

# SCALE UP YOUR BUSINESS: DIGITAL TRANSFORMATION FOR GROWTH

Vol. 5 of 8 in the Complete Guide to Scaling Up Your Business

## **To Prepare for Scale-up You Need a Digital Transformation**

This eBook focuses on digital transformation and IT. Every business makes use of IT to some degree. Not every business does it well, however.

It's common for businesses to find that their IT systems are holding them back as they grow. That is because they hadn't designed them properly for scalability, and now the systems aren't scaling.

Sorting out your business's IT before starting your rapid growth process will be much easier than adding it in the middle of your plan. This eBook looks at some things to consider when planning out the IT elements of your business.

#### Thinking About Scaling Up Your Business?

Book a Free Health Check to See What Areas of Business You Can Improve

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# **Table of Contents**

**Is Your IT Scalable? Are There Inefficiencies in Your** 2 **Systems? Are You Missing Anything You Really** 3 Need? How Easy Is It To Upgrade Your **Systems?** 4 **Can Your Systems Handle Increased** 5 **Demand? What Opportunities Are There For Improvement?** 6 Who is Responsible for Your IT? 7 How an IT Department Works in **Business?** 8 **How IT Can Work Best in Your Business?** 9

# Is Your IT Scalable?

It's very common that, as a business grows, its IT systems organically grow with it. The more growth that happens without a plan, the more likely issues will develop. So a thorough <u>IT review</u> can be a useful thing to do before you scale up.

The solutions are often researched and bought by the teams or departments that need them, with no real cross-communication. It's also often the case that only some people involved understand IT.

IT is as large a subject to learn as any other in business – possibly as large as the subject of the business itself – and needs expert guidance. If your business lacks that digital leadership, it's possible you'll need an overhaul before you can grow.

"Transformation has to be about delivering added value to employees and customers alike, not just deploying technology to reduce costs, or it won't have the outcomes you're looking to achieve. Making sure the whole company is on board with the programme of change will make it significantly easier and drive progress. Our change expertise will help you make it a roaring success."



- Harry, Board Advisor

# Are There Inefficiencies in Your Systems?

One of the most common problems is the development of overlap and inefficiency. If you take on solutions piecemeal as needed, the additional opportunities they bring can be overlooked.

It's common for a solution to have more functionality than just the one you bought it for. For example, you could use one software to cover the use of another completely. It may also be the case that a new option is available that does the jobs of multiple older ones.

#### Sometimes it isn't about overlap. It's simply a matter of scale.

Every solution has its best range for use; if you outgrow it, you should be moving on. Whatever the reason, you may find that your solutions aren't the most efficient options available.

If you're paying for multiple licences when you only need one, that's money that could be put to better use elsewhere. If you've outgrown it, the solution could be holding you back. Be honest about what you use and why you use it.

An important caveat, however, is this needs the input of the people who use the solution in their day-to-day work. There is a very good reason that they don't use one solution.

Replacing something that works with something that doesn't work for the sake of cutting back will likely only make things worse. It will slow down your employees' work, reduce the quality of their work, and even demoralise them.

### Are You Missing Anything You Really Need?

Another common problem to arise is gaps developing in your system. When on a smaller scale, these gaps can go unnoticed. Eventually, though, they will make themselves known.

You don't want to discover that something is impossible just as you need to do it for the first time. Not only will this delay the job being completed – possibly with a client waiting – but it will put a lot of pressure on getting it fixed quickly.

For instance, if you provide an app as part of a larger service, you may want to expand it at some point. However, if the solutions you used don't allow you to add another tab to the menu, this massively limits your ability to grow the app.

These issues really need a <u>digital expert's</u> eye to assess them. You need to know tech to see the problems that may be there. Gaps may be present, but most people lack the skills required to spot them.



# How Easy Is It To Upgrade Your Systems?

Tech needs to be updated if it wants to stay competitive. IT hardware is constantly getting faster and bigger in terms of data but smaller in terms of the necessary size. How it's upgraded will make a massive difference to long-lasting costs.

That doesn't mean you need to be at the very cutting edge with all of your computers. An office doesn't need revolutionary, top-end processors. But you do want to be able to keep up with the bare minimum.

You'll be spending far more than necessary if you have to replace everything in one go to complete a system update. Therefore, a welldesigned IT system will be planned with incremental updating in mind.

## Smaller upgrades will reduce waste, keep you better equipped for longer, and cause less disruption.

But, again, it helps to have someone who knows what they're doing involved in this process.

You want to make sure that when you purchase something: It will work with your existing systems, so it can be used as is. It will continue to work around several possible changes. It's easy to change if you need to.

Not everything needs to meet every condition, and if it brings enough value, it may still be worth it. However, remember that its value will only stay that way for a while. Digital transformation is about futureproofing your business.

### Can Your Systems Handle Increased Demand?

Unsurprisingly, one of the most important parts of whether or not your IT is scalable is whether or not it can grow. It's not likely to be a successful scale-up if your business can't conduct any more business.

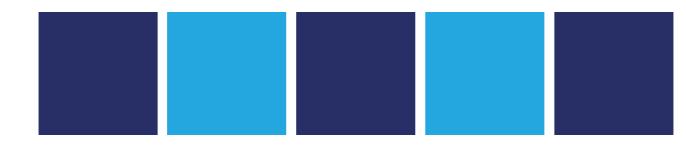




If your business's website can't actually handle many more orders, you will struggle to make the increased sales you're hoping for. Therefore, your IT's capacity to handle increased demand is crucial to scaling up.

Are your current systems scalable, or will things slow down with increased activity? Of course, you don't want a server grinding to a halt over too many requests. It can help to get dedicated support on this issue.





### What Opportunities Are There for Improvement?

IT isn't just a tool to use in the background. It provides many opportunities for your business to grow in and of itself.

Most businesses gather data over time just from their normal operations. The data can be put to use for your business.

You could use your <u>customer data</u> to build better-tailored marketing or model the market statistically. Your data offers the chance to partner with another business. A digital expert will have a better idea of what you could do.

# Who Is Responsible for Your IT?

As with any important area of your business, it's easier to get it right if there's someone responsible for your IT systems. Having someone who truly understands IT take ownership of your system means it's much less likely to become a problem for your business.

Does anyone on your Board have a good understanding of IT or digital technologies? Of course, exactly what you need will vary depending on what your business does, but you will have something to work on.

The more integral computers are to your business's operations, the more important it is that an expert runs it. If you don't have anyone on your Board with the skills for the role, consider if a new Director may be necessary.

An <u>IT Director's</u> work is a lot like the duties of an <u>Operations Director</u>. They're there to ensure that everything grows in line with the business growth to retain function. So you want to avoid wasting money, developing inefficiencies, and becoming understaffed.

You also want your IT strategy to align with your overall growth strategy. Beyond what is needed to maintain functionality, you want your IT to prioritise the parts that will directly support the rest of your growth.

Likewise, it's good to have someone involved at the strategic level in charge of the department's budgeting. Someone who knows what the business needs will draw up a budget that best aligns with your growth strategy. It can be hard for a Board without the expertise to know what it's ok to sign off on.

### How an IT Department Works in Business

A business's IT department doesn't work like most other departments. Unfortunately, this can make them hard to understand for most managers from more traditional business backgrounds.

In many ways, they're like a fire department. They'll work in the background, offering advice to prevent problems from developing. But, if they're listened to, you shouldn't see too much of them.



An IT department that's constantly busy trying to fix various office issues has either not done its job properly or has not been respected properly. If they've done their job well, they won't be running around putting out fires.

That becomes an issue because many people struggle with managing a team like this. Of course, you want them to be relaxed, but this makes them harder to monitor through targets or productivity.

Having someone who understands the role of your IT team on the Board means your business can get the best out of them. They'll know enough to assess competency without being caught out by cultural differences.

## How It Can Work Best in Your Business

So far, every section of this eBook has mentioned the importance of having technical expertise on your Board to give IT its due representation. If this is something your business is lacking, consider considering finding a way to add it.



## IT is just as important as any other business area, but it is often overlooked.

Treating it with less care than you would your finances or operations will lead to your business developing problems just as quickly.

A <u>part-time IT Director</u> could be what you need if you want this support but would prefer to avoid committing the resources required to hire a full-time Executive Director. Their flexible contracts can suit your business needs as you need them.

If you're unsure whether you could benefit from a senior IT expert on an ongoing basis but are aware that you need help, then you could start with a <u>digital transformation review</u>. That will help uncover and identify the issues and create a plan for tackling the needed changes. It's a great place to start!



#### Do You Need Help With Challenges Facing Your Scale Up Business?

Boardroom Advisors can help you with challenges your business is facing. Examples of challenges you may be experiencing include:

#### **Strategic Challenges**

**Financial Challenges** 

**Management Challenges** 

#### **Operational Challenges**



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