

Customer Case Study: Serviced Office Group



CHARTERHOUSE
VOICE & DATA

Complete office technology suite drives new revenue streams and creation of value-adding business services to thousands of end-users.

Expanding UK serviced office organisation provides a complete suite of ICT services to their small business clients, in a cost-effective and customisable fashion, thanks to a package of IP communications, reprographics, network services and 24/7 support.

virtual offices, hot-desking facilities, conference/meeting rooms, accountancy services, secretarial services, ICT solutions and facilities management to customers in all their sites.



Serviced Office Group plc is an AIM-listed provider of flexible office space and was founded in 2003 by Chairman Michael Kingshott. The Group owns or manages a total of 16 business centres, currently comprising 2,854 workstations. Business centres are located in London, the south-east and beyond.

The Group's aim is to create a vibrant "hotel" for small businesses. Their flexible agreements mean customers only need to occupy offices when and for how long they want. The Group offers serviced offices,

The Group itself has expanded in two major ways: firstly, organic growth via acquisition of new properties; and secondly, through taking over existing properties as a managed service. As other serviced office companies face financial difficulties, Serviced Office Group leverages its financial strength, stability and flexible services model to take over going concerns whilst it continues to expand into net new sites.

"I was recruited to the Group to build a new model of flexible service delivery. Our approach to the buildings themselves is that they need to be modular and customisable so that we can make the available space meet the ever-changing needs of our customers, now and in the future."

– Lee Pyle, Group Services Director

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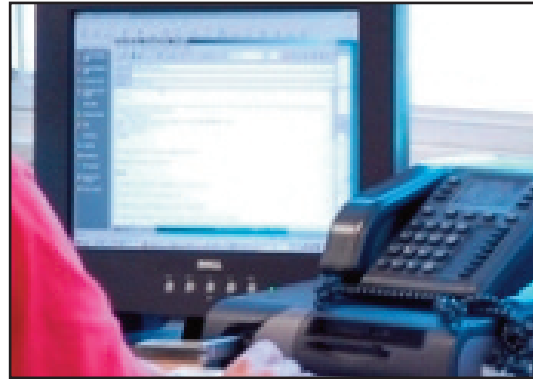
The Customer Challenge

Serviced Office Group face many challenges relating to their technology requirements. Their estate of sites had built up through six years of organic growth and through inheriting existing properties. This left them with a mix of traditional and IP telephone systems from Avaya, Nortel and Siemens. They needed to standardise on one IP-based platform but they knew that it was not feasible to upgrade all sites at once. Therefore, they needed a single maintainer to support all their telecoms estate across a wide geography. That supplier would also need to migrate their legacy systems to a common IP telephony system as and when the Group required.

“We can change the shape, size and layouts of rooms very quickly so we can provide a customised workspace solution to a great many businesses, all under one roof. We need the same flexibility and rapid changeability from the technologies we deliver to our customers.”
– Lee Pyle, Group Service Director

The Group needs to offer reprographics as part of the full suite of capabilities delivered to clients. Those clients require high quality print production functionality, as well as the ability to copy documents and scan them electronically. Part of the value delivered to the end-client is that they have access to facilities of far higher quality than a normal small business could afford themselves, and

reprographics services are a big part of the Group's value proposition to their users.



High-speed Internet access is now a necessary prerequisite for conducting business in the 21st century. Again, part of the value that the Group delivers is significantly higher rates of Internet connectivity than standalone broadband connections, and they needed a supplier who could upgrade their data links as their old contracts ended.

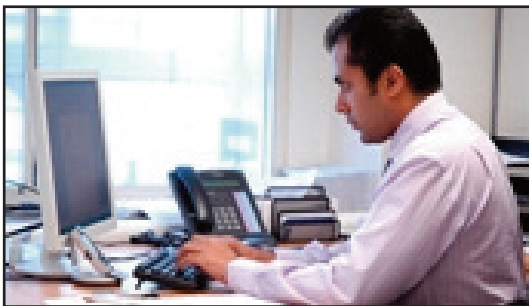
Finally, the Group's end-customers needed to have full inbound and outbound telephony capabilities, as the telephone remains the number one business communications tool. The Group needed to provide not only all the direct dial numbers, virtual numbers and value-for-money minutes rates, but they also needed to chargeback their customers for these on a monthly basis without undertaking unnecessary administrative burden.

Overall, the key requirement was for the ICT and reprographics services to match the rest of their office services by being tailorable and customisable to the needs of different companies.

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The Charterhouse Solution

Charterhouse performs three core tasks for Serviced Office Group: firstly, maintenance of inherited sites and legacy equipment; secondly, migration of sites to IP and next-generation services; and finally, provision of standardised technologies to newly acquired locations.



IP Convergence Solution

Charterhouse and Serviced Office Group agreed that the Avaya IP Office system would be their IP telephony platform of choice. The Group had several legacy INDeX platforms in their estate, so migration to IP Office is easy and cost-effective. The system also provides all the core functionality like hot-desking and multi-tenanting that a serviced office requires. It is also easy to use, which is essential for the end-user community.

Reprographics Solution

Charterhouse provided colour-capable Sharp multi-functional devices (MFDs) from the MX range to numerous Group locations. This reprographics solution allows the end-user to choose between mono or colour print/copy output,

depending on their requirements, and the use of account codes makes for simple chargebacks depending on monthly volumes. Scanning is not a charged-for item which makes this a valuable part of the service the Group delivers.

Network Services

Charterhouse now provides voice network services to all locations. CVD calls and lines have reduced Service Office Group's monthly bill and electronic billing has improved upon the speed and accuracy of their billing to end-customers. All new sites have standardised on very high-speed 100 Meg Internet connections and other sites will take the 100 Meg service shortly. This allows the Group to deliver significantly higher service levels to their customers for the same monthly cost.

Support Services

CVD supports not only the Avaya telephone systems, but also looks after Nortel and Siemens traditional PBXs and will continue to do so until those locations move to IP. The support contract is totally flexible, consisting of 24/7 bespoke service. Charterhouse supports all sites in the UK and is available whenever they are needed, regardless of the system or location.

“We need to be able to deliver services to our customers whenever and however they need them. That means that anybody who is part of our service supply chain must do likewise; Charterhouse must deliver and Charterhouse does deliver. I can't settle for anything less.”

– Lee Pyle, Group Services Director

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Benefits and Results

The partnership between Serviced Office Group and Charterhouse has delivered the outcomes the companies agreed and that the Group required. By moving to a single maintainer for all systems, they have been able to reduce their annual maintenance charges and to simplify their supply chain by dealing with only one company. They no longer have to think about the manufacturer and location before placing a service call, they just call Charterhouse.

Standardising on the IP Office platform provides value to the customer and the customer's customer. The Group benefits from ease of administration and commonality of service delivery; in addition, any customers who use their services in multiple locations can enjoy a consistent user experience for telephony.

User-friendliness was also crucial to the Group. Their customers may only be tenants for a matter of weeks or months, therefore intuitive systems were needed. Neither the Group nor their clients wanted to be in a situation where users required

constant assistance to perform routine tasks. This was another reason for Charterhouse's recommendation of both Avaya and Sharp as core platforms as they are extremely simple to use. With

**"Any service that we provide to our clients, CVD must provide to us first. Therefore, they ARE part of our service offering in a very real sense."
– Lee Pyle, Group Services Director**

either no training or only very brief training, users are fully able to use the telephony and reprographics resources at their disposal.



Finally, the network services that Charterhouse has provided – voice and data – have benefited both the Group and the businesses using the services. The Group has been able to make the margins that they need to deliver their complete suite of services, the customer has enjoyed a reduction in their monthly rates, and the services are faster and better than they used to be. Billing is also quick and easy, which benefits all concerned.

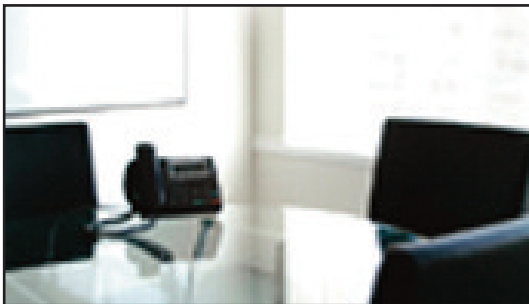
**"It's imperative that we charge fairly but we capture all the revenue too. That means we need Charterhouse to provide us with cost-effective services and to help us chargeback our clients. They help me manage my margins so that I can balance the needs of the Group with the needs of our users."
– Lee Pyle, Group Services Director**

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Why Charterhouse?

As Serviced Office Group expanded and took on more and more sites, they realised that they needed a strong technology partner to help them deliver. Lee Pyle explains their needs:

“It’s a cliché, but it’s the relationship that counts. Yes, I need value for money and yes, I need a one-stop-shop service, and I get that from Charterhouse. But what matters is that they understand our business, they know what we’re trying to achieve, and they share our commitment to excellence. It makes my life easier knowing that they’re there when I need them.”



The Group knows that their only differentiators are the range of services they provide, the flexibility in that provision, the price/performance mix, and the way they deliver the total suite of services. Pyle sums it up thus:

“My job boils down to one key objective: to ensure that Serviced

Office Group delivers far better services than our competition at a price that works for our customers. Technology is a huge part of that service so CVD’s solutions and services are integral to what we do.”



The normal challenges of a multi-sited customer with thousands of workstations are compounded by the multi-tenant situation. The Group deals with potentially dozens of customers in every individual site, all needing a different mix of services. This impacts upon the technology too, a problem well-understood by CVD, as Pyle concludes:

“Charterhouse does not view us as a single customer; they share our view that we provide a service to hundreds of smaller businesses. Therefore, Charterhouse is, in fact, working with us to look after a great deal of customers – nearly 3,000 end-users – all with different needs.”

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Customer Needs

- Maintenance across multiple legacy telephone systems
- Simple supply chain
- Standard IP platform
- Cost-effective calls & lines service with client billback
- High speed Internet services
- High quality reprographics with ease-of-use & billback

Solution Components

- 24/7 bespoke support for Avaya, Nortel & Siemens
- One supplier across the UK
- Avaya IP Office site rollout
- Charterhouse voice network services at all locations
- 100 Meg Internet lines
- Sharp MX colour range with account codes for charging

Business Benefits

- Improved service delivery margin performance on core services
- Considerable reduction in network services charges
- Increase in quality of user services at a reduced cost level
- User-friendliness of telephony and reprographics services
- Elimination of unnecessary support contracts and suppliers
- Improved system administration and site self-sufficiency

“We enjoy a very strong working relationship with Charterhouse. Our top suppliers all understand that they’re part of delivering services to hundreds of customers, not just one large customer, and they take pride in helping us to achieve excellence. My main objectives are to reduce the end-customer’s costs, to improve the service levels we deliver and to do so with better margin delivery to the Group. CVD helps me to meet all these goals.”

– Lee Pyle, Group Services Director, Serviced Office Group

