

Every high-growth business grapples with decisions around the best business system to manage its expanding operations. Proper planning of an integrated business management software system often takes a back seat to short-term revenue acceleration goals. As a consequence, various disparate applications are installed at different points in time in various functional areas resulting in business process inefficiencies and software integration challenges. But how did these problems arise in the first place, and how can they be avoided.

Architecture of a Typical Siloed Business System

A growing company can quickly become entangled with a complex application landscape. When starting out, companies first install accounting software such as QuickBooks so that they can manage their financial books.

To help gain more customers, companies then put in standalone lead management systems, along with separate systems for resolving customer service inquiries. Inventory management, order management and fulfillment systems get addressed with disparate software and spreadsheets.

To further increase top-line revenue, most businesses open new locations and expand into new sales channels resulting in more sophisticated processes for e-commerce integration, recurring billing, financial consolidation, etc. Additional business software to support these processes can take the form of standalone applications from different vendors, homegrown applications, or a variety of spreadsheet workarounds.

Companies that evolve their systems over time in this manner can find themselves with poorly planned architecture that handles short-term tactical needs sub-optimally while holding the company back from scaling efficiently over the long-term. This tangled web of siloed business software systems hinders flexibility, productivity, and ultimately slows down the company's ability to grow.

Business Challenges Caused by Having a Siloed Software System

When high-growth companies have several siloed applications, there are many business challenges that arise. These challenges can become so severe that they can cripple growth. The following is a summary of the five main issues that can hinder your growth if you run a business with disparate business software systems.

Wasted Employee Productivity

When your company is in growth mode, every employee must be performing at the top of their game. If your employees are bogged down with inefficient processes, mistakes will take time away from their more important core duties. Important processes such as order processing, invoicing, expense approval, and fulfillment, to name a few, can take a lot longer to get completed, and are often erroneous. For instance, your employees may be spending hours manually re-entering order information into the accounting and invoicing system, while other employees pull that same information from your CRM system for their order fulfillment processes and to calculate sales commissions. If any orders are cancelled in the meantime, your employees have to sift through mounds of data to reconcile this

information again. Such labor intensive and manual tasks reduce the agility that your company needs to grow.

Lack of Real-Time Visibility

When software systems are unintegrated, you have several overlapping databases, and cannot easily get a view of business performance in real-time. Reports showing performance across your finance, sales, marketing, service, and fulfillment departments are crucial to giving you an integrated view of your company's operations. Most companies simply give up on acquiring this information on a regular basis because of the amount of time it takes to source, extract and analyze this data. For those that do, countless hours are wasted trying to tie unrelated, error-prone, and out-of-date information together. Consequently, businesses either end up making critical decisions slowly, based on inaccurate information, or they make hasty and risky decisions off of gut instinct.

Integration Complexity and Cost

With so many disparate applications, IT wastes an enormous amount of time and money on integrating, maintaining, and acquiring new versions of these applications. Oftentimes, once new versions are purchased, even more integration and maintenance needs to be performed for all the different versions of software to work together. Consequently, valuable IT time that could be used to make the business more productive is wasted, while maintenance costs skyrocket.

Increased Customer Churn

Customer acquisition and revenue growth are key pillars to your company's continued success. With fierce competition, it is essential that your company provide an exceptional customer experience or risk having customers take their business elsewhere. When customers are unable to quickly get information on their order status, can't get issues resolved in a timely manner, or have to frequently deal with products being out of stock, they will be less satisfied and less likely to continue purchasing from you. An integrated software system ensures that customers have the right information and customer experience and that your employees have the instantaneous access to all the customer information they need to service and sell to your customers.

Advantages of Integrated Software Applications

To keep your business growing at the dramatic rates you plan for, it is essential to have your business software applications integrated around a single codebase, database, and business process. The advantages of designing your systems in this manner yield tremendous cost savings and improved business productivity, including:

Process Efficiency across Your Organization

There are several key processes that you may encounter in your daily operations, such as order management, fulfillment, invoicing, cash collection, expense approvals, and financial consolidation, to name a few. Automating such processes enables you to avoid new hires that would otherwise be required to manage these processes, and redeploy staff to higher-value activities to help your business

innovate and grow. In an ROI study by independent analyst firm Nucleus Research, of customers using Intellitek Systems, the world's leading integrated cloud business suite, Nucleus found that by using an integrated suite, companies accelerated their financial close times by up to 50%, increase sales productivity by 12.5%, and increase inventory turns by 50%, amongst other efficiencies.

Dramatically Improved Visibility

Real-time visibility is important in making timely informed decisions. When information can be accessed instantly from almost anywhere, without wasting resources on data, extraction and tying data from different sources together, employees are better informed and can make more accurate, faster decisions.

Significant IT Time and Cost Savings

With IT no longer having to procure, install, and maintain multiple systems as well as the various integrations between them, a significant reduction in operational costs can be realized while IT time can be spent improving the business operations.

Accelerated Growth

With an integrated software system, expansion to multiple locations and additional sales channels can be accomplished a lot faster because of unified order and accounting management processes and data. Companies can also upsell and cross-sell more efficiently to their existing customer base because of the improved visibility they obtain.

User-Driven Innovation

Because process changes can be implemented quickly, everyday business users are able to apply their functional expertise to tailor processes and applications in a way that improves performance. Meanwhile, IT is liberated to focus on strategic initiatives that can add value to the bottom line by building innovative value-added solutions.

Conclusion

Today, companies in virtually every industry are using sophisticated business software to fuel their growth but many are still struggling to keep up with their growth and manage costs effectively because of a hodge-podge of disconnected functional systems causing process bottlenecks and employee productivity issues. Integrated business software suites are transforming how companies run, and enabling them to transcend growing pains that previously were holding them back from taking their business to the next level of profitable growth.