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The Evolution of Business and Financial Management Solutions

In the past several years, we've seen a shift not only in the types of business and financial management solutions that are available, but also in the way companies are implementing solutions to meet their specific needs From increasing revenue to reducing labor costs, a strategically implemented solution can make a huge impact on your bottom line.

Current Changes and Trends

We've seen three significant shifts among the business management solutions available today.

Solutions Are More Purpose-Built and Custom

When it comes to business management, a customized, purpose-built solution designed specifically for your vertical is far more likely to embody the voice of the customer. This is something you won't get from a more general solution. By design, out of the box solutions must cater to the needs of a wide variety of business types.

If your business has unique processes or workflow features—and it almost certainly does—an out-of-the box solution may leave functionality gaps. What's more, many won't allow for any kind of customization. If customization is an option, there are often associated fees. Sometimes, however, you won't see these up front, meaning your total cost of ownership (TCO) may be higher than you originally estimated.

A purpose-built solution can be implemented to include specific reporting and KPIs. These will give you insight into industry specific metrics, showing value and better measurement against industry standards. For example, there are industry specific solutions that have been designed to meet the unique needs of security companies based on how they do business, making those solutions as close as possible to a custom solution.

From an operational perspective, a purpose-built solution reduces cybersecurity risk. Several off-the-shelf solutions available today have been used as launch pads for attackers, who can not only take down your systems, but also access and attack your customers. With a purpose-built business management solution, the footprint of accessible data is smaller. This is by design. It has exact functionality, never over-stepping, and doesn't include other miscellaneous modules that you're not using.

Finally, there are the hidden factors that companies may not realize initially. These come to light over time, though.

One of the most easily overlooked areas is who owns the data in your system. You may mistakenly believe you own the data in the system you're currently using. However, many out-of-the-box solutions don't give you full ownership of the data, and when it comes time to switch, you may not be able to take that information with you.

Using Business Intelligence to set KPIs

Today's businesses are getting better at using data to make decisions. In fact, it's become critical.

Collecting data and making it visible can help you to run a more successful company. With features such as intuitive dashboards, business analytics tools and data mining, businesses have access to more insight for smarter decision making.

Many businesses miss opportunities (and threats) because of obscured line of sight. Thorough data that's compiled in a smart way can give companies valuable insight.

Identifying Issues That Contribute to Dissatisfaction and Attrition

Customer and operations data can assist in identifying issues that may be affecting your business.

For example, these might include reasons customers aren't as satisfied as they could be. They may even include reasons customers are looking elsewhere for security services.

Finding and correcting these problems can improve customer loyalty and growth.

Finding Opportunities for Innovation and Upselling

Similarly, those same data-based insights may help you to find paths forward for your business. You may be able to identify a class of customers that are primed for an upsell. Alternatively, you may discover a way to streamline your processes and cut costs.

When you have a clear line of sight to your customers and your business operations, you can make better choices.

Making Smarter Decisions

When planning the strategic future of your business, you benefit significantly from having clear access to your data. However, this can be challenging if the data is spread out and disparate. In many cases, poor data visibility leads to ignoring the data or worse, an incomplete picture when making strategic choices.

Scattered data is the single biggest problem security companies face when it comes to data visibility. If data isn't housed in and analyzed from one location, companies may not see the full picture.

Another common cause of data obscurity is simply not collecting data. Unifying your financial and business operations into one platform allows for a more holistic view of your business. That naturally leads to better data-based decisions.

Moving to the Cloud

The move to SaaS applications marks one of the biggest steps in the evolution of business and financial management systems. The majority of companies are moving away from the perpetual license model, opting for the superior customization of SaaS solutions. This trend is seeing an uptick for several reasons.

SaaS Has Become Less Expensive.

SaaS solutions offer a larger return on investment and come with a smaller TCO. SaaS has finally surpassed on-premise solutions in this regard. If you're looking for lower TCO, the costs of hosting business management solutions on-site is now, in many cases, higher.

Companies simply can't host their data as cost-effectively SaaS solutions can.

Cybersecurity Concerns

Second, the cloud isn't just less expensive. There's a safety element as well.

Cybersecurity risk is pushing companies to adopt a SaaS model as on-prem solutions are easily targeted by cyber criminals. With an on-premise solution, once attackers are in your network, they're in your network. From there, they have access to multiple systems and multiple layers of sensitive data.

The cost of a breach is high. Sometimes that's due to the ramson demands of cybercriminals. However, there's also reputation management to consider.

Cloud-hosted solutions mitigate much of this risk. Bold Group has seen more than 10 of our customers attacked with ransomware in the last year. In the wake of the damage, Bold Group helped transfer many of these clients to a cloud solution. Consider that a cautionary tale. It's much better to move before you're breached.

What should you look for in a business management solution?

Short answer: ROI.

When evaluating options for a business management solution, there are a few other key items to consider.

Industry-Specific Solutions

First, look for solutions that are unique to your industry or company function.

It's important to understand and acknowledge your requirements, as well as your "nice to haves." Don't skimp on this step. Due diligence is critical for identifying your processes and potential gaps.

For example, consider reporting and regulatory compliance needs. Identify the requirements from each department head and talk to teams in the trenches to ensure everything is covered. Then put together a list of metrics-driven requirements. If it will save X hours of time that you're paying X dollars for, how can the solution help address and reduce those costs?

Holistic Solutions

Companies should also look holistically at what the solution can do for them. What elements of your business does the solution help increase, decrease, improve, or add?

All of these aspects are related to ROI.

- What will the solution increase? Efficiencies and effectiveness? Will it retain customers? Increase profitability?

- What decreases as a result of implementing the solution? Headcount? Repetitive processes? Will it result in fewer bugs? Does it reduce or minimize touchpoints? There are so many places the same data is used across your different partners. Reducing redundancy in data entry drives down labor costs, saves hours and reduces manual errors, which reduces risk.

- How about improvements? Will it improve processes? Will the field service management now be able to talk to your CRM system? Are processes, reporting and compliance improved? Ensure the solution offers easy connection and integration points across multiple systems for the best improvements.

- And what does it add to your business? Is it creating new business? Are new features resulting in new benefits—even on non-quantified items such as morale?

Look closely at the difference between the hard costs of an on-prem solution and the licensing cost of a SaaS solution. Purchasing software may result in a higher up-front fee, but the cost usually proves lower over time.

It's important to go through the process of reviewing ROI and TCO to see what the true benefit to the company will be. You may go through this process and find that it's not worth it to make a change.

However, more than likely you'll see the added value of a SaaS solution for your organization.

Implementation

When you're ready to move ahead, it's critical to get buy-in on the solution from the top down. If one person on the leadership team can drive the "why" behind making this change, others will come on board.

The message needs to be consistent and focused on improving efficiencies, increasing scale, and driving other ROI-related value. If you don't have complete buy-in, you may get push-back. In fact, some team members simply may not use the new system if they don't understand the reasons for the shift. That always leads to failures in implementation.

When the time comes to implement a business management solution, there's a lot of upfront work to move to a new platform. It's important that organizations look at the long-term picture and benefit to the organization down the road. Don't focus on the amount of work needed to get the new solution up and running. Sometimes you have to slow down in order to speed up. It's a big undertaking to move to a new solution. But it will be worth it in the long run.

Additionally, it may be beneficial to run your new system side-by-side your old system for a period of time. This ensures everything is running smoothly and that the transition has been implemented correctly. If there's an issue, you can simply fall back on the old system.

It's also helpful to have a dedicated point of contact and system administrator to lead the process of implementing the new system. Make sure you have a project manager, as well. This role is critical to help onboard the application with employees, as is someone to own the administration functionality moving forward.

The Value of Integration

Finally, integration is a key factor in implementing new solutions.

For most security companies, the back office is highly focused on a few core functions: bookkeeping, billing, scheduling and reporting. These are typically organized with repeatable business processes. Although many teams don't often think about their back-office processes, they can be the source of serious inefficiency and resource waste.

It's common for organizations to have separate systems for:

- Management and billing software
- Job scheduling
- Invoicing and accounts payable
- Customer relationship management tools
- Alarm monitoring
- Workflow management

You can't focus on growing revenue if you have operational bottlenecks, time-intensive functions, and processes (or whole systems) that aren't scalable. Integration of your financial management and business operations in a SaaS platform can allow for more time to invest in onboarding new customers, planning for the future, and growing your business.

Research indicates companies lose as much as 30% of their revenue every year to inefficiencies. Even modest improvements in operations can boost the bottom line dramatically.

For example, simple things can help improve both your processes and customer experience—from the ability to effectively add RMR items and automate recurring billing to simply adding line-itemed dates of service for increased visibility to customers. Better yet, you can also save money by eliminating unnecessary manual entry and repeatable processes. Integrating your core functions into a single system will improve efficiency and strengthen your bottom line.

Final Thoughts

Business and financial management solutions have changed the way security companies do business—for the better The solutions themselves have evolved in response to need and performance demands. With a thorough evaluation of business needs and a better understanding of the value these solutions bring, it may be time for a change. There's no better time than now to move ahead with a strategically implemented solution that's tailor-made for your industry.

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