



Accounting for lost time

*In a service-based economy where time really is money many businesses are literally leaking dollars and cents like a sieve. Without a meaningful task assignment, time-tracking and billing system, how will you know that you are potentially pouring money down the drain? **David McNickel** investigates the new wave of service automation systems that can help to stem the tide and manage service workers more profitably...*

All businesses operating in today's service-based economy share a common interest in evaluating the effort, cost and bill-ability of human resources. Until recently, however, extending the operational efficiency of an organisation beyond its gates has been a challenge. People don't necessarily work the way time-sheets and Gaant charts do. Pen and paper-based systems often dominated in smaller enterprises, and untraceable profit leakage has just been the cost of doing business. Today, though, innovative new solutions to these age-old problems have arrived, they work, and they're available at a fraction of the cost of yesterday's enterprise management systems. "We have never seen a revolution in technology like we're seeing today," says GeoOP CEO Leanne Graham. "Business processes are moving into the cloud and onto mobile and that transition is delivering sophisticated business technology right down to micro-business at a commodity price." Want your mobile staff to be able to quote, do the job, create an invoice and be paid – all during a single client visit? Do-able. Want to know the inventory levels in all your technician's vans real-time (and where they are)? Just log in and check. Want alerts for critical business processes sent to relevant team members automatically? Create the job and it will happen... but first you'll have to pick your system.

So what types of solutions are out there? Of course the fully integrated in-house ERP system always remains a strong contender for a medium-sized business wanting to move on from Excel spreadsheets and Access databases. And most ERPs today have expanded their touch-points to mobile teams and clients via portable devices and self-service internet portals. Full ERP functionality has now also been extended

to the cloud, delivering the backend and business process benefits of an in-house system over the internet, without the on-site maintenance overhead. Best-of-breed solutions are still commonplace for industries with unique market-niche requirements, and more recently a number of cloud/on-site hybrid solutions have emerged that deliver sophisticated cloud-based process management and business transparency tools, while simultaneously integrating with an organisation's existing in-house financial management solution.

Timely comparisons

While critics of best-of-breed solutions still point to the potential expense and performance challenges of connecting disparate systems, in some cases the specific requirements of an industry make best of breed a logical choice. Zavanti, for example, was founded to address the needs of businesses operating in the construction, real estate and professional services sectors. "We built a system to fit in with the specific processes they're dealing with," says founder Ian Plater. "How they do their billing, how they manage multiple projects in different combinations, how they manage their sub-contractors. It hasn't been a case of us saying 'we should do this or that', it's been developed in response to what the industry actually requires." So if your business is unique, then best of breed could be your answer.

And then there are cloud solutions – what about them? A fully fledged cloud solution means you essentially rent your ERP – which is housed in a box somewhere off-site – alongside many other company's solutions all in the same box (a scenario described as multi-tenanting). Your system is configurable to your business within the parameters of the





master solution and backups, maintenance, data storage, security and upgrades are all the responsibility of the cloud provider, which significantly decreases your spend on IT staff. In the past critics of cloud solutions have pointed to risks relating to downtime and data security, but today, given you're operating in a region with a generally stable internet service, there's actually likely to be less downtime in the cloud than you could expect running your own server stacks in-house.

The question of uptime is always two pronged anyway says cloud ERP provider NetSuite's Dean Stockwell. Firstly you have to ask if your provider is 'up' and secondly if you are 'up'. It takes two to tango and both sides need to be sure they have applied the appropriate resource to their connection. "Our uptime guarantee is 99.5%," he says, "and our current standing is 99.85%." For a client operating in Outer Mongolia (yes, there are businesses there) Stockwell says for service redundancy he recently recommended that they maintain an internet pipe with two different providers. Although this might seem unnecessary in Australasia, it's not unheard of, as Navman recently had to deploy two pipes (via WorldxChange) to their Auckland head office, given the repeated failure of another provider's solo connection (due to ongoing roadworks).

Not surprisingly, Greentree CEO Peter Dickinson recommends a fully integrated in-house ERP solution, and says organisations need to be aware of the risks of moving all their data to the cloud (you might not be able to get it all back, he says, should you wish to change providers). Dickinson notes Greentree will soon be releasing a report designed to help businesses comparing cloud and in-house solutions to evaluate the efficiency of providers in the field. Interestingly, a recent

survey in the US found that some A-list cloud providers like Dell vCloud and Microsoft Azure, for example, were delivering overall performance slower than that provided by dedicated in-house server racks.

"Businesses need to understand there may be performance issues," Dickinson says. "If you're moving your core business software online, you need to know how to measure whether you're getting what you signed up for."

Alternatively, if you want to maintain your existing financial system or supplier, but want enhanced operational functions, hybrid solutions like GeoOP and SimPro can deliver the professional services automation tools your company desires (scheduling, service management, sales management, invoicing etc), without requiring a complete swap out of unrelated business systems. "If you're already entrenched with MYOB or QuickBooks," says SimPro CEO Brad Couper, "to switch a financial package and implement a new operational software solution at the same time would be a tall order. So we just allow the operations guys to configure our system how they want it while the finance people still have their familiar solution and absolute control over their domain."

Why automate

Once organisations expand beyond a couple of staff and particularly when a workforce is mobile, many companies begin to leak profits like a sieve. The reasons might be geographic, relating to poor route management through traffic congestion, for example. With GPS integration, a solution like GeoOP easily removes the hassle of poring over a street map for directions to the next job says Graham. "In big cities if you don't optimise getting your people from job to job they can waste half a day just sitting in traffic. And it improves customer service. People are busy and they want to know when you're arriving - they don't want to be sitting around all day waiting."

Alternatively, profits could be leaking due to task-avoidance. Perhaps it's a job variation on-site not being billed because a technician can't be bothered with the paperwork. "With a mobility app you can easily create a variation on the job," says Couper. "We have around 40,000 field engineers on the road using SimPro and typically they'll be asked to do two or three variations a day. So if they can easily create a variation on their device and get the customer to sign on glass, it's an extra \$50 or \$100 a day per technician and it makes a massive difference to your business."

Occasionally, though, the reasons behind the profit leakage might be more malevolent - staff doing cash jobs on the side using company vehicles and inventory for example. Integrated fleet tracking means you know where your vehicles are at all times, and if on-board inventory is being billed to jobs, integrated stock management software will quickly identify

variations and any staff members who are running their own business on the side at your expense.

Devices with built in cameras are also great when you need to prove you've actually done the work, says Greentree's Dickinson. "We had a client doing landscaping for councils. They put in shrubs in the afternoon and they'd turn up the next day and the locals had stolen them. It sounds ridiculous but now they can take a photo and attach it to the job so the council can see they actually did the planting."

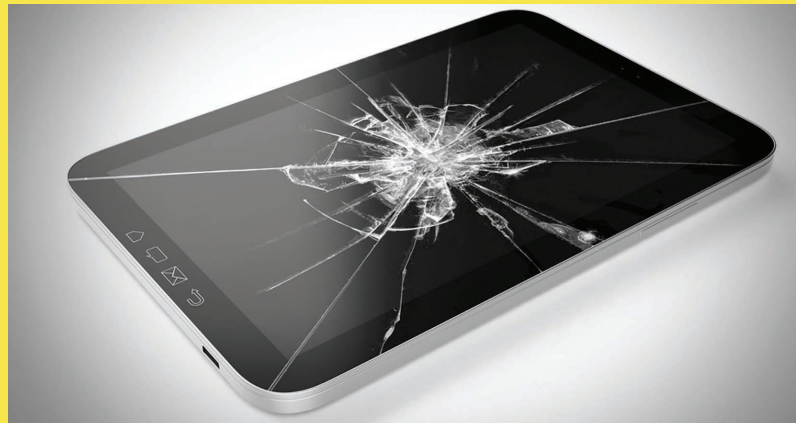
Getting your money's worth

Some aspects of return on investment are easy to calculate. For example, if you have a team of 30 mobile plumbers that you're billing out at \$50 an hour, and your route planning solution or automated job allocation tool gives them as little as an additional 30 productive minutes a day – that's a potential \$3750 a week added to the bottom line. If a company like this had deployed GeoOP, says Graham, the system would have paid for itself on day one. "Our pricing is free for administrators and \$20 a month for mobile workers," she says, "so you're literally talking about a ROI in less than half an hour of an individual's time a month."

While this type of 'dollars divided by time' ROI equation is simple enough to calculate, many other payoffs aren't as easy to quantify, but deliver substantial intangible benefits nonetheless. Dickinson points to one managing director who credits his new Greentree ERP with winning his company a multi-million dollar contract. "They went in for a presentation," he says, "and showed the client their new system and how the client was going to be able to self-service and connect with them online and the client was so impressed with how seamless it was going to be that it basically sealed the deal there and then."

Other benefits not recognised in a typical ROI calculation include the ability to retain and attract talented staff (service staff actually do want to give good service and become discouraged when system shortfalls let them down), and of course the all-important cash flow. With invoices being processed on-site (and sometimes paid there too) job books aren't being lost in tool boxes and work is being accurately tracked and billed (and if it's not, the boss will get an automated alert).

Asked to summarise the benefits of his product, Zavanti's Plater seems to speak for all the vendors in the services automation sector. "What we're delivering is a consolidated, single view of the truth, able to be accessed from a wide variety of touch-points, devices and locations. That gives managers enhanced real-time knowledge of what's going on in their business, and that in itself becomes an integral part of their business process." ■



Tougher than the rest

While there are those who will say extending your business systems to your mobile workforce is as simple as downloading an app to their iPad or iPhone, Mobico's Aldas Palubinskas says many early adopters of that approach are already retiring their multi-functional consumer-centric smartphones and tablets in favour of 'dumber', but more dedicated, task-specific mobile devices. There's a long list of reasons, he says, but probably the overriding theme is that consumer tech just isn't built to take the sort of punishment that work situations inflict.

"Our enterprise-level devices are engineered completely differently," he says. "They're drop-proof and they're designed to be used 24/7, seven-days a week for five years in a row." Contrast that, he observes, with smartphones that can't get wet, won't survive a drop from great height, and aren't easy to see in

bright sunlight. They also need more frequent charging, their OS upgrades aren't guaranteed to be compatible with your business apps and if they're lost or damaged they're not easily swapped out, meaning workers are unproductive until their device is repaired or replaced.

"I'm not saying nothing can go wrong with an enterprise mobile device," he says, "but if one is damaged, you just plug another one in and the data comes back down and you're off again."

While a bespoke enterprise mobile device can be up to three times the price of a consumer one, Palubinskas says ultimately the numbers on consumer-tech don't add up. "People are abandoning the smartphone approach and moving back to work-specific devices," he says, "because it's just cost them so much money."