

BUSINESS DASHBOARD

IT for the 21st century

Doing business in the 21st century brings its own challenges and pressures but by cleverly using IT companies can make that burden feel a great deal lighter, writes BRIAN SKELLY

A CHART showing the IT adoption by Irish businesses in the latter quarter of the 20th century would be interesting to observe. Over time, the percentage of large businesses using IT would have risen steadily as the benefits came to be understood by every sector of the economy from manufacturing to financial services.

A second curve depicting small and medium-sized enterprise (SME) adoption rates would show these to be slower and focussed more on office productivity than sophisticated applications running key business processes. Today, in the first decade of the 21st century, the two adoption curves have more or less reached the same point such that virtually everyone, from the smallest consultancy to the largest multinational, uses IT. The only differences is what they use it for and the scale of deployment.

In the quest to achieve complete business agility, the 21st-century Irish business is witnessing a greater alignment between customer relationship management (CRM) and the traditional accounts package, says Alan O'Connor, commercial director of Exchequer Software.

However, he warns, businesses tend to think of applying CRM as a silver bullet solution. "There is an increased level of interest among businesses in CRM

but while it can be extremely beneficial it can be just as complicated and time-consuming as deploying accounts.

"The obvious benefits are time saving, visibility and it is definitely the way to go. However, you could have the best sales people in the world and CRM can improve the sales cycle by automating such things as call reminders but it all falls apart if your after-sales service isn't in order.

"The biggest weakness facing any company, and it's especially true in the 21st century, is failing to deliver on what you promise. Therefore, just like accounts, CRM is another link in the chain and companies must think of the entire business cycle, especially after-sales service."

The vast majority of businesses may use IT but do they 'get' it, ie understand its true value? Phil Codd, country manager for SAP Ireland, has his doubts. "Irish companies in general still see IT as a major cost centre rather than a profit centre. Companies without IT simply can't survive yet they don't view IT as a strategic resource."

Codd believes that the challenge facing Irish organisations over the coming years will be to ditch outmoded 20th-century thinking that views IT as a cost and "unlock the benefits" of IT by viewing it as an asset. That sounds fine in principle but exactly how do you go about "unlocking the benefits"? One of the ways, he feels, is to concentrate your IT development effort on innovations that will set you apart from the competition and correspondingly less on systems that run standard business processes. Codd feels part of the reason large corporate clients are less keen to embark on major and costly software customisation projects these days is because they are not getting the value from the systems that they develop.

"You're seeing this in banking where it's now

recognised that there are a core number of processes a bank needs to do and they're the same across all banks," he says. "Where they can be unique — and IT can help them do this — is actually in how they differentiate the product itself. Why spend all your money trying to customise software to emulate processes you've had in your business for a number of years when you could be spending their money on ways to make your offering unique?"

Making itself unique, or at least very different, is arguably what TopSec Technology has achieved by means of a new homegrown IT system. The Leopardstown-based company, formed two years by the merger of IT security consultants Top Security and Systemhouse, has seen extraordinary growth in its broadband equipment division recently, to the point where it supplies most if not all of the major internet service providers, including Eircom, BT, Magnet, Perlico and Digiweb, with end-user equipment such as routers and line splitters.

Rather than deliver truckloads of equipment directly to the ISP's warehouse, it ships them straight to the end customer.

The company created its own Fulfilment Services Portal which allows ISPs to log in on a daily basis and send through their customer orders for that day. The smaller ISPs do this by filling out a web form on the system; the larger ones by sending them in batches. Each order includes full

details of the equipment to be provided plus contact details of the recipient.

On receipt of the order, TopSec's logistics team packs the appropriate product and organises shipment to the client. At the same time, the system sends back a confirmation to the ISP that that has happened. An email or SMS is also sent to the recipient to tell him or her that the package is on the way.

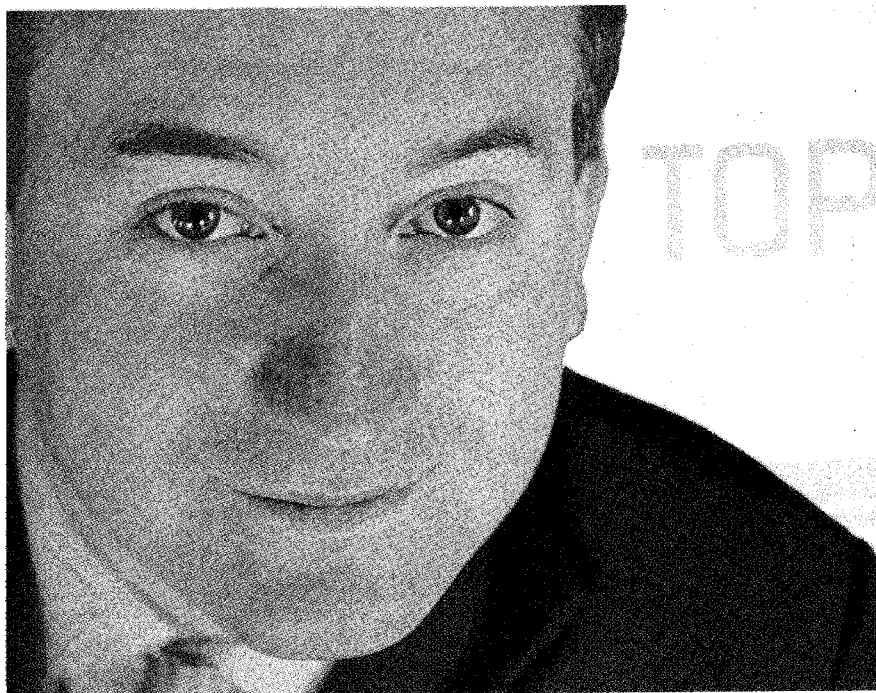
But the utility of the system does not end there. If a customer terminates a broadband subscription and sends back a piece of equipment, this information is entered into the system, thus creating a complete 'life-cycle' of the product.

For Dermot Williams, managing director of TopSec Technology, the beauty of the system is not just in the fact that it makes TopSec's job easier but that it represents a considerable cost and time saving for their ISP customers. "We're managing all the inventory levels so from the ISP's perspective it doesn't matter if they're shipping 50 or 500 routers in a day, it's all electronic. They don't need to worry about storing lots of equipment or getting people to pack the stuff."

In addition, by consulting the portal customers can instantly see what the status of a particular order is.

TopSec's portal may be a great example of IT innovation but an IT solution doesn't have to be purpose-built or proprietary. Consider the number of small Irish businesses using accounting and other business applications compared with just a few years ago.

centre rather
than a profit
centre'



Dermot Williams, managing director, TopSec Technology

'Irish
companies ...
see IT as a
major cost