

Introduction

Many business processes can be streamlined using technology.

This fact sheet will address some of the initial topics which you should consider and will provide you with useful links to help put your plans into action.

Please remember that before you can implement any changes to your business processes, it's essential to look at your business as a whole and identify areas for improvement. This should be your first port of call. Take a look at the Improve Your Business Processes section of the Business Link website for advice on where to start and techniques to analyse your business' current performance.

Use technology to improve performance

Technology can improve performance by speeding up and automating routine procedures. It can also free staff time for more productive and creative work and reduce the possibility of human error. Payments can be automated by using direct banking services such as BACS. You may be able to outsource routine work and integrate the results into your in-house systems - for example, you might outsource bookkeeping but retain credit control in-house.

The Internet has simplified and speeded up communications. Files can be sent as attachments to emails. However, you should be aware that email is an insecure medium, and confidential information should only be exchanged through secure channels such as company intranets or through password-protected websites.

Technology can be used as a tool to achieve better customer relations by using customer relationship management (CRM) software.

It can also create more cost-efficient business processes. For example, automated stock control can be used to reduce or eliminate expensive inventories. It allows just-in-time ordering with automated re-ordering, speeds up the production process so customers get your products sooner, reduces costs, and helps to balance the books.

Technology can incorporate extensive reporting and feedback facilities making it easier to monitor Key Performance Indicators (KPIs).

Your company website can report a great deal of useful information, including:

- how much time customers spend on the site
- their "journey" through the site
- who they are
- the most and least popular pages
- how many visitors become customers

If you use an external web hosting company, ask what statistics are available. If you host your website in-house, your web server vendor will be able to advise you on this.

Your local Business Link will also be able to offer advice on finding innovative ways to use technology to benefit your business.

Using the Internet to work more effectively

Consider how you might be able to exploit the Internet in order to work more effectively or develop new business models. The Internet can allow you to extend the way your staff or customers access information, or to reduce costs and maintenance time via outsourcing.

The Internet can act as the foundation of secure business, client and supplier networks. It allows systems to talk to each other, improving efficiency and productivity, and reducing costs.

This improved flow of information could mean building an extranet so that customers or suppliers can access information like stock levels, delivery times or progress reports. Please see the Business Link website to read more about benefits of intranets and extranets.

Similar in principle to an extranet is a virtual private network (VPN). Effectively a VPN uses the Internet to extend your business network globally, so that you can access it from any Internet-connected computer. This means:

- sales people can access real-time data on stocks and prices
- homeworkers can receive email and work on the most up-to-date documents
- people working away from the office, like engineers or delivery people, can provide real-time information

Most VPN options require a broadband connection and have installation and annual charges. Please see the Business Link website for more information on how to get the most from your network.

With a broadband Internet connection your business could begin to take advantage of electronic outsourcing. Rather than doing things in-house, you can lease access to the labour, expertise and technology of other businesses. This might be rented applications like email, storage or e-commerce facilities, or discrete functions like website maintenance, IT support, accountancy or payroll processing.

The benefits of outsourcing include the following:

- Reduced costs - you can cut capital expenditure on IT hardware, software and training. Many providers will bill on a pay-as-you use basis.
- Low maintenance - many services include support, development and upgrades in the price.
- It grows as you grow - often you can rent more user licences as and when you need them.

Emerging telephony-related functions

Telephone networks are increasingly being used to deliver services other than "traditional" voice communication such as videoconferencing and data networking functions. These services can add new benefits to your use of a telephone system.

Video conferencing allows two or more people to communicate with both sound and vision. Seeing the people that you are communicating with can be important, as a significant proportion of communication in face-to-face meetings is visual rather than auditory - "body language" communication can be more telling than the words spoken. For critical business deals where a face-to-face meeting is not possible, a video conference might offer a useful alternative. Videophones offer an entry point into this technology.

The main drawbacks are:

- the bandwidth, or data transmission rate, needed to transmit high-quality images can be high and therefore expensive
- video conferencing isn't a perfect substitute for meeting face-to-face

Voice over Internet Protocol (VoIP) allows you to make phone calls over a computer network.

VoIP offers significant potential savings. If you have an always-on broadband connection to the Internet then calls between individuals with VoIP equipment - even international calls - are free. All you pay for is your Internet connection.

There are, however, a number of drawbacks:

- potential savings have to be weighed against the quality and reliability of VoIP connections, which are not as good as standard phone connections
- additional costs are incurred if you use VoIP to phone someone without VoIP capabilities

Data networking capabilities are being offered alongside telephony and these services are increasingly important for home and mobile working:

- broadband data access on land lines
- global system for mobile communication (GSM), general packet radio service (GPRS), and 3G data services

Business benefits of Customer Relationship Management

Implementing a customer relationship management (CRM) solution might involve considerable time and expense. However, there are many potential benefits.

A major benefit can be the development of better relations with your existing customers, which can lead to:

- increased sales through better timing due to anticipating needs based on historic trends
- identifying needs more effectively by understanding specific customer requirements
- cross-selling of other products by highlighting and suggesting alternatives or enhancements

This can lead to better marketing of your products or services by focusing on:

- effective targeted marketing communications aimed specifically at customer needs
- a more personal approach and the development of new or improved products and services in order to win more business in the future

Ultimately this could lead to:

- enhanced customer satisfaction and retention, ensuring that your good reputation in the market-place continues to grow
- increased value from your existing customers and reduced cost associated with supporting and servicing them, increasing your overall efficiency and reducing total cost of sales

Once your business starts to look after its existing customers effectively, efforts can be concentrated on finding new customers and expanding your market. The more you know about your customers, the easier it is to identify new prospects and increase your customer base.

Even with years of accumulated knowledge, there's always room for improvement. Customer needs change over time, and technology can make it easier to find out more about customers and ensure that everyone in an organisation can exploit this information.

Distance learning and Internet-based learning

Online and distance learning offers flexible, office-based training. Employees can complete the training at their and your business' convenience. Online or distance-learning courses eliminate travel or accommodation costs and often cost less than classroom-based programmes. Smaller businesses without the time or resources to evaluate courses may want to look out for professionally recognised learning providers.

There are many e-learning and distance-learning courses. Courses can take half an hour or several weeks to complete. They can be bought off-the-shelf or tailored to your business needs, and they can focus on specific bite-sized topics or lead to a recognised qualification such as a Masters in Business Administration.

E-learning courses can be fully automated or live. This means that a tutor can interact with employees wherever they may be. Online presentations, e-books and simulations provide a variety of ways to learn. Discussion forums and knowledge-sharing tools allow learners to communicate and discuss issues with each other.

Related web sites you might find useful

Download a factsheet about SWOT analysis from the Learn Direct website (PDF).
<http://courses.learndirect.co.uk/providers/factsheets/BMSWOT.PDF>

Read information about manufacturing improvement from the Process Industries Centre for Manufacturing Excellence website. <http://www.picme.org/>

Find out about the Six Sigma method of measuring and improving operational performance at the Six Sigma website.
<http://www.isixsigma.com/library/content/six-sigma-newbie.asp>

Download case studies of companies which have improved their business by listening to their customers from the smallbusinessjourney website (PDF).
http://www.smallbusinessjourney.com/files/pdf/411_002_002_Customers_April.pdf

Read a guide to broadband for small businesses at the Telecoms Advice website.
http://www.telecomsadvise.org.uk/features/broadband_ukol4b.htm

Find some useful information on VoIP at the Telecoms Advice website.
<http://www.telecomsadvise.org.uk/infosheets/voip.htm>

Read advice on developing CRM at the Destination CRM website
<http://www.destinationcrm.com/articles/default.asp?ArticleID=3440>

Learn about e-skills at the e-skills UK website
<http://www.e-skills.com/About-e-skills-UK/1049>

Read about e-learning and search for e-learning providers on the e-learning centre website
<http://www.e-learningcentre.co.uk/>

This information is taken from www.businesslink.gov.uk and is just an excerpt from the wealth of information provided on the Business Link website. Please visit it for a more expansive version of the topics mentioned.

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