

CORRECTED VERSION

RURAL AND REGIONAL COMMITTEE

Inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria

Newhaven — 10 September 2013

Members

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Witness

Mr P. Kissane, founder, Burger IT.

The CHAIR — Welcome, Patrick, to this public hearing of the Rural and Regional Committee's inquiry into the opportunities for people to use telecommuting and e-business to work remotely in rural and regional Victoria. We have apologies from Damian Drum, a member for Northern Victoria Region, and Mr Andrew Katos, the member for South Barwon. I hereby advise that all evidence taken at this hearing is protected by parliamentary privilege as provided under the relevant Australian law. I also advise that any comments made outside the hearing may not be afforded such privilege. For the benefit of Hansard, could you give your name and address?

Mr KISSANE — Patrick Kissane, 36 Anderson Road, Cowes.

The CHAIR — Would you like questions as we go or at the end of your presentation?

Mr KISSANE — As we go. Whatever.

The CHAIR — Would you like to lead off with a few comments?

Mr KISSANE — Yes, sure. We run a small IT consultancy. I live on Phillip Island and my business partner lives in Bacchus Marsh, and the majority of our clients are in Melbourne or interstate, but the large part of them are in Melbourne — so working remotely is very much our bag. We do a lot of work remoting into people's computers, so to us the internet is the tool that allows us to do our job. We simply could not do the kind of work we do at the moment if it were not for that kind of communication ability, whether it be by phone, 3G-type connections or ADSL, which I have in my office in Cowes. We do a lot of driving around, as you can imagine, to get to those various places as well, so there is a lot of remote work. There is also a lot of on-site work, and wherever I am I need to be contactable and able to remote in to fix people's problems. Wherever we are, we need to be connected.

Our biggest challenge is that connectivity. I will be driving from Phillip Island to Melbourne and I will get a call from somebody saying, for instance, that they have forgotten their password. That is the kind of thing where I am able to then pull over to the side of the road, get out my 3G-connected phone, my iPad or my laptop, remote into their server, reset their password and get them on their way. Sometimes if you are next to a cow paddock, you just do not have the connectivity that you need. Most of the time, though, that is kind of how we operate. We manage about 900 remote computers. Some of them are in various states and some overseas, and that is how we run our business.

The CHAIR — How many people do you employ?

Mr KISSANE — Three.

The CHAIR — So there is you, your partner and one other?

Mr KISSANE — Yes.

The CHAIR — And they are based here and — —

Mr KISSANE — Bacchus Marsh, and the office manager is also in this area.

The CHAIR — Why here?

Mr KISSANE — It is very pretty, and it is a good place to raise kids. I have four children, and they are comfortably ensconced in this community. Unfortunately, or fortunately, I have managed to pick up a lot of clients on the back of clients that I had through referrals and so forth, so the business grew larger than I expected it to in Melbourne. I planned on coming down and building a business from here, but that is the nature of referrals — they come from where they come from. Again, five years ago, I was travelling every day and staying in Melbourne quite often. Now I do that much less. I will often be able to stay a day or so on Phillip Island and work completely remotely at that time. Once I finish here, though, I will be jumping in the car and heading off to Footscray.

The CHAIR — Why do you have to go to Footscray?

Mr KISSANE — One of our clients is out there. They have some on-site stuff that needs to be sorted out. As I was coming in, I had to pull over quickly and set up a new user who had just started; they had forgotten to let me know about that. I had to add another client, and that is the kind of thing you can do remotely. I have one client in Footscray who told me this morning that their computer physically will not turn on. It could be anything, but it is something that requires an on-site visit to do that. I probably would suggest that is 15 to 20 per cent of our business. A large part of my business as the director is to have face time with clients for relationship management type of stuff, which is obviously very important, plus business development, so there is quite a bit of driving around to get that done.

Mr TREZISE — Do you count face time as, for example, Skype time, or do you describe face time as one-on-one?

Mr KISSANE — At the moment it is one-on-one. It is not just my end I have to worry about, of course; it is the client's end as well. That is the kind of thing we might do a little bit more of. I think with the relationship part, there is nothing like sitting in front of somebody, but certainly in support I think we can add a lot of value or a much better experience for our clients by being able to sit in front of them virtually and talk them through the problem they are having. Things like screen sharing and that kind of stuff are very helpful, but it is a faceless person on the other end. So if you can have a little picture of me in the corner of your screen when I am conversing with you, I think that develops a richer experience for the client and a better relationship with them.

Mr TREZISE — But do you think that, as technology improves, the need to travel from Phillip Island into Melbourne or Footscray would continually decline?

Mr KISSANE — Where our business is changing is that I would like to be driving to Melbourne less, so we are looking at putting on more staff who are a little bit more in the same areas where the clients are, which will mean that my role will become less about having to drive in to fix somebody's computer that will not turn on and more strategic, more business development and relationship-type stuff. If we were to stay where we are right now, I do not know how much different technology would be able to help with a lot of that, because if your computer does not turn on, I cannot remotely assist you. So there are physical challenges too — when someone unplugs the cable, it is going to stay unplugged until it is plugged back in again. So there is always an element of that.

Mr HOWARD — Your business has been going for four or five years now?

Mr KISSANE — Yes, about five years.

Mr HOWARD — Were you operating out of Cowes when you started the business, or have you moved down since?

Mr KISSANE — Yes, I was operating as a sole trader before that. I have been doing this actual trip for, I think, nearly 11 years.

The CHAIR — You have a partner, and you are an employee. How do you measure the output? When your people work remotely and not all in one office, there is a question around how you measure their output. How do you do that?

Mr KISSANE — We have a help desk system, which gives us very specific statistics and KPIs on how quickly we respond and how long a ticket stays open before it is closed. We have a very clear board of work in progress, so it is easy to kind of get that fixed and to kind of understand where we are at with that.

As to the different KPIs that we get, there are much better tools now — technological software — that allow us to drill down on what is being done. If I rewind maybe four years to when we did not have that kind of stuff, everything was by email, so it was much more difficult; it was easy for things to fall through the cracks. We have a very clear demarcation between the different kinds of areas of the business that we manage, and we can see whether someone is performing as they need to by the amount of work that is sitting on the open docket.

Mr TREZISE — Patrick, as someone who works in the industry, are we also talking about telecommuting? Do you see a future in telecommuting? And what restrictions would hold a place like Phillip Island back from people working remotely?

Mr KISSANE — Our newest employee, who has been on board for maybe a couple of months, is 100 per cent telecommuting. She is very much restricted by the speed of the internet that she is able to get in the new estate that she lives in, which is very throttled. I think it was created NBN friendly, but there is no NBN here yet, so the ADSL connections are less. She had to wait quite a while before she could even get ADSL. That is the biggest — she is working out of her spare room; I have had to work from there, and it is abysmal. Internet speed is key. The speeds on Phillip Island are not great; they are actually pretty bad. That is one of the reasons I probably have to get up and drive in more often than I would prefer. It is just that the internet speed is not fast enough.

Mr TREZISE — But you would see that as the NBN is rolled out there is potential for telecommuting at a remote area like Phillip Island?

Mr KISSANE — No question. Having the fast links means that there is no difference, really, between being in the office next door or being across the country. That is the biggest driver. As soon as the internet is to a speed that — we have clients who have 100-megabit links into their office, so it is almost as fast as physically being in the building when you are working remotely. The limit is always going to be your end.

Mr HOWARD — How do you go about getting your clients? How do they know about you? Do you have a website or other means by which they learn about and then make use of you?

Mr KISSANE — We have a website in name only. It really just has a couple of contact numbers on it. Our business has grown through word of mouth and referrals. That has been fine to keep the two of us going to this point, but our growth plans are based on a little bit more aggressive advertising and so forth in the market. The website will be a big part of that. Our strategy does not have a lot in terms of advertising on the traditional media. It is going to be mostly to use things like a technical blog for different technicians we either have ourselves or interact with to talk about technical issues and how we solve them — that kind of thing. It will kind of position us as an expert in the field. There is more of a customer-facing or marketing-type blog about technologies that we think are important for people to be aware of.

We see ourselves as being able to — computers do not fail as much as they did, so our industry is changing in that computers are more reliable. You need less a person coming to fix problems like that or your computer not turning on, but more who are able to strategically assist the business in how to become more efficient, and raise your profits that way. Being more of a valued partner is how we see ourselves being able to grow as that kind of word starts to get out. Part of that will be using our website to position ourselves as being a little bit more than just a fixer guy and more a strategic partner. That is where we see it. When you come across our website it will give you a level of comfort and us a certain amount of credibility, both with the clients we currently have and with the kind of things we are talking about, and hopefully we will be able to fit your business better.

The CHAIR — In other jurisdictions they have talked about hubs. You are saying the ADSL is not that good for your employees. Would your business use a hub if there was one based close by?

Mr KISSANE — Are you talking about a serviced office-type thing, with a nice big, fat internet pipe coming in? Is that the kind of thing you are talking about?

The CHAIR — With a hot desk at which people are not sitting all the time, yes.

Mr KISSANE — I have an office like that in the city. It is called the Hub. What do they call it? It is a hot desk-type thing — a coworking location. I think that kind of thing down here would be pretty good. I do not know how much some of the local businesses would need it, but it would be a big thing for us.

Mr HOWARD — Is the Hub you use the one down on Bourke Street near Spencer Street?

Mr KISSANE — Yes, correct.

Mr HOWARD — We visited it last week.

Mr KISSANE — I have been there since soon after it opened. I will often park somewhere, catch the train in, walk across the road, sit there and work for as many hours as I need to, then get back out again. That has been really useful for me — being able to have some kind of location, a walk-in — and it works.

Mr TREZISE — Patrick, given you are pretty much located on Phillip Island, explain to me why you would use the Hub in Bourke Street.

Mr KISSANE — Often I will have to go in, say, for a business development-type day, so I go to visit various clients as opposed to a break fix-type day, when I have to go out and fix problems. I have different events scheduled during the day. In the event that I am not able to have them neatly backed into each other, I find myself with a couple of hours to spend. When I am in the wrong place physically, in a different place on the wrong side of the city, then I tend to grab myself a seat in a cafe, have a coffee, have a sandwich, break out my laptop or iPad and get some real work done. Sometimes you find yourself there for quite a few hours, depending on what kinds of things come up.

Yesterday I was at the zoo doing a school excursion. Something came up, and I had to squirrel myself away in the section near the platypus room, I think it is called. I broke out my iPad, managed to fix somebody's email problem and then joined the group again. That is the kind of thing that five years ago I probably could not have done. There just was not that ability, either with the tools that I was using to connect or the internet availability in those places. So that is good.

The CHAIR — Have you had any unexpected benefits from the system you are using?

Mr KISSANE — Yes. Technology has made it much easier for me to be able to do a lot of these things, which has made a big difference to my ability to be able to spend quality time with my family. Quite often, even though I do have to go to Melbourne, I am able to get the kids off to school and do all that kind of stuff, because if anything comes up, I can put down making the sandwiches for a minute, fix the problem and then get back to it, if you know what I mean. If I were a bricklayer, then I would have to be where the bricks are. It is not necessarily because I am working in the technology field, but technology has allowed me to be a little bit more flexible with the time that I spend on work, so that has been the biggest benefit. I think that has been a surprise to me as that has just crept into my daily workflow. I am able to skive off for half an hour here and there, when otherwise I would have been sitting at a desk in an office.

The CHAIR — Are all your clients in Australia?

Mr KISSANE — I have some with offices overseas, yes.

The CHAIR — So you do not find yourself working at 2 or 3 in the morning to be in the same time zone?

Mr KISSANE — Two of our clients are Melbourne Storm and Melbourne Rebels, who play both in New Zealand and across in South Africa. We have a little bit of a call to be on-call while they are overseas. Various executives who have to go overseas on a business trip will call you from Stockholm and say, 'I can't get connected to my email'. There is not a lot of that, but that is certainly part of the gig.

The technology we use allows me to dial into your computer and fix your problem, as long as you are on the internet, so you do not have to be in a designated office for that to happen. A client I had was in Greece for a month. I was able to dial in and fix a problem she had with her payroll system, which she was running off her laptop on a beach in Greece. It is tough work, if you can get it.

Mr TREZISE — Patrick, you mentioned before that you have an employee who works from home in a spare room. As an employer, have you addressed your health and safety responsibilities?

Mr KISSANE — Yes, that is something that is pretty important to me. One of my clients is a physio who specialises in workplace set-ups, so that is an area that is pretty important to me — things such as correct chairs and desks, lighting and whatever. It is something we got sorted before we started.

The CHAIR — Did your business pay for that?

Mr KISSANE — Yes. There was not a huge amount we needed to do. We needed to get her desk, so we just made sure we got her desk and chair and so forth that were right on ergonomically. We chucked in a couple of extra lights to make sure that the area was good.

The CHAIR — What could the state government do to encourage more businesses like yours to be in rural and regional areas?

Mr KISSANE — It is a tough gig, because I appreciate it is not your area, but fast-tracking the internet to areas that are a little bit isolated would make a big difference. I do not know whether it is the kind of thing that the government could do to assist, but setting up those sorts of hub-type things would be good. I know the council and schools, for instance, have internet connections that are probably better than a business up the road. If there was a way to be able to piggyback off that, it might be a way that you could assist. But if the federal government finishes whatever they are going to do with the NBN, I think that is going to be the biggest step change in what we are trying to do.

The CHAIR — Obviously your business is using what is currently there. What could we do to get more people doing what you are doing? It is not that we want to put you out of business.

Mr KISSANE — No, no. I do not know that there are a lot of people who fully appreciate just how well you can work outside the classic work environment. It is the kind of thing that perhaps if it was advertised or explained, people might start to make better use of it. It is good for us for people to be able to work out of an office. If you have an office of 20 staff and 3 of them want to be able to work from home two days a week, then we need to do things in their office to make sure that their office is protected from whatever it is that is happening in their house. It means that there is a bit of work for us to get that done to make sure that it works properly for the staff who are trying to work out of the office. It is good for my industry, I think, that people start doing that.

Mr TREZISE — Patrick, just getting back to the Hub in Bourke Street. You mentioned before that you use that pretty much as a base if you are in Melbourne for the day. When we spoke to the managers there, Brad and a lady whose name I forget — Caroline; anyway, it does not matter — they talked about other benefits of the Hub, such as working in collaboration with other people within the Hub and the synergies between businesses. Do you see that as a benefit for yourself?

Mr KISSANE — I certainly see that for some of the people I know in the Hub. I am a little bit more transitory in that I will come in and then not be there for two weeks, then I will spend three days there. I do not have the same kinds of relationships perhaps as those who are there a little bit more often, but I have certainly heard a lot of stories of people who have been able to leverage each other's different skills. I have some projects that we are working on the moment where I will be tapping into some of the people I have met in the Hub and saying, 'We have to do a corporate video-type thing that is going to go on the website'. One of the people at the Hub — that is what they do. So, yes, I think there is a lot of benefit from that kind of thing. That is probably one of the biggest benefits that you get in the smaller kind of community, I think, as well.

One of the people who started at the hub at about the same time — we went through our introductory tour at the same time. She worked — I cannot remember where it was. It was not too far out of the city, but she had worked for probably 10 years as a computer programmer in her house. The main reason she wanted to be there was that it meant that she would have exposure to people that she was not getting working in the office. I saw her recently, and she is probably there three or four days a week now, when she was doing it one day a week just to get out and about and talk to people. You get a lot of benefits from person-to-person contact that your smaller businesses do not, and I would imagine that that would be worse in a rural area, where you do not have the close proximity of different businesses in a smaller area.

Mr TREZISE — Perhaps Paul has addressed this before. Taking what you have just said about hubs, do you see that they are looking into the future — that not too far in the future there could be a network of hubs in areas such as the Bass Coast shire?

Mr KISSANE — I would be for it. I do not know how commercial it would be, again, because a lot of people do not appreciate just how effective you can be working outside your normal office. You have to get over that kind of hump first for people to understand that that is possible. I can see how Brad and his team — they have opened up Adelaide, and they are about to open Sydney — or the other way around. I think that is part of an international group, so certainly for bigger cities it makes a lot of sense. I think it is the kind of thing that might be difficult purely from a commercial sense to get up. That is why it could be done through a local or state government initiative. That might be a good way of pushing the whole thing forward.

The CHAIR — You mentioned that there are benefits from social — for people working on their own. What are some of those benefits?

Mr KISSANE — I am a pretty social person, so it is very difficult for me to be locked up in a room. It is the nature of this kind of industry that you tend to get a problem that might take you quite a while to fix, and there is no amount of talking to people that can help, so you would sit there and have to work through the issue until it is complete. When I have found myself in the Hub in those kinds of times, it is not the fact that I am talking to people but the fact that there are people around — there is a buzz. There is a bit of energy. It takes the sting out of the difficult problem you are working on. Clients I have who have small offices with one or two people — it is pretty quiet in there. People have the radio going or whatever to kind of make some noise. Then I go and sit myself in the Hub, and you get that buzz. That is one of the biggest benefits.

The CHAIR — Do you have any last comments you would like to leave with us, Patrick?

Mr KISSANE — No, just to thank you for inviting me to be involved. It is great to have the opportunity to talk to people who can get things like this going, so thanks.

The CHAIR — Good. Thank you very much for your time, and all the best in your endeavours. In about 14 days time a draft transcript from Hansard will come to you. You will be able to make corrections to obvious errors, but other than that, it will be as it is.

Mr KISSANE — Sure.

The CHAIR — Once again, thank you very much, and all the best in Footscray when you get there.

Mr KISSANE — Yes. Thank you very much.

Witness withdrew.