THE INTERNET, I CAN ACCESS IT WHEREVER I AM AND I CAN ALSO ALLOW MY BOOK-KEEPER TO HAVE ACCESS SO THAT SHE CAN TAKE CARE OF INPUTTING THE DATA FOR ME.

CASE STUDY: ECO HOARDINGS LTD

Eco Hoardings Ltd supplies and installs hoardings for building sites. Unlike the traditional plywood option, Eco Hoardings' product is made from recycled PVC that is robust, secure, long lasting, reusable and recyclable. The hoarding system is available in a range of colours or can be printed to the customer's specification.

The Problem

Eco Hoardings was set up in December 2007, with John Whaites as managing director. Responsible for all the financial aspects of the company, John needed an accounting system that was both powerful and flexible. In particular, he wanted to have access to up-to-date management information from wherever he was working but he didn't want to be bogged down with the task of data input.

The Solution

John selected an online accounting system from Liquid Accounts, a company that he had encountered through his role as a business coach. "I chose Liquid Accounts because it is state-of-the-art software with a very modern approach. Because the software sits on the internet, I can access it wherever I am and I can also allow my book-keeper to have access so that she can take care of inputting the data for me. If there are any queries, she and I can look at the same information at the same time without having to be in the same place. We can talk through and solve issues then and there."

Benefits

"There are several additional advantages to Liquid Accounts. Firstly, any updates to the software are applied automatically – I don't have to worry about installing updates myself. Secondly, the system stores all my data in three different locations, so I don't need to worry about security or back-ups. Lastly, it was designed as a web-based system – it's not traditional software that's had a web front end bolted on."

Liquid Accounts also has the flexibility to handle multiple currencies and VAT systems, which was of great benefit to Eco Hoardings when they were working on a major installation at Dublin Airport. John says, "We were being paid in sterling but had expenses in euros, so our accounting package needed to be able to handle both currencies. We also needed to file VAT returns in both the UK and Ireland and be able to cope with the different timetables of the two systems. It could have been a nightmare but Liquid Accounts were able to provide us with an extension to the system in a matter of days."

IT GIVES US THE VERSATILITY AND ABILITY TO GIVE A HIGH CLASS SERVICE. WE CAN COMPETE WITH THE GLOBAL BIG PLAYERS FROM OUR OFFICE IN BROUGH!

CASE STUDY: JESMOND ENGINEERING

Formed in 2004 by Simon Walker, Jesmond Engineering provides structural analyses, software solutions, training, testing and resources to the aerospace industry.

The Problem

"The nature of our business is highly complex and involves sending mathematical models of aircraft to clients and partners on a daily basis. These files are often over 10Mb in size and are simply too big to send over email.

"It is not cost effective or a productive use of our time to send these large files on CDs in the post to clients. With many of our clients being based overseas this can be a huge waste of time, waiting for them to receive and review models."

Jesmond Engineering approached Business Link in Humberside to enquire into available grants for purchasing IT solutions to further develop the business and expand its capabilities.

The company was successful and received a grant, of which 50% was dedicated to spend on hardware equipment and 50% on software. The newly developed website was an area for investment.

The Solution

Art & Soul Communications recommended that Jesmond Engineering take advantage of a service which is available to anyone who has a website, File Transfer Protocol (FTP).

FTP is a simple way to exchange files between computers over the Internet and is available with website hosting at no extra cost. Standard website hosting packages include a certain amount of space for uploading files to be transferred and often allow for extra space to be purchased if needed.

Jesmond used part of the Business Link grant to purchase additional FTP space to ensure it had capacity to supply this service to their clients. The website developed from being an online brochure to becoming a real-time business tool.

Today, Jesmond Engineering uses its FTP space on its website for many of its customers. It provides them with a user name and password which allows them to enter a secure area of the Jesmond Engineering website to view complex models and diagrams relating to their specific projects. The in-built security means that no one else can be granted access to their specific area. Customers can remove the files from their FTP dedicated area and save them to their internal systems.

Benefits

"With a number of our customers being based overseas, we often use the FTP area to place files and models. With access available 24/7 they can look at them overnight. When we return to the office we will have their comments ready for us to adapt the models during our working day.

"FTP is straightforward to use and can save us a lot of time. We can also communicate with customers instantly if required. All we have to do is inform them that a model / diagram has been uploaded in their dedicated, secure FTP area on our website and we can then call them to discuss the detail, regardless of location."

"Using internet-based technologies means that we can communicate with customers in real time regardless of location. It gives us the versatility and ability to give a high class service. We can compete with the global big players from our office in Brough!

Jesmond Engineering Limited

BOTH EMPLOYEES AND CLIENTS HAVE SEEN A SIGNIFICANT IMPROVEMENT IN TIME MANAGEMENT AND CUSTOMER RESPONSE TIMES.

CASE STUDY: SCARBOROUGH LIFTS

Formed in 1988 by David Barker, a lift engineer with over 38 years experience, Scarborough Lifts specialises in installing and servicing lifts and providing a 24/7 emergency call out and repair service.

The Problem

With the servicing and ongoing maintenance of lifts, it is vital that service reports, fault reports and related documents are kept up to date. Documents must be stored safely and securely and can be requested at any time to confirm that lifts have been correctly maintained. They must also be easily accessible to the company's authorised personnel.

As Scarborough Lifts grew, its processes and the associated paper trail inevitably became more complex. With its customer base expanding across the region, the company also faced the challenge of efficiently managing the team of engineers and their time. Engineers needed to be out in the field rather than in the office dealing with paperwork.

"We knew we needed to move forward from a purely paper-based system and look to a more sophisticated solution. However, we were cautious as we did not want to invest in a complex and costly off-the-shelf package that would be difficult to use and include components that we probably wouldn't use."

The Solution

"Scarborough Lifts had a unique system with reams of information duplicated in paper files. It was very organised, but not necessarily the most efficient use of time across the company. We were conscious that existing operations worked very well and there was no need to change the core processes. By automating the system we enabled Scarborough Lifts to speed up processes and add new functionality to cope with greater workloads as the company grew."

Save9 proposed a centralised database for all the documentation, with links to Blackberry™ mobile devices for the engineers. Rather than trying to modify an off-the-shelf package, Save9 developed a bespoke database to ensure that it exactly matched the company's existing processes.

By centralising the large quantities of information that the company has to deal with, the database has helped to simplify the work in the office and reduce the amount of data re-entry. As a result, it has improved record keeping and allows office staff to respond more quickly to customers.

The database is also linked to the company's Sage™ accounting system, helping to ensure accuracy and streamline the company's financial processes.

Benefits

Using their Blackberries, the engineers can receive and submit job sheets and other documentation while they are away from the office. This allows them to organise their days and plan their travel in advance so that they have more time to spend with customers. It also means that they no longer have to visit or telephone the office to receive their jobs at the start of the day or to access information that they need for a job.

Remote job sheet submission also allows the office to keep track of the status of each job and how long it is taking. This allows them to keep customers informed and advise them if an engineer is likely to be delayed.

"Overall, the system gives us a much more holistic view of the company. It enables us to easily access what is happening in relation to any lift at any time. Both employees and clients have seen a significant improvement in time management and customer response times.

"The beauty of the system is it has not introduced radical new processes that we had to adapt to – it offers an automated and more time-efficient update to our existing business processes. We can all use it confidently and we know that Save9 will work alongside us to develop it to suit our needs as and when required."

PARTNER ENDORSEMENTS

BT is committed to regional collaboration to help the economy in Yorkshire and Humber to grow. We know that investments in business infrastructure need IT-confident businesses, investors and citizens to bear fruit. That requires industry and the public sector to work together in new ways and to seek synergy in every investment. BT helped to found the original Yorkshire and Humber ICT Partnership Group from which the current Digital 20/20 ICT Business Group evolved and we look forward to continuing to drive forward adoption of ICT in the region informed by the valuable data from the fourth ICT Benchmarking Study.
Trevor Higgins, BT

Fujitsu is delighted to have played a longstanding role in the collaborative work of the Digital 20/20 partnership in championing the importance of ICT in the region's economic development. It is encouraging to see that this latest survey shows there has been a positive shift in the way businesses in the region are using ICT and the proportion of companies using more advanced ICT. We look forward to building on this success by helping organizations to move forward with strategic adoption of ICT to achieve new ways of working and new market opportunities.
Ian Lumley, Fujitsu

Microsoft understands how important the supplier network is to supporting business adoption of ICT. The latest Yorkshire Forward ICT Benchmarking survey confirms that businesses rely on ICT suppliers above all others for advice and guidance. Clearly, the Microsoft Partner network has an important part to play in supporting business growth in the region in terms of using ICT advantageously, and we look forward to continuing our collaboration with the Digital 20/20 partnership to maximize that impact.
Danny Ovens, Microsoft

Business survival and growth, employment, workforce skills, and innovation are top of the list in terms of UK priorities at the moment. Programmes, such as Digital 20/20, with a clear focus on growth, future jobs and public service innovation make valuable contributions. IBM is pleased to work with the Digital 20/20 partnership and looks forward to playing an active role in supporting the economic growth of this important region.
David Emery, IBM

As the Sector Skills Council for Business and Information Technology, e-skills UK is committed to spreading the message about the power of IT to transform business performance and to ensuring that the UK has the right skills base to make that happen. We value the focus that the Digital 20/20 Partnership has brought to this issue in Yorkshire and Humber, in particular enabling regional partners to coordinate business improvement and skills agendas in a manner that has historically been very difficult. It is good to see, therefore, that the latest ICT Benchmarking survey shows that more businesses than ever in Yorkshire and Humber view ICT as essential to their organizational needs.
Anthony Sherlock, e-skills UK

Better use of ICT is vital to opening up new markets and improving productivity for the region's businesses. It is one of Business Link Yorkshire's primary concerns and we are working closely with Yorkshire Forward and Digital 20/20 industry partners to target our work in this area as effectively as possible. It is encouraging to see from this year's ICT Benchmarking Survey that many of the region's businesses are using ICT in more advanced and diverse ways and there has been a marked increase in computer-using businesses that have innovated new or improved products. By offering appropriately tailored support we can build on this success.
Neil Smith, Business Link

At Cisco we believe that ICT is fundamental to sustainable economic development. We are delighted that this year's ICT Benchmarking survey has introduced new questions about this issue and even more so that the survey results indicate that a lot of businesses in the region are thinking about these issues and starting to use ICT to reduce their carbon footprint, reduce costs and drive efficiency . We welcome the fact that Digital 20/20 has made 'Green IT' a priority and look forward to continuing Cisco's active collaboration in the Digital 20/20 partnership.
Gary Quigley, Cisco

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