
THE EXECUTIVE GUIDE TO INCREASING PROFITS WITH TECHNOLOGY



A CONTEMPORARY VIEW

TECHNOLOGY IS CHANGING RAPIDLY, AND I.T. LEADERS MUST KEEP IN SYNC WITH THESE CHANGES TO ENSURE THAT THEIR ORGANIZATIONS STAY AT THE FOREFRONT OF THEIR INDUSTRIES. IN ADDITION TO GAINING COMPETITIVE ADVANTAGES, LEVERAGING TECHNOLOGY TO INCREASE PROFITABILITY SHOULD BE A PRIORITY. HOW CAN YOU ACHIEVE THIS? READ ON TO FIND THE ANSWER.

Introduction

Over the past two decades, technological advancements have revolutionized world economies in a manner—and at a speed—that even the instigators of modern computing probably would not have imagined. Enhancements in efficiency have redefined standards and expectations, improved customer service, and restructured internal business systems. More significantly, however, is the observation that new technologies have boosted profits for businesses across all industries.

CEOs usually grapple with competing priorities of viable options as they allocate their organization's discretionary funds among different investment categories. Should a higher amount be invested in I.T. than in advertising or research and development (R&D)? And when the choice to spend on I.T. is made, what type of projects should be given priority?

New research indicates that investments made by organizations in information technology have resulted in increased profitability—in fact, money spent on I.T. is showing greater returns than similar investments in advertising or R&D. Further, substantial variability was observed in the impact of I.T. investments than was seen in corresponding investments in advertising or R&D. The reason for this could be that I.T. involves unique technologies, with the result that investments in I.T. provide a greater scope for creativity and innovation. The reason could also be that **most mature businesses have good knowledge and experience of managing advertising and R&D to their maximum benefit; however, only a few have truly mastered the management of I.T.**

An interesting observation of these research studies was that some types of I.T. projects seem to increase profitability more than others do. Information technology has several uses such as increasing efficiency, reducing costs, and aiding sales growth through customer satisfaction or customer retention strategies, to name just a few. **In general, I.T. investments were found to be more effective in enhancing profitability through an *increase in revenue*—as opposed to a decrease in operating expenses.** I.T. investments had a distinct, positive impact on revenue growth; however, the impact of increased I.T. expenditure on lowering total operating expenses was found to be negligible.

7 Modern Technologies That Enhance Profits

Adoption of new technologies requires a good measure of courage since it involves a potentially high-risk financial investment. However, the rapidly changing global business environment demands an open mind towards new avenues—markets, methods of operating, service and product offerings—and technological advances are often at the heart of these new ways.

Although new technology adoption requires a willingness to spend, organizations can gain substantially from the cost-effective solutions on offer. In fact, small and medium businesses often have the most to gain, despite being the most reluctant to spend, because thoughtfully adopted technology strategies can give them the means to compete with larger companies on even ground.

The following seven technologies can boost your business profits. Note that these aren't necessarily the "flashy, trendy, edge-of-tomorrow" technologies that people write headlines about and the VC crowd seems enamored with. Rather, these are tried-and-true modern technologies that are often underappreciated as sources of business strategy and overlooked as the means to increased profits. In an era when we spend so much time watching for the next big thing, the biggest winners are often those who look at the tools they already have and make the most of them.

1 Networks and Servers That Move at Blazing Speeds

Almost every business today is partially, if not entirely, dependent on networked connections for its operations, and some businesses operate entirely digitally. With new iterations of hardware continuously pushing speeds to new levels, the growth potential for this vital technology seems to be limitless. Businesses derive huge monetary benefits through faster network speeds, as they save valuable time and costs for all operations with a computerized component (which is most things in the modern era) and minimize downtime. Decisions are made and shared more quickly, collaboration can happen instantaneously, and more complicated projects can be facilitated with greater ease.

Beyond networking, servers can also have a big impact. In fact, the unpretentious, unflashy servers hidden away in an unmarked closet may just be the MVPs of your entire I.T. setup. Servers matter for all organizations looking to connect to the outside world; and even more so for businesses whose customers interact with them online (shopping, seeking customer service and help, filling out forms, accessing accounts, etc.). An increase in loading speeds can have a significant impact. We live in the information age, and how quickly that information is transferred matters to the end user. Even a difference of seconds (or less) will be noted.

2 Cloud Computing and Remote Storage

Cloud computing has proved to be a huge blessing for businesses, by eliminating the need for brick-and-mortar offices for cohesive operations. You are empowered to run your entire company by exclusively leveraging the cloud, without the need for a centralized office or branch offices. Cloud storage services such as Google Docs, Dropbox, and others enable sharing and storing of important documents and working with freelancers from across the globe in the same efficient way as you would through a brick-and-mortar office. You can realize enormous cost savings as you will not have to rent a space, purchase or rent equipment, or bear administrative costs for running a company office.

You can also save money—and by extent, make more money—by spending on cloud-based versions of the software you use for operations. This can allow you to purchase a greater number of licenses than you may have in the past, increasing the number of people in your organization with full access to important tools.

From your customers' perspective, cloud computing can play an important part in increasing the speed at which information is shared (as mentioned in the previous point). Changes to their account can be reflected—and seen by them—nearly immediately, assuring them that their needs are being met efficiently.



3 Big Data Storage



The ongoing digital revolution is throwing up an ever-increasing amount of information. Knowledge is money, and data is the “new gold.” Businesses in every industry are quickly coming to appreciate the potential of this information explosion. With appropriate data, you can increase the accuracy of business forecasts, and make better-informed decisions in all areas of operations.

With the right data, the click of a mouse can show you very precise information about your target market: what they’re searching for; what they’re buying; when they’re buying; what other groups they’re interacting with, before and after the sale (which can tell you who is influencing the buying decision as well as show you other potential customers).

However, while most businesses acknowledge that big data is directly linked to enhanced profitability, a vast majority of these are unable to overcome the barriers to data collation and storage. Luckily, many I.T. managed service providers have recognized this problem and have added solutions and services to address this, enabling massive data storage (and retrieval and manipulation) at affordable costs.

4 Going Paperless

While big data relates to the backend storage of information, for the front end there is paperless archiving. Going paperless is a fast-spreading trend in many industries. Replacing the use of paper with electronic processes leads to significant cost savings. From signing contract documents with digital signatures to digital presentation decks and marketing assets, there are many options available for going paperless in almost every industry.

Of course, paperless goes beyond simply documentation and filing. Tracking inventory and ordering from vendors is easier than ever, and integrating your digitization with A.I. can even move this responsibility from off the shoulders of an employee.

Paperless contracts, account access, and transactions can also give you the opportunity to expand your market into geographic areas that may previously have been out of reach. When there is no need for a client to meet with you in person to sign a contract, or to visit your office to access their account, then distance no longer becomes an obstacle to providing your services.

5 Internet Banking and Mobile Payments

According to a recent research study, internet banking is the preferred mode for 39 percent of bank account holders. Mobile banking is also rapidly catching up with this trend. Having a bank account for your business that is easily accessible from your smartphone provides several benefits, especially if the nature of your business requires you to spend a large amount of time out of the office—in the field, or calling on clients or traveling. Transferring funds and checking your account transactions on-the-go allows you to monitor your business financials constantly, and the enhanced security available through mobile device management services can ensure your data remains secure.

For small businesses, being able to accept payments through a smartphone is a game-changer. Billing can be resolved at the time of service, with a paperless invoice emailed to the customer. Not only does this reduce the amount of time spent processing paperwork in the office, it effectively removes the lag time of mailing invoices, waiting for a payment in the form of a paper check, then waiting for two banks to resolve the exchange of cash into your account. With mobile payments, the balance in your bank account can much more accurately reflect the work you have completed.

6 Mobile Apps and SaaS (Software as a Service)

“An app for virtually everything” is the scenario today, everywhere in the world. Business owners now realize that apps and other software services are perfectly positioned to execute administrative tasks that would normally consume large chunks of valuable time and money. Remote access, contact management, collaboration, project management, and communication are just a few of the many business processes that have been streamlined in recent years through the rise of SaaS solutions.

As the SaaS market grows, software solutions are becoming more effective in resolving specific problems. Rather than a one-size-fits-all approach to business software where it was incumbent upon the user to adapt their needs to a general design, SaaS solutions are being tailored to specific industries and needs. At the same time, however, the ability of these solutions to integrate and work with one another has increased exponentially, allowing business leaders to effectively customize a business operations software suite by picking and choosing the solutions that best fit their needs.

Of course, mobile apps designed for customer service and interaction have been a huge boon to consumer-focused businesses. Many retailers have witnessed a substantial rise in their company's sales and revenues as a consequence of mobile apps usage. But a smartly-designed mobile app can also help other organizations if it truly serves the needs of your clients.



For example, a healthcare facility may use a mobile app to allow patients to schedule appointments or communicate directly with physicians or nurses. Or a B2B company may find that allowing customers to place orders and manage their accounts by way of an app speeds up allows those customers to interact with your business in the same familiar way they've become accustomed to in their personal life.

As the use of apps and software increases, mobile device management and cloud computing solutions—along with a backbone of strong networks and servers—can let your business be agile and responsive while still maintaining strong security standards.



7 Social Media and Other New Marketing Options

Tying together the benefits of enhanced networks, servers, cloud, and mobility services, social media and the modern marketing landscape undoubtedly only exists due to the proliferation of technology.

While easily written off by old-school minded business leaders stuck in the past, social media marketing is truly an effective method of connecting with customers and expanding your reach. From the beginning of marketing on the internet, and continuing through to today's platforms, the promise of having a direct line right to your target market has never been truer. If you're willing to put in the time to learn the new rules and treat today's media as seriously as that of the past, you'll find that the barriers between finding, marketing to, selling, and retaining customers have fallen away.

The challenge for many businesses lies in the time commitment required to achieve a formidable social media presence. Customers are highly responsive to brands that are active and frequently post on social media and other online platforms (don't ignore video hosting sites like YouTube, and don't forget to make the most of your own website). Use of automated tools can streamline your online marketing efforts and save you time, as well as allow you to put together professional-looking marketing assets without hiring outside consultants.

Again, these may not be the most flashy technologies, but using even the most elementary of tools in a strategic, well-planned manner can dramatically transform the way your business operates and boost your company's bottom line. Think of these as the blue-chip stocks in your information technology portfolio.



New Technology Implementation

I.T. can be a valuable tool for enhancing business operations throughout your organization. Just keep in mind that the best return on investment is directly linked to the choice of the right solutions in alignment with the specific needs of your business as well as and preparedness of your employees to put it to use wisely. Make sure your business and operations are mature enough to fully adapt to the technology you want to adopt. Let an experienced I.T. services provider guide you in best practices as they implement changes to your systems.

Here are some other key steps in the implementation of new technology—or even just adopting a strategy to make better use of your current I.T.:

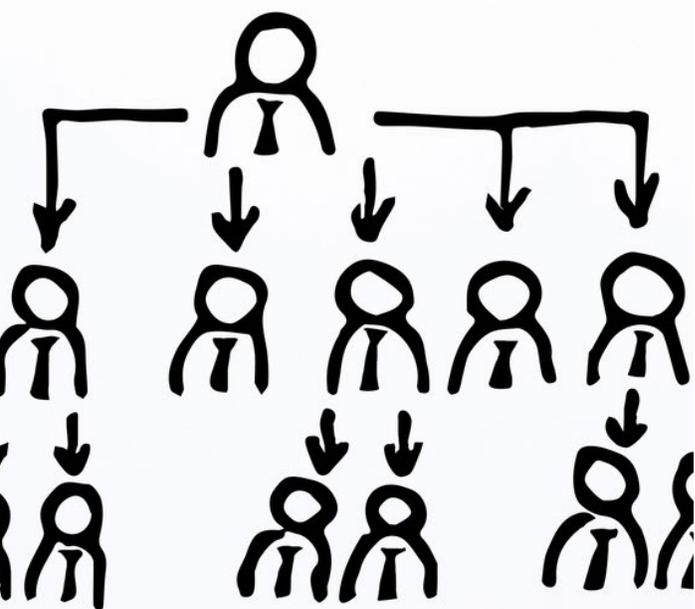


I. Set Business Process Improvement Goals

Create a list of business process improvements that are feasible for implementation from a technological viewpoint. These listed items may be segregated into three categories:

- 1. Improvements that will be easy to implement and are within your current budget.*
- 2. A list of items that you wish to have, but which may be best considered in the future.*
- 3. A list of items that can transform your business processes, but which may not be feasible to implement until your organization has grown considerably.*

These three areas form your current implementation objectives as well as future goals. If you have been realistic and careful in your planning, you should easily see which transformational goals are within your reach—and these may be different than what you hoped or planned for in the beginning. (You may have been too aspirational, or too conservative). An experienced I.T. provider can help you assess the maturity of your business and make the best plan for technology growth.



II. In-house or Outsource?

Will you be implementing your new I.T. strategy using in-house I.T. staff or by outsourcing to a managed services provider (MSP)? (Or perhaps even a hybrid solution where you split responsibilities between in-house technicians and an I.T. contractor?)

While in-house staff may know your current systems, be sure they understand any new technologies to the full extent, and have the experience and certifications to properly carry out the changes you need to make. And be sure that they understand the business strategies behind why you are adopting any new technologies or new uses for current technologies. Remember that increasing profits with the help of I.T. is not about the nuts and bolts of technology systems, but is instead an outgrowth of business strategy and operational understanding.

If you seek out a managed services provider, look for one with experience in your industry; not every industry uses I.T. in the same manner, and an understanding of the challenges and special requirements (including regulations) of your industry will prove invaluable. You may also want to ascertain that the MSP in question is the right fit for the size of your organization. You don't want to be either too big for their staff to handle, nor a small fish in their big pond—you want to be “just right” as Goldilocks would say (in the strange world of this very mixed-metaphor sentence). In the end, any service provider you choose should be a company you want as a strategic business partner, not just a product vendor.





III. Seek Expert Opinion

Make time to meet with your potential service provider and discuss the project with them to gauge whether you are a good fit for each other. Be sure to ask probing questions and listen carefully to the responses as you evaluate them. Never make your decision solely on price—regardless of how tight your budget is. Seek out the best fit for your company and needs, and the best overall value, taking into account the experience, knowledge level, and capabilities of the provider. Remember that this company will be a long-term partner for your business, so choose wisely.

It is easy to get excited by news reports, speculation, and the sales language of the purveyors and prophets of the latest “game changing” tech. But non-technical managers who go for specific technologies in too big a hurry can end up losing out on significant cost savings and adopt a technology that is not ideally suited for achieving the goal or spend too much time stumbling through implementation processes that an experienced MSP will know how to execute efficiently and with minimal disruptions.

IV. Dedicate Manpower – Internal or External?

Create an RFP (request for proposal) and invite bids from managed service providers. Make time to meet with that group of potential contractors and discuss the project with them to gauge whether they fit your needs. Be sure to ask probing questions and listen carefully to the responses as you evaluate each company. Never make your decision solely on price—regardless of how tight your budget is. Seek out the best fit for your company and needs, and the best value, taking into account the experience, knowledge level, and capabilities of each provider. Remember that this company will be a long-term partner for your business, so choose wisely!

If you decide to retain the work in-house, then you will need to set up an internal process for completing the project. Ideally, you should create a dedicated team for your technology implementation project. Implementation may suffer (or outright fail) if you burden your I.T. employees with an undertaking of this import in addition to their existing workload. Significant technological implementations are usually full-time job responsibilities requiring dedicated effort. Staff members deployed for a large scale project such as this should be relieved of their existing responsibilities while the new initiatives are rolled out and integrated into operations.



V. Set Clear Contract Terms

This step seems logical, but after the time spent deciding upon a new technology initiative and hiring a new partner, and in the excitement of finally starting the new project, it can be easy to neglect doing your due diligence with the contract. Just remember that, in the same way that fences make good neighbors, a clear-cut contract makes for a great partnership.

In addition to the budget, lay out the schedule and any important project milestones in the contract. Include safeguards against cost overruns and delays in the completion timelines. Similarly, the consultant will want to define the scope of work to be done and outline any extra charges to be incurred if any changes are made during the tenure of the contract. Both parties will also have other specific terms and conditions to negotiate.



VI. Plan End-to-End Implementation and Future Upgrades

Devise an implementation plan, which will include the following stages:

- 1. Deployment of the new technology in a test environment to check the functionality.*
- 2. Deployment of the tested and approved technology in the production environment.*
- 3. A transition period from the existing processes to the new technology.*
- 4. Training for all end users, if required.*

As you complete these stages and deploy the changes, the staff working directly with the new technology should be encouraged to give feedback and offer suggestions for improving use and processes.

Finally, do not neglect to plan for maintenance and upgrades moving into the future. No technology is stagnant, and it does little good to implement significant changes and then not keep your I.T. investment up-to-date. Of course, updating your technology as necessary brings more benefits than simply “flashy and new.” Up-to-date technology will lower your risk through increased security and renewed warranties. It will also show your employees that you are dedicated to giving them the best available tools with which to do their jobs.



Conclusion

It's an understatement to say that technology has proven to be a significant enabler for businesses in the 21st century. In fact, in most cases it is the key differentiator that can determine the degree of success, leadership position, and overall growth of an organization within its industry sector and across domains.

The three vital factors that can propel your organization towards increased profits are:

- *Selecting the right technology that is best suited for your organization;*
- *Determining the most appropriate strategy for implementation of the chosen technology in a way that will provide the best results enterprise-wide;*
- *Devising an implementation methodology that is aligned with business strategies to ensure that the objectives at each stage are fully achieved.*

As an I.T. leader, you need to keep in mind the above factors while planning and beginning work on any project, as these will ultimately determine your level of success.

The main purpose of I.T. in an organization is to enhance the operational efficiency of the systems, processes, staff, and various departments such that it results in maximum profitability for the organization—either through directly increasing revenue, or by enhancing efficiency or reducing costs and risk. I.T. leaders should bear this in mind while evaluating new technologies. All goals, plans, and actions for adopting new technology should be directed toward this end.

Technology changes rapidly because of continuous, ongoing research. As new technologies emerge and the existing ones grow outdated, you must keep in sync with newer trends and solutions to ensure that you maintain the leading edge for your organization. The success of an I.T. leader lies in leveraging the advantages and benefits that new technologies provide and creating maximum value for the organization.

People First. Technology Second.



For thirty years, JMARK has been providing innovative I.T. solutions to organizations of all sizes. With all that experience comes extensive expertise. We understand the challenges that modern businesses face and can help you maintain continuity and efficiency, even in the midst of the continual changes occurring in technology needs and expectations. It is our mission to ensure that your technology supports your vision and goals.

Most importantly, at JMARK, we put people before technology. Everything we do, every service we offer, is a reflection of our “People First, Technology Second” philosophy. Because while we love technology, we also understand that I.T. is only useful when it serves to empower people and enhance the work they do; work that, in turn, can facilitate growth, spur innovation, increase opportunity, and open up new paths to success.

Contact JMARK today and let us show you what our I.T. services can do for your business.

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