



Courageous Business Choices in a Weak Economy

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Lately, many of my current and potential clients have asked me why they should invest in new software development when the economic climate is so uncertain. It's a fair question, and an important one.

You already know that investing in your business should be done carefully, even in the best of times. When things take a turn for the worst, it's doubly important that you examine how money is being spent, and where you can cut corners. Decisions become more critical: should you increase your advertising, incurring higher costs, or decrease it and risk losing business to your competitors? Lay off employees and save on wages, taxes and insurance, or try to keep them so that your sales and production capacity is not jeopardized?

Reason 1: Good data means good decisions

Only you can make these agonizing decisions. What are you going to base them on? Not to discount your gut instincts (your business's success probably owes a lot to them), but without good information, you may not be able to make the best decisions. For example, do you know where your top sales come from? Is it your sales staff, referrals, advertising on the web, in magazines, other media? This is the sort of information your database software could be tracking for you today, not to mention producing reports that help you make sense of it all. A properly designed sales system can give you the edge you need.

Reason 2: Adopt now, when you can devote the time

Let's look ahead 18 months: The US has weathered the worse recession in our lifetimes. Now, things are starting to look up. Your sales are climbing, and for the first time in a while, you are thinking about increasing capacity and taking on new staff. The best part is, you had the foresight to plan ahead and put a new database system into place to handle the inevitable uptick in sales. You are able to track your sales and advertising, and maybe put a referral rewards program in place. You have the ability to serve your new customers efficiently (and keep them!), and you have even gathered some history to help you decide where to focus your time and dollars next. All of this because you recognized that adopting a new database system when things are slow is easier than when you are overloaded with orders. Congratulations!

Reason 3: Make the most of your staff

Companies are shedding employees every day. It's sometimes an unfortunate but sensible business choice. But whether you are laying off staff or working your hardest to retain them, you need them to work as efficiently as possible. If they are struggling with information, wasting time trying to communicate amongst themselves and with customers, they are not working efficiently. The phrase, "time is money" is no longer relevant. I prefer to say, "time is the new money." We trade in time on a daily basis; wouldn't you rather do business with a vendor who can deliver your goods and services in less time, with less hassle?

Take a moment to consider this scenario: you have twelve employees. You adopt a new database system that saves each of these employees five minutes per hour (a conservative estimate, to be sure). For every hour that these twelve employees work, you have saved the cost of one hour of employee time. Thirteen employees worth of work for the cost of twelve. Not a bad return on your investment. If they save ten minutes an hour, you save the cost of two employees' time, etc.

Investing in software infrastructure for your company is always a smart decision. Information is a powerful and critical tool for your business, and it offers a measurable competitive edge.

Businesses that are willing to invest in their future *have* a future. The choices you make now will make a significant difference later. The economy will improve - it's just a matter of time. The Alchemy Group is currently assisting businesses who are using this time to strengthen themselves and their infrastructure. Call or [email](#) us — we'd be happy to make this time more valuable for you and your business.

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March, 2009