

Small business aims to beat recession with smarter communications, claims Siemens research

Three quarters of small businesses to drive improved business productivity when making IT and communications technology purchases.

London, UK, 02 February 2009: - Over 80 per cent of UK small businesses see smarter use of communications technology as the lifeline to help beat the recession, according to a study of small and medium-sized business (SMB) owners participating in the Business Growth and Development Programme (BGP) at Cranfield School of Management.

The study of the 31 small businesses between £500,000 to £20 million turn-over, which was commissioned by Siemens Enterprise Communications, found that 84 per cent of those interviewed think that enhanced communications will deliver competitive advantage in the current recession. A further three quarters want improved productivity when they are investing in IT and communications.

But small business communications channels are often fragmented: although eight out of ten small firms provided staff with mobile phones, only 32% provided staff with mobile e-mail access and two thirds - 65% - had never held audio or video conferences.

The study also showed that UK small businesses rely heavily upon multiple communication devices. Half of the study said staff use between three and four communication devices at work.

However, this lack of an integrated approach to communications may stem from small businesses' confusion over the amount of time lost to muddled communications. Of the interviewees questioned, 32% thought it was under an hour, 23% thought hardly any time was lost and the remainder suggested productive time losses between one and six hours lost a week.

Companies were also unclear as to the financial benefits from time saved and improved staff productivity from smarter communications technologies now available such as unified communications platforms. Interviewees' estimates of the financial savings ranged from £50 to £200 per week.

The latest unified communications platforms are said to provide a single point of contact across company operation, improve flexibility and reduce staff time wasted managing voice, email, IM and social media.

Gerard Burke, programme director of the Business Growth and Development Programme (BGP) at Cranfield School of Management, said: "The study shows that small business owners have invested sensibly in staff communications technologies because they realise the potential for greater productivity. On the other hand, the study also shows this category of firm has yet to approach it in a co-ordinated way, which is becoming a real issue as companies of all sizes seek to cut costs or boost productivity from existing investments as the economic downturn worsens.

Dave Dyer, SME marketing manager at Siemens Enterprise Communications, commented: "Small businesses know they have to fight their way out of recession by delivering more from less or reducing operating costs. These findings demonstrate that there is considerable scope for

achieving this by co-ordinating communications technologies more effectively using innovations such as unified communications, saving staff time and boosting productive output. In particular, businesses could make greater use of audio and video conferencing tools that contribute significantly towards saving money and time as well as adding to their firm's green credentials.

"In addition, we have found that smart communications technologies deliver a series of different 'incremental' benefits - time saved on staff management or juggling multiple devices and greater use of conferencing platforms – that could make all the difference in helping a business to survive and prosper."

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About Siemens Enterprise Communications Siemens Enterprise Communications is a joint venture between the private equity firm The Gores Group, a leading private equity firm, and Siemens AG. The joint venture incorporates Siemens Enterprise Communications GmbH & Co. KG, its worldwide affiliates and the businesses of Enterasys Networks and SER Solutions, creating a new leader in enterprise communications - strong in unified communications, contact centers and secure networks. More than 14,000 employees worldwide follow an Open Communications approach, providing enterprise communications and data networking solutions for enterprises of all sizes. This enables business processes to be more productive, faster and more secure within any network or information technology infrastructure. In fiscal 2007 Siemens Enterprise Communications generated revenues of approximately 3.2 billion Euros. For more information about Siemens Enterprise Communications, please visit:

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