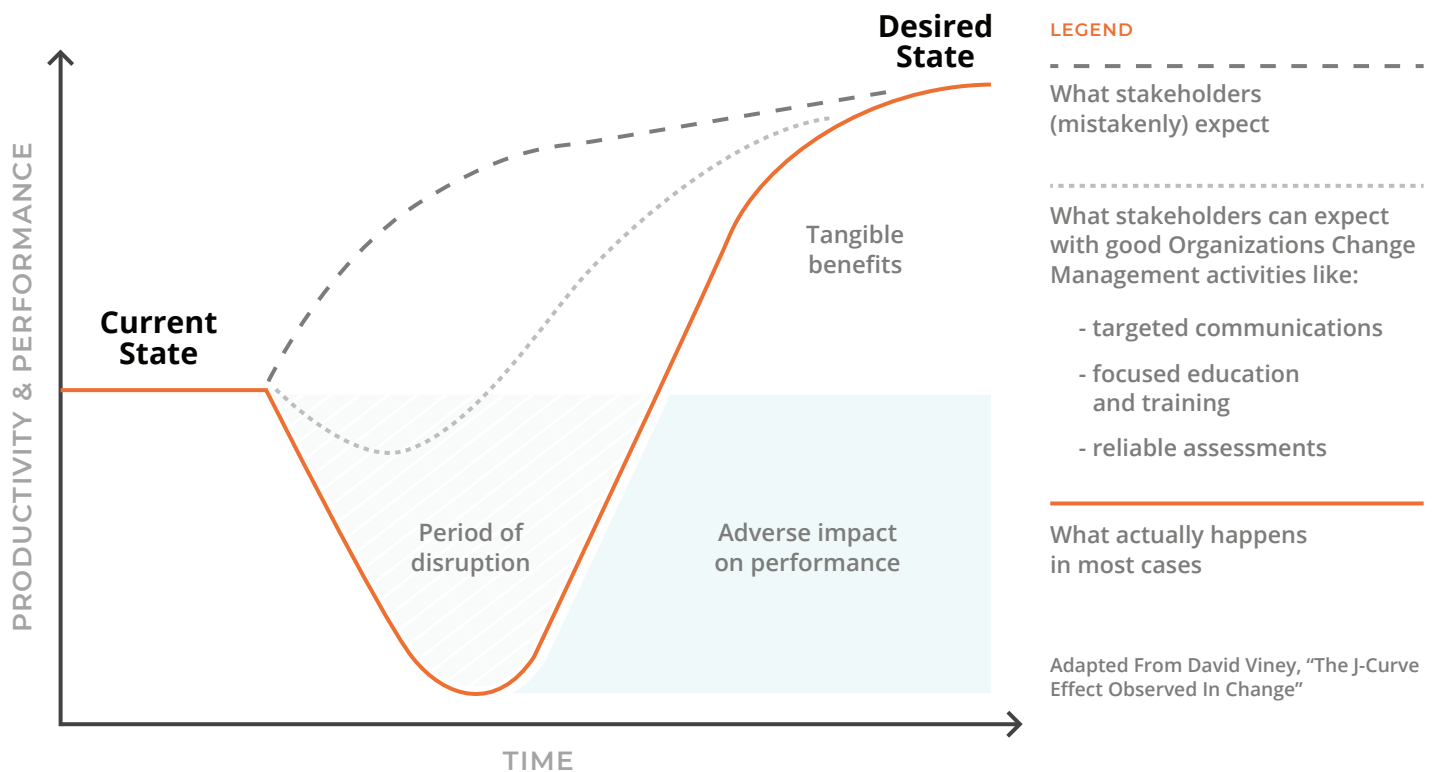# 9 Ways IT **Drives Profits**

By Thomas H. Douglas

IT that drives profits. An impossible dream, right?

Nope.

Admittedly, profitability through technology is something few organizations realize. But not because it's too hard to achieve or because you have to have a CTO to guide initiatives and facilitate the outcomes.

It usually fails to happen because of a focus—or lack thereof—on innovation.

Now, we've all heard promises from software companies that if we implement [insert amazing new application], we can save jobs and avoid hiring people. But this is rarely achieved. New applications bring new challenges and require training, both of which can negatively impact productivity. In fact, when bringing in a new application, you should expect your productivity curve to look something like this:

Desired State

Current State

PRODUCTIVITY & PERFORMANCE

Tangible benefits

Period of disruption

Adverse impact on performance

TIME

LEGEND

What stakeholders (mistakenly) expect

What stakeholders can expect with good Organizations Change Management activities like:

- targeted communications

- focused education and training

- reliable assessments

What actually happens in most cases

Adapted From David Viney, "The J-Curve Effect Observed In Change"

The good news is, IT can drive your organization's profitability in ways you may not have thought of. But getting there takes intentionality. Here are nine key ways IT can maximize profitability.

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1 CREATING CULTURE

I'm sure you have heard the saying, *"Culture eats strategy for breakfast."* It's true. Good culture reduces management headaches, increases productivity, and creates clarity and alignment. The exciting thing is that IT combined with good leadership can help your organization make massive strides in building a stronger culture. When good technology is in place, people can work and communicate more effectively. Additionally, this gives the leadership the tools and capabilities to stay in touch with the entire team. At JMARK, we accomplish this with two specific tools: Workplace from Facebook and Zoom. These two tools allow each person in the organization to stay aware of what is happening in the business, respond to challenges, and feel connected to areas of the business they may not be regularly exposed to. Just as importantly, these tools allow all levels of the organization to connect with leadership at any level and vice versa.

2 IMPROVING COMMUNICATION

Successful teamwork requires successful communication. The right technology will not only speed up an organization, but it will also make sure the right products, solutions, and services are sold and delivered in the right way. It is very common for an organization to have capacity, excess inventory, or availability in a specific area yet have a sales and marketing team that is totally unaware. This can negatively impact profits if, for example, you have a product that is underperforming, but your sales team doesn't know not to focus on it. With the right technology, clear expectations can be communicated to a sales or service delivery team if there is a delay, backlog, backorder, or production material challenge, ensuring that focus is on the right products and that expectations for service and performance meet reality. Likewise, if there is an increase in supply or a suddenly high-performing product, an organization can sell the excess, creating profits quickly.

3 ▶ INCREASING FLEXIBILITY

Good people need to have flexibility around their individual lifestyles. In 2020, many organizations were forced to facilitate working from home for all levels of employees. Going forward, companies with a technology design that empowers people to function from home or on the road will be able to retain good employees, offer their customers better experiences, and create better outcomes. Losing good people is one of the most expensive challenges in business, especially in sales. Create flexibility and drive job satisfaction, and your profits will improve.

4 ▶ FULFILLING CUSTOMER PREFERENCES

There are many shifts in the way people want to engage with and consume products and services. Just a few short years ago, most banking was done face-to-face, with cash dispensing done via ATM. Today, many people never go to their bank because everything is done online. It's the same story with every industry. Each business has to meet their clients and prospects where they are. Organizations have to find ways to do business online so more prospects can consume services faster and more easily than in the past. Using market studies and having candid conversations with your customers will help you find areas where you need to innovate and approach the market in new ways. Fulfilling customer preferences will allow your sales to increase as you outperform your competition.

5 ▶ IMPROVING UPTIME/PERFORMANCE

Have you ever called to talk to a customer support specialist about an issue and heard, *"I'm sorry, our system is down at the moment and I can't look that up."* Or, *"I'm sorry, my system is running really slowly today."* These types of issues frustrate your employees and your customers. By having a mature design that avoids these issues, your customer satisfaction and retention will improve—which obviously drives profitability. It also helps with employee retention (see point three above).

6 ▸ EXPANDING TRAINING

Investing in thorough training will help your organization get the most profitability from your IT. Unfortunately, most organizations only use about 30% of an application's capabilities. Consider expanding training to include security, best practices, and compliance. You may also want to train on common Microsoft Office tasks like managing email (especially using the To: and Cc: lines properly) and utilizing agreed-upon companywide standards and practices for efficient communication. Take your training to the next level by applying it to each tool used in your business, including the following:

- Core applications
- Document usage and storage
- Naming conventions
- VPN/remote access
- Other common processes people will follow often

7 ▸ PROVIDING SUPPORT

There will always be challenges and issues with technology (at least until it's perfect). Because of this, each user needs to know how to quickly engage the right resources at the right time to resolve the issues and get back to work. Many times, users will *"deal with a problem"* for hours, days, or even months because they don't know how or want to take the time to resolve it. When IT support is fast, easy, and enjoyable, these issues won't slow people down and prevent them from maximizing the performance they are able to achieve.

8 ▸ CONSOLIDATING/SIMPLIFYING APPLICATIONS

At JMARK, we have found that organizations frequently have too many applications driving too many servers and too many support agreements creating too many challenges. One of my favorite quotes is, *"Simplicity is the ultimate sophistication."* This is particularly true with IT. Reducing the number of applications (which are often redundant because one team didn't know another team was using an application that solves their problem too) will reduce the infrastructure required, along with subscription and maintenance costs. The network will then be easier to support. This all leads to a reduced IT cost and more profitability.

9 ▶ MANAGING SECURITY

The unfortunate reality is **every organization will have many cyberattacks**—and it only takes one successful attack to ruin a business. By having a good security posture, response plan, business continuity plan, and the right training, **a cyber breach that could otherwise cost thousands and even millions,** can be reduced to a relatively minor incident that has no substantial cost associated with it. While security investments are not inexpensive, they can make or break a business in a hurry.

Put all together, these nine items will help drive your business's profitability while also protecting it against loss.

Wondering how much you should be spending on IT this year? Click here!

Let's talk about your specific business and create an IT strategy that will drive profitability for you. Drop me a note at Tom@JMARK.com or call 844-44-JMARK.

The ⚛ JMARK Difference

JMARK combines IT security and strategy with a people-first approach to help your organization thrive. With teams dedicated to product development, testing, research, automation, and proactive solutions, we create meaningful outcomes that reduce risk and increase business velocity.

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