business technology simplified

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ways that technology can
make your small business
more successful

Foreword by Earvin "Magic" Johnson, author of
32 Ways to Be a Champion in Business

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Business
Technology
Simplified

Contents

Foreword

I grew up in the small community of Lansing, Michigan, surrounded by neighborhood entrepreneurs—resourceful men and women running businesses of every size and type, from restaurants, bakeries, and shoe stores to daycares, convenience stores, and hair salons. They were the heart of our community.

When I was a kid, my father had his own business, hauling trash. I worked for him on weekends, and he taught me about work ethic and about doing a job right. Although a 6 A.M. start on a frosty Saturday morning wasn't too appealing at the time, that experience opened my eyes to what being an entrepreneur is all about. My father taught me that running a small business takes hard work, dedication, commitment, and enthusiasm.

As a teenager, I met two successful local entrepreneurs, Joel Ferguson and Gregory Eaton, who gave me my first job cleaning office buildings. As I dusted desks and tidied offices, I fantasized that I was the CEO and those desks and offices were mine—that *I* was a successful business owner. I would go to the top floor, sit behind the CEO's desk, kick my feet up, and imagine my assistant bringing me coffee and doughnuts! Joel Ferguson and Greg Eaton became more than bosses to me. They became my mentors who fuelled my passion even more for business.

When I was drafted by the Los Angeles Lakers in 1979, what people didn't know about me was my dream to become a businessman. I wanted to be a professional basketball player *and* a successful entrepreneur. When I got to Los Angeles, I

used every chance I got to talk to successful entrepreneurs and pick their brains about business. I chatted with CEOs who sat courtside at my games. I met with local business leaders from all over the country whenever I traveled with the team. This put me in a position to also win off the court.

My dream came true. Since leading the Lakers to five world championships, I am now the chairman and CEO of Magic Johnson Enterprises. I'm the only joint venture partner of Starbucks Coffee with over a hundred stores, and I have formed partnerships and strategic alliances with many major brands, including T.G.I. Friday restaurants, 24 Hour Fitness centers, AMC Magic Johnson Theatres, Best Buy, Aetna, and SodexoMagic. Sure, my success on the court helped open doors for me, but the common thread to achieving success in business and basketball is hard work and no excuses—both of which were instilled in me as a young man.

I've never lost sight of those business owners who inspired me as a youth in my hometown. And I've never forgotten how those small businesses were at the heart of the community I grew up in. Small businesses help our communities grow, by creating jobs and bringing in tax revenue.

This idea of community is the basis for the Magic Johnson Foundation. Among our many charitable and nonprofit programs, we have 18 Community Empowerment Centers. Through these centers, we provide technology training to people who otherwise couldn't get it. Technology is such a major part of our lives these days that many of us can't imagine a day without e-mail, the Internet, or our laptops. Technology is critical to the future success of our communities, which

is why these Community Empowerment Centers are so important to me.

In my own business, every day I see firsthand how technology helps us work better and faster. I spend a lot of time on the road, so between my cell phone and video conferencing I am able to connect with my employees in the office and my family at home from anywhere in the country. When we're establishing a new business venture, we use online collaboration tools to share business plans, project specs, and other documents, both internally and externally with our partners. And through our Web site (http://www.magicjohnson.com), we communicate with the outside world and share our vision and goals.

For today's business, technology is invaluable. In *Business Technology Simplified*, you'll find examples of how small businesses from all over the country are using technology to stay competitive. Technology helps businesses grow. It saves them money. It makes them more efficient. Technology is just as important to these small businesses as it is to my own business. Like I did, I hope that you can find some inspiration in their stories and find ways to use technology to help your own business compete more effectively.

Earvin "Magic" Johnson

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FOCUS ON YOUR BUSINESS

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INTRODUCTION

Is your passion jewelry design? Family law? Martial arts? Landscaping? Chances are, unless you're in the technology industry, technology wasn't what drew you into business. Yet technology is essential if you want to compete in today's business world.

Starting (and running) a business can be a daunting task. From the basic logistics of setting up your office, to building a brand, to finding customers—every small business owner faces a mountain of planning, preparation, and hard work just to get going. And while every new customer is a welcome success, a growing business means even more to do.

Modern technology can help. It can help your business work more efficiently. It can cut back on the time that administrative tasks consume. It can help your employees communicate with each other—and with your customers and partners—more easily and effectively. It can help you extend your business by taking it online. And with today's solutions, it can do all of this without requiring you to be a technology expert or to invest a significant amount of time or money.

If you're just starting out or simply want basic technology that won't distract you from your real passion, this section is for you.

- Chapter 1 introduces the value of a personal computer (PC) with **basic desktop software**. With a simple computer—powered by a current desktop operating system, office productivity tools, a Web browser, and

security software—you have what you need to start converting manual processes to more efficient systems. Using the latest desktop technology will typically give you the simplest experience and the most reliable, worry-free performance.

- Chapter 2 discusses additional ways to use technology in your business without adding a lot of headaches or distractions. Highlights include building a **basic Web site** and using **search advertising** to reach more customers, exploring **Web-based services** as an easy way to get more advanced capabilities without the usual cost or complexity, and using **accounting software** to simplify your bookkeeping.

These basic technologies can help even the smallest companies keep up in the modern world of business, taking advantage of what technology has to offer while staying focused on the business.

Make Life Easier with Current Desktop Technology

Using a Basic PC to Move on from Manual Processes

Are you spending too much time on administrative tasks? Do you want to move on from paper-and-pen processes to a computer but you're not sure where to start? Are you afraid that you'll have to become a geek or hire expensive IT resources?

Brian and Lisa Esposito's beauty boutique Avenue You is an exclusive store that stands apart from the beauty aisles of drug stores and supermarkets. The brother-and-sister duo use simple, sophisticated décor, filtered lighting, and quiet background music to set the tone for a relaxed shopping experience. They stock the shelves with specialty, high-end beauty products. They employ friendly, welcoming cosmetologists and style consultants who provide expert advice and personalized tips for their customers.

However, although the store delivers a modern, innovative experience, in the early days the business systems used to run it were in need of a makeover.

The story really begins in Lisa's childhood. Lisa grew up watching her father establish a thriving chain of retail beauty stores. She stocked shelves in her father's stores and attended beauty tradeshows. She helped pack up product orders and

pitched in wherever she could. It's fair to say that she caught the entrepreneurial bug early on in life.

Years later, after earning a cosmetology degree, Lisa opened Avenue You—an evolution of her father's original business, redefined for the modern marketplace. Lisa's vision to compete with the mass-market beauty industry was to offer exclusive beauty products through a specialty boutique based in New Jersey. Avenue You was born.

Judging by the success of the Avenue You retail boutique, Lisa was right about the new direction for the store. But although her business was current, her business practices were anything but. She was relying on the same tools to manage her store that her father had used in his stores. When Lisa made a sale, she would ring it up on an old-fashioned cash register and handwrite a customer receipt. She tallied the daily sales in a paper notebook. Periodically, she would bundle up all of the paperwork and mail or drive it over to the main office, to manually enter the numbers into a paper-based accounting system.

The process was inefficient and error prone. She was losing track of sales, her inventory information often didn't match what she actually had in stock, and she frequently lost notes about customer requests and supplier issues.

Enter Brian, Lisa's brother and a recent business marketing graduate from Monmouth University. Eleven years her junior, Brian had a new perspective on the world of business. His experience with computers during college showed him the potential of technology to drastically improve business efficiency. After Brian graduated from college, he began attending tradeshows with Lisa and was soon hooked on the industry

and her vision for the store. He believed he could help her take it to the next level with some simple technology. They decided to join forces.

Brian knew that basic, current technology could improve the efficiency of Avenue You. However, although Brian was comfortable with technology, he was no expert. He needed simple, straightforward systems that would help them run the business without adding a lot of distractions or expense. And he needed systems that he could implement and manage himself, since he couldn't afford to hire IT staff.

Choosing the Right Technology for Your Business

This may sound familiar to anyone who's started a small business. Simply getting the business up and running can take up all of your energy and focus. If you do not have a background in information technology (IT) or much experience with it, choosing the right—and affordable—technology to run in your business isn't always simple. However, the right technology will not only help you run your business more easily, it can also be remarkably easy to install and use.

At its simplest, IT means a personal computer (PC) with a basic desktop made up of a few pieces of core software:

- **Desktop operating system.** The desktop operating system (such as Microsoft® Windows® or Apple Mac OS X) is the foundation for how you use a computer. It lets you organize files, control your hardware (such as any devices that you use, including your mouse, keyboard, and printer), and run software programs.

- **Office (or productivity) tools.** Typically available as a suite, office tools (such as Microsoft Office, OpenOffice.org, and Google Docs) include a range of programs that at the most basic level let you manage your e-mail, contacts, and calendar and work with documents, presentations, and spreadsheets. More comprehensive office suites may also include basic programs for databases, digital notebooks, graphics, and even desktop publishing to create your own marketing brochures and other graphical documents.

- **Browser.** Your window to the World Wide Web, a browser is a program that lets you visit Internet sites, view other online content (such as images and videos), and access and use Web-based services.[1] Common examples include Microsoft Internet Explorer®, Mozilla Firefox, and Apple Safari.

- **Security software.** For any computer that will connect to the Internet, download e-mail, or otherwise exchange files with other computers, security software is essential to help protect it from malicious software (or "malware," including viruses, worms, and Trojan horses), hackers, and other threats. Your desktop operating system should include some built-in security features, such as a firewall and spyware protection (spyware software installs itself on your computer and collects personal information about you without your knowledge). Security software helps protect against

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1 For an introduction to Web-based services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

malware that gets past your firewall—for example, malicious e-mail attachments or downloads that trick you into believing they are harmless.

Brian and Lisa decided to install two computers, one in the retail shop and one in the main office. Each computer runs the latest desktop operating system with the latest browser, security software, and basic office productivity tools.

Choosing a current desktop operating system gave Brian peace of mind. Brian was aware that the Internet and e-mail introduced the risk of viruses and other malware. He also worried about hackers trying to access the computers at Avenue You to steal confidential business information. Getting the most recent operating system gave them the latest security technology available and offered the best protection against those risks. By adding security software that offers comprehensive malware protection with automatic updates to keep the software current, he has confidence in the security of his data and systems.

Brian and Lisa's office productivity tools have become the core tools that they use to manage their business. With the e-mail program, they can process orders efficiently and easily keep in touch with customers and suppliers. Spreadsheet software lets them track daily sales, monitor their inventory, and even sync with shipping vendors to eliminate the need to manually type addresses.[2] They use the writing and presentation programs to build documents and presentations that

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2 Spreadsheet software also helps Brian get better insight into his business. To learn more about his experiences, please see chapter 9, "Make Smarter Decisions by Quickly Getting Key Insights into Your Business."

look professional and help them share information—such as updates on new products or store processes—with customers, vendors, and manufacturers.

The difference that the computers made to the business truly astounded Lisa. Her days run more smoothly. As she puts it, she and her staff are "exponentially more efficient." In fact, they are saving upwards of 70 hours a week compared with their pre-technology days. Most importantly, adding technology into the business hasn't stopped Lisa from giving the kind of service that sets their store apart from the competition. In fact, because they are managing their business so much more efficiently, Lisa has more time to focus on customers. She spends less time chasing down inventory and handwriting receipts and more time offering beauty advice, demonstrating new products, and giving customers the personal attention that keeps them coming into the store.

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For any company competing in today's business world, IT can hold the key to greater efficiency and reliability. Even in its most basic form, it can help you move on from manual processes that take up your valuable time, letting you focus on your business.

The software that you choose for your desktop can have a significant impact on your business. Software developers are continually adding new features to improve their software and make it easier to use. In general, the latest desktop software will give you faster, more reliable performance and a simpler experience than previous versions—saving you time and headaches. It will also typically be the most secure, which is critical

when you rely on it to run your business. The most recent operating systems also provide better power management options to help you minimize the environmental impact of your technology. By using less power to run and by starting up, shutting down, and resuming from "sleep" more quickly, today's operating systems can use less energy while giving you better performance. Plus, when you start with the most recent software available, if you decide to add new software a few months or a year down the road, you'll have the best odds that it will work well with your system.

For Brian and Lisa, their business begins and ends every day with their customers. When they added technology into the mix, it had to help them focus more, not less, on the customer. By integrating basic desktop computing into the business, they were able to move on from time-consuming manual processes. They built a much more efficient model for their business that not only gave them more time with their customers, but also helped them deliver better service.

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Chapter 2

Keep Your Technology Simple While Benefiting from the Latest Innovations

Reaching More Customers by Extending Your Business Online

Do you know that you need a Web site but don't know where to start? Are you worried that you don't have the money or the skills to get your business online?

Brian and Lisa Esposito fundamentally changed the way they ran their business when they introduced basic, modern computing technology. By entering sales information into a computer rather than writing up paper receipts, they spend less time ringing up transactions and more time helping customers. They have a better handle on their inventory, so when a customer is looking for a specific product, they don't have to frantically search the warehouse to see what they have in stock.[3]

Their high-end beauty store, Avenue You, was booming. Unfortunately, it wasn't booming all year. Many of the store's

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3 If you haven't yet read about Brian and Lisa's successful introduction of technology into their business, please see chapter 1, "Make Life Easier with Current Desktop Technology."

customers only visited during the summer months. Once September rolled around and summer vacationers returned home, traffic dropped off drastically. They needed to find a way to sidestep the seasonal lulls and reach their customers year-round.

Brian and Lisa realized that one of the limitations of their retail business is that it depends on reaching customers in a specific suburb of New Jersey. Outside of that suburb, it was unlikely that potential customers would even know that the store exists. Given the significant startup costs, adding more retail stores wasn't the answer—getting their store online was.

Without a Web site, Brian and Lisa knew that they were severely restricting how much they could grow their business. Going online would enable them to extend their business beyond their retail store, without limits. When customers disappeared from New Jersey after the summer, Brian and Lisa could continue sell to them. Even better, they could reach potential customers who would never make it to their New Jersey retail store. And since the Internet doesn't have a closing time, Brian and Lisa could continue to sell their products at any time of day, even after they're at home with their families.

Getting Started with a Simple Web Site

If you own a business and don't yet have a Web site, then you can probably relate to Brian and Lisa's situation. In the past, potential customers turned to the Yellow Pages to find information on businesses. Today, the Internet is the primary source, and so for most businesses a Web site is indispensable. However, although you know you need to get your business online, do you have the skills, time, and resources to make this critical move?

The good news is that with today's technology tools, building a simple, professional site is remarkably straightforward. With a basic site, you can give potential customers information on your business and an easy way for them to contact you. You can also add online ordering capabilities (called "e-commerce"), so that your customers can make purchases right from your Web site without ever stepping into your store.

A variety of tools are available online today that will give you everything you need to quickly, easily, and affordably build a Web site that has these capabilities—without needing any technical expertise. The best services will provide you with:

- The option for a custom domain name for your business (such as www.*YourCompanyName*.com), plus e-mail addresses that use the same domain name (such as *YourName@YourCompanyName*.com), for a more professional image.

- Professionally designed templates so that you don't need to build your site from scratch.

- Simple design tools that let you change the colors and layout of your site and add your business logo, photos, and other personalized elements.

- The ability to add e-commerce capabilities so that you can easily sell products directly from your Web site.

- Online support in case you get stuck along the way.

Helping Customers Find Your Site through Web Searches

Of course, a Web site is only useful if people actually visit it. The most common way to explore the Internet is by searching, and one of the best ways to attract people to your site is to use keywords so that your site comes up in their search results. Keywords are any words that you use on your site that people might also use as search terms. Using appropriate keywords when you write the text for your site will make it much more likely that your site will appear when someone is searching the Web using those terms.

Search advertising is another effective technique to make your site easier to find online. Search advertising is a simple, affordable way to promote your business, and it requires no technology expertise. In fact, in less than 15 minutes you should be able to register and build a short, text-based ad and select the keywords that will trigger your ad to appear on a search results page. When someone searches using the terms that you select, your ad will appear either at the top of the search results or over to the right. Since you typically only pay when someone clicks on your ad, you can limit how much you spend by setting a budget in advance that will control when and how often the ad will appear.

When Brian and Lisa launched their Web site, it needed to be simple and easy to manage, as they don't have dedicated IT staff. Brian is able to run all of the customer service and order processing for the site plus edit the content himself, all from his Web browser. He loves how simple, fast, and secure the system is. Brian and Lisa also use search advertising to reach new customers, which has been a phenomenal success. In fact, with search advertising they have grown sales by 25 to 30 percent

month over month. Although they started as a retail store, now 93 percent of their business comes through their Web site.[4]

Using Web-Based Services to Get Advanced Capabilities without the Cost and Complexity

Do you want to take advantage of current business software but don't have the money or skills to manage it? Have you heard about "cloud" computing and you're wondering what all the buzz is about?

Brian and Lisa learned firsthand the value of building an online presence for their business. However, the business potential of Internet technology isn't limited to how you reach customers. As Andrew Town learned, the Internet has become a powerful tool for helping smaller companies get big-business technology capabilities without spending big-business dollars.

Andrew is the owner of a small technology consulting firm, Tandem Business Specialists, that he cofounded with his wife. With just eight people on staff, he wanted to keep his technology simple and low maintenance. He knew he needed to concentrate first and foremost on building his business and that technology needed to be a means to an end.

However, Andrew also knew that with access to a little more technology, his staff could work a lot more productively. If they spent less time on administration and more time on getting their work done, his business would be more successful. He wanted to find a way to give them more advanced

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4 For more information on how "search engine optimization" and search advertising helped Brian and Lisa build a successful online business, please see chapter 10, "Find New Customers with DIY Marketing."

technology capabilities without making a hefty investment—of his time or money. He found the right balance with Web-based services.

Choosing Web-Based Services over Traditional Software

The most commonly used Web-based services are software services, also known as "software as a service" (SaaS) or "on-line services." Rather than purchasing software from a store and installing it on your computer, with Web-based software services you subscribe to a service that delivers (or "streams") software capabilities to your computer over the Internet. You typically never actually install the software yourself. Instead, you have a user account that gives you access to all of the features over the Internet. With Web-based software services, as long as you have an Internet connection and your user ID and password, it doesn't matter what computer you are using. You can access the software services from anywhere. If you've ever used a Web-based e-mail account (such as Microsoft Windows Live® Hotmail® and Google Gmail), you've used Web-based services. Web-based software services are a form of "cloud" computing.

Web-based services offer smaller businesses an afford-able, easy way to get more advanced IT capabilities without having to buy additional hardware (such as a server) or hire someone with the IT skills to manage it. In fact, your service provider takes care of all maintenance and upgrades, so you can just use the software. Some common Web-based services are for communications (such as e-mail, contacts, and instant messaging [IM]), collaboration (such as for online meetings and shared, central file storage), and office productivity tools

(such as for creating and editing documents, presentations, and spreadsheets).

Why would a smaller business choose Web-based services over traditional software?

- **Cost.** Web-based services are either free (for basic services) or available for a subscription fee. You don't need to buy software up front. You can also get advanced capabilities without having to invest in expensive, powerful desktop computers or server hardware[5] to run the software, since the "computing" is actually done by your service provider's computers. This saves you significant money in capital expenses, and any ongoing subscription costs come out of your operating budget. Also, your costs are predictable; you don't have to worry about unexpected bills for maintaining a server or the cost of upgrading your software when the next release comes out. And if you find that you aren't actually using the service as you expected, you can cancel it without having to worry about the money you would have wasted if you had purchased the software outright.

- **Access to more advanced IT capabilities.** With Web-based services, you can get capabilities that would often require specific IT skills to manage if you purchased and installed equivalent software in your business. Your service provider takes care of the maintenance.

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5 For more information on the benefits of using a server, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

- **Access to the latest technology.** Subscribing to Web-based services means that you always get the latest technology, without having to upgrade your software. In general, you don't subscribe to a "version" of Web-based services; instead, the services are continually updated with the latest features.

- **Reduced energy consumption and environmental impact.** With Web-based services, you can get advanced capabilities without needing your own servers, which can consume a significant amount of energy to run and cool. Not only do you save money on energy costs, but you can also lessen the impact of your computing on the environment. Of course, it still takes energy to deliver services to you over the Web, but in general the larger service providers have highly efficient data centers that use less energy to deliver your service than you would use running the equivalent technology in your own business. Plus, with Web-based services, you can add users as and when you need to, knowing that your service provider is actively managing the efficiency of its servers. With traditional servers, many businesses carry extra server capacity (consuming extra energy) so they can keep up with future requirements as the business grows.[6]

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6 With all of these benefits, you might be wondering why any business would choose standard software over Web-based services. Security, privacy, control, and user training are just some of the reasons why some companies prefer traditional software. There are also certainly some instances where a server-based solution, though more complex, will make more sense. Please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data" for more information.

Because Web-based services rely on an Internet connection to transfer what can be a significant amount of data, they work best with a fast connection. In general, you should have at least a broadband Internet connection. If you're using a dial-up service, you may find using Web-based software services slow and frustrating; in some cases, a dial-up Internet connection simply won't work.

Web-based services were the perfect answer for Andrew. Without investing in a server, he was able to give his staff e-mail, instant messaging, online meeting capabilities, and an intranet that lets them share files and information easily. Web-based services are also helping him improve customer satisfaction—he has used his service to set up an extranet that lets him share files online with his clients rather than e-mailing those files back and forth.[7]

The Web-based services achieved just what Andrew hoped they would: his employees are now able to get far more done in their day than they were previously. At the same time, he's spending an average of just 15 minutes a day on troubleshooting and maintenance, so he's still free to focus on his business.[8]

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7 To learn more about how Andrew is using an extranet to provide better customer service, please see chapter 12, "Build Loyalty by Managing Your Customers Better."

8 There's actually more to this story, because Andrew's first choice in Web-based services didn't quite work as planned. See chapter 6, "Get More Done by Simplifying Everyday Tasks," to read more about Andrew's experiences.

Upgrading Your Accounting Practices to Save Time and Money

Are you spending too much time preparing invoices and running your books? Have you outgrown manual accounting procedures and need software that fits your business?

Jan Fuller was tired of looking at a basket of receipts and stapling billing notes to her calendar. She wanted to spend more time focused on forensics and less time reconciling the numbers.

Jan formed her business, Fuller, Harris & Associates, with her long-time colleague Steve Harris. Jan has a background as a forensics investigator, and Steve is a former police chief in Washington state. Together, they offer security consulting, data recovery, and forensics services. They help other small businesses with a range of problems—everything from recovering data from a crashed hard drive, to tracking the source of e-mail harassment, to investigating the theft of proprietary information following IT staff cutbacks. They specialize in areas such as computer and video forensics, enhancing detail in video and still photography, and retrieving data from cell phones and GPS receivers (such as the navigation systems used in cars). As Jan says, they deal with "pretty much anything electronic you can think of."

Business was going well. Unfortunately for Jan, who takes care of all of the books, more business meant more time preparing invoices and paying bills. Although Jan was thrilled with their success, the added bookkeeping was taking her away from the work she felt so passionate about.

She knew that any time she could free from managing money was time she could invest in growing her business even more. However, her business was too small to justify a complicated business management solution.

Simplifying Bookkeeping with a Business Accounting Program

Most small business owners start out managing their finances the old-fashioned way, with paper, pen, and calculator. For some, the next step is to use a spreadsheet to record their revenue and expenses. However, business accounting software lets you take that a step further, and it doesn't need to be a complex solution.

A basic small business accounting program enables you to track your sales, expenses, and customers and even generate invoices and pay bills with very little effort. Depending on the program, you may also get additional capabilities that let you, for example, set up automatic billing and track vendor and employee information. Whichever program you choose, you should save time both day to day and at tax time, because the program will organize all of your business's financial information in a single place.

The best small business accounting programs don't require you to be an expert in accounting or learn complicated new processes. They simply take the bookkeeping essentials that you already know from running your business—such as checks, invoices, and sales receipts—and convert them into digital format. From there, they add simple tools to automate steps. Some of the best features include:

- **Ability to import data.** If you're already tracking your information in a spreadsheet or a personal accounting program, you don't want to have to re-enter that information. Programs that let you import your data can save you a lot of time.

- **Templates for professional-looking invoices and forms.** Built-in templates can help you present a professional image with your invoices, statements, and other forms without spending time designing them yourself.

- **Ability to re-use information.** Once you've entered a customer's details or created an estimate, you shouldn't have to re-enter that information the next time you want to use it. Programs that let you retrieve information you've already used will save you from time-consuming double entry.

- **Ability to track project expenses.** By letting you record your time, mileage, and other related project expenses, accounting programs can make it much easier to produce accurate invoices without a lot of hassle and without the risk that you'll overlook any details.

- **Instant business reports.** Accounting programs with built-in reporting capabilities give you business insights without manual calculations. Typical reports include profit and loss, sales, and expense statements for periods that you specify, as well as summaries of unpaid invoices.

- **Support for business planning.** Accounting programs that include options for quickly building a

business plan and forecasting your sales and expenses for the coming year can be a valuable tool for business planning.

- **Inventory management.** With programs that help you track your inventory and set trigger points for reordering new merchandise and/or supplies, you can reduce the risk of delays in meeting customer requests.

- **Payroll management.** With features that automatically manage payroll and associated taxes, your accounting program can help you keep your payroll on track without taking up a lot of your time.

For Jan, a small business accounting program was exactly what she needed to manage her business finances and take back time to focus on her real work. She uses her accounting program to create invoices, track project expenses, and reconcile her banking information against her incoming and outgoing costs. With the built-in reporting tool, she quickly and easily produces business reports to share with Steve—so they can instantly check on how the business is doing without having to spend time creating formulas or performing manual calculations. Jan is now spending a lot less time on the books, and she has a lot more confidence in the accuracy of the numbers.
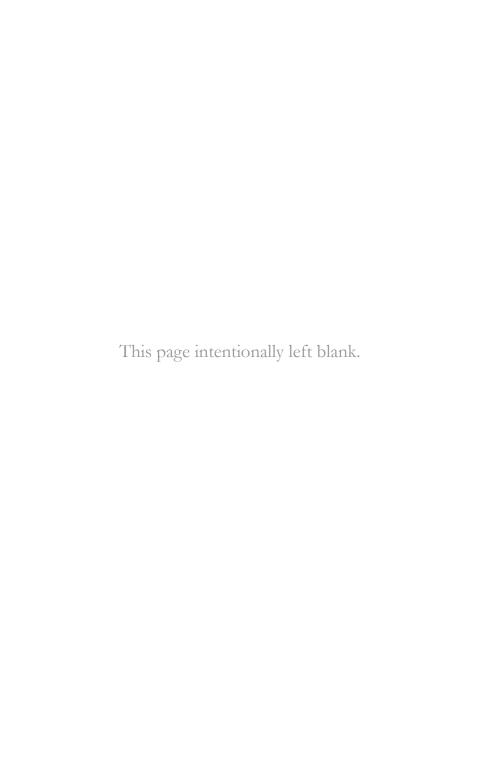
Furthermore, when tax season comes around, she simply generates a tax summary for her accountant. In fact, her year-end accountant fees dropped by over 80 percent, saving her $1,500 in the first year after she adopted the new program, simply because she was able to provide her accountant with much more detailed reports.

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While a computer with some basic desktop software will go a long way toward making your business more efficient, your options don't end there. Today's technology offers a number of simple solutions that can help you take your business further.

What do Brian and Lisa, Andrew, and Jan all have in common? They all found ways to extend their basic computing systems with modern business technology, without having to invest a lot of time or money. Their technology choices let them remain focused on their businesses and yet helped them grow their sales, improve their productivity, and increase their efficiency. None of the solutions they chose required them to have deep technical knowledge or to hire IT staff. The systems didn't burden them with IT maintenance or troubleshooting. They were solutions that any business, no matter how small, can take advantage of to help drive their business forward.

SIMPLIFY IT

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INTRODUCTION

The section *Focus on Your Business* discusses how even the most basic systems can help make your business more efficient and competitive. As businesses grow, it's common to add additional systems and tools to keep up with that growth. Casey Willson of the Maryland Small Business Development Center comments, "Technology should be a facilitator for growth. …If a small business starts with a skeletal system and finds that it's taking too much in terms of manpower resources or time and money, it's time to elevate the technology to accommodate the business."

But what happens when those IT systems start making your work harder, not easier? Too often, adding systems piece by piece can lead to duplicate tools, incompatibilities, and information spread across several computers. How do you cope with the increasing complexity—and cost—of sprawling technology?

Without question, not having the right technology can hold your business back. But simply adding technology won't be a cure-all for inefficiency. For technology to accommodate—even boost—your business, it needs to support and streamline how you and your staff work. If you're finding that adding IT systems has addressed some of your business headaches only to replace them with technology headaches, it could be time to simplify your IT environment.

This section is for anyone who is spending too much time and money just trying to manage, maintain, and protect their IT systems.

- Chapter 3 discusses how storing your information centrally can remove the inconvenience and stress of protecting that information. Whether you choose to use a **server** or **Web-based services**, moving to **centralized file storage** can simplify backups while making it much easier for everyone in your business to access your information.

- Chapter 4 explores how minimizing hardware and removing software variations will also reduce complexity—and the effort it takes to manage your IT. Both **Web-based services** and **virtualization** can help you reduce your server hardware needs. Moving to **standard software** across your business will make it much easier to maintain your systems, not to mention lessen the need for training.

- Chapter 5 looks at how **modern management tools** can simplify IT management. Basic management tools built into your operating systems are an essential first step. When your IT spreads out across multiple PCs and servers, a centralized management tool will let you manage your whole infrastructure from a single console.

Simplifying your IT can save time and reduce any hassle and confusion caused by your technology. It will free you to refocus on what matters most: your business.

Chapter 3

Protect Your Information More Easily by Centralizing Where You Store Your Business Data

Using a Server to Bring Your Data Together

Are you tired of the hassle of trying to back up your data when it's spread across several computers? Or are you worried because you don't even have a backup strategy? If a power surge wiped out your hard drive today, would you lose any business data? What would it cost your business? Time? Money? Credibility with customers?

No one really wants to find out the answers to these questions firsthand. Unfortunately, things can go wrong. When Ron Gibbs bought a HomeTeam Inspection Service franchise—a franchise specializing in inspections for home sellers, home buyers, and real estate agents—he heard horror stories from other franchise owners about data loss. One story was particularly bad: A franchisee had been operating his business for years, had never worried about backups, and had never had a problem. That is, until a major computer crash wiped out five years of business data. The cost and stress involved in trying to recover that data was enormous. The franchisee never did figure out the cost in revenue.

Ron knew that he needed a backup solution for his business. At the start, he used a USB flash drive to make copies of his inspection reports. This gave him a superficial level of protection, but he knew that it wasn't enough. The inspection reports were a small fraction of the business information stored on his computers. If a computer failed, he could lose accounting information, customer details, inspection photographs—everything that his business relies on to operate.

So, given the risks, why wasn't Ron doing complete, regular backups of each computer in his business? For the same reason that so many businesses never quite get around to it. Time and hassle. Even with a small business (Ron's has just five employees and three computers), performing a manual backup on each computer takes time. Ron wanted a better work-life balance, not to be spending hours each week backing up computers. But he often worried about what would happen if one of his computers died. He knew there had to be a better option. He found it with a server.

Understanding What a Server Can Do for Your Business

Although using a server may sound daunting, it doesn't need to be. A server is just a computer that runs a specialized operating system. Using a server is pretty straightforward: by connecting it to the other computers in your business (either with a cable or wirelessly), you form a network, called a local area network or LAN. The server computer acts as a central hub, sharing data and resources across the network.

A server has a number of potential uses. For example, you can use a server:

- To share printers and other devices across multiple computers.

- To connect computers on the network to the Internet.

- As a central place to store files that other computers can access, as well as to store and manage your e-mail.

- To share central software programs, such as an accounting program or other business database, that more than one person needs to use.

- To provide access to company files over the Internet for people outside of the office.

A server is essentially a sharing tool that makes it easier to find information. It can also simplify how you back up your data:

- If you use a server as a central place to store your business files, then you only need to back up one computer to protect your critical business information: the server. (With this system, though, any information stored on your employees' computers won't get backed up.) This makes the backup process much faster. If you choose this option, you will need to have another form of media to hold the actual backup. This might be a recordable CD or DVD, an external hard drive, or even a tape backup system. The benefit of backing up your data to some form of external media is that you

can then store the backup outside of the building—protecting your data from not only a disk failure, but also theft or a disaster (such as a flood or fire).

- Some servers come with a data protection tool (or you can add one) that will automatically back up computers connected to the network on a backup schedule that you set. When your employees store critical information on their own computers, this is a simple way to protect that information. Also, with a backup schedule, you'll no longer need to remember to perform backups. Ideally, your server software will also have a data recovery tool that will help you restore data should the worst happen and it gets lost, whether you accidentally delete it or something more serious happens to your computer.

When Ron learned about the benefits of server computing, he was sold. He worked with an IT consultant to install a server that would automatically back up his computers every night. The system gives him confidence because he can see at a glance each morning whether the backup was successful and address it immediately if it wasn't.

The investment paid itself off quickly. Shortly after installing the solution, Ron's wife Tammy (his business partner) lost several weeks of accounting data. She was able to restore the data from the backup in just 15 minutes. Ron estimates that it would have cost them upwards of $2,400 in accountant fees and IT support to recover from the loss if they hadn't had that backup.

Storing Data Online for Automatic Data Protection

Do you want to make it easier to access and back up your data, but you don't have the space to store a server or the cash or credit to buy one? Do you want someone else to take care of protecting your information?

Although a server can be a cost-effective choice in the long run, it does mean that you need to pay for the hardware and software up front. Depending on how computer savvy you are, you might also need to hire an IT consultant to help you set it up, which will add to the initial cost. If budget is an obstacle, what other options do you have to centralize and protect your information?

Kathy Jacobs is the executive director for Crisis Call Center, a nonprofit agency that provides advocacy and support for people in crisis. Like any nonprofit organization, Crisis Call Center is perpetually short of money. Kathy has no IT budget or staff. She has to rely on grant money whenever she needs to add or replace technology.

Kathy, like Ron, knew that she needed to protect her data from loss. Kathy understood the benefits of storing her data centrally. In fact, she had used a server for several years to connect the computers and store the critical business information in the center. This gave her employees and volunteers access to the information regardless of which computer they were using. In theory, this setup was ideal for a comprehensive backup plan. However, the server was five years old and in need of replacement. Kathy relied on a volunteer who only came in monthly to help with backups, but she knew the server could fail at any time.

Unfortunately, it's difficult for Kathy to get grant money for capital expenses. Most of the time, she can only get about a third of what she needs. She knew it was going to be tricky to fund a replacement server, but she also knew that the center couldn't manage without the centralized capabilities that a server provided.

What other options did Kathy have? Through advice from an IT consultant, she found a solution that would give her the centralized storage she needed—including built-in backup and disaster recovery capabilities—and that required no initial outlay in terms of capital expenses: Web-based services.

Using Web-Based Services for Secure, Lower-Cost Data Storage

Web-based services are software services delivered over the Internet. Since a service provider hosts the service for you and you access it online through a Web browser, you can get capabilities equivalent to those you get with a server without actually having to buy a server.[9] You also avoid having to purchase a license for the software up front. The most basic consumer Web-based services are free. For those offering more advanced capabilities or a guarantee of availability, you pay a subscription fee (usually monthly), which typically comes out of an operating budget. Since it is much easier for Kathy to get grants to cover operating expenses, this suited her needs perfectly.

A major benefit of Web-based services is that the service provider takes care of your data protection for you. Of course, it's important that you trust the level of protection. If there's

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9 To learn more about the benefits of Web-based services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

a problem with one of the servers hosting your information, what will happen? How long will it take before you can access your backed-up data? If one of the reasons you are choosing Web-based services is for the inherent data protection, you should read the fine print on your service contract carefully to understand exactly what the service provider promises.

The services that offer the best data protection will typically:

- Keep at least one real-time copy of your information with "failover" capabilities. This essentially means that there is always a mirror copy of your data on a separate hard drive; when you make a change, the change is made in the other copy at the same time. If the server fails, the service would then automatically switch over to this real-time copy.

- Perform regular backups on a specified schedule (at least daily) and keep those backups for a specified period (for example, two weeks).

- Keep a copy of the backup in a separate geographical area. This ensures that if a disaster affects the data center (a facility that holds your service provider's servers) storing your data, the backup will still be available.

- Have comprehensive, documented security policies, covering physical security, network connections, virus and spam filtering, and user authentication.

- Certify the service through regular third-party testing (common certifications include SAS 70 Type I and Type II and ISO/IEC 27001:2005). This means that the services meet accepted standards for security.

- Commit to at least 99.9 percent availability for your service with a financial guarantee. This means that your data will be available at least 99.9 percent of the time or you will get some money back.

When Kathy moved her organization to Web-based services, she actually increased her level of data protection from what she had previously. She no longer has to worry about the unreliability of her old server, and she's confident that there will be a backup available should she need it. What's more, if her building is ever affected by a disaster—such as a flood—she can now easily relocate her staff and continue to help callers in need with minimal interruption, since her data will still be available.[10]

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Information is the lifeblood for most businesses. Your financial data shows you how your business is doing, guides your strategic planning, and keeps you out of trouble with government taxing authorities such as the Internal Revenue Service (IRS). Your customer data helps you grow your business by powering your marketing campaigns, identifying sales opportunities, and enabling you to personalize your customer service. And your intellectual property—such as Ron's inspection reports—is critical to your success. When a company loses its critical data, it isn't just a hassle. It's potentially catastrophic for the business.

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10 Web-based services also helped Kathy's staff connect with each other more easily. For more information, please see chapter 7, "Work Together More Effectively with Anyone Using Collaborative Technology."

Ron and Kathy both found a way to make it easier to protect their data. Although they chose different solutions, both options use a centralized approach. Centralized file storage can make your life easier—you no longer need to run from computer to computer with a USB flash drive, whether you're trying to back up your data or simply share it.[11]

Choosing Between a Server and Web-Based Services

If you want to gain better data access and protection by centralizing your file storage, which option should you choose—Web-based services or a server? There is no correct answer to this question. Your choice will depend on your business's needs.

- In general, Web-based services will help you save money, at least initially, by eliminating the need to buy the server hardware and software. They also enable you to get the most current technology without having to worry about upgrading your software or having the IT skill to manage it, since your service provider takes care of this for you. However, with most Web-based services, you have limited (if any) options for customizing the service, so it needs to fit your needs as is. In addition, if you are in an industry with strict regulations about how you store your data, you may find that not all Web-based services will fulfill those requirements. Finally, you typically need a broadband

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11 Another benefit of centralized file storage is how it can help you do more in common working scenarios, such as when you collaborate with others or need to work offsite. Please see chapter 7, "Work Together More Effectively with Anyone Using Collaborative Technology," and chapter 8, "Work Outside the Office More Easily with Modern, Mobile Technology" for more information.

Internet connection to use Web-based services, so if you're currently relying on a dial-up connection, you will need to upgrade.

- On the other hand, having a server solution gives you unlimited control and the ability to customize your solution to fit your business's needs or meet regulatory requirements. It's also ideal if you want your software to stay the same or only change when you choose to upgrade it. (In contrast, with Web-based services, the service provider will generally update the service as new and improved features become available.) A server offers the additional advantage of enabling you to share resources (such as printers, fax services, and an Internet connection) across the computers in your business. Finally, any content stored on a server is available to any computer on the network regardless of an Internet connection.

Whichever method you choose, for a backup strategy to work well, you need to back up your data often, ideally at least once a day. For Web-based services, this should be part of your service contract, but if you will store any information on your computer as well, you will need to back that up yourself. Another consideration is how you protect your backups. Ideally, you should store them in a separate location. That way, if your computer is stolen or something happens to the building where you store it, you minimize the chances of losing the backup as well.

Planning for Comprehensive Data Security

If you want protect your data from loss, backups are obvious-
ly critical. However, they're not the end of the story. In fact,
Michael Santarcangelo, a security expert and author of the
book *Into the Breach,*[12] believes that all small businesses should
do at least four things in addition to having a sound backup
strategy to protect their data:

- **Firewall.** Use a firewall on every computer to prevent
  hackers from getting into your system. A software fire-
  wall should be available and turned on by default in
  your desktop operating system.

- **Antivirus/antimalware.** Make sure that every com-
  puter in your business has up-to-date protection from
  viruses and other malicious software (sometimes
  called "malware").[13]

- **Patch management.** Ensure that every computer on
  your network has the latest updates for your operating
  system and any other software installed.[14]

- **Good passwords.** Use passwords that are hard to
  guess. For example, don't use obvious words, such
  as your pet's name, and choose combinations that an
  electronic dictionary wouldn't be able to pick up (such

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12 http://www.securitycatalyst.com

13 For more information on security software, please see chapter 1, "Make Life Easier
with Current Desktop Technology."

14 For more information on managing updates, please see chapter 5, "Save Time and
Money with Modern Management Tools."

as by joining two words into one and combining upper and lower case letters, numbers, and symbols).

One of the advantages of having a server is that you can use a centralized security management tool to easily check and ensure that every computer connected to your network has all the security updates installed and has the latest antimalware software updates.[15] Servers should also include a directory, which enables you to centrally manage an "identity" for each user along with a password. By using a centralized directory, the server authenticates every user and device that tries to log on to your network and controls access to network resources. Servers can also provide "single sign-on" authentication, which simplifies access to resources by enabling your users to log on just once to gain access to all systems—helping secure your network with minimal impact on your users.

If you are using Web-based services, it pays to ensure that your service provider is also taking appropriate precautions to protect your data both from malware and from theft (including both physical and online breaches).

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15 For more information on the advantages of centralized management, please see chapter 5, "Save Time and Money with Modern Management Tools."

Chapter 4

Reduce Computer Maintenance by Minimizing Hardware and Getting Everyone on the Same Software

Offloading Maintenance with Web-Based Services

Are you spending too much time maintaining your servers and keeping your data backed up? Do you depend on your technology but lack the technical skills to manage your servers confidently?

Jim Nolan isn't in IT. He's in law. Why, then, would he be spending three to four hours each week managing IT systems?

Like many small business owners, Jim was relying more and more on IT as his business grew. His IT systems weren't complex enough to justify hiring IT staff, but they were costing him time. And for a lawyer who bills by the hour, time means money. In fact, when Jim worked it out, if he dedicated the time he spent managing his IT systems to winning new business, he could potentially make another $60,000 each year.

Jim's company—the James C. Nolan Law Office—specializes in immigration law. Specifically, he helps U.S. businesses that want to hire non-U.S. citizens get through the

visa application process. The process involves rigid deadlines and, to do it well, Jim has to file the appropriate documents as quickly as possible. In fact, the speed that he gets through the application paperwork is what sets his business apart from his competition. Technology is an important part of how he does it.

That technology used to include two servers: one for e-mail, file sharing, and an immigration law database, and the other to enable his staff to access the company's systems when they were offsite. The technology worked. Jim's office was efficient and processed the paperwork at a competitive pace. However, the technology also took up a lot of Jim's time. Jim spent far too long monitoring backups, checking connections, and rebooting his server hardware after updates. He was also paying $1,500 a month for server support to keep things running—and yet he was always worried that his servers would fail.

Jim's situation is fairly common. On one hand, his servers helped him operate at a competitive level of efficiency. Without them, his offsite staff would have worked in isolation from each other and with limited access to the company's core resources. On the other hand, as a small business owner, he didn't have the time, money, or even skill to manage those servers himself effectively. Hiring an IT consultant helped with the maintenance, but at a cost.

How could Jim get a solution that would give him the benefits of his server software—centralized e-mail, centralized files, access to the core database, and remote access to everything—but without the maintenance headache? He found an alternative with Web-based services.

Moving from Servers to Web-Based Services

Web-based services are a relatively new option for business technology, but they are catching on quickly. One reason for their rising popularity is that they enable companies to take advantage of technology without having to become experts in it.

With Web-based services, you can get essentially the same benefits that you have with a server. However, rather than purchasing and maintaining your own server hardware and software, you simply pay a monthly subscription fee. Your service provider hosts the software on servers in a massive data center and delivers the services to you over the Internet. Since you no longer need your own server, Web-based services don't just lessen the server maintenance: they eliminate it. Your service provider takes care of monitoring, backups, upgrades, and other maintenance.[16]

In addition to the maintenance benefits, many businesses actually find that the reliability and security of their technology improves when they move from traditional software to Web-based services. With Web-based services, you gain enterprise-level capabilities that most small businesses simply can't achieve on their own. However, not all service providers deliver the same standard of service. Loss of service availability or a security compromise can quickly overshadow any benefits. To have full confidence in your Web-based services, it's important to choose a service provider that has a proven track

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[16] To learn more about the benefits of Web-based services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

record in delivering Web-based services and takes appropriate precautions to protect your information.[17]

When Jim made the switch to Web-based services, the difference in his typical week was dramatic. Jim gained back the three or four hours each week that he used to spend maintaining his servers. Because he has a contract with his service provider guaranteeing that the service will be available 99.9 percent of the time, his stress over server downtime is gone. What's more, getting rid of the physical servers saved him money: in hardware (since he didn't need to buy servers anymore), in rent (since he could move to smaller offices in part because he didn't need to store the servers anymore), and in electricity (since he didn't have to pay for air conditioning to cool the servers).[18]

Reducing Server Hardware with Virtualization

Are you tired of investing in servers that aren't working anywhere close to capacity and are taking up too much of your time to maintain? Are the incidental costs of maintaining your servers (such as electricity and office space) creeping up every year?

While Jim couldn't get away from his servers quickly enough, the situation was different for Dean.

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17 For more information on how to assess the security standards of a service provider, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

18 Web-based services also helped Jim get offsite workers on board more easily. To learn more about his story, please see chapter 8, "Work Outside the Office More Easily with Modern, Mobile Technology."

Dean Evans loves technology, and he loves what technology can do for his business. In fact, his business is all about technology: he is the president of Dean Evans & Associates, a small technology company that builds event management software. However, like Jim, Dean was spending too much time on maintenance. In fact, he spent roughly a quarter of his work week maintaining his servers, from monitoring and troubleshooting issues, to running backups, to installing updates.

Servers are integral to how Dean runs the business, as they provide an environment for developing and testing the software that his company builds. Dean has the skills and knowledge to manage his servers. However, he really needed to spend the time it was taking to manage his servers on other activities—like growing his business.

Part of the problem was the sheer number of servers in his business: 14 in total. Each server was dedicated to a single task, such as hosting the company's e-mail or database software or providing an environment for development and testing. However, none of the servers was being used even close to its full capacity. Dean's business was suffering from server sprawl. This meant a lot of extra maintenance and a lot of waste—in hardware, software licenses, energy, and physical space to store the servers.

Since Dean didn't actually want to get rid of his servers, how could he make better use of them?

Virtualizing Servers to Reduce Server Sprawl

On the advice of his technology consultant, Dean looked into server virtualization. The term "server virtualization" sounds

complex, but the concept is actually quite simple. With virtualization software, you can essentially create several separate "virtual" servers (called virtual machines) that are all stored on a single physical computer (called the host server). Each virtual machine has its own operating system and is completely isolated from the other virtual machines running on the host server.

Server virtualization is a bit like an office building for servers. Each business (virtual machine) is separate from the other businesses in the building. Just as one business might publish medical journals while another might provide accounting services, each virtual machine can run its own workload independently of the others. And just as each business can grow (or shrink) by leasing additional office space (or giving up office space), each virtual machine can use more or less processing power, memory, and disk space. However, one key difference from the office building analogy is that you can also add performance and storage to the physical host server instantly whenever you need to—this would be like adding additional floors to the office building overnight!

A major benefit of server virtualization is that it enables you to take multiple physical servers and convert them into virtual machines on a single host server. You create one highly efficient server and can get rid of the other physical servers that you no longer need.[19] When you get rid of those unnecessary servers, you eliminate the associated hardware maintenance. You also reduce the energy required to run and cool

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19 One thing to bear in mind is that when you combine multiple critical servers onto a physical machine, the consequence of any failure with that physical machine increases. In most cases, you should choose server hardware with higher fault tolerance for hard drives, power supply, memory, and CPU to minimize the risk.

your servers, which will save you money and reduce your business's impact on the environment.

Another major benefit is how quickly you can create new servers using virtualization compared with adding new physical servers. Rather than having to purchase the hardware and install and configure the server software, it is a simple process of creating a new virtual machine.

Dean used virtualization to cut his physical servers by nearly 60 percent, from 14 to just 6. Those 14 virtual machines have now grown to 31, and yet he still runs only six physical servers. He can create a new virtual machine whenever he needs to in just 10 minutes—it used to take him literally weeks to add a new physical server for software development and testing purposes. By eliminating eight physical servers and being able to quickly create new servers as needed, he has cut the time it takes to manage his servers in half. He has more time to focus on running his business.[20] And, like Jim, he's saving money on electricity costs as well—about $5,000 a year—because he has fewer servers to run and keep cool. As he says, "We can be better environmental citizens by using less electricity in our technology operations."

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20 When Dean virtualized his servers, he also added a centralized systems management tool to further reduce his management workload. To learn more, please read chapter 5, "Save Time and Money with Modern Management Tools."

Simplifying Maintenance by Standardizing Software

Are you losing track of the different software applications and versions in place at your company? Do you spend too much time troubleshooting problems caused when software programs don't work together? Do your employees struggle to share files because they're using different software versions?

Like Jim and Dean, Stephen Kramarsky became the "IT guy" for his business almost by default, since there was no one else to deal with it. However, the cause of his maintenance woes was slightly different.

Stephen started a small law firm, Dewey Pegno & Kramarsky, several years ago with two partners. At the beginning, it wasn't a big deal for him to set up their PCs, run updates, and troubleshoot any problems. However, as the business grew and the IT systems grew with it, it became a bigger deal. Stephen was spending several hours a week in his "IT role"—time he couldn't bill clients for.

Every computer in the office had a slightly different mix of software, which made it hard to keep everything working together well. Each time he hired a new staff member, he bought a new computer, pre-loaded with the most current basic software. This ad hoc approach meant that the computers in his office had different desktop operating systems—both different types and different versions.

Since there was no policy on having a standard desktop, the lawyers could make changes to their systems and download software whenever they wanted to. Unfortunately, they often inadvertently downloaded malicious software (malware) that

would slow, corrupt, or crash their PCs. The mixed desktop environment—complicated by unreliable or problematic software downloads—was costing Stephen more and more time.

How do you handle it when you need to get an employee set up with a new computer? Do you head down to the local office supply store to see what is on sale? Adding computers and software on an as-needed basis is a common approach. In fact, for most small companies who want a fast, affordable, and convenient solution, it's the only practical choice. However, it almost inevitably causes the very situation that Stephen was battling: a mixed environment that is hard to manage, monitor, and keep running efficiently.

Moving from a Mixed to a Standard Software Environment

One of the simplest and easiest ways to reduce IT maintenance is to get everyone on the same software. This process—called "standardization"—will drastically reduce the complexity of your IT environment. For example:

- When you only have one desktop or server operating system in your business, you won't need to memorize different steps to install devices, run backups, or adjust settings to keep the computers working well.

- When everyone has the same software and operating system, you'll only have to worry about one set of software updates.

- When you want to add new software, you'll only have to check for compatibility issues once.

- When your employees have a problem with their computers, their colleagues will be more likely to be able to help and you'll probably find it easier to troubleshoot as there will be fewer possible causes.

The benefits of standardization aren't limited to IT maintenance. If everyone in your business uses the same version of office productivity software, they'll be able to share files without having to worry about whether their document formatting will always look right or whether their spreadsheet formulas will work consistently. Having only one version of software will also reduce training needs and make it easy for your staff to swap office computers without having to learn how to use a different system.

However, what do you do when you purchase a new computer that comes preinstalled with a newer version of the operating system or software than you're using elsewhere in your business? What if you don't have the time or money to upgrade your other computers right away? Although using current technology will generally provide you with the best performance, security, and ease of use, it's not always realistic to upgrade as soon as a new version comes out. Some vendors offer volume licensing programs that give you the option of upgrading or downgrading your software version. When you purchase a minimum number of software licenses (for example, five), these licensing programs give you a discount on the license cost and let you choose what version to install. Because you can choose to downgrade to the version already in use in your business, this makes it simple to standardize your software even as you add new computers. Some of these licensing programs also give you access to any newer versions released during the

term of your license agreement, enabling you to upgrade to the latest version whenever it makes sense for your business.

When Stephen decided to overhaul his IT infrastructure, addressing the mixed software environment was a priority. By getting rid of the different versions, he went a long way towards eliminating the ongoing IT issues that consumed so much of his time. Working with a local technology firm, he even went a step further by installing and maintaining each user's desktop software environment on a centralized server. This added a surprise benefit for the firm, enabling attorneys and staff to get at their files and software from anywhere they have Internet access. He has moved on from being the "IT guy" and can focus on his real job as a lawyer.

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How much time do you spend chasing IT problems when you'd rather be working on the business? It's nearly inevitable that most small businesses will add technology in pieces to meet new needs (such as a new staff member) or fix isolated problems (such as a failed hard disk). It can be hard enough to predict where a business is headed as it responds to new opportunities or challenges. Having a forward-looking IT plan to support that changing business without (or with only limited) IT staff can seem next to impossible. When technology grows organically like this, complexity reigns.

The experiences of Jim, Dean, and Stephen show the consequence of complex IT systems. When you have too much hardware, too much software, or just too complicated a setup, the effort that it takes to keep things running smoothly can skyrocket.

If you're finding that maintaining your IT systems is taking up more time than it should, an effective first step is to see what you can eliminate:

- Can you remove some hardware? As Jim and Dean found, reducing servers can significantly lessen maintenance, but you may also find opportunities to reduce other hardware that takes up your time and isn't used efficiently.

- Can you remove any variability? For Stephen, software variability created problems, but the same principle holds true for any technology. Having one model of printer will be easier to manage than having three or four different model printers from different manufacturers—and likewise for laptops, mobile phones, cellular providers, and so on.

These stories highlight some effective options for reducing complexity, from using Web-based services to replace your servers, to using virtualization to make your servers more efficient, to standardizing your software. In combination, these solutions can be even more effective. For example, if you decide to use Web-based services in your company, shifting everyone to those services will have the same benefits as getting everyone on the same office productivity software. Once you have virtualized your servers, running all of your remaining (now highly efficient) servers on the same server operating system will mean even less maintenance for you to worry about.

Chapter 5

Save Time and Money with Modern Management Tools

When a new operating system update comes out, do you leave it to your employees to update their systems when they get around to it? Do you set each computer to update automatically and hope that nothing will go wrong in the process? Or do you install the update yourself on each computer?

If the first two options sound risky to you, you're right. Updates are a nuisance, but they're necessary since they usually include important security enhancements. Making sure that updates install successfully will go a long way toward keeping your systems working reliably. Relying on your staff or the computer to take care of updates increases the risk that they won't install successfully. However, the third option—installing updates yourself one by one—can take a long time.

Updates aren't the only management tasks that your computers require. Activities such as monitoring for (and fixing) software errors and faults, creating and managing user accounts, and applying security settings all take time. This is something that Dean Evans knows only too well—and time is something that he is chronically short of.

Centralizing Management Tasks with a Common Console

Are you spending more time managing your IT systems than your business? Are you tired of running from computer to computer trying to solve problems and keep your IT systems working smoothly?

Dean was on a mission to get back some time in his day. He'd already seriously cut back on computer maintenance by getting rid of over half of his physical servers.[21] But he knew there was room for even more improvement.

As the president and owner of Dean Evans & Associates, a company that builds event management software, Dean is no stranger to IT. Since Dean's is a small business, IT management tasks fall to him. However, he knows he needs to focus more attention on business matters and less on technology issues. To be competitive, he has to respond quickly to new business opportunities and customer needs. When IT management tasks take up his time, it compromises his ability to do this.

Manually tracking software updates is just one example of tasks that distracted Dean from his "real" work. Others included inventorying the software installed on his computers to make sure he was complying with the licensing terms, managing his servers, and monitoring applications. He wasted time moving from computer to computer, repeating the same tests and checks, diagnosing common problems, and re-applying standard settings. Although he had successfully reduced his physical servers with virtualization, he still had to manage the

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21 To learn how Dean successfully reduced his physical servers from 14 to just 6 with virtualization, please see chapter 4, "Reduce Computer Maintenance by Minimizing Hardware and Getting Everyone on the Same Software."

virtual machines. He didn't want virtual machine management to add a new time-consuming chore to his management duties.

Managing Systems from a Central Console

Large businesses have teams dedicated to managing IT systems. However, smaller businesses are usually lucky to have one or two specially trained IT staff. For many small businesses, the responsibility for IT management falls, as it does with Dean, to the business owner. If this is you, do you have the time—or even the skill—to effectively manage your business's systems? What can you do to make it easier and get back that time in your day?

The key is to automate and simplify management tasks. Dean found a way to do this with a systems management tool that manages his complete IT infrastructure—both physical and virtual—from a central console. Without having to visit each computer individually, he can deliver and manage updates, see if the last backup completed successfully, and get proactive alerts for any potential security issues. He also has a full view of his company's IT hardware and software assets, plus who is using them—without having to manually track it in a spreadsheet.

For Dean, a centralized systems management tool was the final piece of the puzzle. It lets him manage his complete IT environment without distracting him from running his business. By being able to monitor and control each aspect of his infrastructure from a central console, it is now much easier—and faster—for him to be sure that his systems are running reliably and performing well.

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One of the first steps to minimizing the time it takes to manage your technology is to reduce how much technology you have to manage.[22] Dean achieved this with virtualization, eliminating eight physical servers. Modern management tools can help further simplify management tasks. The latest desktop and server operating systems have several management tools built-in. These may be sufficient for your needs now; as your systems grow, however, you may find that a centralized systems management solution (like Dean uses) will help keep your management tasks simple.

Built-In Desktop Operating System Management Tools

Depending on what desktop operating system you use, you may have access to a range of tools that can make the management experience easier. Some of the best of these tools provide:

- **Troubleshooting support.** Do your employees call you for help with every computer issue that crops up? You'll save a lot of time if they can solve problems themselves. Troubleshooting and diagnostic tools designed for the typical user (rather than an IT expert) can do just that. Basic troubleshooting tools should let users know when an error occurs, recommend solutions, and even let them implement a fix by simply selecting one of the options presented.

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22 To learn more about simplifying your IT by reducing hardware and software, please see chapter 4, "Reduce Computer Maintenance by Minimizing Hardware and Getting Everyone on the Same Software."

- **Scheduled maintenance.** How many computer problems and performance issues in your business arise because the system is in need of basic housework? Having the ability to schedule an automatic cleanup of a computer's hard drive to fix errors, make better use of hard drive space, remove temporary files, and delete broken shortcuts can reduce how much basic maintenance you need to do and help prevent problems down the road.

- **Remote assistance.** When your employees are stuck on a computer problem, do you have to go to their desk or struggle through a phone conversation trying to work out what is wrong? With remote assistance capabilities, users can let you (or an IT partner or staff member) see whatever is on their screen. They can enable you to remotely control their computer to fix the problem without having to leave your desk or talk them through steps over the phone. Whether your users are working offsite or just in another part of the building, this can be a great time- and money-saving tool.

Server-Based Management Tools

When you add a server into the mix, you can gain additional tools to help with systems management. Because a server acts as a hub in the network, depending on the server technology it can let you centrally control certain management tasks for computers and users on the network. Three of the most time-saving capabilities will let you:

- **Manage users and passwords centrally.** With a server, you can set and control the user names and passwords that your employees use to access your systems. Not only does this increase security, but it also makes it easier for your users to access network resources. Furthermore, in the event that a user forgets his or her password, it gives you the ability to reset that password and restore access easily.[23]

- **Check on the status of system updates.** Being able to automatically check the systems on your network to see if they have the latest software updates will save you from visiting each computer individually. Ideally, if you find that some computers are not up to date, you will also have the option of installing the updates over the network.

- **Manage computers and users as groups rather than individually.** Being able to assign computers to different groups based on shared characteristics, such as where the computer is located (such as in the office or at the warehouse) and who the user is (such as a manager or salesperson), can let you apply settings once for an entire group. For example, you could set the same default printer for everyone sitting in one area, or you could block access to a specific content folder for anyone not part of the management team. Group management capabilities also enable you to apply standard policy and security settings across every computer in your business. Power management is a

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[23] For more information on identity management, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

great example of this. By enforcing a policy of using specific power settings (such as requiring each computer to shut down at night), you can minimize energy consumption. This will reduce your energy costs and the environmental impact of your technology at the same time. You could also increase security by setting every computer to display a password-protected screensaver after 15 minutes of inactivity.

Centralized Systems Management

The management tools included with your operating systems can make it much easier to stay on top of management tasks. But what if you are already using these tools and systems management is still taking too much time? When your business grows to include a number of PCs, servers, and/or network devices (such as routers and switches), you will probably find that a centralized systems management tool with a single management "console"—like Dean used—will save you a lot of hassle.

The goal behind a centralized tool is to let you manage your entire IT infrastructure—including servers, desktop and laptop computers, network devices, and software—from a single place. It should give you all of the information and capabilities you need to keep your systems secure and up to date. It should also let you know as soon as a problem arises and help you fix it.

Centralized systems management tools give you many of the same management capabilities that you can get with an operating system. For example, with a centralized tool you should be able to:

- Manage updates and set update preferences across all computers (including servers) in your business.

- Provide remote assistance to your staff.

- Set consistent security and other policies for the computers in your business.

In addition, the most comprehensive centralized systems management tools include other capabilities, such as:
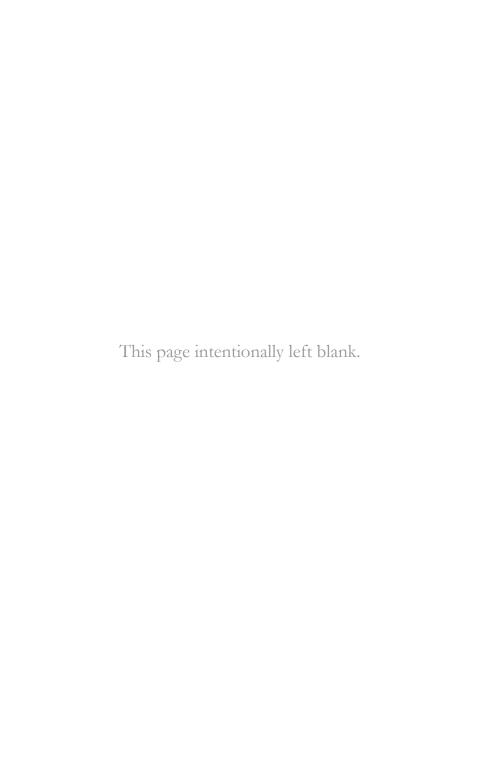
- **Proactive issue monitoring.** With proactive monitoring of each computer on your network, you can get alerts as soon as there are any problems or threats that need your attention.

- **Hardware and software inventory.** With inventory capabilities, you can track all computers, hardware, and devices on your network plus any software installed on them. An automatic inventory to track compliance with licensing terms is much more efficient than manually tracking this information in a separate spreadsheet or document.

- **Protection from malicious software (malware).** Ideally, your centralized tool will let you monitor the protection that each computer on your network has against viruses and other malware, whether that protection is included with the tool or integrated through a separate program.

- **System health reports.** Because a centralized tool spans the systems on your network, it should give you

an all-up view of the "health" of your IT environment plus access to detailed reports for more information.

- **Integrated virtual machine management.** If, like Dean, you use server virtualization, having a single tool that can manage both physical and virtual machines will keep things a lot simpler.

- **Network management.** You can use a centralized tool to manage the performance of your entire network and configure network devices from a single place, without having to log on to each device individually.

- **Energy usage management.** If you are looking to reduce your business's energy consumption and environmental footprint, some centralized systems management tools will let you monitor, from a single console, exactly how much energy your technology is using— across your PCs, physical and virtual servers, and devices. You can then use the group management tools to manage and reduce that consumption by enforcing power management settings across your infrastructure.

Traditionally, you purchase and install a systems management tool on a server, just like other traditional software. However, Web-based software services are becoming increasingly popular, and online systems management models are emerging.[24] A Web-based systems management service may help make IT management even simpler for smaller businesses, because it eliminates the need to install the software and buy additional hardware.

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24 To learn more about the benefits of Web-based services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

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DO MORE
IN LESS TIME

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INTRODUCTION

For most small business owners, time is in short supply. Whether taking care of basic administrative tasks, responding to customer inquiries, or building company documents, the faster you can get things done—without compromising quality—the more competitive you will be.

And yet how much time do you and your staff waste performing the same repetitive tasks, day after day? Do you get frustrated by mundane jobs that take you away from more meaningful activities? Do you lose precious time when you can't reach a colleague or you're on the road? For many small business owners, there simply isn't enough time left over from running the business to focus on growing the business. It's no wonder that "better productivity" has become a catch phrase for every business book, service, and offering out there.

If you're looking for a way to help make your time count for more, this section has some ideas on how your technology choices can help.

- Chapter 6 looks at how technology can help you simplify everyday tasks. For example, by using today's **desktop search** and **file management tools**, you can spend less time searching for information and more time using it. And the latest **integrated office productivity suites** can make it easier and faster to do your work, whether you're building a presentation or just trying to stay in touch.

- Chapter 7 explores how you can use technology to help you and your staff work together (and even with customers and partners) better. Whether you use a server or Web-based services, capabilities such as **centralized file storage, shared workspaces, instant messaging (IM), online conferencing,** and **shared calendars** all help people connect and collaborate.

- Chapter 8 addresses an increasingly important topic in today's mobile business world: how you and your employees can stay productive no matter where you are. From using a **smartphone** to stay in touch on the go, to using a **server** to provide remote access to central files, to adopting **Web-based services** to support off-site workers, technology can help you make "remote" work for your business.

- Chapter 9 discusses how tools such as **spreadsheets** and **centralized business intelligence portals** can bring your business data together into a single view easily. With the right tools, you should be able to quickly get the insight you need to make better decisions.

In the following chapters, you'll find examples of how some small businesses have used technology to get through their work more quickly, more effectively, and more profitably.

Chapter 6

Get More Done by Simplifying Everyday Tasks

Finding Information Easily with Desktop Search and Better File Management

> *Are you spending too much time searching for the information you need? Is your system for managing your electronic files making it hard to track down what you are looking for?*

One of Frank Cerullo's top priorities is ensuring that his staff of 24 delivers exceptional customer service. One of the best ways that they can keep customers happy is to respond to requests for files as quickly as possible. Sounds simple enough, right? Unfortunately, it was proving to be anything but.

Frank is the CEO of GameWear. He founded the company with the inspiration to make products from the same leather used for baseballs, softballs, basketballs, and footballs and then brand them with the logos of the major league teams. Those products include everything from bracelets and necklaces made from baseball seams to key chains and MP3 player and cell phone cases made from football, basketball, soccer ball, and tennis ball material.

Frank's customers are the retailers and distributors that sell his products. Whenever a retailer wants to include a GameWear

product in its catalog, Frank's staff needs to retrieve the right product image from a database and get it to the customer without delay.

With over 50,000 file variations to choose from, quickly finding just the right one is a huge challenge. Of course, like any business, GameWear has more than just product images to keep track of. Adobe PDF files, documents, e-mail—the company stores an ever-increasing amount of information. And the more information that accumulated, the harder it was for Frank's staff to find. In one instance, it took literally hours to track down an e-mail message that indicated a customer had an overdue balance. Frank was well aware that searching for files and information took his staff away from serving customers.

Searching for information is one of the biggest time wasters that businesses face today. By some estimates, information workers can spend up to 8.8 hours a week searching for and gathering information—for an average cost per worker of roughly $14,000 each year.[25] ("Information workers" refers to people who work with ideas, create and use information, or even enter data into computer systems during their daily work.) If even just one member of your staff is losing that much time searching, what is the cost to your business? Frank knew that for GameWear, it could be considerable. He needed to help his staff find information and files more quickly. He didn't have the money or time to install and manage a full-fledged enterprise search solution. Instead, he found the answer by simply upgrading the company's desktop operating system.

25 Susan Feldman, "Hidden Costs of Information Work: A Progress Report," IDC, Document #217936, May 2009

Using Shortcuts to Find Your Files

One of the primary uses for desktop operating systems is to find, manage, and access files. This is reasonably straightforward when you don't have many files—you simply name them and store them in a folder. But it doesn't take long for the number of files to grow to hundreds, thousands, and even more. With so many files spread across so many folders, it can be easy to lose track of what files are stored where. Add to that an increasing number of file types, and what was once simple can quickly become complicated. And as Frank discovered, complicated equals time consuming.

For Frank, the winning feature of the new desktop operating system was built-in desktop search. By performing a single, global search of all files on a PC, desktop search saves you from hunting through individual folders on your computer and in your e-mail system. Frank's solution even enabled his staff to search beyond their own PCs to other computers on the network. With these new search capabilities, his employees can now quickly find what they need. The time savings are so significant that Frank says it's "like having a virtual customer service rep dedicated to each client."

Desktop search isn't the only tool that can make it easier to find information. Recent operating systems have introduced innovative new options for how you find and access files, helping cut through the clutter of many folders. For example:

- Do you get frustrated when you have to work your way through multiple folders and subfolders to get back to a file that you were just using? **File lists that**

show all recently used files can help you avoid this tedious navigation and get back to work right away.

- Have you ever found yourself opening up multiple files with similar names trying to remember which one was which? **File preview options** can show you at a glance what's in a file—without having to open it—so you can just scroll through the files until you find the right one.

- Do you ever have trouble remembering where you stored a file because it relates to more than one folder on your computer? Imagine how convenient it would be if you could **assign files to more than one collection** based on what type of information they contain. For example, you could create a collection for each supplier you deal with and a collection for your financial records. You could then assign files that have billing information from your suppliers to both the appropriate supplier collection and the financial records collection. That would let you get back to the billing information through either collection, without having to make multiple copies. This kind of file system lets you bring together related files that are stored in different places without having to physically move them.

Another feature of many current desktop operating systems is improved backup. Backups are essential to protecting your information; the best file management system in the world won't help if your hard drive becomes corrupted or you inadvertently delete an important file. Desktop operating systems that include a built-in backup scheduler free you

from the hassle of having to run manual backups. They also save you from the risks that come with manual backups, such as forgetting or running out of time to make one.[26]

Working More Efficiently with Integrated Business Productivity Tools

Are you finding that basic common tasks—like building presentations, creating charts, and preparing invoices—are taking up too much of your day? Do you need to gain back time to focus on your business?

As founder of a startup company, Daniel Pirestani needed to get every aspect of his business up and running as quickly, efficiently, and affordably as possible. Not unusually for a new business, everyone on his staff wears "a half a dozen different hats." There's never enough time in the day and very little extra money. They need to be able to take care of every aspect of the business—from finance to marketing to sales—themselves. Unfortunately, some of the most basic tasks were simply taking too long.

Daniel's business, InDemand Interpreting, offers language-interpreting services to medical and emergency health providers. But his business takes a new approach to a traditional service. It provides interpreting services using video calling over the Internet rather than sending an interpreter in person.

Although Daniel knew his idea was a great one, he faced a challenge encountered by nearly every startup: he needed to

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26 For more information on backing up your information, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

get investors and customers on board. To pitch the service to them, Daniel and his colleagues used detailed marketing presentations and documents. Since they didn't have the budget to hire a graphic design firm to build the presentations for them, they had to build these files themselves. This was taking them upwards of 25 hours or more every week.

What's more, his employees really needed some help in learning to use their office productivity software, but there was no training budget, so they turned to him. For example, when he wanted charts or tables in a document, he had to show his administrative assistant how to create them. Time spent building presentations, formatting charts, and coaching staff was time that he simply couldn't spare. And, as the business grew, that time would be even harder to find.

The problem lay in the office tools that his business used. Since those tools didn't have particularly powerful formatting features, simple tasks such as changing a color, adding a new shape, or updating the font style took several steps. And not all of the features were intuitive to use or even easy to find.

Gaining Efficiency with an Integrated Office Productivity Suite

When Daniel investigated alternative solutions, he quickly learned that suites of office tools vary considerably.[27] Which tools you choose will have a significant impact on just how efficiently you can use them. Office tool suites that will help you work as productively as possible will typically offer:

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27 For an introduction to office productivity tools, please see chapter 1, "Make Life Easier with Current Desktop Technology."

- **The same interface across programs.** You might assume that when software programs are bundled as a suite, they will all work in largely the same way. However, this isn't necessarily the case. If you have to search in different places or use different keyboard shortcuts in each program to perform common tasks, such as printing, this will slow you down. Just as importantly, you shouldn't need to search through complicated menus trying to find out where a feature is hidden; all commands should be easy and intuitive to find. Choosing software that works in the same way as software you already use will help you get the most from it and keep training needs to a minimum.

- **Integration between programs.** Not only should your productivity tools work in similar ways, but ideally they should be integrated so that you can easily move information and content between them. For example, say you've used your spreadsheet software to build a chart that shows your sales performance over the last quarter. Rather than using the spreadsheet when you share this chart with your investors, you might want to insert it into your quarterly update on the business. Being able to quickly insert the chart into the document without losing your formatting will save you a lot of effort. But what happens if you find a mistake in the numbers and you need to change the chart? Sure, you could copy the chart over again once you've made the change in the spreadsheet. Even better, though, would be if the chart in your document would automatically update. True integration among productivity tools makes this kind of shortcut possible.

- **Built-in timesaving tools.** While basic software will let you type up a document, tally up the month's sales, build a simple presentation, or send e-mail, doing much more than this without the right tools can take a lot of time. For example, how long does it take you to set up a new template? Pre-formatted templates for documents, presentations, and even databases can jumpstart your projects. How quickly can you convert a few bullet points into an impressive graphic? Point-and-click formatting tools, color schemes, animation capabilities, and even audio and video options can help you quickly build materials with more impact. How long do you have to spend staring at a spreadsheet of data before you can spot trends in the numbers? Tools that convert numbers into at-a-glance charts and visuals can help you quickly work out where to invest your cash and resources. How easy is it for you to keep track of e-mail conversations after you've sent a thousand messages? Tools to better manage your e-mail beyond basic folders—such as by automatically grouping messages by subject—can make it easier to keep tabs on important conversations and ignore those that aren't.

When Daniel selected a new office productivity suite, he got built-in formatting and graphics features that bought back a lot of his day. Now he can build even the most complex presentations and documents in about half the time, and he's achieving a more professional-looking result.[28] Because the new programs are so much more intuitive, his administrative

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28 For more information on how Daniel used these tools to help him create his own marketing materials, please see chapter 10, "Find New Customers with DIY Marketing."

assistant needed only a brief introduction to the programs before she started building charts and formatting spreadsheets herself. And his sales staff is taking advantage of the integration between the programs to create invoices quickly, by pulling details from the company database and spreadsheets directly into the invoices.

Simplifying Communications with a Suite of Web-Based Tools

Do you use several different tools to manage your time, and yet waste time trying to manage them? Are you frustrated by having to jump between different programs—such as e-mail, instant messaging, and online conferencing—just to stay in touch?

For many people, e-mail, online calendars and task lists, instant messaging (IM), and even online video calling have replaced traditional paper-based tools and the telephone. But they're supposed to save you time, not make your days more complicated.

Much like Frank and Daniel, Andrew Town struggled with how much time his employees lost to simple, everyday tasks that distracted them from more important work. Andrew is a managing partner of Tandem Business Specialists, a small technology consulting firm. His team relies on multiple tools to manage their e-mail, calendars, contacts, and other information.

These tools, in theory, enable his employees to communicate with each other and their customers. However, tasks that should have been simple and fast—for example, moving an e-mail meeting invitation into their calendar software—too

often ended up being difficult and slow. Employees needed to remember a separate logon and password for each program they used, and transferring information between programs was a manual process. Each few-minute delay, added up over the course of a day, equaled a significant amount of lost time— time that could have been spent on billable services. Andrew needed to find a way to make it easier for him and his staff.

Andrew's problem was that his business used a series of disconnected programs. For example, he subscribed to Web-based e-mail, but it didn't integrate easily with the program his staff used for calendars, contacts, and tasks. The same was true for his intranet, a standalone Web-based service that he had to cobble together with the other programs—a solution that wasn't particularly reliable.

Gaining Efficiency with a Suite of Web-Based Tools

Like Daniel, Andrew started looking at alternative tools that would provide a better experience. And, like Daniel, Andrew shifted his staff to a suite of integrated tools. His employees can now access everything with a single logon, and each program they use has a similar interface. They don't have to jump between programs or struggle to move information around. In fact, Andrew estimates that each employee is saving about three to five hours per week using the new tools.

One key difference between Daniel's and Andrew's solutions is that Andrew chose a suite of Web-based services. Until recently, office tools were applications that you installed on your computer. However, in the last few years, more and more businesses have been turning to Web-based office tools as a

way to simplify technology and save money. With Web-based applications, you subscribe to a service rather than purchasing a license, as with installed software. The service then delivers your software over the Internet whenever you use it, so you can access it from any computer that has an Internet connection.[29]

As Andrew found, when a Web-based suite provides integrated tools and a similar experience in each program, it can help you save time just like integrated tools in traditional office suites. Web-based office tools can also help simplify other common tasks:

- **Easy access to company files.** One popular Web-based service is online file storage. With this type of service, you can store shared files—such as standard operating procedures (SOPs), forms, reports, and marketing documents—in a central place. A major benefit is that your employees will always know where to go to find company documents without having to search through file directories on individual PCs. Plus, since they will access the files over the Internet, your employees won't even need to connect to your network to get to the files they need.

- **The same experience no matter what computer you use.** If you ever use more than one computer to do your work, you know how frustrating it can be if you don't have all of the same software or files on each computer. Consider two examples:

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29 For more information on how Web-based services work and how they enabled Andrew to give his staff new capabilities without adding complexity, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

o Most of the time when you use an e-mail account set up by your Internet service provider (ISP), you will use a POP3 account (POP3 stands for "Post Office Protocol 3," but you'll never need to remember this!). With this type of account, your ISP holds your e-mail on a server until you download it to your computer. If you work from another computer, you won't have access to any messages that are stored on the first computer. You can avoid this problem with Web-based e-mail services, which store your e-mail online. Since you never actually download the e-mail to a computer, you can access it from any computer that has an Internet connection.

o If you create a presentation or a document on your work computer and then, for example, want to edit it from your home computer, you may end up with compatibility problems. If your home computer uses different software or even a different version of the same software, you may not be able to open the file or you may find that the file doesn't look the same. Again, when you subscribe to a Web-based service, you can access the program over the Internet from any computer you happen to be working from—you just need your user logon details. You always get the same experience no matter what computer you work from, and you don't need to worry about compatibility issues.

Because Web-based services let you access files and software wherever you have an Internet connection, they are also a great solution for anyone who regularly works offsite. Likewise, since Web-based services make it easy for people to share files, they are useful for helping people work together, particularly people in different locations.[30]

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The experiences of Frank, Daniel, and Andrew are a sampling of a typical problem for many small businesses. You or your employees will perform some tasks repeatedly, every day. Although these tasks might be essential to how you run your business, they aren't your business itself. Daniel's business isn't about building presentations, but if he wants to get the word out about his services, it's unavoidable. Frank isn't an expert in desktop search technology, but it enables his staff to give customers the fastest possible service. Andrew's team uses e-mail, instant messaging (IM), and electronic calendars as tools to manage their schedules and communications so they can focus on their real work—technology consulting. While each individual task might not be difficult, doing it repeatedly can take up a lot of time.

Almost all businesses look to IT to some extent to help them automate common tasks and save time. For Frank, Daniel, and Andrew, technology has already replaced what they would have done manually before. But there's clearly

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30 For more information on how Web-based services can help in these scenarios, please chapter 7, "Work Together More Effectively with Anyone Using Collaborative Technology," and chapter 8, "Work Outside the Office More Easily with Modern, Mobile Technology."

room for improvement. Each found that making a different choice in their technology helped them to do more in less time by further simplifying tasks. Essentially, they are using technology to take shortcuts. Of course, sometimes a "shortcut" in business means you end up with less. Not every technology shortcut will help you save time without compromising on quality, so it pays to choose carefully. Plus, for technology to simplify routine tasks at work, it needs to be intuitive and simple. If you need to learn a whole new way of doing things, you'll never use it.

The examples in this chapter are just a small sample of the opportunities to use modern technology to simplify everyday tasks. By looking at your work habits for tasks that you do all the time, you'll probably find other opportunities. For something that you do repeatedly, every minute gained back will add up to major time savings.

Chapter 7

Work Together More Effectively with Anyone Using Collaborative Technology

Promoter Line plans, promotes, and executes high-profile entertainment and sporting events. Their scope includes festivals, charity events, and large concerts for bands such as Van Halen, Brooks & Dunn, and The Black Eyed Peas.

Crisis Call Center is an independent, not-for-profit agency dedicated to providing support and advocacy for people in crisis.

On the surface, the working environments of these two organizations couldn't be more different. Promoter Line event managers and technical crew are rarely in the office, meeting with customers at event sites across the country. Crisis Call Center staff and volunteers spend their days on the phone, offering a 24-hour service.

However, despite the obvious differences between the two organizations, they have this in common: great teamwork is key to their success. Jerry Thompson, Promoter Line's president and owner, knows that to pull off a successful event, his staff must work together closely to coordinate the technical, logistical, and people components. Kathy Jacobs, the executive director at Crisis Call Center, knows that her employees provide the best possible service when they can tap into each other's expertise.

And yet, in both Jerry's and Kathy's organizations, the staff struggled to work together effectively.

Using Centralized File Storage and Workspaces to Share Documents

Do your employees need an easier way to access shared files? Do you grapple with issues such as version control when you're working on documents with other people?

Running a big event is a complicated process that involves many people and many details. To manage everything well, Promoter Line employees rely on shared documents that cover everything from general standard processes for producing events to logistics information for a specific event (such as venue, catering, and contractor details). Since many people need to add information and make changes to the same documents, they used to e-mail the files back and forth whenever there was a new version.

For Jerry, this raised big concerns about version control. If two people were working in a document at the same time and then e-mailed their changes to the team, which version would the next person pick up to work from? What would happen if someone missed the latest version and used outdated information to advise the event contractors? When a successful event depends on thousands of details lining up perfectly, using an old site plan or equipment specifications could have serious consequences. Jerry knew that if he didn't find a more efficient way for his staff to share files, it was just a matter of time before something went wrong.

Addressing Version Control with a Content Management Solution

Jerry's concerns reflect a growing problem for many businesses. When people share documents, version control becomes an issue. How many copies of the same file do your employees have spread across their computers, in their e-mail, and on their USB flash drives? Do they always know if they have the latest version?

Jerry found the answer in a content management solution (sometimes also called a document management system): a central file storage location that everyone can access. The solution lets Jerry's staff easily find and make changes to shared documents. If someone has a file checked out, the system shows who is working on it, eliminating the risk of multiple versions. Team members can also download a document to their computer and make changes later on, while they are offline. The next time they connect to the Internet, the system automatically synchronizes their offline changes with the centrally located version. Not only that, but the system stores and tracks previous versions of every document, so everyone can see what changes have been made. If things go wrong, they can restore a previous version.

In addition to centralized file storage, you can choose content management solutions that also support shared, or collaborative, workspaces. Shared workspaces provide an online space where people can actively work together. Workspaces typically bring together all related information for a specific project, such as an event.

A shared workspace provides all of the benefits of centralized file storage (that is, a single place to get the latest information, plus version control) while adding a number of collaboration features. The actual features that you get will vary depending on what technology you use, but consider the advantages of a workspace that:

- Alerts you when someone makes a change to a document (and tells you what the change was).

- Lets two or more people work on the same document at the same time while keeping track of who is doing what.

- Lets someone share the document live in an online meeting so that everyone can see changes as they are made and even edit the document themselves.

- Lets you provide access to your stored files (with password protection) to people outside your business, such as your partners or customers.

At Promoter Line, the content management solution addressed Jerry's concerns about version control. What's more, because his staff can access files whenever they have an Internet connection, they can get the latest information even when they are onsite with a customer.[31] His employees are working together more productively, and he no longer worries that documents with outdated information will jeopardize the success of an event.

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31 Being able to access shared information from anywhere is essential to Jerry's team, since they often work remotely. To learn more about how the server supports his offsite employees, please see chapter 8, "Work Outside the Office More Easily with Modern, Mobile Technology."

Connecting in Real Time with Instant Messaging and Online Conferencing

Do communication delays keep you and your employees from working as efficiently as possible? Are you looking for tools to help you connect with each other more effectively in real time?

Crisis Call Center operates two call centers: a crisis hotline and a statewide 2-1-1 service that provides information and referral services. Like Promoter Line, staff at the center used e-mail as a prime tool for working together. When call center employees needed to ask their colleagues for information to help a caller, e-mail was usually their only option. Most of the time it just wasn't realistic to say to a caller in crisis, "let me put you on hold for a minute."

However, they had no way of knowing which of their colleagues were actually at their desks and available at any given time. The e-mail system was so slow and unreliable that messages could take hours to arrive (and sometimes never did). For Kathy Jacobs, this just wasn't good enough. Kathy needed to help her call center staff give the best possible service, but this was tough to achieve when they couldn't connect with each other effectively. Plus, they were spending a lot of time tracking down information and making follow-up calls, which meant they had less time for new callers.

Getting more reliable e-mail was a top priority for Kathy, because it was essential to how the Crisis Call Center team connected with each other and with the community. Kathy also wanted to find a way for her staff and volunteers to access

each other's expertise right when they needed it: when they were talking to a caller.

A big part of the Crisis Call Center's communications bottleneck stemmed from its aging e-mail server. Instead of just upgrading the server with a newer version, however, Kathy turned to an IT services consultant for advice. Together, they decided to move Crisis Call Center to a suite of Web-based subscription software services.

Addressing Communication Struggles with Web-Based Services

Web-based services eliminated the need for Kathy to purchase a new server because they are accessed over the Internet, instead of being installed on a local computer.[32] More importantly, they gave Crisis Call Center fast, reliable e-mail, as well as better tools for connecting with each other in real time.

One of the greatest advantages of Web-based services is how they can bring people together online. Three of the most common Web-based collaboration tools include:

- **Instant messaging (IM) and voice.** IM programs are probably not new to you. Many people use them to connect with friends and family. In fact, if you have teenagers, the odds are good that they use IM as much or more than e-mail. IM can be a great timesaving business tool, because it lets you "chat"—using text— with one or more people instantly, without the lag of e-mail. It's the closest you can get to having a voice

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32 For information on the benefits of Web-based software services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

conversation from afar without actually talking. Even better, you aren't necessarily limited to text. Many IM programs let you turn a text chat into an audio or video call at the click of a button.[33] Using the same tool, you can also make voice calls to standard phones, which may help you reduce your telecommunications costs. IM programs also typically use some form of visual cue (like a green or red symbol) to let you know if the person you want to chat with is online or offline, and available or busy. IM programs range from basic, free services to more reliable, secure, business-oriented services that feature text encryption, to help protect your confidential business communications.

- **Online conferencing.** Online conferencing tools provide an online meeting space (like those described earlier for shared workspaces), generally with both audio and video options. The features vary depending on the technology, but you can typically share presentations and even edit files online, so all attendees can see the changes. You may even be able to jot down notes from a brainstorming session on a "virtual whiteboard" right in the online meeting. Online conferencing is the next best thing to getting everyone together in the same room. It can also limit your need to travel for business, reducing both costs and the carbon dioxide emissions of airline or car trips—which is a little kinder to the environment.

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33 To make audio and video calls online, you need the appropriate hardware (headset or microphone plus speakers for audio and a webcam for video). You should also have a broadband Internet connection.

- **Shared calendars.** Meetings are one of the simplest ways to work together, but scheduling group meetings can be tricky with today's busy schedules. Most people end up using e-mail to work out a time when everyone is free. Even in a small team, this can be a hassle. Shared calendars make scheduling easier by instantly showing who is available when.

For Crisis Call Center, IM is the perfect way to connect the staff while they are on the phone with callers. IM lets Kathy's team instantly see who is available and get answers right away. For example, if someone in the center takes a call from a domestic abuse victim and isn't sure what support resources are available, he or she can send an instant message to a colleague to ask for help—without having to put the caller on hold.

Online conferencing can help Kathy work with other organizations without having to travel. For example, the center partners with the Las Vegas 2-1-1 call center and often helps with training. Kathy had always accepted that the training would take place in person. However, with her new audio and video online conferencing tool, she can deliver interactive training online instead—eliminating the hassle, cost, and carbon footprint of travel.

And finally, Kathy already knew how valuable shared calendars could be since Crisis Call Center had them with the old server. However, since she couldn't access the server remotely, she couldn't see the calendars when she worked from home. The new Web-based service makes the shared calendar feature

available to everyone on staff, regardless of where they are located, over the Internet.[34]

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The experiences of Jerry and Kathy show a common challenge for many small businesses: how to enable people to collaborate effectively on documents and directly with each other—both internally with colleagues and externally with partners, vendors, and customers. As these two stories show, the days of having to rely solely on e-mail for this are over. Today's small businesses can use a variety of simple tools to help their people work better together.

Regardless of which tools you decide to use in your business—centralized file storage, shared workspaces, instant messaging (IM), online conferencing, and/or shared calendars—you have a choice in how you get them. For Jerry, a content management server was the answer. For Kathy, Web-based services were a better alternative. The choice will depend on your business needs, as both servers and Web-based services can support all of these capabilities.[35]

Servers have been the traditional way to go. If you are using a server to share printers and faxes throughout your office, you may already have the option for storing shared files

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34 For more information on how Web-based services also gave Kathy peace of mind when it came to protecting her organization's data, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

35 For more detailed guidance on the benefits of servers and Web-based services, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

for everyone to access. With communication and collaboration server software, you can support shared calendars, IM, online conferencing, and shared workspaces as well. A server solution gives you the most control, along with the option for customizing the solution to fit your business.

Web-based business solutions are a newer option, but a great one to consider for businesses of all sizes. With Web-based services, you simply subscribe to the tools you need. Other than a reliable, high-speed (preferably broadband) Internet connection, your requirements are minimal; you don't need to invest in server hardware.

Chapter 8

Work Outside the Office More Easily with Modern, Mobile Technology

Staying Connected with a Smartphone

Do you start worrying about what you're missing in the office the minute you step out the door? Do your employees need to be able to respond immediately to urgent business, no matter where they are?

For many people, "working outside the office" means remaining responsive when on the move. For example, a salesperson on his or her way to a meeting might need to review any last-minute changes that the team has made to the presentation. A business owner out for a long lunch with a client might need to keep tabs on e-mail in case something urgent comes up. Whether you're waiting for a flight at the airport or stopping for a coffee at the local café, sometimes keeping in sync with the business can mean the difference between making the sale or not.

That's certainly what Steve Roper was finding. Steve had worked in the health insurance business for years. He knew it inside and out, and he knew that staying competitive meant staying responsive to customers.

When Steve founded RoperInsurance.com, his goal was to help his clients make sense of the confusing world of health insurance. He made a name for himself by delivering exceptional customer service. Sometimes that might mean helping "uninsurable" individuals get healthcare when their existing insurance was about to expire. At other times, it means working with couples to sort out health, disability, and life insurance to protect their young families. Often, it means helping small businesses get group rates usually only available to bigger businesses. He's always prepared to go the extra mile, responding to requests and delivering quotes as quickly as possible.

The tactic worked: business was increasing by 20 to 50 percent each year. The problem was, the bigger his business became, the harder it was for Steve to keep up with the work in a timely way, particularly when he was on the road. His staff could always reach him by mobile phone when he was out of the office, but more often than not he needed access to his e-mail to be fully effective. Although he might have his laptop with him, it just wasn't practical to pull it out when he was about to board a plane or sit down in a restaurant. Plus, he didn't have the battery power to run his laptop unplugged all day.

Using a Smartphone to Deliver Customer Service from Anywhere

To keep in touch with the office from the road, Steve bought a smartphone. More than just a mobile phone, a smartphone delivers a computer-like experience, with the ability to send and receive e-mail, search the Web, and access your calendar and contact information. Depending on the applications you have, you can also use a smartphone to open and edit documents, spreadsheets, and presentations. It's the ideal tool to

stay connected with the office, quickly review files, and make on-the-fly adjustments when you don't have a computer handy.

For Steve, the smartphone was the missing link that helped him continue to deliver the best possible service to his customers from anywhere. Not only does it let him keep on top of his e-mail, but it also enables him to respond to urgent requests from the office. For example, when his team needs his signature on an important document, they no longer need to wait until he gets back to the office. He can take care of it from anywhere, anytime, as long as he has his smartphone with him.

The smartphone made such a difference to Steve's work that his employees are now all using one. When a new prospect contacts the office, the office staff can immediately forward the request to a member of the sales team, who can then respond in real time from anywhere. With synced calendars, everyone always knows who is free and who is busy, so they can be sure that they don't forward the request to an unavailable salesperson.

The team is also using smartphones to regularly reach out to clients with real-time information updates about the world of insurance through social networking sites, such as Facebook, LinkedIn, and Twitter. For example, as new information becomes available about the national healthcare reform, Steve and his employees post updates to help their clients immediately understand any new requirements that they must comply with to avoid penalties. In this way, Steve's staff is using the smartphones to not only stay more productive and responsive to potential customers, but also regularly engage with existing clients in a personable, proactive way—helping keep customers happy and keep Steve's business top of mind.

Providing Remote Access to a Business Network

Can your employees work from offsite and still easily access all of the resources they would have in the office? Is not being able to access your information when you're away from the office slowing you down?

For Jerry Thompson, president and owner of Promoter Line, keeping his engineers productive on the road is also a top priority. In fact, for Jerry's employees, being on the road is more the norm than the exception. If you've read chapter 7, "Work Together More Effectively with Anyone Using Collaborative Technology," you've already met Jerry. As you saw in that chapter, enabling better teamwork is a key concern for him. But helping his employees work when they're away from the office is even more important—because if they can't work effectively offsite, he can't run his business.

Jerry's company organizes entertainment events all over the United States. His employees host functions everywhere from the busiest urban settings to empty fields in the most remote rural locations. They work on sites ranging from sports facilities to empty lots to neighborhood parks.

Because the events take place all over the country, when one of Jerry's engineers goes to work, it's a rare occasion that he or she reports to the office for more than a few minutes. In fact, most of his employees spend more than 80 percent of their time on the road. That means that for four out of five days, they must get their work done without using an office computer and without access to any paperwork they didn't bring with them. In some cases, they are away from the office for weeks at a time.

Regardless of where they are working, his staff has to manage every aspect of event production. Their responsibilities often include designing the site plan, building the power grid, setting up the stage, and managing entertainers, vendors, and contractors. Coordinating so many complex event details can be a logistical nightmare. Coordinating them without a complete view of the event information is a near impossibility. Jerry knew that for the events to go off without a hitch, his employees needed to have access to that information wherever they were.

So, from the start, he made sure that all employees had their own portable computer. Before heading offsite, they would load any files they needed onto their computer. However, if they forgot an important document before they left, they'd have to go back to the office to get it. This cost them time (and didn't impress their clients). Jerry realized that it wasn't enough for his team to simply take files with them when they left for an event site—they needed to be able to access the most up-to-date information while on the road.

The first step was to make sure his employees could connect to the Internet from anywhere. This was relatively easy—he simply got them all wireless Internet cards from his mobile phone vendor. These cards give his staff Internet access wherever there is cellular phone reception. However, this still meant that they had to depend on their colleagues to e-mail updated files to them, and they had no way of getting to files that were stored on the company network. How could they get the same access to information when in the field as they had when they were sitting in the office? With help from an IT services consultant, Jerry decided to implement a server that would give his staff just that.

Using a Server to Access Central Files

Servers manage information and resources in a central location. Computers that connect to a server can access any files that the server stores. Typically, those connections will be through a network installed at the business. However, many servers also support remote access connections, which let people connect securely to the server and business network from over the Internet.[36] With the combination of a laptop computer with a wireless Internet card and remote access to a central server, mobile workers can get to all of the information at the office wherever they have cellular service.[37]

For Jerry, this was just the answer he was seeking. With the new server solution, Jerry's staff can now access e-mail and business files securely from their laptops, whether they're at a city stadium or on a small-town field. Not only that, but once an employee is connected, any changes he or she has made to the files will automatically synchronize on the server. Remote staff can also access their contacts and calendars, plus the calendars for the rest of their team, so they're always connected to each other and their customers.

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36 For more information on the benefits of server computing, please see chapter 3, "Protect Your Information More Easily by Centralizing Where You Store Your Business Data."

37 Of course, mobile workers who are out in the field without access to a power outlet or who are frequently moving between locations can only stay productive as long as their laptop battery lasts. It's worth ensuring that your laptop offers the best power management possible to extend the life of the battery. Today's desktop operating systems are increasingly designed with mobility in mind, offering power-saving enhancements as well as faster startup, shutdown, sleep, and resume functions.

This solution has given Jerry confidence that his mobile employees are working as efficiently as possible. As he puts it, "Our business success depends on efficiency. Before implementing these solutions, we worked much too hard. Now we're using technology in smart ways so we can get more done in less time." In fact, Jerry estimates that his business is now 70 percent more efficient than it was before. Having virtually eliminated downtime when his employees are working offsite, Jerry is turning his attention to growing the business.

Using Web-Based Services to Support Remote Workers

Is it a hassle to get your employees or contractors set up to work from a home office? Do you need to make it easier for people to work for your business no matter what office they are in?

Unlike Jerry, Jim Nolan works from his office pretty much all the time. In fact, none of his staff need to leave their offices to get their jobs done. So why discuss Jim in a chapter about working outside the office? Because not all of his employees are working from *his* office.

Jim specializes in immigration law. Through his company, the James C. Nolan Law Office, he helps businesses that need to hire non-U.S. citizens get through the visa application process as quickly as possible. For him, the busiest time of year is the period leading up to March 31, which is the deadline for one particular type of work visa. Jim often needs to hire additional staff for support at this time of the year. These staff could be based anywhere in the country, working from their own remote offices. His challenge is to get them set up and fully effective as quickly as possible.

To prepare the necessary forms, he uses a database program specifically designed for immigration law. His remote employees need to access this database program, along with e-mail and standard company documents. In the past, Jim addressed this need with two servers that he placed onsite in his New York office. The solution was not ideal. Each time he added new staff members, it took two to three days for an outside consultant to give them secure access to the servers. This was slow—and expensive, particularly since he needed to go through the same process year after year.

Jim realized that he needed a better solution. His biggest differentiator from his competition was how quickly he could process immigration paperwork. Any delays to getting remote support staff on board put his differentiation at risk.

Moving to Web-Based Services to Simplify Access

When it came time to replace his server hardware, Jim decided to look at alternatives. He discovered that with Web-based software services—a month-to-month subscription to software delivered over the Internet—he could give his temporary support staff the same access to company resources that they would have with the server solution.[38] However, Jim would no longer need to hire a consultant to establish a secure connection for every new remote worker. With Web-based services, the company database, files, and e-mail would be stored on the service provider's servers. He simply needed to get each new remote worker a subscription to the services.

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38 For information on the benefits of Web-based software services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

When he made the switch to Web-based services, the benefits to his business and his remote workers were significant. To begin with, connecting new remote staff now takes just 15 minutes instead of two to three days. This was exactly what his business needed to respond to peaks in demand. Not only that, but his remote employees no longer need to use a virtual private network (VPN) to connect to company resources.

VPNs are a common tool for enabling staff to get to files and resources on a company server when they aren't in the office. Although connecting through a VPN isn't too complicated (it essentially involves connecting to the Internet and then using special software to log on to the company's business network), it adds an extra step and takes extra time. With Web-based services, Jim's remote workers can now use just a Web browser to access everything they need simply and securely.

With the Web-based services he chose, Jim can also use online conferencing to keep in touch with his remote workers. With online conferencing, he can host meetings and provide training on company processes as though his staff were there in person, without the cost, time, and environmental impact of travel. What's more, remote staff can use online conferencing to connect with customers in a more interactive manner than a telephone alone can provide.

Web-based services proved to be an ideal solution to help Jim match the ebb and flow of his business with the right level of staffing, no matter where his new employees are located. His remote workers have exactly the same tools to conduct their business as he and his permanent staff have in his New York office. And since he can get his temporary remote work-

ers on board almost immediately, he can respond flexibly to customer demand.[39]

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There's no denying that mobile technology is changing how today's businesses operate—or that trying to work remotely without the right tools is costly. At best, working remotely with inadequate tools can lead to unproductive, potentially wasted time. At worst, it can cost you business when you can't respond to a customer's needs as quickly as your competitor can.

Mobile technology is the key to giving your employees choice in where and how they work. Maybe, like Steve, you want your people to be able to stay in touch with the business wherever they happen to be, whether out in meetings, running errands, or even on vacation. Maybe, like Jerry, your goal is to support staff who are often out of the office at different project sites. Maybe, like Jim, you want the flexibility to add new offsite workers to meet peaks in demand. Or maybe you just want to know that no matter what comes up that could keep you away from the office—from a sick child to a snowstorm—you can keep your business running.

With mobile technology, you can create a more flexible work environment that can improve your business's competitiveness and employee satisfaction. Being able to support remote workers can also reduce your office space requirements, since your staff can work from home more easily. Not only

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39 Web-based services offered Jim the additional benefit of freeing him from time-consuming server maintenance tasks. To learn more about his story, please see chapter 4, "Reduce Computer Maintenance by Minimizing Hardware and Getting Everyone on the Same Software."

does this lower your real estate and facility costs, but it can also lessen the environmental impact of your business—by reducing carbon emissions from staff commuting and by minimizing how much energy you use for lighting and heating/cooling.

Steve, Jerry, and Jim each found a technology that would meet their specific needs and keep their remote workers productive from anywhere. Their stories demonstrate the benefits of staying connected to the office with a smartphone plus the advantages of remote access to e-mail and business files. As these stories show, the "right" technology—whether a smartphone, a server-based solution combined with remote access to your business network over the Internet, or Web-based services—will depend on your business needs.

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Chapter 9

Make Smarter Decisions by Quickly Getting Key Insights into Your Business

Pulling Insight from Spreadsheets

Do you know if you're steering your business in the right direction? Are you drowning in data instead of getting a clear picture of your business?

When Brian and Lisa Esposito re-launched their father's beauty chain as an exclusive New Jersey–based beauty store, they redesigned the business from the ground up.[40] At first, gut instinct guided their vision. Lisa was convinced that there was a market for a higher-end, more personalized beauty shopping experience. But they soon realized that they needed to base their decisions on something more than instinct.

Their business, Avenue You, started slowly. Since they wanted to introduce an exclusive range of products not available just anywhere—the kind used by celebrities and the top stylists worldwide—Brian and Lisa had to prove themselves to manufacturers that they had never dealt with before. As

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40 To learn more about how Brian and Lisa introduced technology into their business, please read their story in chapter 1, "Make Life Easier with Current Desktop Technology," and chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

they gradually added new product lines and built up their retail clientele, however, things started to roll. And then, with the launch of their Web site, business really took off. They were soon dealing with hundreds of manufacturers every day, not to mention several shipping vendors. Between the retail store and the Web site, they had thousands of customers.

Brian and Lisa had plenty of data about their business, including sales figures, bank statements, supplier records, and customer information from their Web site. Yet they still made decisions every day based on guesswork and hunches. If a product was looking a little low on the shelves, they'd put in another order with the supplier. Often it was luck that saw them get that order in before the stock ran out. Occasionally, they'd submit an order only to find that there was another box of product tucked out of sight in the warehouse.

Inventory wasn't the only area where they lacked insight. They didn't know which products performed the best or made them the most money. They had a tough time forecasting future growth. They weren't sure which suppliers were the most reliable or which shipping vendors were the most cost effective. Bottom line—they had no way to make informed business decisions based on past business performance.

Brian, who's responsible for business operations, knew that he could make more informed decisions if he could just make better use of all their business data. However, the only thing he knew about business intelligence systems was that they were expensive, complex, and far more than his small business required. Was there a better way to get the business insight he needed?

Analyzing Data with Your Spreadsheet Software

When Brian discovered the analytical power built into the spreadsheet software that he already owned, everything fell into place. Many small businesses already use spreadsheets as a way to track sales and financial information. However, depending on the program that you use, a spreadsheet can offer a lot more than basic accounting features. Some modern spreadsheet programs include simple tools to help you analyze your data without extensive training. The best of these programs will give you the ability to:

- Combine and manage different types of data (for example, banking, sales, inventory, and distributor data).

- Build and generate reports using the data.

- Quickly "pivot" the data to get different views based on different categories (for example, by region, year, or supplier).

- Quickly create charts and visual representations of the data to make it easier to understand and spot trends.

- Show data at a high level and then "drill" into it for more detail as required.

- Find out how changing certain values (for example, annual budget or time to production) will affect certain outcomes (for example, revenue)—called "what-if" analysis.

By using built-in reporting and analysis capabilities, you can convert hard-to-understand rows and columns of data into

easy-to-interpret information. For example, by pulling together your financial, inventory, cost, and sales data, you could compare your actual sales against targets, identify which of your products or services are your top sellers (and which make you the most money), and forecast future trends for your business.

Brian now pulls all of his company information into his spreadsheet program. He uses it to track his daily sales and Web site growth rates. But perhaps most importantly, as Brian says, "[I] can pull out the precise data that I need to make smart business decisions."

Pulling Your Data Together with a Central Platform

Are spreadsheets spreading like wildfire through your business, creating a confusion of data and giving you multiple versions of the "truth"? Do you need to get a single view of your data so you can spend less time questioning and more time analyzing?

In a small business like Brian and Lisa's, spreadsheet software helps them look into their data to make better decisions. But as a business grows and adds more systems, more suppliers, more partners, and more customers, will the spreadsheets keep up? Many businesses know that they need a more comprehensive solution and yet want to avoid investing in an enterprise-level system that will cost enterprise-level dollars and require enterprise-level staffing to manage it.

This was exactly the situation for Peggy Withrow. Peggy is Vice President for Rehabilitation Services at the Tommy Nobis Center. The center is a nonprofit organization that helps people overcome disabilities and get into the work-

force. A huge part of Peggy's job is pulling together the information needed to apply for grants, build annual reports, and maintain accreditation.

Peggy needs to understand—and report on—how the center is doing, both financially and in terms of client outcomes. Just like any business, she needs insight into what is working well and what isn't. This isn't just important for running the center effectively—it's essential for keeping funding agencies on board.

For Peggy, the challenge was the sheer volume of data and the number of spreadsheets that she had to decipher. Every month and every quarter, her program managers pulled together reports for their individual programs, which cover everything from forklift certification to social-adjustment training. Peggy used this and other information to build her own reports. This meant that she spent a lot of time running around gathering information. The process was time consuming and inefficient. It was also error prone, since she had to manually compile information from so many spreadsheets.

To achieve her annual growth target, Peggy knew that she needed a better reporting process. In Peggy's perfect world, she would be able to see, at a glance and at any time, exactly how the center is doing. She knew that technology had the potential to give her what she needed. However, with limited funding and no internal IT staff, how could she achieve it?

Getting Answers through a Business Intelligence Portal

Peggy found her answer when the Tommy Nobis Center won an award that would help them to plan and implement a tech-

nology solution. Their solution spans every aspect of how they manage the center; it centrally stores files, automates workflows, and provides an internal "portal," which lets her staff access all of the center's information from a Web browser.

When a new client joins, the intake coordinator enters the client's information—from personal details to program enrollment—into an electronic form. The system then uses that information to automatically populate all of the other necessary forms. This not only drastically reduces data entry, but it also captures all client and program information in a single location—eliminating the need for multiple tracking spreadsheets. The solution also provides built-in business intelligence capabilities, enabling the staff to run custom reports that pull from this central store of information, right from the center's portal.

A centralized business intelligence solution, accessed through a portal, is ideal when several people need to get insight from the same underlying data. Too often, when you rely on multiple spreadsheets put together by different people, you end up with data issues. For example, two departments might track customer data in different ways, making this data hard to merge together. Using a central business intelligence tool to create reports—without needing to write formulas or work with the data in spreadsheets—gets rid of inconsistencies (and the double work). It eliminates guesswork and provides "a single version of the truth." This gives you confidence that any business decisions based on the data will be sound.

Centralized, portal-based business intelligence solutions improve how people make decisions by making it easier to access and analyze their data. Solutions that do this the best typically include features such as:

- **Dynamic dashboards and scorecards.** Dashboards and scorecards give you visual, point-in-time snapshots of what is happening in your business, without overloading you with raw data. "Dynamic" versions let you filter the data (for example, by department) to see the information most relevant to you.

  o Similar to a car dashboard, a business intelligence dashboard uses visual gauges to show you—on one screen—the current "health" of factors affecting your business's performance. For example, you might use a finance dashboard to show the breakdown of your current income, expenses, accounts receivable, and accounts payable. Or, if you're trying to minimize the environmental impact of your business, you might use a dashboard to help everyone see how much greenhouse gas your company is emitting or how much of a certain chemical you are using in production.

  o Dashboards sometimes include a scorecard, which typically measures how your business is doing at a given point in time against a selection of performance criteria (often called key performance indicators, or KPIs) that you set. For example, you might use a scorecard to show progress against your targets for sales leads, Web site hits, or production numbers. A scorecard will generally use a red, yellow, or green symbol to show whether the business is off target, close but not quite on target, or on or ahead of target.

- **Self-service reporting.** Rather than issuing only a limited number of preset reports on a preset schedule, with self-service reporting you can let anyone in your organization build and run their own custom reports. This lets users get the exact information they need, on their own, without delay.

- **Detailed data analysis.** One advantage of today's visual reporting tools is that they free you from working with masses of data. However, there will be times when you need a more detailed view to better understand why something is happening. Being able to extract the source data into a spreadsheet—right from within the portal—enables you to analyze the data more deeply to get the insight you need.

- **Control over data access.** Making your data accessible through a central portal opens up questions about security. Ideally, you should be able to control who can access the data and reporting tools, so that your confidential financial or business information does not get into the wrong hands.

Peggy can now create in just a few mouse clicks what she used to spend half her time trying to get: a comprehensive view of how the center is performing. When Peggy needs a report, she simply opens her Web browser and accesses it.

Rather than spending her time gathering information, Peggy can now focus on using information to make well-informed business decisions for the center. She can easily check exactly how many clients each rehabilitation program has enrolled and how many of those clients finish success-

fully. She can determine which programs are working well and which ones should be changed or replaced. Equipped with these kinds of insights, Peggy can make faster, more informed decisions and set the center's strategic direction more confidently. Best of all, she can get this insight without needing specialized training or on-staff IT support.

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These stories show that no business is too small to use data to make better decisions. Even the smallest companies collect information every day—from their business systems, customer relationships, interactions with partners and suppliers, and Web sites. However, in its raw form, data is meaningless. The right tools can turn that data into meaningful insight. The trick is to determine which tools are right for your business.

For Brian and Lisa at Avenue You, a spreadsheet solution lets them gather data from across their retail and Web-based businesses. They can pull out exactly the information they need to make solid decisions.

For Peggy's larger organization, the Tommy Nobis Center, a spreadsheet-only solution was starting to cause problems. For a comprehensive view of her organization, Peggy needed to manually bring together separate "silos" of data. Moving to a centralized, portal-based business intelligence solution saved her a lot of time. More importantly, it made the business data easier to access and more consistent, up to date, and complete—so Peggy could make better, more timely decisions.

As your small business grows, how much data you capture will grow with it. You will also likely add new systems

to help manage your business and track your customers more effectively. Each time you add a new system, it will inevitably mean that you are capturing even more data. The more data you have stored in different systems, in different formats, the harder it will be to get a comprehensive view of your business. Many businesses eventually build a data warehouse, which essentially pulls data from all of the systems, converts the data into a consistent format, and then loads the data into a central storehouse—making it faster and easier to analyze and draw insight from it.

Although your business intelligence needs will evolve as your business grows, note that none of these technologies replaces the others. Centralized, portal-based business intelligence solutions provide a consistent, often visual view of the data. However, spreadsheet software is often still the best option for deep analysis.

When selecting tools to help you get better business insights, it's worth considering your future needs as well as your current needs. By choosing technology that will work well as part of a more comprehensive solution down the line, you can avoid having to "rip and replace" that technology as your business grows.

FIND AND MANAGE CUSTOMERS

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INTRODUCTION

"The no. 1 need for business success is a customer." Bob Reiss, author of the book *Bootstrapping 101: Tips to Build Your Business with Limited Cash and Free Outside Help*, made this observation in an article for *Entrepreneur* magazine.[41] He calls it "pretty obvious" but often forgotten—particularly when business systems convert personal connections into impersonal service.

How do you make personal connections with your customers? Are you doing everything you can to reach new customers? Are you staying on top of your sales pipeline? When you find a new customer, are you delivering the kind of service that will keep them coming back for more? Whether yours is the smallest of startups or an established business, the better you know, understand, and personalize how you interact with your customers, the easier it will be to grow your business.

This section is for anyone who wants to use simple technology to stay on top of their most important business asset: customers.

- Chapter 10 looks at how you can take care of your marketing yourself. With **desktop publishing tools**, you can avoid expensive design fees by producing your own professional marketing materials. With **search advertising** and **search engine optimization (SEO)**, you can draw new customers to your Web site. And

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41 Bob Reiss, "Never Forget Your Customers," *Entrepreneur*, February 23, 2010, http://www.entrepreneur.com/sales/customerservice/article205158.html

with **social computing tools** like social networking, blogs, and video, you can engage with your customers online in a more personal way.

- Chapter 11 explores different tools that can help you get better insight into your sales pipeline so you know where to focus for the most growth. With a range of options—from basic **contact management applications**, to more complete **customer relationship management (CRM) systems**, to **role-based sales dashboards**—you can choose the right tool for your business.

- Chapter 12 moves from managing the sales pipeline to delivering personal service that can make your customers feel appreciated, understood, and valued. Again, using **contact management applications** and **CRM systems** can help you better understand your customer base and individual customers. And using an **extranet** can make it easier to connect with customers and share information in an ongoing relationship.

Larger businesses have long used technology to better manage their customers. But as the stories in this section show, the same benefits are available to businesses of all sizes, no matter how small.

Chapter 10

Find New Customers with DIY Marketing

Creating Your Own Marketing Materials

Are you spending way too much money each year designing brochures, posters, and other materials to market your business? Do you feel stuck paying expensive agency fees because you don't have the skills to do it yourself? Do you want to have professional-looking marketing materials, even if you don't have a design budget?

For many small businesses, it can seem like the only way to get polished marketing materials is to hire a professional design firm. Unfortunately, these services aren't cheap. On a small business budget, hiring a graphic design or advertising agency can often mean making sacrifices somewhere else in the business.

For Daniel Pirestani, founder of InDemand Interpreting, it wasn't even a question of sacrificing something else—there was simply no budget to hire an outside firm. His top priority is to persuade potential customers that his business can help them save time and money.

InDemand Interpreting provides an on-demand online interpretation service to hospitals, pharmacies, and other healthcare companies. The service lets a nurse or pharmacist

talk to a certified interpreter face-to-face on a video screen with just a few clicks of a mouse. Patients who don't speak English fluently can talk to the interpreter within just 30 seconds instead of waiting for hours for one to show up and explain what is happening.

To acquire customers, a startup business needs to gain the confidence of prospective customers and deliver on its promises. The importance of conveying a professional image is perhaps especially true for Daniel's business, since it serves hospitals and other healthcare organizations where the stakes are often life and death. In a high-pressure emergency room, there's no time for doctors and nurses to struggle with a high-tech interpretation service that doesn't work. Daniel's biggest challenge at the outset was to create a professional "you can rely on us" image in his marketing materials. But with no budget to hire a design firm, how could he build that image?

Bringing Advanced Design Capabilities to Basic Desktop Publishing Programs

Everyone has seen "homemade" marketing brochures and flyers that practically yell "low budget," which doesn't exactly build confidence in the longevity of a business. With today's technology, however, basic desktop publishing programs rival the functionality provided by professional design software without the complexity. They make it possible to get a professional look without spending a lot of money—or getting a degree in graphic design. The best programs include features such as:

- **Customizable templates.** Templates are the secret to being able to quickly create polished materials yourself. Imagine how quickly you could design a brochure if you could simply select a template, pick a color scheme, choose your fonts, point to your logo graphic file, and click "create." Ideally, you should have a selection of templates that spans every printed piece you might need in your business. This includes core marketing pieces such as brochures, newsletters, and e-mail, as well as standard materials such as business cards, labels, envelopes, and letterheads. By applying the same color scheme, fonts, and graphics to a range of templates, you can make sure that every document your business produces has the same look and feel— making it appear professional and established.

- **Instant imagery and artistic effects.** Whether or not you start from a template, you may want to add more life to your marketing with images and graphic effects. Programs that include free clip art let you add visual punch without having to spend a lot of money.[42] With built-in tools that can add creative effects to your pictures and text—such as shadows, 3D treatments, frames, and color enhancements—you can give your copy a little more flare without needing to purchase additional graphics software.

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42 In addition to free clip art available with your desktop publishing program, a growing number of online image libraries now provide low-cost, royalty-free graphics—letting you easily add professional stock photography and illustrations to your marketing materials.

- **Ability to reuse content in different formats.** Once you've created one document, you'll probably want to reuse the content in other ways. For example, you may want to put the information from your latest brochure in a newsletter or on the Web. Having the option of re-purposing information in new formats—without having to start from scratch—can save you a lot of time.

- **Ability to personalize your content with customer details.** Some materials, such as brochures, use the same content for every customer. However, for others, such as e-mail and newsletters, adding in a customer's name or other customer-specific information can make it feel more personal. Being able to automatically pull in customer information from your contact list or a spreadsheet makes it fast and easy to add this personal touch.

- **Support for multiple file types.** Commercial printers need files in specific formats to print correctly. If you are planning to get your materials printed professionally, your desktop publishing program must be able to produce press-ready files. In addition, if you plan to send a document to your customers by e-mail, you need to be able to easily convert it into a file format that anyone can open (such as an Adobe PDF file).

When Daniel first started building documents and brochures for his business, it was time consuming, and the results were less than inspiring. Despite the hours he put into it, pages seemed cluttered, the text was hard to read, and the colors never quite seemed to work well together.

Daniel couldn't afford to have a professional design firm develop all of his marketing content. However, he decided to work with a freelance graphic artist to help him create templates that he could then modify and update as needed. Through the graphic artist, he developed custom templates for all of his marketing needs—from brochures to detailed documents to presentations. Each piece has the same look and feel: from the soothing blue background, to his business logo, to iconic photography, to a catchy promise: "Your world, your words, 30 seconds." With these templates as a foundation, he can now quickly create marketing materials to promote his video interpretation services.

Daniel has successfully created the professional image he was looking for. His marketing materials are helping him attract potential customers across the country. His business is gaining a reputation for being efficient, competent, and reliable. And he's been able to establish a consistent brand identity for his company. By using a freelance graphic artist to develop the templates and then using his own software to create individual marketing pieces—rather than hiring an advertising or graphic design agency to develop all of his marketing materials—Daniel estimates that he has saved $15,000.[43]

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43 To learn more about how Daniel uses his office tools to boost productivity in his business, please see chapter 6, "Get More Done by Simplifying Everyday Tasks." His marketing efforts were so successful that he soon needed a better system to track his growing list of prospects and customers. To learn more, please see chapter 11, "Improve Sales Performance with Better Business Insight."

Connecting with Customers Online

Have you built a Web site only to discover that no one can find it online? Are you worried that even if they do find it, it won't bring them back? Are you struggling to make your business stand out from the hundreds of other businesses competing for your customers' attention? Do you have good traffic on your site, but disappointing sales?

By launching the Web site for their store, Avenue You, Brian and Lisa Esposito can now reach far more customers than they could with their retail beauty boutique alone.[44] As Brian says, their Web site effectively "put a store on every street corner, in every town." They were no longer limited to customers in the town of Deal, New Jersey—or even New Jersey or the United States. They could sell to anyone in the world, 24 hours a day, 7 days a week. That is, as long as potential customers could find them online.

Attracting people to a Web site is one of the toughest challenges that businesses of the Internet era face. With millions of other sites out there, how will customers find yours? Web searches are the number one way that people discover businesses online. Two strategies can help you make your site more findable when people search the Web: search advertising (also called "pay-per-click" [PPC] advertising) and search engine optimization (SEO).

Many agencies specialize in helping businesses manage search advertising and SEO, and there's a perception that it

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44 To learn more about how Brian and Lisa launched a Web site for their beauty boutique, please read chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

takes an expert to implement these tactics successfully. However, a few simple tricks can help your business use these tools—without help—to compete against the biggest businesses with the biggest budgets.

Helping Your Customers Find You on the Web with Search Advertising

To get started with basic search advertising, you need to set up one or more campaigns. Each search engine that shows sponsored ads will have an advertising tool to guide you through campaign creation. To set up your campaign, you simply identify what keywords you want associated with your ad, write the ad text, and set a "bid" amount for each keyword. The bid amount is typically how much you're willing to pay if someone clicks on your ad when it appears from a Web search using the keyword.

Keyword selection is critical to an effective search advertising campaign. Choosing specific keywords that differentiate your business, rather than generic keywords, will help reduce your keyword costs, increase the relevance of people who click through to your site, and give you a better return for your investment. For example, rather than using terms such as "beauty" or "shampoo," Brian and Lisa might use the names of the products available through their site plus "cheap shipping" since they offer low-cost shipping for certain orders.

To make your advertising even more effective, some search advertising providers will let you specify when your ad will appear by targeting audience demographics (age, gender, location) and seasonality (time of day or week). For example, Brian and Lisa might set a target gender of "female" so that their ads

display to women, who make up the majority of their customers. When setting up your campaigns, consider who is most likely to be interested in your products or services: Teenagers or retirees? Those living on the West Coast or the East Coast? Those searching over their lunch hour or in the evening?

Once you have your ad(s) up and running, it's a good idea to monitor the results at least weekly. Most search advertising providers will have reporting tools to help you analyze the effectiveness of your campaigns. Ideally, these tools should enable you to monitor how many people visit your site through your ad, what percentage of people click on your ad after searching on one of your keywords, and even how many visitors who find your site by clicking on your ad actually make a purchase. Analyzing your campaign statistics can help you determine which keywords are working and which aren't, as well as the best way to target your ideal potential customer. Using this information to tweak your advertising will help you get the most return for your dollars.

Helping Your Customers Find You on the Web with SEO

In contrast to search advertising, search engine optimization (SEO) doesn't cost you anything when you do it yourself. The goal of SEO is to get your site to appear as close as possible to the top of the results list when someone searches the Web using terms that are relevant to your business. Most people won't look at more than three pages of results when they perform a search. In fact, many won't get past the first page. SEO is essential to getting your site found.

Although SEO can be complicated, you can get good results—without paying a cent—by following a few basic guidelines. There are two parts to SEO:

- Use relevant keywords throughout your site. If your site uses the same words that people enter when they're searching the Web for a business like yours, you increase the odds that your site will show up in those searches. It's a fine balance between using keywords enough and overusing them. If you use the same keyword too many times, search engines may actually remove your site from the results list entirely, so it's important not to overdo it. You'll get the best results if you:

  o Use specific keywords rather than broad terms (just as you would with search advertising).

  o Use keywords throughout your site content as well as in the titles, headers, URLs, and meta description tags.

  o Put keywords closer to the top of your pages.

  o Link to other pages on your site and ask your partners to include links to your site from their sites.

  o Update the site frequently.

- Submit your site to the major search engines (for example, Google, Bing, and Yahoo!) to be "crawled." Search engine crawling essentially means that the search engine will use a program to visit your site, follow all of the links, and record all of the words on the

site. The search engine uses the information it collects during the crawling process to determine where your site will appear in search results.

Once you have optimized your site as much as possible, you can use an SEO tool (often a free download) to analyze the site and predict how well it will show up in search engine results. The best tools will actually crawl your site just like a search engine and provide a detailed report of both how the site complies with SEO guidelines and any problems on the site, such as broken links, duplicate resources, and performance issues. Ideally, the tool will also offer a text analysis option, to help you identify the best keywords for each page.

Brian and Lisa continually fine-tune their search advertising campaigns to get the most return for their money. They track which campaigns work best, which type of customer profile is the most effective, and what time of day people are most likely to click on their ads. They're also careful to use appropriate, specific keywords throughout their Web pages. In combination, these tactics have helped literally thousands of potential customers find their site.

Turning Visitors into Customers

Of course, getting potential customers to your site is important, but what will make them stay? What will convert curious visitors into actual customers?

When Brian and Lisa took their retail business online, they expanded their customer reach, but they also entered a world of fierce competition. How could they make their business stand out from the thousands of other beauty retailers online?

Brian and Lisa had met the challenge of making their New Jersey retail store stand out by giving their customers lots of personal attention from the minute they walk in. Customers get a friendly welcome from one of the stylish beauty consultants. They can try out the new season's colors for eye shadow or nail polish under the expert guidance of the staff. They can get suggestions on which lipstick is the best for their complexion or which product will take the frizz out of their dry winter hair.

However, this kind of in-person experience simply doesn't translate to the Internet. Differentiating your business in the physical world is hard enough, but capturing people's attention when they're just one click away from the competition is even harder.

Successful online strategies depend more and more on engaging with customers rather than simply delivering information. How you "engage" with your customers online doesn't need to be complicated or difficult. In fact, with some of the same basic social computing tools that people use every day, you can connect with potential customers online and make your business stand out. For example:

- **Take advantage of social networking.** Featuring your business on popular social networking and micro-blogging sites such as Facebook, MySpace, and Twitter lets your customers share stories and tell you (and others) why they love your business. It's an honest, credible way to show potential customers a more personal side to your business and even engage with them directly. Sending regular updates will also help keep your business front and center in your customers' minds. If

they choose to share your posts, you'll even get them doing some of your marketing for you.

- **Add a personal touch to your site with blogs.** A blog lets you add comments and news to your site in your own voice, just as you might talk to a customer in person. It helps you keep your site fresh and current. Regularly updating a blog on your site is also great for search engine optimization (SEO), since sites that change frequently rise in the search engine ranks. Blogging programs don't require any Web expertise to use, and there are several free blogging services. Even better, if you're using one of the online Web site services to manage your Web site,[45] it may actually include built-in blogging capabilities. This lets you set up a blog with the same domain as your Web site.

- **Use video to liven things up.** Adding video—whether to your blog or elsewhere on your site—lets you put yourself and/or your products and services literally right in front of your customers. Making a fun, creative video is remarkably easy these days, since you can download basic movie-making tools online. Once you've got your video posted to your site, you might also want to post it to popular video-sharing sites, such as YouTube, to provide another way for your customers to find you.

Brian and Lisa use many of these tricks to connect with their online customers and provide as personal an experience

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[45] For more information on using Web site services to build your site, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

as possible. They use a blog to give friendly, conversational updates on new products. Through social media, customers can find information about new products, special deals, and promotions and add their own comments—about the products or the business as a whole.

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Most business owners would agree that marketing is one of the most challenging aspects of running a small business. For many people, marketing is about big budgets, glossy materials, and the mysteries of measuring impact and getting the most for your money. However, as these stories show, do-it-yourself marketing is possible, affordable, and potentially amazingly effective.

John Jantsch, author of the book *Duct Tape Marketing,*[46] defines "marketing" very simply: "getting someone who has a need to know, like, and trust you." Printed marketing materials, search advertising, and search engine optimization (SEO) help Daniel, Brian, and Lisa meet that first goal of marketing—getting customers who have a relevant need to *know* about their businesses. The professional image that Daniel presents for his video interpretation services and the personable connections that Brian and Lisa form with their customers through their Web site are key to how they move customers from *know* to *like* and *trust*. Most importantly, Daniel, Brian, and Lisa are able to do it themselves without a huge investment in time and money.

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46 http://www.ducttapemarketing.com

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Chapter 11

Improve Sales Performance with Better Business Insight

Managing Your Sales Pipeline with a Basic Contact Management Application

When it comes to managing your sales leads and prospects, do you feel like you're working blind? Are you worried that potential sales are slipping through the cracks because you don't have a reliable system for tracking them? Do you rely on a "gut feel" to determine which prospects to spend your time on?

When Daniel Pirestani launched his business, InDemand Interpreting, his first priority was to get customers and investors on board. His business offers a new twist on an existing service: they provide interpreters for healthcare services, using video calls over the Internet instead of in-person interpreters. To get his business started, Daniel put hours into developing marketing materials,[47] building a network of contacts, and setting up meetings to generate interest. He soon had a long list of prospects.

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47 Rather than hiring a marketing agency, Daniel successfully developed his own marketing materials. If you haven't read his story yet, please see chapter 10, "Find New Customers with DIY Marketing."

However, he was having a hard time keeping track of whom he had contacted, which leads were interested in a demonstration, which companies wanted a quote, and so on. He didn't have a good sense of how much potential revenue was in the sales pipeline, and he was struggling to forecast sales for the coming year. He knew that he needed better insight into his sales process. Not only did he want a better way to track each individual prospect, but he also needed a better view of his sales pipeline as a whole, so he could plan where to focus his sales efforts.

Using Contact Management Tools to Evaluate and Support Your Sales Process

Daniel's situation isn't uncommon. Many small businesses have some form of basic contact database that captures customer contact details and possibly some organizational data, but not much more. How many small businesses that have a sales process measured in weeks or months do you know that use some variation of the "pile" technique to track prospects? That is, they create piles of file folders based on a stage in the sales process: perhaps one pile for prospects that need to be qualified, another for prospects that need a follow-up call in a week, and another for accounts that are ready for invoicing. Although this type of system can work for a very small company, it isn't ideal for a growing business. Getting a big-picture view is almost impossible, and any prospect that doesn't fit neatly into one of the pile categories risks getting lost in the system.

One option that can help small yet growing businesses track their prospects is a contact management application. While a contact management application provides a central

place to store contact details, it also gives you the ability to record every interaction that you have with customers and prospects. Furthermore, some contact management applications add tools to help you actively support the sales process. The most valuable of these tools will let you:

- **Track prospects based on the sales stage.** Being able to assign prospects to sales stages that reflect how your business works can help you stay on top of opportunities and close sales as quickly as possible. For example, Daniel might assign contacts to stages such as *qualifying*, *presentation given*, *proposal/price quote*, and *closed/won* to match his specific sales process. Some contact management applications also let you track specific activities that you conduct at each stage, to ensure a consistent process for every prospect. Ideally, once a stage is complete, the system should automatically set reminders for the next stage to help you move prospects through the sales process methodically.

- **Use reports and/or dashboards to monitor your sales performance.**[48] Being able to track the progress of one contact through the sales pipeline is valuable. Being able to get a view of those prospects collectively is just as valuable. For example, a dashboard could show you a chart of exactly how many accounts you have in the pipeline and at what stages. With reports, you could then dig more deeply into that information to figure out where you need to focus.

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48 For more information on how reports, dashboards, and scorecards can help you improve decision making, please see chapter 9, "Make Smarter Decisions by Quickly Getting Key Insights into Your Business."

- **Connect sales information with financial information.** You can get even more insight into your sales process if your contact management application connects easily with your accounting system. For example, if you've set specific sales targets for the year, you could create a report that shows your target revenue versus your actual revenue and the value of opportunities that are currently in the sales pipeline. This will let you know before it's too late if you need to address any gaps.

- **Support marketing campaigns.** If you do identify gaps in your sales pipeline, with built-in marketing campaign tools you can run direct marketing campaigns right from within your contact management application. For example, you might want to reach out to inactive leads with a special offer. Using a single tool, you could set up the campaign, identify your target contacts, send a personalized offer by e-mail, and even track the results.

At InDemand Interpreting, Daniel moved to a contact management application that gave him the ability to both track contacts and analyze the overall status of his sales pipeline. With this tool, he and his business partners are able to focus their sales efforts on the prospects with the greatest potential. He can also forecast growth more accurately.

Improving Sales Processes and Insight with Web-Based CRM

Has your business outgrown your contact management application? Are you struggling to keep track of what's happening in your sales pipeline? Are you worried that a full-fledged CRM system will be too complicated to install and manage or that your employees won't actually use it?

For Randy Niederer, getting a handle on the sales process was a little more complicated than it was for Daniel. Randy is the director of marketing at Unico, a small company that manufactures and sells specialty heating, ventilation, and air-conditioning (HVAC) equipment.

Rather than selling directly to customers, Randy's company uses a distributed selling model. He supports five sales managers who sell the HVAC units through independent sales representatives. Those reps in turn sell to distributors, who in turn sell to contractors. Those contractors then install the units in high-end residential, historical renovation, and retrofit homes as well as commercial buildings.

Randy's complex selling model presents several challenges. Although his immediate sales team is small, he has to track his products through a process that involves many people and stages. And since most of those people work independently, they all have their own systems. This made it hard for Randy to get a good picture of where and how his products were being sold.

Like Daniel, Randy needed a system that would let him track sales leads as they moved through the sales process. The

system needed to fit his specific (and complex) sales model. It also needed to be accessible by everyone involved in the sales process, from his sales managers to the independent sales reps. And whatever system he chose, it had to be easy to use. His existing system didn't match his sales model and was a hassle to use, so no one used it consistently enough to provide Randy with the information he needed.

Working with an IT consultant and Aisha Thomas, Unico's marketing systems manager, Randy found the answer in a Web-based customer relationship management (CRM) system that he could adapt to reflect his complex sales process.

Gaining a More Complete View of Your Customers and Prospects

CRM systems help businesses manage every aspect of their relationships with prospective and existing customers. Like contact management applications, CRM systems let you record contact details and track all of your interactions with customers. But they go far beyond contact management applications by allowing you to connect your customer information with your sales and financial information, so that you have a complete view of your sales pipeline. They can also help you automate your customer processes and set up defined workflows—for everything from marketing to sales to customer service.

This combination of comprehensive customer information, automated processes, and formal workflows can help your sales team work as efficiently as possible. It can also make it easier to evaluate what's happening across your sales pipeline and identify where to make adjustments to keep things on track. For example:

- **More targeted marketing.** CRM systems typically include tools to segment customers based on information such as their sales history and demographics (such as location, gender, and age). This can help you target your marketing campaigns as precisely as possible to produce better leads.

- **Faster lead processing.** Automated processes can help you advance leads more quickly. For example, when you enter a new sales lead into the CRM system, it could automatically assign that lead to a salesperson based on the location, product, or potential value of the opportunity. This could then trigger a notification by e-mail to the salesperson.

- **More consistent workflows.** By setting up workflows (which may include both automated and manual processes), you can make sure that each sales opportunity moves through a standard series of steps according to your business rules. For example, you may want your salespeople to offer each sales lead a demonstration of your product or service within a week of entering the lead into your CRM system. If the salesperson doesn't mark this step as "complete" in the CRM system within the week, you might want to automatically route the lead to another salesperson or notify the salesperson's manager. Using workflows, you can set up automatic routing, reminders, and escalations. You can also use workflows to define the information that your sales team must capture about every customer and opportunity at each stage of the sales process, to give you better insight into your sales pipeline and customer base.

- **Better cross-selling and upselling.** Having a complete view of the sales history for each customer should make it easier for your sales and service reps to spot opportunities to cross-sell or upsell.

- **Easier analysis.** Built-in reporting features and a complete view of the opportunities in your sales pipeline can make it easier for you to answer questions like "Do we have enough sales leads to make our targets this quarter? If not, where should we focus our time to get things back on track? Based on how things are going right now, how much can we expect to sell next year? Which salespeople are consistently closing the most sales or making us the most money—and how are they doing it?"

For a CRM system to help you get better insight into your sales pipeline, it needs to capture every step in the sales process, every customer interaction, and all related account and sales data. Unfortunately, some businesses struggle to get their staff to use their CRM system consistently. This is in part because some CRM systems are unfamiliar and hard to use. You can reduce the learning curve by choosing a system that works in similar ways to your other software.

More importantly, if a CRM system doesn't fit the way members of your sales team do their jobs every day, it means extra work. Since most marketing staff, salespeople, and customer service reps spend their days working with e-mail, one of the best ways to get everyone to use your CRM tool is to make sure that it closely integrates with your e-mail system.

Using Web-Based CRM to Get the Benefits of CRM without the Overhead and Complexity

Traditionally, to use a CRM system, you needed to buy a server, buy software licenses and, depending on the complexity of your processes, have a reasonable level of IT skill to manage the system. For many small businesses, the cost and complexity of CRM systems simply put them out of reach. However, Web-based services—that is, software that you subscribe to and access over the Internet[49]—now give smaller businesses a more affordable, simpler option.

With Web-based services, you can get all the same tools and benefits of traditional CRM systems without the initial up-front investment and without needing to maintain the system (since your service provider takes care of this for you). In general, you can implement a Web-based system quickly, without spending months customizing and implementing it. What's more, since a Web-based system uses per-user subscriptions, you don't need to anticipate how quickly your business will grow over the coming months or years and pay for capacity that you don't yet need. You can simply add new users as required, and the system will scale with your needs.

By moving to a Web-based CRM system, Randy gained a better view of how his products flow through the sales channels, from sales reps to distributors to contractors. Because he was able to customize the system to reflect his company's processes, it's very convenient for everyone to use—so people are actually using it. For Randy, this is a huge success: as he

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49 For more information on the benefits of Web-based services, please see chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations."

says, "tracking leads is the lifeblood of our business." He now has insight into his customers' purchasing patterns and a better understanding of where and how his products are sold.

The system also gives Randy's sales managers the information they need to drive better sales performance with the sales reps. For example, with automated reports, the sales managers can see a history of all sales leads, including which leads have been followed up and which ones still need to be followed up. Using this information, they can work with the individual sales reps to be sure that every lead gets the right action.[50]

Using Central Dashboards to Provide an Instant View into Sales Performance

Is your sales data spread among so many systems that you have a hard time getting consistent information? Do you get bogged down in the detail of your sales reports? Do you need a better way to gauge the bigger picture and share it with others in your business?

Scott Mitchell is the IT manager for Heel USA, a manufacturer of homeopathic medications. He captures a lot of data in his business. And it's part of his job to be sure that Heel USA's marketing and sales teams have access to that data, so they can monitor the business and make decisions that will help them sell more. Unfortunately, this was tricky.

Although Heel USA is a subsidiary of a large German-based company, it's a relatively small business in the United

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50 The CRM system also helps Unico provide better service to customers; to learn more, please see chapter 12, "Build Loyalty by Managing Your Customers Better."

States. Scott has several good systems for running the business, including a CRM system, a business management system that consolidates all financial data, and other online transaction processing (OLTP) systems. Unfortunately, although the systems work well, sales data is spread throughout them: the CRM system holds customer contact information and opportunity data, the business management system stores sales forecast and revenue data, and other systems store related information, such as call history with customers.

Each month, Heel USA's marketing and sales teams produce status reports for headquarters. To do this, they used to pull data from these separate systems into spreadsheets. This was time consuming and created company-wide confusion, since every other department was pulling information from the same sources but no one was using the same formulas for their calculations. This meant that the reports never quite lined up—something Scott had a hard time explaining at monthly meetings with his board of directors. Scott needed to make it easier for his marketing and sales teams to view their data and present it to other business groups.

Making Sense of Data from Across Your Business

As businesses grow, they typically add more systems and capture more data. And while data is great for providing business insight, the more data there is, the harder it is to see the big picture.

To respond to this situation, many larger companies build a data warehouse, which pulls data from all systems into a central storehouse and converts the data into a consistent format.

This provides a single, central access point to make the data easier to analyze. However, although a data warehouse will give you consistent data, it doesn't address the problem of "not being able to see the forest for the trees." How can you pull insight from that data?

Sales dashboards, delivered through a central portal (either with or without a data warehouse), are an effective answer. Dashboards are visual representations of data presented on a single screen. They're usually a collection of charts, graphs, and reports that let you monitor, at a high level, the status of specific factors that affect your business's performance. For example, your sales team could use a dashboard to monitor progress against their sales quota.[51] Although individual applications (such as a contact management application) often include dashboards, a centralized dashboard pulls together information from multiple sources, giving you a much more comprehensive view of your business.

Ideally, you should be able to customize your sales dashboards by role, such as sales reps and sales managers. These dashboards can show everyone on your sales team exactly how they're doing against their own targets, plus how their performance affects the performance of the wider team. You may also want to create a sales dashboard for people not actually in sales roles, such as executives. Role-based sales dashboards give everyone the right level of detail for their role.

Scott decided to add a centralized business intelligence solution that includes both a data warehouse and centralized

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51 Please see chapter 9, "Make Smarter Decisions by Quickly Getting Key Insights into Your Business," for additional discussion on the value of dashboards and other business intelligence reporting tools to get insight into your business.

dashboards. The data warehouse pulls together all of the data from across his business. Role-based dashboards, accessed through a central portal, give his sales teams an instant view into their sales performance. Everyone can get a clear, concise look at customer data, sales history, order history, returns, and the general trajectory of sales. They can customize their own dashboards to see the information that's most important to them and use it to sell as effectively as possible. What's more, dashboards enable non-sales executives to quickly understand sales performance at a high level without wading through detailed reports.

Another important benefit of his centralized solution is that Scott no longer worries about inconsistent numbers in the monthly reports. He generates reports automatically, saving everyone a lot of time and providing consistent, credible information for his board of directors. The centralized business intelligence solution also frees the marketing and sales teams to spend more time analyzing sales data, planning their business, and forecasting growth.

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Daniel, Randy, and Scott all realized that if they could get a better view of their sales pipelines, they could use that information to close more sales. Each of these stories shows a different approach that reflects both the size of the business and the complexity of the sales process:

- Daniel, who was just starting out, needed a basic way to keep track of his new contacts. He needed to make sure that he was staying on top of each opportunity, so that he didn't miss any potential sales. He also wanted

a way to gauge the status of his overall sales pipeline. A basic contact management application gave him the tools he needed to track each individual prospect and get broader insight to help him focus his efforts on the areas most in need.

- Because Randy was dealing with a much more complex sales process and needed to support many more salespeople, a basic contact management application wasn't sufficient. With a Web-based customer relationship management (CRM) tool, he got all the benefits of a contact management application, but at a scale that suited his sales model. And, with a complete view of the sales pipeline, his sales managers have the insight they need to work with the individual sales reps to improve sales performance.[52]

- Scott's CRM system gave his sales team the tools and information to effectively manage individual leads. However, they couldn't easily see the bigger picture because their customer data was spread across so many systems. With a data warehouse connecting all of this information, combined with role-based dashboards, Scott gives everyone the perspective they need. And providing that insight at the right level of detail for their role—from individual sales reps right up to company executives—helps everyone focus on the areas where they can have the most impact.

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52 Both contact management applications and CRM systems are also valuable in helping you deliver exceptional customer service after a sale. For more information, please see chapter 12, "Build Loyalty by Managing Your Customers Better."

Regardless of the actual solution, each of these three companies achieved better sales performance through deeper insight. Having a complete view into an individual sales prospect can help you close that sale more quickly and effectively. Just as importantly, having a better view into your entire sales pipeline can help you find out what's working well, what needs your attention, and how you're doing against your targets. Best of all, by using these tools to automate sales processes—from capturing information about a sales opportunity, to triggering a sales activity (such as routing a lead to a salesperson), to building comprehensive, accurate sales reports—you'll have more time to spend selling.

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Chapter 12

Build Loyalty by Managing Your Customers Better

Keeping Track of Your Customers with a Contact Management Application

Are you tired of searching through handwritten notes about customers, trying to remember which customer is which and what you promised them? Is it getting harder to make personal connections with your customers as your business grows? Do you need a better way to keep track of who's who?

When Juergen Kuhlmann takes a call about a new job, the odds are good that he's worked with that customer before. If not, the odds are really good that he's worked with someone that customer knows. Customer loyalty and word of mouth are so important to Juergen that he probably wouldn't have a business without them. For every five jobs he takes, typically at least four are repeat customers or referrals.

Juergen is in the residential construction trade, specializing in home remodeling. His customers turn to him for projects like transforming mustard-themed '70s bathrooms into elegant glass-and-tile designs and converting the unfinished slab concrete and bare studs of basements into bright and cheerful games rooms.

When Juergen started his business, Kuhlmann & Sons Construction, he chose the slogan "Quality is what we build on!" Just as important, however, has been his focus on customer *relationships*, not just customer *jobs*. Juergen wants to make sure his clients feel both known and valued.

To help achieve this, he wanted to offer discounts based on how much a repeat customer had spent with his business. Unfortunately, he didn't really know which customers were making him the most money. The best he could do was flag the files of the customers he believed generated the most revenue.

Although Juergen was doing a reasonable job of staying in touch with past clients, he knew he could do more. He had a basic, standalone contact database, but it was separate from his other business tools, such as e-mail and accounting programs. In addition, his business was growing rapidly, and every time he added new customers, it got a little harder to remember who each customer was. He needed a better view of his customers, so he could track key information such as how they had found out about his business and what work he had done for them in the past. What he needed was an easy-to-use solution that brought together his contact information with his e-mail, task management, calendar, and accounting data, enabling him to view all customer history and communications in one place.[53]

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[53] To learn about how a contact management application can help you keep track of your sales pipeline, please see chapter 11, "Improve Sales Performance with Better Business Insight."

Keeping Your Customer Information Together

If you run a business that relies on repeat customers, you'll understand Juergen's situation. The more you know about your customers, the better you'll be at giving them what they want, anticipating their future needs, and delivering the kind of service that will keep them coming back for more.

For the smallest of businesses, tracking customers is reasonably easy—jotting notes in a file and storing contact details in a Rolodex or contact spreadsheet will do the trick. But once that customer list starts to grow and customer information starts to accumulate in multiple places, knowing and understanding your customers gets much harder. How do you feel when you call a business that you've dealt with before and they can't remember who you are or what they did for you? Being forgotten isn't a loyalty-building experience.

A contact management application can help you keep track of much more than contact details. It provides a central location where you can record everything you know about your customers: their preferences, their purchase history, and every interaction you've had with them, from e-mail messages to phone conversations to appointments. This gives you a complete picture, in a single place, to help you better understand and serve your customers.

With a contact management application, you'll no longer need to scramble to remember past clients. Instead, when a customer calls, you can quickly access their information and see details such as when you last talked to them, what information you've sent to them, and so on. Your customers won't

have to explain themselves to you, which will go a long way toward making them feel appreciated and valued.

Some contact management applications include additional capabilities that can help you better serve your customers and get better insight into your customer base as a whole. For example, they might let you:

- **Combine customer information with information from your other systems.** As you saw in chapter 11, "Improve Sales Performance with Better Business Insight," bringing together financial, sales, and contact information can give you better insight into your sales pipeline. It can also help you identify your most valuable customers. For example, combining customer and financial information can help you better understand which customers have spent the most money with you and who purchases from you the most frequently. Being able to easily connect systems or import information from other places (such as spreadsheets) can help you get a more complete view of your customers.

- **Adapt the system to fit your business.** Every business works differently and needs to track somewhat different information. Ideally, you should be able to easily customize your contact management application so that it captures the exact information you need to better understand and serve your customers. For example, if you're a sports physiotherapist, you might want to track what sports your clients play. Being able to add a special field for this information rather than just noting it in a "comments" section will let you use that data later on, perhaps to instantly identify which

clients would be appropriate for a "baseball player" discount during baseball season. You should also be able to remove components of the system that don't apply to your business, to keep the system as simple and easy to use as possible.

- **Have mobile access to your customer information.** Today's business world is increasingly mobile, and contact information is most valuable if you can get to it when you are out with customers, moving between meetings, or even networking on the golf course. A contact management application that lets you access details from your mobile phone or over the Web will help you keep in touch with customers no matter where you are. Furthermore, if you can update your customer's information as soon as you find out about a change, you can avoid the risk of losing the new information or forgetting to make the change when you get back to the office.

Juergen upgraded his contact database to a contact management application that integrates with his e-mail and accounting programs. He's keeping track of his customers more easily now than he could in the past—even though he now has many more customers to track. The upgrade has also given him a more complete view of each customer, which is helping him deliver even better service. For example, he can now provide sliding-scale discounts to customers based on who uses his business the most frequently and who refers the most business to him. The contact management application is helping him identify and reward his most important customers—and boosting their loyalty at the same time.

Delivering Better Customer Service with Web-Based CRM

As your business grows, are you finding it harder and harder to make sure that your employees have the information they need to serve your customers well? Is your customer information stored in a number of different places, making it impossible for everyone to see everything about a customer when they need it?

While Juergen is busy remodeling homes, Randy Niederer spends his days marketing his company's specialty heating, ventilation, and air-conditioning (HVAC) equipment. Despite the differences in their workdays, Juergen and Randy have one important thing in common: they both fully appreciate the value of customer information to improving customer service.

If you've read chapter 11, "Improve Sales Performance with Better Business Insight," you'll know that one of Randy's biggest challenges was to understand who was selling and buying his products. Randy's company, Unico, uses a complex sales model that involves multiple channels and stages—flowing from his sales managers, to independent sales reps, to distributors, and eventually to contractors or installers. Because so many different businesses and people are involved in the sales process, important information, such as how and where the products were being sold and installed, often never made it back to his company.

Unfortunately, this meant that Unico's customer service staff frequently didn't have enough information on hand to effectively help customers when they called with questions or problems. The customer service reps would often need to manually track down information on a customer's purchase history

and installation specifications—information that it could take several phone calls or e-mail messages to locate. This was time consuming for staff and frustrating for customers.

Randy knew that, ideally, his customer service reps would have a complete view of each customer and each installation so that they could respond to customer queries more efficiently. Fortunately, when Randy and Aisha Thomas, Unico's marketing systems manager, implemented a Web-based customer relationship management (CRM) system to help better track the sales process, his sales managers weren't the only ones to benefit. Unico's customer service team soon had the information they needed to better serve their customers.

Using CRM for a Single View of Your Customers

As its name implies, a CRM system is designed to help with the "relationship" side of customer interactions. With a CRM system, you bring together all of your information about customers and prospects (such as contact, sales, and financial information) so that you have a single view that anyone on your team can access at any time. A CRM system gives you all of the benefits of an advanced contact management application, but on a larger scale, making it easier for bigger teams to manage more customers without losing the personal touch. For example:

- **Marketing.** Because a CRM system will help you understand your customers better, it can help you make sure that any marketing messages you send are relevant and appropriate. For example, imagine that a small hotel wants to offer a special family rate to its repeat

customers. Although this offer would probably make many customers feel valued and improve their loyalty, sending it to someone who has only ever booked a single-occupant room and who doesn't have any children could actually undo the "we value you" message that the marketing campaign intends to give. Being able to segment customers based on specific information can help avoid this kind of marketing misfire.

- **Sales.** By displaying all of your customer information in one location, a CRM system can help your sales staff understand your customers' preferences, relationships, and past interactions with your business. With this knowledge, your sales staff will be better able to talk to each customer about his or her specific needs, rather than talking more generally about benefits of your product or service that might not be relevant to the customer.

- **Customer service.** Having this comprehensive view of your customer data is equally important after a sale to help your customer service staff provide better, more appropriate service. Plus, since your service reps won't have to spend time moving between programs or checking with other team members for more information, they'll be able to resolve issues more quickly. With some CRM systems, you can also set up online self-service capabilities for customers, allowing them to choose how they interact with your company. For example, a self-service system could let them find answers to their questions themselves, submit service requests, and even edit their personal account infor-

mation over the Web without speaking directly to someone at your company.

In the past, CRM systems have been used almost exclusively by large enterprise organizations with the budget and IT expertise to manage them. However, a Web-based CRM system makes it much easier for smaller companies to get the same capabilities. With a Web-based CRM system, you don't have to buy a server or pay for software licenses up front, and you don't need to have IT staff on site to manage the system. You simply pay a subscription fee (typically monthly) for each user. For more information on the benefits of Web-based CRM systems as well as key considerations when selecting a CRM system, please see chapter 11, "Improve Sales Performance with Better Business Insight."

The Web-based CRM system that Randy implemented is easy and convenient for everyone to use, so people at every stage of the sales and installation process actually use it—even those not directly employed by his company. The CRM system also provides direct access to the HVAC plans that his company prepares for the contractors, engineers, and architects implementing the units. In addition, distributors, contractors, and even homeowners can use a form on the company Web site to enter information such as serial numbers and installation dates after their purchase—information that automatically updates in the CRM system.

By pulling together all of this disparate information, the CRM system gives Unico's customer service reps a more complete view of each customer. This is helping them respond more quickly, thoroughly, and professionally to customer queries. The result? Happier, more satisfied, and more loyal customers.

Sharing Information with Clients Using an Extranet

Is it a hassle for you to share information with your customers? Do you end up having to mail CDs to your clients when files are too large to send by e-mail? Does transferring files back and forth cost you time and frustrate your customers? If it were easier to share information with your customers, would your team provide better customer service?

Like Randy, Andrew Town was also discovering that Web-based services could help him do a better job of serving his customers, but in a different way.

If you've read chapter 2, "Keep Your Technology Simple While Benefiting from the Latest Innovations," you'll know that Andrew uses Web-based services for e-mail, instant messaging (IM), online meetings, and to host his company's intranet. Andrew chose Web-based services because they let him get advanced IT capabilities without investing a huge amount of money or time. One benefit that he hadn't expected, however, was that Web-based services could make it easier for him to share information securely with his customers.

Together with his wife, Andrew runs Tandem Business Specialists, a small technology consulting business. He helps investment management organizations use software to manage their portfolio data as efficiently and effectively as possible. In some cases, his clients outsource key operational functions to Tandem, such as accounting and IT systems management. He also works with clients to build custom portfolio reports, help them improve their business processes, and manage complex projects.

For his solution- and project-focused services, Andrew often has to exchange files with his clients—everything from project documentation, to progress reports, to business process diagrams, to solution specifications. He had always relied on e-mail for this, but it wasn't ideal. For example, sometimes he has to work with several different people in his client's organization as he develops a project document. He might have to send a draft for feedback to five (or more!) people. Not only did this fill up five e-mail inboxes, but he would then get five different versions back with changes—clogging up everyone's e-mail and making the update process more complex.

Furthermore, sometimes the files would simply be too big to send by e-mail and the e-mail service would block them. He would then have to resort to copying files to CD and mailing them to the client or delivering them in person. Both options took time and slowed the pace of the project.

When Andrew decided to subscribe to a suite of Web-based services, he chose a suite that included a collaboration service. The collaboration service helps his staff work together efficiently and gives them a central place to store files, so that they don't have to worry about version control or lose time searching for files that are saved to different computers.[54] As a bonus, Andrew discovered that he could use the same technology to work more effectively with his clients, through an extranet.

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54 For more information on the benefits of centralized file storage, please see chapter 7, "Work Together More Effectively with Anyone Using Collaborative Technology."

Making Customer Interactions Easier with an Extranet

An extranet provides a fast, convenient, and secure online location for sharing files and other information between two or more organizations. It's ideal for any company that works on a project basis or regularly exchanges files with clients or partners. With an extranet, you get many of the same benefits that you get with centralized file storage. For example, you can check documents in and out and store a history of all previous versions. This makes it easy for multiple people at different companies to share and access documents whenever they need to. It also makes it easy to track changes and capture feedback without dealing with multiple versions. Since you can restrict access based on user identity, an extranet can also help you keep your shared documents secure.

An extranet that includes calendar, task, and project management capabilities can also help you run projects more easily. It can let everyone track the progress of the project, initiate new project activities, and stay informed of project changes.

Andrew is using an extranet to save everyone time and make it easier to manage customer projects. The extranet has helped him significantly reduce the e-mail clutter associated with projects, for both his own staff and his clients. For example, rather than using e-mail to request a new task, clients can input a task request directly through the extranet. When Andrew's team has completed the task, they update the record online for everyone to see; clients can also choose to receive an automatic alert as tasks are completed. The extranet is not only helping to keep everyone on the same page, but it's also making it easier for his staff to stay on top of their project "to do" lists, because all related project activities and requests are

organized in a central location. It has significantly improved the level of service that Andrew can offer his customers, helping increase customer satisfaction and differentiate his business from his competitors.

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Customer expectations have never been higher. People have always wanted friendly service and reasonable prices, but now they want a lot more too. They expect you to know who they are, understand their preferences, and provide flexible services based on their needs. Once limited to the options available in their immediate neighborhood, customers now have an entire world of choices thanks to the Internet. Every business has had to step up its game to find new and better ways to give customers an experience that tops what they will find elsewhere.

For Juergen, Randy, and Andrew, technology has helped them get that edge. Juergen uses a contact management application to understand who his most valuable customers are and reward them for their loyalty. Randy's CRM system helps Unico's customer service team respond to customer questions more quickly and accurately. And Andrew is using a client extranet to take his services to a new level by working more closely with his customers. In all three cases, technology is helping them provide a better experience that makes their customers feel more valued.

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APPENDIX

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Summary: Small Business Software and Services

The tables on the following pages outline some of the technologies that today's small businesses are using to improve efficiency and help them compete effectively:

- **Core infrastructure.** Your core technology is the foundation for the other technology tools in your business, enabling you to access and manage programs and services and protect your information.

- **Business productivity.** Business productivity software and services help your people do more and work smarter, wherever they are.

- **Business applications.** By helping you better manage your business—from your finances to your customers—business application software and services can help you keep your business running efficiently.

- **Web.** Having a Web presence is critical to every business today, no matter how small. Web software and services can help you build a Web site and promote your business online.

This quick reference section can help you find stories in this book about how other successful small business owners are using technology—whether they simply want to stick to the basics and stay focused on their business, simplify their IT, do more in less time, or find and manage their customers better.

Core Infrastructure

Software and services to run and manage your technology

Technology	Description	Chapter
Personal computer	An **operating system*** run on desktop or laptop computers provides the basic tools to run and secure your computer; manage applications, hardware, devices, etc.; and organize your files.	1, 4, 5, 6, 8
Mobile device	A **smartphone** combines basic computing (using an embedded, limited-function operating system) with phone capabilities so you can stay connected to the office and access e-mail from anywhere on the go.	8
Browser	A **browser*** enables you to view Web pages and access Web-based services.	1
Server	**Resource sharing** enables you to share resources (such as printers, fax, or an Internet connection) with multiple computers and/or users on your network; you can also share services (such as those listed in the business productivity section below) and support secure remote access to networked systems.	3
	Group management enables you to apply standard settings (such as default printers and power management settings) to a group of computers on a network as a whole rather than individually.	5
	Systems management software provides the ability to manage all systems on a network (including PCs, both physical and virtual servers, and devices) using a single, central tool.	5
	Virtualization enables you to consolidate multiple physical servers by running them as virtual machines on a single physical server computer.	4

Technology	Description	Chapter
Security	**Antivirus, antispyware, and other security software*** helps protect your business systems and information from unwanted access and attacks from malicious software, or "malware" (viruses, worms, Trojan horses, spyware, hackers, etc.).	1, 3, 5
	Information protection tools, such as backup software, help to protect against data loss, whether from external attack, hardware failure, or other incident.	3, 5
	Identity and access management software maintains a central directory of users and computers, enabling people to securely access network resources with a single user name and password (or other authentication method) whether on the local network or working remotely.	3

*Core technology

Business Productivity

Software and services to help your staff work more efficiently

Technology	Description	Chapter
Office productivity and content creation	**Basic office tools*** help you manage your communications and time (e-mail, contacts, tasks, calendar) and enable you to create and edit documents, spreadsheets, and presentations.	1, 4, 6
	More advanced office tools add additional capabilities, such as desktop publishing, digital note-taking, graphics editing, and desktop databases.	1, 6, 9, 10
Collaboration and content management	**Online conferencing** lets you meet with colleagues, customers, or partners online from any location as long as you have an Internet connection.	2, 7, 8
	Centralized file storage makes it easier for everyone in your business to access and manage shared documents through a single, central location.	3, 6, 7, 8
	Shared workspaces and **extranets** help people work together more easily by having a central online space for storing and editing shared documents.	7, 12
Communications	**Centralized messaging** manages your e-mail, contacts, and tasks, making it easier to access vital information from anywhere.	2, 3, 6, 8
	Shared calendars enable you and your colleagues to keep track of each other's schedules and coordinate group meetings more easily.	7
	Instant messaging (IM) lets you identify which of your colleagues are available and then connect with them immediately through real-time chat messages. Some IM programs also let you make audio and video calls.	2, 6, 7

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Technology	Description	Chapter
Reporting and analysis	**Spreadsheets*** can help you understand your data more easily and spot trends through visual, analytical tools.	9
	Centralized reporting helps everyone in your business make decisions based on the same data by providing access to standard and custom reports from a single online portal.	9, 11
	Dashboards and scorecards provide a visual, point-in-time view of your business data, pulled together from multiple sources.	9, 11
	Data warehousing brings together data from across your business so that you have a single, consistent source for reporting and decision making.	9, 11

*Core technology

Business Applications

Software and services to help automate your business

Technology	Description	Chapter
Financial management	**Small business accounting software** helps you automate and streamline manual bookkeeping. In addition to core features such as invoicing, expense tracking, and financial reporting, more advanced programs add tools to manage billing, inventory, payroll, etc.	2
Customer management	A **contact management application*** lets you track your interactions with prospects and customers. For a more comprehensive solution, a **customer relationship management (CRM) system** provides a complete system for managing marketing, sales, and customer service.	11, 12

*Core technology

Web
Software and services to get your business online

Technology	Description	Chapter
Web site	**Basic Web site development software and services*** help you create an informational company site that introduces customers to your company, products, and services.	2
	E-commerce capabilities let you gain revenue directly through your site by selling products or delivering services online, either through simple PayPal capabilities or a full-fledged e-commerce system.	2
	Social computing technology such as blogs, forums, social networking, and video help you create a more engaging online experience for your customers.	10
Search	**Search engine optimization (SEO) tools** can help you improve your site's visibility in relevant search results.	10
	Search (or pay-per-click) advertising lets you put a text-based ad in front of customers who are searching the Web for products or services like yours.	2, 10

*Core technology

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Glossary of Technology Terms Used in This Book

Antivirus. Antivirus software prevents your data from being compromised by viruses and other malicious software.

Backup. Backups are a way to protect your data by copying it to another location, such as removable media (for example, an external hard drive, DVD, or tape) or another computer. You can perform backups manually; however, many operating systems include automated backup functionality to help ensure that backups are done regularly.

Blog. Blogs (short for Web logs) are a type of Web site often used to post personal commentaries and news updates. You typically update a blog frequently, with new posts appearing in reverse chronological order. Blogs may be part of an existing private Web site or may be hosted on a dedicated blogging service site.

Broadband Internet connection. Broadband Internet connections are high-speed connections that can transfer large amounts of data. Broadband connections are much faster than dial-up connections. Multiple connection options exist, including DSL/ADSL, cable, fiber, and commercial telecom data lines. Some broadband connections use a phone line and enable you to use a telephone and the Internet at the same time (even if you only have one phone line).

Browser. A browser is a software program used to view Web sites and other content online, as well as to shop on e-commerce sites and access Web-based services. Common examples include Microsoft Internet Explorer, Mozilla Firefox, and Apple Safari.

Business intelligence. Business intelligence refers to the software and processes used to analyze and gain insight from data to support decision making. Business intelligence solutions range from analytical tools in spreadsheet software, to detailed reports, to dashboards and scorecards that provide graphical data summaries. Business intelligence solutions often pull together data from multiple sources (such as accounting programs, customer relationship management [CRM] systems, financial systems, and Web sites), sometimes using a data warehouse.

Centralized systems management. Centralized systems management tools enable you to manage and control every aspect of your IT

infrastructure from a central console, eliminating the need to perform management tasks for each computer in your environment individually. Instead, you can evaluate all of your systems and manage backups, security alerts, and updates from a single location.

Cloud computing. Cloud computing is a type of computing in which resources, such as information and software, are delivered to individual computers on demand over the Internet. See *Web-based services* for more information.

Collaboration tool. Collaboration tools are software and services designed to help people interact, share information, and work together easily online.

Contact management application. Contact management applications provide a common location to store and manage information about your customers, prospects, partners, suppliers, and other contacts. They extend the features included with basic contact tools in e-mail and messaging programs. For example, you can often use contact management applications to record interactions with your contacts, assign contacts to custom categories or stages of a sales cycle, run reports, and integrate contact information with financial information from an accounting program. Contact management applications are typically used by individuals or small groups of users.

Content management system. Basic content management systems provide a central file storage location where a team can store and share documents. They also provide version control, by tracking version history and requiring users to check out the latest version of a document in order to make changes. More comprehensive content management systems add capabilities such as shared workspaces, workflow (which can be used to set up specific steps involved in developing content), and policies (for example, how long a document can be posted before it must be archived). Web content management systems are used to manage the development of content for Web sites.

Customer relationship management (CRM). A CRM system helps businesses manage all aspects of their relationships with customers by providing a central location for all customer data. CRM systems help you manage client contact information, record the details of customer interactions, identify and manage sales opportunities, and automate processes to improve customer service and increase productivity. A CRM system gives you all of the benefits of an advanced contact manage-

ment application, but on a larger scale. CRM systems are typically used by marketing, sales, customer service, and support employees and often provide integrated self-service capabilities for a business's customers.

Dashboard. Dashboards provide a high-level, visual view of data on a single screen, much like a car dashboard. They may include charts, graphs, and reports that help you "see" aspects of your business's performance in a graphical format; they also frequently give you the option to drill into the data for deeper insight. While some dashboards are included as part of a software application (such as a contact management application), centralized dashboards typically pull data from multiple sources (such as a customer relationship management [CRM] system and an accounting program) and present them on an internal portal, accessed through a Web browser.

Data center. A data center is a storage facility for computer systems such as servers. Data centers are typically designed to provide enhanced protection against security breaches and environment threats such as fire and power outages.

Data warehouse. A data warehouse pulls data from multiple systems into a central storehouse and converts the data into a consistent format. This provides a single, central access point to make the data easier to analyze with business intelligence solutions.

Database. A database is a tool for collecting and organizing data. A database program enables you to add new data, edit or delete existing data, and view the data in different ways (such as through reports). A common use for a database in a small business is to track product information, such as name, model, manufacturer, price, and other product-specific details. A database is also used as a core component of business intelligence solutions.

Desktop operating system. A desktop operating system (such as Microsoft Windows or Apple Mac OS X) is software that must be installed onto a personal computer (PC) before software applications, such as productivity tools, are installed. The desktop operating system enables the programs that you use to function on your computer. It also provides tools to help you organize files and control your hardware (such as any devices that you use, including your mouse, keyboard, and printer).

Desktop publishing. Desktop publishing programs provide tools to create highly visual print and electronic documents (for example, brochures and newsletters) and other graphical materials (such as posters and signs). Desktop publishing programs enable you to control the page layout, choose typefaces, set background colors, define margins, place text, add images, and apply effects.

Dial-up Internet connection. A dial-up connection is a low-speed and typically low-cost connection that uses a phone line to connect to the Internet.

Digital note-taking software. Digital note-taking software essentially replicates a paper notebook in electronic format, enabling you to gather notes and information into sections within a searchable file. With some digital note-taking programs, you can capture pictures, audio, video, and digital handwriting, in addition to text notes, and share your notebooks with other users.

Document or word-processing program. A document or word-processing program is used to create primarily text-based documents, though most programs include the option of applying color, adding images, creating charts and tables, and adding other visual effects. Common business documents created in these programs include business plans, letters, and training manuals. Document programs are often included as part of an office productivity suite.

Domain name. In reference to the Internet, a domain name is the unique combination of characters that appears before the suffix (such as .com or .net) of an Internet address. For example, in the URL http://www.*YourCompanyName*.com, the domain name is "YourCompanyName". You can register a domain name for an annual fee. For a professional image, ideally your domain name will match your business name and your e-mail address (for example, *YourName@YourCompanyName*.com).

E-commerce. E-commerce capabilities enable you to buy and sell goods or services over the Internet.

Enterprise search. Enterprise search solutions enable users to search for information across multiple internal systems—such as in content management systems, intranet sites, and databases—within an organization from a single search portal.

Extranet. An extranet is an intranet that is also accessible to authorized users from outside the company. It enables people from separate organizations to collaborate and share files and information securely online.

Firewall. A firewall is security software and hardware used to prevent unauthorized people from accessing a private network or computer. Firewalls act as security fences around your network and are a basic component of Internet security.

Hard drive. A hard drive is a storage device that allows you to save and store data on your computer. Desktop, laptop, and server computers typically have an internal hard drive. You can also get external hard drives (typically connected to your computer with a USB cable) to add additional storage, serve as a portable storage device, or use for backups.

Identity. An identity is a unique name, code, or number assigned to a user to control access to a network, system, or service. An identity is typically used in combination with a password or other means of authentication to help protect against unauthorized access.

Information technology (IT). IT refers to computing technology (hardware and software) used to organize, process, and distribute information digitally. All of the solutions discussed in this book are examples of IT.

Instant messaging (IM). IM tools allow you to have a private online conversation, or "chat," with people in real time. Text-based instant messages are sent over the Internet and delivered instantly to the recipient's computer. Many IM programs also include the option of audio and video calling over the Internet using a microphone and speakers, headset, and/or webcam. IM programs can be basic, free programs, typically used by consumers, or highly secure messaging services that offer encryption to protect confidential business communications.

Internet service provider (ISP). ISPs are businesses that offer a network connection to the Internet and that may also offer value-added services, such as e-mail and Web site hosting.

Intranet. An intranet is a private computer network used within an organization to provide internal users with a way to access and share information, communicate, and collaborate securely. An intranet is like the Internet but restricted to internal sites and use.

Keyword. Keywords are any words used in a Web page (including in the main text, titles, meta description tags, headings, and URLs) that people are likely to use when searching the Web for related information or sites. Which keywords you use on your site will have a significant impact on whether your site will appear in relevant Web search results lists (see *search engine optimization [SEO]*).

Malware. Malware refers to any malicious software that accesses or installs itself on your computer without your consent. Malware includes software such as viruses, worms, and Trojan horses designed to damage computer systems and files, as well as programs such as spyware that can monitor and report on your computer usage without your knowledge.

Network. A private network is a collection of computers and devices that are connected to share information and/or resources. A local area network (LAN) is a private network in a relatively small physical location (such as an office or a home) connected either by cable or wirelessly. Although a server computer is not necessary in a LAN, when a server is included it acts as the central hub for sharing resources and information for all network users. A wide area network (WAN) connects multiple LANs together over longer distances, such as when a business has offices in multiple cities.

Office productivity tools. Typically available as a suite, office productivity tools (such as Microsoft Office, OpenOffice.org, and Google Docs) include a range of programs that at the most basic level let you manage your e-mail, contacts, and calendar and work with documents, presentations, and spreadsheets. More comprehensive office suites may also include basic programs for databases, digital notebooks, graphics, and even desktop publishing.

Online conferencing. Online conferencing tools provide an online meeting space with audio, video, and file-sharing options to help people in different locations connect and work together as they would in a conference room.

Online transaction processing (OLTP). OLTP is the process of storing, retrieving, updating, and deleting data from a database to support an application, such as a line-of-business application (for example, a customer relationship management [CRM] system or financial software) or a Web application (such as e-commerce).

Portal. An internal company portal is a central online point for accessing information and resources stored on an intranet. For example, you could use a portal to access a content management system, shared calendars, and shared workspaces. You access a portal using a Web browser.

Presentation software. Presentation software is used to create digital presentations (made up of a series of slides) to support presenters when they share information with their audience. Presentation software usually includes built-in formatting and design features to create a

professional-looking slideshow. Presentation software is often included as part of an office productivity suite.

Remote network access. Remote network access enables you to access central files and resources on an internal company network from a remote location, such as a home office, hotel room, or customer site.

Scorecard. A scorecard is a type of dashboard typically used to measure how a business is doing against specified performance criteria (key performance indicators [KPIs]) at a given time. Scorecards generally use red, yellow, and green symbols to show whether you are off target, close to target, or on or ahead of target.

Search advertising (also called pay-per-click [PPC] advertising). With search advertising, you create short, text-based ads and select keywords that will trigger your ad to appear on a Web search results page. When someone uses the search engine that you have registered your ad with (or a private Web site that uses the search engine and supports advertising) and searches the Web using the keywords that you selected as search terms, your ad will appear alongside their search results. Search advertising is also called pay-per-click advertising because you only pay when someone clicks on your ad.

Search engine optimization (SEO). SEO refers to the practice of optimizing your Web site so that it will appear as close as possible to the top of a search results list when someone searches the Web using terms related to your site.

Security software. Security software helps protect your computer or servers from viruses, spyware, and other malware that gets past your firewall. Antivirus software is a type of security software.

Server. A server is a computer that provides access to shared resources—such as files, databases, applications, and devices—to other computers and devices that connect to it over the network. Examples of common uses for a server include providing access to centrally stored documents, sharing a printer across multiple computers, storing and managing e-mail centrally, storing a business system (such as a customer relationship management [CRM] system) that multiple people need to access, and providing remote access to server resources and the network for offsite workers over the Internet.

Server operating system. A server operating system is a specialized operating system designed to enable the server to run shared applications and services, accessible from PCs running on the same network.

Server operating systems also typically include advanced data backup capabilities, networking capabilities, and system security.

Server virtualization. Server virtualization software enables you to create several separate virtual servers (called virtual machines) that are all stored on a single physical server computer (called the host server). Virtualization can help you make more efficient use of your physical servers and reduce the overall number of physical servers that you need to run in your business.

Shared calendar. Shared calendars are central, electronic calendars that are accessible by multiple authorized users. Shared calendars make scheduling easier by showing free and busy times for each user and shared resources, such as conference rooms.

Shared workspace. Shared workspaces provide a secure online space where people can collaboratively work together. Workspaces typically provide a central place to store all related files and information for a specific project or team. Features can include support for version control, automatic alerts when someone makes a change to a document, and the ability for more than one person to work in a document at the same time.

Single sign-on. Single sign-on enables users to log on to a server once in a computing session to gain access to all system resources.

Smartphone. Smartphones combine a mobile phone with more advanced computing features, such as the ability to send and receive e-mail, access your contacts and calendar, and search the Internet. When specific mobile applications are installed, they can also enable you to open and edit documents, spreadsheets, and presentations.

Social networking. On social networking sites, users create a profile and establish connections with other users. You can use social networking sites to share information, organize events and activities, and form groups with other users that have shared interests. Popular examples of social networking sites include Facebook, MySpace, and LinkedIn.

Spam. Spam is the electronic equivalent of the junk mail that you receive by post. It is unsolicited and distributed in bulk, most commonly by e-mail (though it can be in any form of electronic messaging, including instant messaging).

Spreadsheet software. Spreadsheets are widely used in small businesses to capture sales and financial information. In addition to accounting fea-

tures, some spreadsheet software includes analytical tools to help you get insight from your business data.

Spyware. Spyware is a type of malware that installs itself on your computer without your knowledge and collects personal information about you and your computer usage.

USB flash drive. A USB (which stands for Universal Serial Bus) flash drive is a small, portable, rewritable data storage device that connects to your computer using a USB port.

Virtual machine. A virtual machine refers to a virtual computer that is created and stored on a physical computer (called the host computer), usually alongside several other virtual machines, using virtualization software. Each virtual machine has its own operating system and is completely isolated from the other virtual machines running on the host computer.

Virtual private network (VPN). VPNs are a common tool for enabling staff to access files and resources on a company server when they aren't in the office. Connecting through a VPN essentially involves connecting to the Internet and then using special software to log on to the company's business network.

Web-based services. Web-based services deliver resources (such as information and software) to individual computers on demand over the Internet. With Web-based services, you typically don't need to purchase traditional software from a store and install it on your computer; you simply subscribe to the service (generally for a monthly fee). The Web-based services discussed in this book are Web-based software services, in which the service delivers (or "streams") software capabilities to your computer. Web-based software services are also known as "software as a service" (SaaS) or "online services" and are a form of cloud computing.

Webcam. A webcam is a digital video camera designed to transmit live video and audio over the Internet; it is often used for online conferencing and with instant messaging (IM) software.

Workflow. Workflows are automated tasks that help you drive a process through specific steps. At pre-defined points in a process, workflows can be set to perform an action, such as routing information or sending a reminder to a team member to perform the next action in the process. For example, if a loan document needs several levels of approval, workflow software can route the document to the next person in the process when the pre-defined conditions have been met.

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Small Business Development Centers – http://www.sba.gov/sbdc

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Is your business as successful as you want it to be?

In today's business world, technology has a major impact on business success. And yet, for many small business owners, it can be a challenge to get technology to really work for the business.

Through the lens of 16 successful small business owners and leaders, this book provides you with a firsthand look at how **simple, modern technology** can make businesses more competitive and efficient. Find practical, useful advice on making smart technology decisions—whether you're just starting out or your technology has grown alongside your business and you now need to simplify. Get new ideas on how to make better use of your time, from eliminating phone tag to keeping your business humming even when you're on the road. And discover how technology can help you harness information to steer your business toward bigger profits and happier customers.

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3. **Do more in less time.** Make your time count for more by getting through your work more quickly, more effectively, and more profitably—*page 65*.

4. **Find and manage customers.** Use simple technology to stay on top of your most important asset: your customers—*page 115*.

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