



Making Technology Work for Your Business

A Guide for
Entrepreneurs





1

A smart strategy for your business

Technology initiatives can be intimidating. They are often perceived as being expensive and disruptive, with no guarantee of success. But companies that make smart, strategic investments in digital technologies can keep pace with the changing demands of their industry and their customers and reap huge benefits. It's a short-term pain for a long-term gain.

2

Create your technology roadmap

A successful technology project starts by knowing which systems your company is using and how. Map out your key business processes and identify the digital tools used at each step. Then, consider how you might make better use of your current systems—or implement new ones—to reduce effort, improve visibility and better serve your customers.

3

Build a digital culture

Make sure you don't forget your employees as you implement your technology projects. Be open and transparent, and make sure they have training and support to get through the change. It will help set the groundwork for creating a culture of continuous improvement in your company and ensuring your team is on board to support you.

How to stay competitive in a digital age

Digital technologies are disrupting every business sector and business function. From distribution and logistics, to sales and marketing, production, finance and HR, the digital revolution is creating new opportunities, changing business models and requiring additional investments.

Yet many companies are slow to react. They still rely on manual processes and spreadsheets to compile data, for example. This results in key people becoming bottlenecks because they can't find the information they need.

In other businesses still, technology solutions have been bought piecemeal by various departments. Software is often incompatible from one department to the other. Businesses try to compensate by doing manual data entry, increasing the likelihood of errors while wasting precious human resources.

A 2018 study by BDC found that businesses that were slow to implement new technologies were at the greatest risk of falling behind. **Most of the ones we talked to had already seen their sales drop off.**

Meanwhile, companies that use digital technologies effectively reported higher sales and profit growth, and were more likely to export and innovate. To gain these advantages, businesses need to take a practical and structured approach to technology.

What are digital technologies?



Distribution and logistics

- Tracking technologies
- Supply chain management software



Sales and marketing

- e-Commerce platform
- Digital marketing tools



Manufacturing / production

- Real time monitoring
- 3D printers
- CNC



Management, finance and human resources

- ERP
- CRM



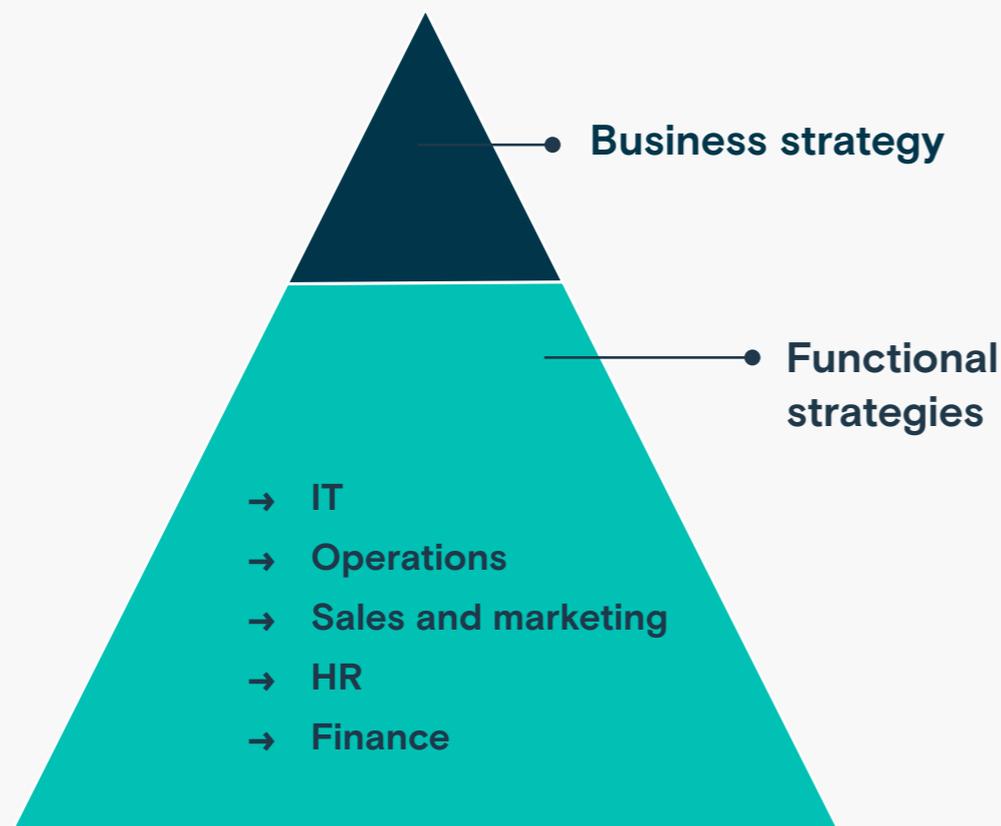
**A digital strategy
to make it all
work together**

What is a technology strategy?

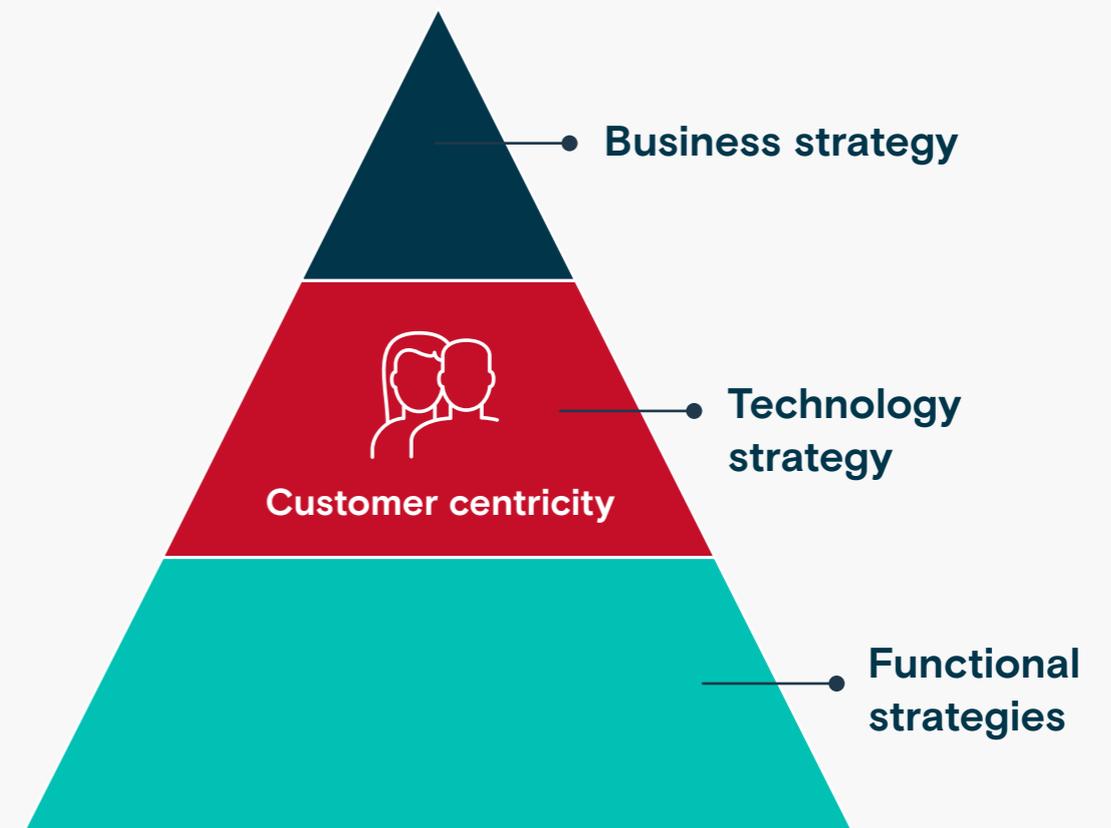
The traditional approach to business strategy saw IT as a function of the organization, carrying out operational tasks that were separate from other functions. In this model, decisions are taken in siloes, leaving businesses vulnerable to rapid technological change in their industry.

To counter this, entrepreneurs need to choose a technology strategy that bridges the gap between the overall business strategy and the tactics used by various departments. In this way, companies can prioritize technology initiatives that align with their business goals, connect and prioritize various projects across the company, and create a more customer-centric organization.

The traditional approach to business strategy



Business strategy in a digital world



Align your technology goals to your business goals

Know where you stand

To start creating your technology roadmap, you need a clear picture of how you compare to your peers. One place to start is with BDC's free digital maturity assessment tool.

This tool will give you an idea of where you stand compared to competitors in your industry.



Free digital maturity assessment tool

Reconfirm your business goals

Once you've assessed your current state, you need to reconfirm your major business goals.

- What are my strategic objectives and priorities?
- What would success look like five years from now?
- What do I need to get there and what role will technology play in helping me reach those goals?

Answers to these questions will ensure that your tech strategy is geared to meeting your business objectives.

Complete a market scan

Finally, look at the technologies and processes changing your industry to help decide what you need to do.

- Look for the main technologies that could give you a competitive edge.
- Ask if new technologies could improve your customer's experience, help you reduce costs or gain efficiencies.
- Look at what your competitors are doing.
- Identify disruptors, key technologies, risks and new business models.

Identify where technology can improve your processes

Next, map out your processes, from the beginning to the end of the cycle. What activities need to be completed by employees and customers? Who does the work and what, if any, technology do they use?

The goal of this exercise should be to identify bottlenecks or areas for potential improvement. It should reveal what's working and what's not, how you use data, and any gaps in competencies or resources. It will also reveal areas where technology can come into play for greater efficiency.

A great place to start is to reduce, and eliminate, paper-based, manual processes. Not only are these inefficient, prone to error, and a security risk, they also complicate collaboration and information sharing when staff is not in the same office. The latter was especially noticed by companies during the most recent global pandemic, COVID-19.

Existing process		Potential for technological improvement	
Customer places order		→ Online ordering	
Sales rep enters order into the CRM		→ Automated data entry	
Production staff enters order into the ERP		→ Automated data entry	
Order is sent by paper to the shop floor		→ Connect machines to the ERP	
Call trucking companies to find the best price		→ Automated freight matching	

How can technology improve the customer experience?

The needs and convenience of your customers should be at the centre of your technology strategy. Figure out what touchpoints you have with your clients to get a better picture of how digital tools can be used to improve their experience. Ask if technology can be used to improve the purchasing journey at every step.

① Awareness

How do clients become aware of your company?
Digital advertising? Social media? Word of mouth?

② Evaluation

Does your website provide enough information for clients to properly evaluate what they need from you?

③ Conversion

Is it easy to purchase from you, both online and offline?

④ Retention

How do you keep in touch with clients after they have purchased? Do you send them emails? Is their information stored in a database?

The goal at every step of this process should be to anticipate the needs of clients so they decide to purchase and repurchase from your company.

The explosive growth of e-commerce has given customers increased power to demand better—product, services, price, and customer experience. It has also made it easier than ever for them to switch to a competitor. This is an opportunity for you to differentiate yourself from the competition and a chance to increase customer retention and loyalty.

This starts with collecting information about your customer. In order to connect with your clients, you will need to invest more in data analytics to connect with clients before they begin shopping as well as to improve the overall consumer experience.

Tracking your progress: The role of data and analytics

Entrepreneurs have tons of data about their finances, customers and operations. All this data can be an invaluable resource that increases your efficiency and profit margins. Some businesses go even further, using data-driven insights to make key decisions, develop products and create new business lines. Here are four tips to start taking full advantage of your data.

1

Start small and find out what you already collect

Choose two or three things to measure at first. You may already have data on your finances for tax and banking purposes. You might also collect sales and marketing information, such as customer details and data on internet traffic and social media interactions. Operational or back-office data is also useful. Look at inventory turnover rates, product margins and employee idle time to find areas of your business that could be improved.

2.

Measure what matters

Ask yourself what your customers want and how you lose money to competitors. Retail customers may want shorter queue times or better service. Useful data in this case could include wait times, queue abandonment rates and average time to service a client. If you're a plumber, you might want to gather data on service time, travel time to jobs and time spent going to the store for missing parts or equipment. Also think about data that could help increase margins and reduce costs. For example, tracking inventory turnover may reveal that some product lines haven't had a sale in months, while others are often out of stock. The data could help you refocus efforts on higher-margin items, optimize restocking rates and reduce inventory costs.

Create your technology roadmap

3

Develop your data collection process

How often will you collect the data? Will you do spot checks on your performance? How will you record the data and validate its accuracy? Start simply and develop your process over time. As you tweak your methodology and gain experience, you can progress to a spreadsheet, dashboards and business software such as customer relations management or inventory control systems.

4

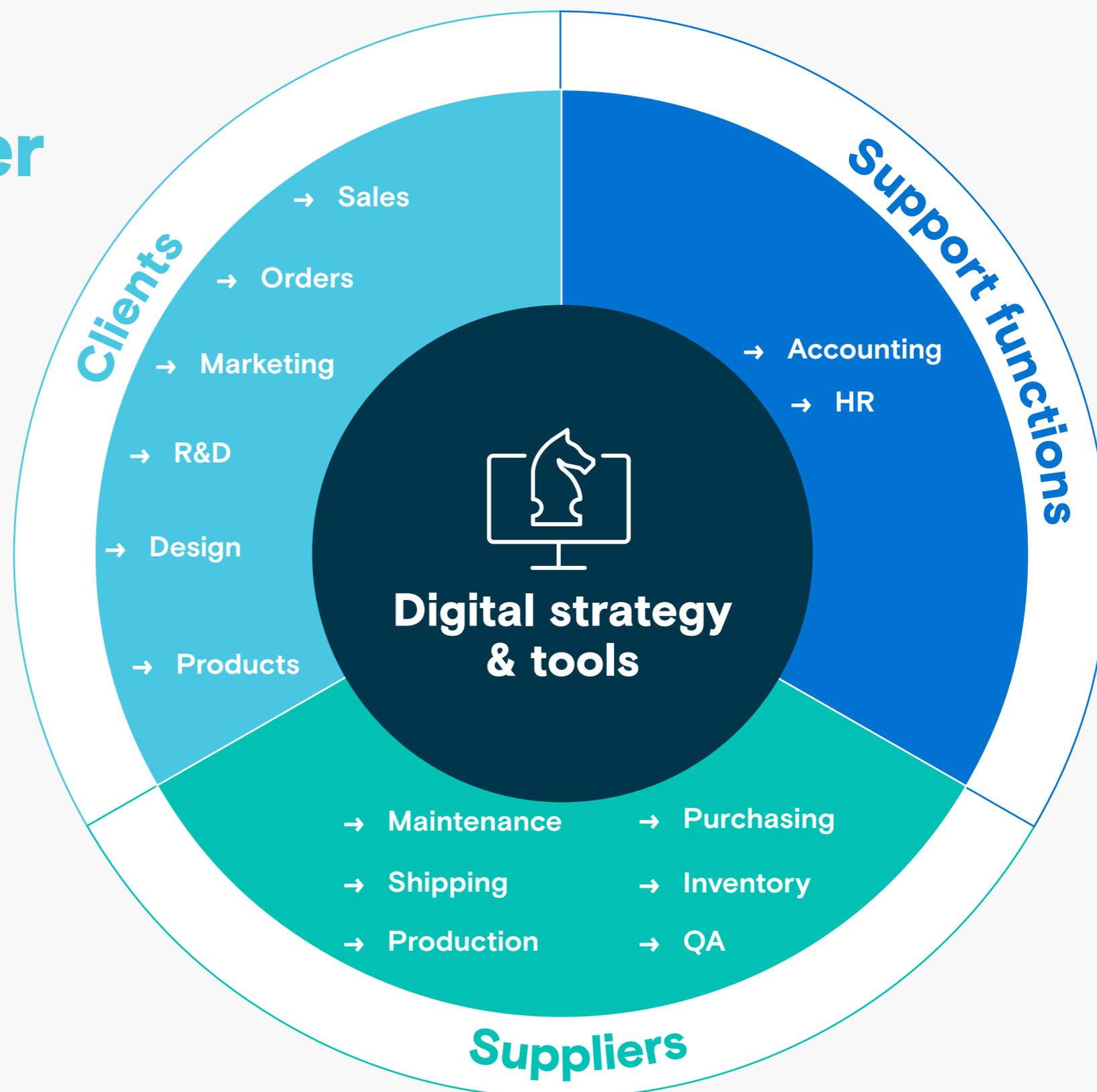
Use data for business decisions

A retailer could use queue data to optimize cashier staffing at peak hours, better direct queue traffic or add self-service or mobile checkouts. A plumbing service can use service time data to optimize training or improve stocking of parts and equipment in service trucks. Data can help you figure out what your next product will be, where to expand operations and how to personalize customer web experiences. It drives your whole business strategy.



Make it all work together

One of the key elements of your technology plan will be your enterprise technology architecture. This maps out all your company's technology elements and how they are connected to one another. You'll likely want to map the target technological architecture with all the proposed new technologies you want to add. From there, the next step will be to identify the potential integration points required. Try to identify applications that are difficult to connect, maintain or integrate in order to find solutions ahead of time.



Prioritize your projects

Ensuring your projects are adequately resourced is critical to their success but you can't tackle everything all at once. Your technology strategy should include a realistic schedule and timeline for your projects based upon your priorities, the duration of each project, and available resources, both human and financial. Don't forget to account for constraints that may limit your ability to execute.

Critical systems that are foundational for future developments and quick wins should be prioritized. Quick wins will build momentum for your project and highlight the benefits for your

employees. With an itemized list of priorities in hand, you'll be ready to put dates on your calendar and evaluate the costs of your projects.

Reminder: Technology-related projects need to be connected to company and departmental objectives in order to ensure that the investments made are aligned with the broader strategy. Otherwise, you'll just end up with the latest hot technology tool or system that doesn't support your established business objectives.

Year 1			
Q1	Q2	Q3	Q4
Build a change team			
	Install a new ERP system		
	Create online store for online orders		
		Connect online store to the new ERP system	
			Implement automated fleet matching

4 steps to building a digital culture

For your tech strategy to come to life, you not only need to embed it into your processes, you also need to weave it into your company's culture. The goal is to start thinking of yourself as a technology company on top of being an expert in what you are already doing.

- 1 Communicate clearly**
Share your vision for change with your employees often. This will help your team understand what you are trying to do, as well as address their concerns and anxieties.
- 2 Build a change team**
The team will help you lead the way in technology adoption and advise you in overcoming problems. It should be made up of leaders and stakeholders from IT and various departments.
- 3 Train your employees**
Technology will change your organization: tasks will be eliminated, roles and responsibilities will shift, new skills will be needed. Start by listing your employees' current skills and then develop a plan to help each employee adapt, based on his or her abilities. Close the gap with training.
- 4 Reward risk-taking**
Recognize and reward people for innovating and for making change happen.

[Learn more](#)[How to lead a digital transformation in your business](#)

How to overcome resistance to change

Let's face it, change—especially technological change—can be scary. When you plan clearly and build the proper foundation for your business vision, implementing change can be much smoother and you'll improve your chances of success.

Get management buy-in

Develop a sense of urgency around the need for change. This may help you spark the initial motivation to get things moving. Have an open and convincing dialogue about what's happening in the marketplace. If people start talking about the change you propose, the urgency can build and feed on itself. Make sure your top people are all delivering the same message as employees turn to them with questions.

Get employees involved

Managers tend to underestimate how upsetting change can be for employees. Start preparing employees for a major change months in advance, not while it's happening. Tell them about the new technologies you will bring to the workplace. Create a committee that will help lead employee adaptation to the new technology; include both enthusiasts and resisters to the plan.

Explain what's in it for them

When team members don't understand the consequences of staying with the status quo, they are less likely to want change. Discuss how the new technology will affect them positively but don't shy away from how it could initially disrupt the workplace. Consider offering incentives for those who adopt change rapidly and additional support for employees who have more difficulty adapting.



BDC is here to help. We provide business loans and advice to help entrepreneurs implement technology projects that set them up for long-term success in their operations and with their clients.

- **Discover our technology solutions for entrepreneurs.**
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