



## Outsourced Services Provider Saves 25 Percent in E-Mail Costs with Hosted Solution

### Overview

**Country or Region:** Australia  
**Industry:** Services

### Customer Profile

Headquartered in Melbourne, Australia, Spotless Group is an international provider of contract management and retail supply chain solutions. It has 37,000 full-time employees and more than 4,500 contractors.

### Business Situation

Spotless did not have a Web-based collaboration solution or an efficient method of communicating with employees and contract workers at remote or customer sites.

### Solution

Instead of deploying on-premises solutions, Spotless chose Microsoft Online Services to gain a low-cost monthly subscription to hosted e-mail and collaboration software.

### Benefits

- Reduced costs
- Increased agility
- Improved productivity
- Improved relationship with employees

*“With Microsoft Online Services, we can build better employee relationships and forge a more cohesive corporation that mobilizes quickly to increase market share and drive our competitive advantage.”*

*Josef Farnik, Managing Director and Chief Executive Officer, Spotless Group*

Spotless Group is an international provider of contract management and retail supply chain solutions. The company has more than 37,000 employees and 4,500 contractors. However, many remote employees couldn't access the corporate network. It was challenging for Spotless to disseminate information or establish communications with individuals by using e-mail messages or the company intranet. To address these issues, Spotless chose Microsoft Online Services hosted communication and collaboration services. Today, it's providing e-mail services to remote employees at 25 percent less than it would have cost to upgrade its on-premises e-mail solution. For that price, Spotless gained a scalable collaboration environment for a companywide portal that will increase information flow, build employee relationships, and increase agility to serve new customers and grow the business.



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Marcia English, Group Marketing Manager, Spotless Group

## Situation

Spotless Group began as a single dry cleaning store in Melbourne, Australia, in 1946. Since then, Spotless has evolved into a multinational corporation serving thousands of organizations in more than 30 countries. Today, Spotless provides contract management and retail supply chain solutions. These services include facilities management and asset maintenance, catering, linen and laundry, cleaning, and garment packaging solutions that are delivered seamlessly into client businesses. Spotless serves clients across the defense, hospitality, commercial, industrial, health, education, government, and resources sectors. The company is also a global leader in the supply of garment hangers and packaging solutions to retailers and manufacturers worldwide, supplying more than 3 billion garment hangers annually.

Spotless faces the daily challenge of effectively managing approximately 37,000 staff and more than 4,500 contractors working around the world. Many employees work in remote areas, or spend their days in a client's facility with limited interaction with other Spotless personnel. "Distributed management and interaction with our direct staff and our contractors is a significant challenge for an organization as complex as Spotless," says Josef Farnik, Managing Director and Chief Executive Officer at Spotless Group. "We need to stay in touch with, and add value to, the night shift cleaning staff in a university, or the cook in a mining camp, in the same way we communicate with information workers in our offices."

Approximately 4,000 of the 37,000 Spotless employees use a desktop or portable computer daily and are named users on the company's network. These employees use Microsoft Exchange Server 2003 for messaging and collaboration. Also, Spotless

maintained a small Lotus/Domino environment that supported a few aging collaboration applications. Corporate headquarters communicates with employees in the field using a range of communications channels such as quarterly newspapers and briefing packs distributed to sites, as well as site notice boards and monthly face-to-face safety briefings.

"Two-way communication is challenging, because of the diverse range of employees working in multiple geographies and the constantly evolving nature of our workforce," says Marcia English, Group Marketing Manager at Spotless Group. "We didn't have a Web-based system to help us better understand our employees, who was logging on, or what information they were interested in. Without that communication, it's hard to build a collaborative, two-way communications program or to build a corporate culture that fosters allegiance."

Spotless employees require seamless collaboration to manage the company's customized, integrated service offerings. However, the company did not possess a global collaboration solution. "The ability to gather, distribute, and share information among our staff on the ground and with headquarters is directly linked to our competitive advantage," says Farnik. "Our business requires very short lead times for mobilization. The greater the information flow around the company, the more productive and agile we become and the faster we can execute overarching corporate objectives, such as growing the business."

However, as a result of its global communication challenges, Spotless faced reduced productivity and business agility. So when Anthony Stevens joined Spotless Group in March 2009 as Chief Information Officer, he immediately began looking for a

cost-effective IT solution to address the communication challenges faced by the company.

"I look at technology investments from two points of view," says Stevens. "One is for technology required to keep the business running, and the other is for technology that supports growth. In today's world, e-mail and document management tools are everyday services that keep a business running. We needed to upgrade our e-mail solution, and we didn't have an infrastructure to support global collaboration. However, I would rather invest in technology that supports a significant new venture than toward commodity business services. So instead of spending a lot of capital on upgrading either of our on-premises e-mail solutions and deploying an on-premises collaboration solution, I needed to find a different option."

### Solution

Stevens found a solution to solve this dilemma with the Microsoft Business Productivity Online Standard Suite, which is part of Microsoft Online Services. Aligning with the software-plus-services approach, Microsoft Online Services offers customers a hosted option for business-critical applications. The Business Productivity Online Standard Suite consists of Microsoft Exchange Online, Microsoft SharePoint Online, Microsoft Office Live Meeting, and Microsoft Office Communications Online. This suite offers interoperable services that include desktop and mobile e-mail, calendaring and contacts, instant messaging and presence, shared workspaces, and live audio-visual Web-conferencing applications.

Microsoft Online Services also offers Microsoft Business Productivity Online Deskless Worker Suite. The Deskless

Worker Suite includes Exchange Online Deskless Worker and SharePoint Online Deskless Worker, streamlined versions of Exchange Online and SharePoint Online, available at a lower cost per seat. Spotless licensed both suites: the Business Productivity Online Standard Suite for its 4,000 staff who use a computer all day, and the Deskless Workers Suite as a less expensive communication system that the company could use to broadcast corporate communications, including its occupational health and safety policies, to other employees.

### Building a Business Case

It didn't take Stevens long to build a business case for moving Spotless to a hosted scenario. The company is decommissioning its Domino applications with a goal to lower support costs and standardize its operating systems so that IT staff can easily introduce new services to the company. Consequently, Stevens used an on-premises deployment of Microsoft Exchange Server 2007 as a frame of reference while evaluating the total cost of ownership of Microsoft Online Services.

"We could make a considerable investment in data center infrastructure and software licensing and incur a delay in delivering a highly scalable, available communications environment," he says. "Or we could avoid that capital expense and delay, and opt for a solution delivered quickly to us as a service."

Spotless's IT department has approximately 120 staff members who maintain more than 70 applications. Stevens did not want to add to their workload, and at the same time he recognized that the business-class service level agreements and the 99.9 percent uptime guarantee from Microsoft were beyond the resources of his company.

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Anthony Stevens, Chief Information Officer, Spotless Group

“I had no doubt that Microsoft could deliver a far higher level of security, availability, and scalability than we could achieve with our capital constraints and IT maturity,” Stevens says. “Microsoft Online Services provided us with the target architecture we needed to migrate from any remaining Domino applications and to avoid building another on-premises Exchange Server solution.”

#### **Configuring SharePoint Online to Meet Business Needs**

For Spotless, the first goal for Microsoft Online Services was to build a Web site to house its safety policies, training, and information within the SharePoint Online Deskless Worker environment. The site would disseminate health and safety policy and procedure information to all office and remote and contract employees: a priority, given the crucial importance of safety across all operations. Stevens and his team worked with Microsoft to configure the solution to achieve the anonymous access model that the company required.

“Technically we weren’t in a position to name and license each of our employees to access the site using unique passwords, which is the way that Microsoft Online Services usually works,” explains Stevens. “Our Microsoft counterparts took advantage of the flexibility of the platform and engineered a way for SharePoint Online to meet our needs.”

Spotless worked with OBS, a Microsoft Gold Certified Partner, to develop the Safety Web site in only six weeks. It launched July 1, 2009.

To date, Spotless has deployed 1,200 seats of the Standard Suite for its named users. These employees are using Exchange Online as their messaging solution and SharePoint Online to access new employee

collaboration sites, and the Safety site. Due to increased activity on the site from the other user group, the 30,000-plus employees that don’t use a computer during their workday, Spotless increased the SharePoint Online Deskless Worker seats to 4,500. The company decided to deploy Microsoft Office Communications Server 2007 on-premises, and is waiting to roll out Office Live Meeting when it builds up a larger number of named users within its Microsoft Online Services environment.

#### **Benefits**

For Spotless Group, Microsoft Online Services provided a cost-effective alternative to performing an on-premises e-mail migration. The hosted solution also provided the collaborative framework the company needed to better manage the publication of safety-related information. “Microsoft Online Services came along at the right time to provide a quick fix to continue with our self-insured status application, but our long-term plans for the platform are for a companywide portal for all 37,000 employees,” says Stevens.

#### **Reduced Costs**

Deploying Microsoft Online Services saved Spotless from significant capital expenses that would have been required to license and support new messaging and collaboration solutions. Instead, the company gained access to the latest communication and collaboration technologies from Microsoft with no upkeep required, and for a low subscription-based monthly fee.

“Based on our financial analysis, which took into account the maintenance and labor costs associated with our existing systems, depreciation on existing hardware, and licensing costs for non-Microsoft systems, for e-mail alone, we are saving 25 percent per mailbox, per user, per month,” says

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Anthony Stevens, Chief Information Officer, Spotless Group

Stevens. “And that reduced cost also covers all the collaborative functionality of the Microsoft suite that we need to act quickly on new initiatives, such as the ‘Safety in Spotless’ Web site.”

#### **Increased Business Agility**

Using Microsoft Online Services to deploy the Safety Web site in just six weeks provided early evidence of the company’s newfound business agility and was an important step forward in addressing its safety records and improving individual accountability for safety across the company. “We couldn’t have gotten this far, this quickly, without Microsoft hosted services,” says Stevens. “We didn’t have the time or money to deploy the SharePoint infrastructure that we needed to disseminate information to the business, but the bigger issue was time. We needed the agility associated with online services and being able to provision users and scale up as we need.”

Increasing business agility is particularly important for Spotless to be able to achieve its growth aspirations. Microsoft Online Services is playing an important role in helping the company achieve those objectives. “Agility is key to our ability to take on new clients and quickly begin provisioning services,” says Stevens. “We can achieve the nimble response times we need with Microsoft Online Services. If we make an acquisition tomorrow, or have to set up a new office next week, or add more services to a remote mining company, I no longer worry if I have the requisite infrastructure and capacity. All I need to do is add more users to our online services environment. It’s hugely enabling.”

#### **Increased Productivity**

Today, Spotless staff are using Exchange Online and SharePoint Online to work more productively. They have already deployed

several tactical collaboration sites based on divisional functional needs within the organization. “We have people in New Zealand and Australia that are collaborating on tenders and contracts, and they are saying this is the first time they were able to collaborate efficiently, store documents, and manage versions,” says Stevens. “For those staff in remote locations, Microsoft Online Services has already become essential.”

#### **Improved Relationship with Employees**

Spotless is using Microsoft Online Services as a cost-effective environment for introducing a new level of communication that will have a lasting effect on the company’s corporate culture. Instead of relying on information pushed to the field, the company plans to use the services to introduce two-way communications with individuals and to gradually bring more and more staff onto the corporate network.

“Microsoft Online Services is the only way we can afford to connect with staff in the field,” says Stevens. “As soon as we can provide them with an e-mail account, we can start understanding how we can better serve them. Along with our health and safety policy information that’s now available on our Safety Web site, we could provide direct services such as electronic pay slips, work schedules, and forms for requesting vacations.”

“Microsoft Online Services fits perfectly with our outsourced service delivery model and the distributed nature of our organization,” concludes Farnik. “Subscription-based access to hosted communication services that integrate laptops, desktops, and mobile devices means that Spotless can realize the full potential of Internet connectivity, at reduced costs. We expect to drive business agility and improve productivity. With

## For More Information

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For more information about OBS products and services, call +61 3 9606 9200 or visit the Web site at: [www.obs.com.au](http://www.obs.com.au)

For more information about The Spotless Group products and services, call +61 3 9269 7600 or visit the Web site at: [www.spotless.com](http://www.spotless.com)

Microsoft Online Services, we can build better employee relationships and forge a more cohesive corporation that mobilizes quickly to increase market share and drive our competitive advantage.”

## Microsoft Online Services

Microsoft Online Services are business-class communication and collaboration solutions delivered as a subscription service and hosted by Microsoft. With these offerings, customers can cost-effectively access the most up-to-date technologies and immediately benefit from streamlined communications, simplified management, and business-class reliability and security features. For IT staffers, Microsoft Online Services are backed by strong service level agreements and help reduce the burden of performing routine IT management, freeing up time to focus on core business initiatives.

For more information, visit: [www.microsoft.com/online](http://www.microsoft.com/online)

### Software and Services

- Services
  - Microsoft Business Productivity Online Deskless Worker Suite
  - Microsoft Business Productivity Online Standard Suite

- Solution
  - Software-plus-Services

### Partner

- OBS