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Randy Johnston • Aug. 19, 2016

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Observing the new normal of slow business growth raises the question: what's the next big thing? Likewise, it is reasonable to ask if we are doing the right thing. In other sections of this month's publication there is coverage on both document management systems (DMS) and Enterprise Resource Planning (ERP) systems. While I've written columns on both of these topics in the past, they remain important to me now and support our Network Management Group, Inc. (NMGI)

specialties of infrastructure/networking, accounting software selection and paperless

standard of living over time depends almost entirely on its ability to raise its output per worker. And this is something we don't seem to be doing effectively now. Has technology stopped being a productivity lever? I think not. We are not leveraging new technology effectively driving down the return on investment (ROI) as we discussed in last month's column.

So What Can We Do About Productivity?

I certainly don't claim to be an economist nor will all of my suggestions be helpful to your operation. However, there are a few key items we can and should do to work on productivity.

1. **Acquire the right hardware** – Too many firms are taking profits home rather than investing in the business. Profits have moved up to around 12.53% of GDP in 2015 from around 7% in 2000. Having the right hardware tools can increase productivity.
2. **Carefully choose, augment and expand your software** – It is important to have the right software to run the business. This can include network and desktop operating systems, productivity software like Microsoft Office, ERP and accounting software from vendors like Epicor, Sage, Microsoft, Intuit and dozens more, DMS from vendors like eFileCabinet or Doc-It up to iChannel or Alfresco, payment management options like Bill.com, Sales Tax tools like Avalara or Vertex, reporting tools like Biznet, and the list goes on and on. Having the right software tools can increase productivity.
3. **Analyze and present your data effectively** – Data is processed to give managers information. We can develop summary information in reporting, but dashboards can give us real time reporting and actionable information. Microsoft is adding dashboard capability with PowerBI and we have a myriad of other options from MyBusinessManager, BizTools, Biznet up to Qlik, WebFocus or Tableau. Big Data

analytics are showing promise, and are another technique to spot trends in our

what their role is in the use of the systems. Good people that are trained well can overcome the deficiency of poor systems, but even a great system will fail if people do not understand how to use it. Proper and sufficient training is a universal shortfall in public practice firms and industry businesses alike.

After thinking about the "new" recommendations for you, it became obvious that the recommendation categories were the same ones that I had included in a book almost 40 years ago. The components of proper computing were: hardware, programs, data, procedures and people (3PHD) and these have been a guide throughout my entire practice career. As it turns out, there is nothing new under the sun that isn't included in these categories. They serve as a management guide to ask the right questions to have IT working for the business.

Can You Make A Difference?

Unequivocally, yes! Even if you don't have an in-depth knowledge of technology, you can use the 3PHD framework from above to ask the Rudyard Kipling questions immortalized in the short poem:

I keep six honest serving men

(They taught me all I knew);

Their names are What and Why and When

And How and Where and Who.

I've also referred to these questions in prior columns, but it is my belief that we are not asking enough questions. Why? Are we too tired, too busy, too lazy, too close to retirement, too profitable, too fearful of change, too content, or a "too" of your own making, too _____.

Consider stepping back from your day to day operations, block some time away from

learn, and discuss with your peers and business partners what is working and what is not. Just because everyone else is doing it, doesn't mean that you should.

However, I'm also reminded of a saying I learned from Dr. Bob Spencer: "If the sandbox is too full, find a new sandbox." If you're offering a service that everyone else is, you should consider changing. And if work seems like too much of a drudgery, it is your responsibility to change it. Simplify your practice rather than making it more complicated. Get your procedures consistent. Do what you love to do. Your clients will be glad you did.

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Randy Johnston has been an entrepreneur, technologist, and teacher for most of his career. He has helped start and run many businesses, and currently owns both Network Management Group, Inc. and part of K2 Enterprises. Randy is not afraid to tackle a business management problem or to get his hands dirty answering a low-level technical question. He is best known for his early and on-going expertise in networks, accounting software, paperless, and CPA Firm technology. His expertise has grown to touch virtually every technology in the marketplace. He is particularly well known for his Technology Update overview presentation. He helps businesses with strategic technology planning, accounting software selection, document management selection and planning, and business continuity planning.

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