

Sage Business Impact Series: Uncovering New Productivity Gains

7 business areas to examine for enhanced productivity with the right tools



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Introduction

To achieve the healthiest business possible, sales growth alone is not enough. Executives must also seek out operational efficiencies and productivity improvements that boost the bottom-line. Companies can reduce costs in several ways. First, increase the amount of work employees produce by enabling them to work faster and smarter, while eliminating unnecessary tasks. Second, elevate company-wide productivity by ensuring that employees never duplicate work already performed in other departments. Third, increase the accuracy of data to avoid unnecessary and costly mistakes. Finally, carefully manage the entire supply chain to contain expenses. Business management software drives efficiency improvements using all of these methods. This article describes business functions that can be positively impacted through technology automation.

Consider This: If across the company, every employee gained an extra 10 minutes every day through increased efficiency, how many man-hours would your company gain per day? Per year? How many new sales, extra shipments, or additional products could be accommodated by gains in productivity?

First, examine business processes

Before implementing software solutions, carefully examine existing business processes. In each department or critical business process, how does your company conduct business today? Are there areas of inefficiency? Consult with your internal teams to get feedback about the tasks and duties that are most time-consuming. If there are ways to make your existing processes faster and more efficient, consider implementing those changes prior to evaluating your software needs. Automating an ineffective paper

process will not yield optimal efficiency gains. You will accelerate and give more visibility to what is already broken.

Consult with an Expert. As you identify opportunities for increased productivity, consider taking advantage of the knowledge and guidance of a consultant. Software solution providers can be an invaluable source of information, bringing vast experience to bear in their area of expertise. Taylor Macdonald, Executive Vice President of Channel and Sales Operations for Sage Software, knows firsthand the value that a consultant can add to the software evaluation and implementation processes -- he used to be a consultant himself. Macdonald offers several tips for getting the best value out of your relationship with a software solution provider:

1. Consider your solution provider to be a strategic asset to your business as opposed to an outsider. Solution providers have the unique benefit of bringing you a perspective gleaned from their experiences with many companies. Be open for input, and create opportunity to evaluate your business processes regularly.
2. Look for a solution provider that can offer you choice in your business management software. Many solution providers have in-house expertise in a broad range of products – ERP, HR, CRM, and so forth, while others specialize in one area and work in conjunction with a network of experts who together can bring an entire range of options to the table. Both approaches are valid. The common element for you: choice.
3. Start your relationship on the right foot. The industry calls them solution providers because that's what they do provide solutions for your

business issues. Some businesses overlook this and hop from one solution provider to the next looking for price reductions to select a solution provider to work with. As attractive as that may sound, it's wise to resist the temptation. Focus instead on their industry expertise, track record, satisfied customer list. After all, the best solution providers are like a business partner to you, so be sure you understand how they do business.

How technology yields efficiency

In simplest terms, software increases efficiency by automating manual or paper-based business processes so that information flows more quickly and smoothly across your company. The goal is to save time and increase accuracy at every step of the process. Added together, these small savings can contribute to big productivity gains.

By automatically passing information along the business process, business management software eliminates the need for each department to re-enter data manually. Data is available simultaneously to everyone in the organization who needs it. This not only saves time, it also reduces clerical errors to improve data accuracy. For example, by reducing errors in order processing, you could avoid the expense of re-sending shipments to correct mistakes, reduce the time spent by customer service in dispute resolution, and ensure greater customer satisfaction.

Productivity Gains with Sage Software

Sage Software supports the needs, challenges, and dreams of more than 2.6 million small and mid-sized business customers in North America through easy-to-use, scalable and customizable software and services. Sage Software invests 100 percent of its research and development effort on flexible, integrated business management applications. These end-to-end solutions help companies in all industries gain efficiency and increase productivity across all business areas including:

- Accounting
- Operations
- Sales
- Marketing
- Purchasing
- Billing
- Manufacturing
- Customer Service
- Human Resources
- Warehouse and Inventory
- Shipping and Logistics
- Executive Management

7 Places to Gain Productivity through Automation

Having established that automation can cut costs and reduce errors in critical processes, let's examine the business areas in which automation provides the biggest impact. We'll also discuss what types of software enable productivity gains in each part of the business. These seven business units are not the only areas that can benefit from automation, but they each represent critical business functions that deliver the best return on technology investment.

Accounting

There is no better place to begin pursuing productivity gains in most mid-sized businesses than the accounting and finance arena. Too often, the accounting staff struggles to cobble together financial data through a series of spreadsheets and reports. The limited feature-set in accounting software purchased when the company was smaller forces your staff to spend unnecessary hours and energy compiling the data necessary to perform routine accounting functions.

The productivity gains achieved through more a robust accounting solution, often as part of an Enterprise Resource Planning (ERP) solution, can help control costs, save time, and improve compliance with regulations such as the Sarbanes-Oxley Act. ERP systems tie together key financial activities, eliminating duplicate data entry, confusion, and wasted time. Consider the time (and dollars) your company could save using integrated software solutions to:

- Centralize all accounting transactions in an automated General Ledger for clean financials and powerful drill-down reporting capabilities.
- Easily review and schedule payables across multiple business units or locations.
- Automate billing and track receivables to plan for superior cash-flow.
- Simplify monthly reconciliation between your books and your bank statements.
- Calculate fixed asset depreciation and automatically reconcile physical inventories with the fixed assets on the books.
- Gain vital business insight and ensure compliance with corporate regulations using flexible reporting tools and verifiable audit trails.

Increasing Efficiency with Sage Software

“Its reporting capabilities have allowed us to trim our monthly closing cycle from five days to two and a half . . . There’s no way we could have complied with Sarbanes-Oxley regulations without Sage MAS 500 ERP. The system gives us the checks, balances, and security controls we need for total accountability.”

—Mark Chollett, , Director of Technology
Wiseco Piston, Inc.

“Sage Timberline Office has enabled us to eliminate duplicate entries, which saves time and eliminates potential errors. The result is the ability to bill our clients bi-weekly instead of monthly. And what previously took two full-time people a full day now takes one person 45 minutes.”

— Anthony Enea, President
Ruvn Bros. Artisans & Trades

Human Resources and Payroll

For most companies, success depends on people. Finding, attracting, hiring, and retaining the smartest, most hard-working employees is central to achieving business objectives. These duties and much more fall to the human resources department. Overworked and often under funded, the HR staff struggles with a daily mountain of paperwork and routine administrative tasks.

Automating key HR functions can free the department to focus on strategic objectives—namely, how to keep employees across the company operating at maximum productivity.

Human Resources Management Systems (HRMS) minimize the impact of routine, repetitive tasks on the HR staff and help them establish better service to your employees. Offering a range of HR, payroll, recruiting, and training functionality, an HRMS can cut hours of manual data entry out of nearly any HR task. You can reduce labor costs while improving employee relations when you use an HRMS to:

- Streamline the hiring process, automating both online and paper-based recruiting to cut cost-per-hire and attract highly qualified applicants.
- Enable employees and their managers to manage and view routine data, such as time-off requests, without the need for HR intervention.
- Conduct an online, paperless benefits open enrollment.
- Define training needs for each job track, manage certifications, and automate the scheduling and logistics of training programs.
- Investigate salary, turnover, and performance issues with easy, in-depth reporting.
- Use pre-defined alerts to trigger automated e-mails that keep employees informed about key activities and pending issues.

Increasing Efficiency with Sage Software

“The benefits group went from a five or ten-minute data entry and benefits review process for each employee, to about one minute with no data entry. With the life events management feature, new hires and employees experiencing a qualifying event can change their dependents, beneficiaries, and marital status at any time throughout the year. Abra Benefits Enrollment helped us eliminate day-to-day benefits administration maintenance, allowing the benefits team to focus on strategic initiatives.”

—Amy Burnham, HRIS Manager
Asurion

Every company already has a method for monitoring worker attendance and processing payroll. But are these processes as efficient as they could be? Automating payroll, using either an in-house software solution or a service provider, will ensure accurate, on-time paychecks and full compliance for taxes and insurance. A timekeeping solution integrated with your HRMS will automatically deliver flawless timesheet data for accurate payroll calculations.

Increasing Efficiency with Sage Software

"We have enjoyed the ease of use of Sage Abra HRMS and its ability to integrate HR and payroll information into one system. In fact, Abra Payroll has saved us so much time over the years, it's difficult to imagine what our jobs would be like without it. We have never had a payroll go out late and our numbers are always accurate."

— Ann Ballard, Payroll Manager
Truliant Federal Credit Union

"Because of Sage TimeSheet, we now pay twice as many people using the same core staff we had before."

— Jason Pick, Systems Manager
Military Sales & Service

Customer service

Everyone has experienced the frustration of waiting on hold while a customer service representative calls other departments to determine the status of an order. The service customers receive both before and after ordering from your company forms a lasting impression. A satisfying experience leads to positive word-of-mouth marketing and repeat business. An unfavorable impression is a future opportunity lost.

Consider This: An informed, friendly, and organized customer service experience helps your customers stay loyal to your company. To reduce errors and miscommunications, provide customer service representatives with access to any real-time data that affects order status.

CRM, combined with integrated accounting systems, provides customer service departments with access to critical order status information. With real-time inventory, logistics, shipping and billing information, the customer service department seems organized and knowledgeable, giving customers confidence that your company can satisfy their needs. Reporting and analysis features in CRM systems help customer service managers optimize the customer experience by shortening call queues, monitoring resolution rates, and tailoring additional training.

Warehouse

By improving efficiency in the warehouse, your company can serve customers more quickly and with greater accuracy. Carefully managing inventory reduces operating costs and can improve cash flow. Warehouse Management Systems (WMS) eliminate much of the manual paperwork associated with this part of the supply chain, and dramatically increase material management efficiencies without adding headcount. By implementing WMS technology with an integrated back-office accounting system, organizations can achieve a higher return on software dollars while providing the best possible service to customers. Consider implementing a WMS if your warehouse operations would benefit from:

- Reduced picking/shipping errors
- Improved inventory count accuracy
- Elimination of most paperwork
- Improved space utilization
- Reduction of physical inventories
- Better control of workload
- Improved labor management
- Reliable, easy reporting

Increasing Efficiency with Sage Software

“It’s as if our multiple warehouses and satellite offices are under one roof now... we can keep our eye on stock levels or do a query on a dealer invoice, no matter whether we’re in headquarters in Atlanta or the warehouse in Athens, GA... Sage MAS 200 ERP lets us put our efforts into selling. And it’s given us the turn-and-burn inventory system we needed, to streamline stock levels and boost profitability.”

— Fred Dulaney, Partner
Premiere Marketing

Marketing

In order to increase the effectiveness of marketing, it is critical to determine what types of marketing campaigns and offers attract the most interest from your customers and prospects. In many companies, it is nearly impossible to collect the right kinds of data to track and monitor which marketing efforts generate each incoming sales leads. Marketing managers find themselves in the unenviable position of defending decisions about the marketing budget without concrete evidence to support their assumptions or forecast sales leads.

Customer Relationship Management (CRM) software helps marketing professionals plan, execute, monitor, and analyze results of integrated marketing campaigns. CRM enables your staff to develop marketing messages based on detailed customer profiles, enhancing the potential of purchase. And CRM creates a better pipeline flow by automating the processes for capturing new leads and distributing them to sales. In addition to streamlining daily marketing tasks, CRM increases the productivity of each dollar spent—by giving managers the insight to spend their marketing budget on activities that provide the biggest boost to sales revenue.

Sales

There are several ways for automation to increase efficiency in the sales process. By implementing an ERP system to provide access to integrated company-

wide data, you can ensure that the sales staff has the information needed to produce quotes efficiently. For example, with real-time inventory data, there is no need for a salesperson to phone the warehouse prior to completing a sale. Similarly, access to customer financial data enables a sales person to use credit history data when constructing a quote, without checking in at the finance department.

CRM systems increase efficiency in the sales department by speeding up and automating the distribution of sales leads. Sales management can track leads flowing through the pipeline, thus ensuring that qualified leads receive appropriate follow-up. Managers can instantly review performance statistics in order to analyze the effectiveness of individual sales campaigns, sales persons, or teams and use this data to fine-tune sales performance.

Increasing Efficiency with Sage Software

“For the first time, managers now have full oversight over every step and phase of every project. This means our company is now fully empowered to effectively identify and track new opportunities, cut overhead, boost sales, and increase customer satisfaction. And all thanks to Sage Accpac CRM.”

—Tim Oliver, eBusiness Manager
Tensor International

The Executive Team

The efficiency gains produced by automating your organization reach all the way up to the executive suite. Easier access to real-time business performance data enables executives to effectively plan long-range strategy and adapt faster to changing business conditions.

Consider This: Do you have the reporting intelligence you need today to make the best decisions possible to shape your company’s future? As you automate key business processes, select analysis tools that measure your progress and identify further opportunities increase productivity.

Business Intelligence (BI) tools provide instant access to critical data without having to rely on IT or accounting to prepare reports. BI enhances executive productivity by presenting the information needed to make decisions in an easy-to-understand format that you can share easily across the organization.

Increasing Efficiency with Sage Software

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Conclusion

If your three most profitable customers went out of business tomorrow, is your company ready to respond quickly to replace that business? Sage Software and Arxis Technology, Inc. can provide the tools you need in your operations to react quickly. By reducing costs with increased efficiency and harnessing the expanded potential of productivity gains, you can reduce risks and make your business more agile. Begin assessing every functional area of your business today for opportunities to enhance efficiency and productivity—you'll soon find yourself at the helm of a more agile business, poised to pull ahead of your competitors.

Let Arxis Technology and Sage Software help you transform your business into a well-oiled machine! Call Arxis at 866-624-2600, visit www.arxistechnology.com, or e-mail "sales@arxistechnology.com" to schedule your free consultation.

About Arxis Technology:

Arxis Technology is a technology consulting firm specializing in the implementation and support of accounting and business management software. As resellers and consultants for Sage Accpac, MAS 90 & MAS 200, MAS 500, and Sage CRM, we use a variety of technology tools to help our clients maximize their success. How can we help you?

For more information, please visit our website at www.arxistechnology.com or call us at 866-624-2600.



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