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## Software-as-a-Service fosters collaboration

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By Linda L. Briggs

Analysts and industry pundits are paying new attention to the premise of on-demand applications. According to a new paper from consulting and research firm Saugatauk Technology, Software-as-a-Service is at a fundamental “tipping point.” Key technology advances and changes in the software-on-demand model are accelerating SaaS adoption, author Bill McNee argues, particularly in small to medium-size businesses.

For IT managers in the trenches, the interest in SaaS is good news. Smaller companies, with their limited IT staff, often wrestle hardest with managing complex applications for tasks such as e-mail and document sharing.

Enter InfoStreet, a company that has been in the on-demand software arena for over a dozen years. Its just-released StreetSmart 7.0 is an integrated suite of on-demand office applications that includes e-mail, a shared calendar, portal creation, file sharing, and workflow management tools.

Vancouver-based Omni Corp., a 50-person Canadian company that provides finance and insurance solutions to a variety of industries, is a perfect example of the type of firm that can benefit immediately from on-demand software. Doug Ferguson is both communications manager for Omni and—not uncommon for a smaller company—also serves as the IT manager. He says the firm first considered InfoStreet early this year, on both his and an outside consultant’s recommendation.

StreetSmart allows users to share files and documents securely over the Internet from anywhere, letting users upload and download files within their own personal file-sharing space, or to and from a company space. Folders can be assigned access rules to allow departments their own folders.

For Omni, that addressed their top business issue: Fostering collaboration among the firm’s several offices and Canada-wide sales team. The bulk of Omni’s business is partnering with manufacturers in providing extended warranties on products; there’s extensive document exchange among sales people in the field and the home office. “With a sales force across Canada, it was a challenge to keep those folks in the loop,” Ferguson says. “We realized we needed to share things like weekly sales reports, and to have somewhat of a [document] archive.” Omni runs a mostly Windows network, along with some insurance-specific applications leased through an offsite mainframe service. Prior to InfoStreet, on- and offsite employees were using a third-party POP server for e-mail, accessed via individual Web-based e-mail clients (including Outlook Express).

The ability to create individual portals in InfoStreet, along with calendar and file-sharing features, are the functions that Omni relies on most so far. “We knew we could host our own server and put it in-house,” Ferguson says, “but with all that was going on, we made the decision that we wouldn’t mind paying a monthly fee to have someone else’s well-established, pre-built but customizable solution that we could

roll out quickly.” Another aspect that appealed to the company: InfoStreet takes care of redundant backups. “That’s part of the point of having it,” Ferguson says. “They do a really serious job of backing everything up—something like every couple of hours.”

Was allowing an outside company to host critical applications and touch company data an issue? “Sure, we were concerned,” Ferguson says, especially as a member of the tightly regulated insurance industry. But their research on InfoStreet’s history allayed concerns. Also, company policy intentionally doesn’t allow sensitive customer insurance documents to be shared online, no matter what system is in use.

Omni rolled out the product in February 2006, endured some small setbacks and hiccups—“mostly our ability to get things set up and ready”—and had most users logging in and using the electronic calendar fairly soon. StreetSmart proved to be readily available for customer support for issues that Ferguson couldn’t resolve.

It took time, however, to convince employees to actively use the new system, including the concept of a shared electronic calendar. “We didn’t go so far as to force the InfoStreet site to actively pop up when people logged in to their systems,” Ferguson says, “but we considered it. ‘Hey, we’ve got a resource here that we’re ... strongly suggesting that you have a look at every day.’ ”

Moving to a new product like this isn’t insignificant, Ferguson emphasized. “It’s a brand-new system; it’s a major [decision]. When you’re a small to medium-size company and you’re rolling out a new platform or technology that no one’s ever seen before, you’ve got all sorts of things to consider.” Among the issues Omni had to decide beforehand was how they wanted to set up the system, which applications and features they would use initially, and how to introduce it all to employees. “It’s completely changed how we deal with our employees and how we get them information,” Ferguson says.

InfoStreet hasn’t been in place at Omni long enough for true return-on-investment measurements, but ROI is typically one of the places where SaaS can really shine. Prices for StreetSmart are dramatic when compared to most per-user cost estimates for licensing and supporting Microsoft Office in-house, for example. A complete suite of office applications from StreetSmart might cost between \$3 and \$7.50 a month per user, depending on number of users.

Rather than looking at InfoStreet as a monthly cost of \$300, Ferguson says, the company viewed it as a \$6 per employee per month investment in productivity. That made it a no-brainer, he says. Also, without InfoStreet, the growing company would eventually have had to install an Exchange Server for handling e-mail, at a considerable cost in his support time. Eventually, he says, “I’d be running down problems with a Microsoft Exchange server all day long... It’s not just the cost of the software, it’s the management cost.”

StreetSmart says it has about 100,000 users on its system through several thousand customers—and is fielding lots of interest. StreetSmart offers another option—an on-site appliance, but one that is completely managed by them.

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