



13 Enterprise Tools Every Small Business Can Use



Use these tools when you start
your business—and after as well



Learning Objectives

- At the end of this module, you will be able to:
 - Identify the different tools available to successfully run a small business.
 - Identify the tools you should consider for your business.



About FDIC Small Business Resource Effort

- The Federal Deposit Insurance Corporation (FDIC) recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.
- The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.
- This product was developed by the FDIC Office of Minority and Women Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.



Executive Summary

- Small businesses everywhere are easily replicating the capabilities of Fortune 500 enterprises, especially with respect to horizontal business functions. These functions are dedicated to running the business itself, such as human resources, finance, and procurement.
- Due to the Internet, the build-out of these functions has become straightforward. Historically, the basic concepts and categories that small businesses can use to enhance capabilities have been the domain of large enterprises.
- Any size business can use these 13 tools to build-out business functions.



13 Enterprise Tools Reviewed

1. Web Site
2. Capital
3. Information Technology (IT) Infrastructure
4. Industry-specific Software
5. Conferencing
6. Accounting Software
7. Payroll Services
8. Benefits
9. Telephony
10. Marketing
11. Mobile Payment Services
12. Staffing Services
13. Survey Services



Tool 1. Web Site:

Why is it Necessary

- Teaches clients who you are and how to contact you.
- Costs little to create and maintain.
- Has a global reach.
- Is easy to update or change information or marketing material.
- Provides the ability to test new products.
- Is available anytime.
- Allows for selling of products online.
- Saves money.
- Saves time.
- Provides more credibility.
- Provides accurate tracking and reporting of visitors.
- Provides immediate access to customer service.
- Is easier for your customers to use.
- Is easier to remember Web addresses than phone numbers.



Creating Your Web Site

- Domain name:
 - Is descriptive and tied directly to your product or service.
 - Can be costly, especially for premium domains, so do some research.
- Web host:
 - Stores the web site on its servers and transmits it to the Internet.
 - Make sure web host provides excellent support.
 - Choose an inexpensive plan that offers between 10 mb-50 mb of information.
- Professional
- Keywords and search engines:
 - Use industry-specific phrases so search engines find your site.
 - Use search engine optimization (SEO) techniques to ensure your web site displays when keywords are searched.
 - Update your web site regularly to maintain active link with search engines.
- e-Commerce:
 - Is required when selling products directly from your web site.
 - Accepts online credit, debit, or checking account payments through services such as PayPal.



Tool 2. Capital: When to Borrow

- Stages of development requiring capital:
 - Development stage (seed, start-up):
 - Better to use internally generated funds that do not have to be repaid.
 - Inability to repay increases chances of failure or bankruptcy.
 - Survival stage:
 - Borrowing capital is not recommended due to risk of non-repayment.
 - Higher interest rates if loan money is secured due to risk.
 - Growth stage:
 - Borrow capital when you have a detailed plan of how you will use and repay loan.
 - Purchasing a major capital asset (building, equipment): Usually a long-term loan at a fixed rate of interest.
 - Working capital (repaid quickly): Usually a short-term (less than one year) line of credit.
 - Maturity stage: Greater access to financial resources when company can show profitability and ability to repay.



Capital: Reasons for Denial

- Poor business proposition.
- Over-saturated product or industry.
- Weak financial forecasts and assumptions.
- Lack of a solid business plan.
- Weak cash flow.
- No collateral.
- Risk outweighs the reward.
- No management experience.
- Lack of commitment from management team.
- No clear repayment strategy.
- Conservative underwriting standards by lenders.



Tool 3. Information Technology (IT) Infrastructure

- Develop a technology plan as part of your business plan.
- Determine what you want and ensure all components will interface with each other.
- Invest in low-cost unified communication (UC) platforms which allow you to combine the capabilities of your phone system with the custom functionality of your Windows, Mac, Unix, or Web applications.
- Integrate telephone, client relationship management (CRM) system, instant messaging, address books, and calendars.
- Consider purchasing used infrastructure from a company going out of business.
- When developing your IT infrastructure plan, consider the following:
 - Standardized PC platform for all employees with same software on all.
 - Cell phone compatibility.
 - Server.
 - Internet Service Provider (ISP).
 - Wireless capability and VPN access.
 - Back-up system/Storage/Security.



Tool 4. Industry-Specific Software

- Benefits of industry-specific software:
 - Automation of business processes, especially critical or time-consuming processes
 - Expandable to other processes
 - Ready to use out-of-the-box
 - Have vendor install and maintain
 - Enterprise vendors host software on server and provide access via the Internet
 - Available for many industries.
 - Examples of CRM software by industry include:
 - **Automotive** – AutoCRM, Siebel Automotive, Terrasoft, autoAccelerator, ELEAD
 - **Real Estate** – MortgageProCRM, Realty Juggler, ActiveAgent for Outlook, Agent2000
 - **Insurance** – LeadOrganizer, AgencyBloc
 - **Financial** – Achiever CRM, UpswingCRM
 - **Information Technology** – Commit™ CRM
 - **Government** – Aplicor, Sugar CRM, Infor Public Sector
 - **Pharmaceutical** – StayInFront, Dendrite
 - **Legal** – InterAction CRM, IntelliPad
 - **Manufacturing** – MAPICS, Tariva CRM
 - **Travel** – TravelWatch



Tool 5. Conferencing

- Host cost-efficient, virtual national and international meetings with:
 - Audio conferencing.
 - Web conferencing.
 - Teleconferencing.
- Example vendors include:
 - Citrix Netviewer.
 - Cisco WebEx.
 - Microsoft Office Live Meeting.
 - Adobe Connect.
- Video conferencing:
 - Expensive equipment and special room required for internal set-up.
 - Both parties must have access to video capability.
 - Choosing a vendor who hosts video conferencing is more cost efficient.



Tool 6. Accounting Software

- Purchase basic accounting software.
- Determine what accounting features you need:
 - General ledger
 - Accounts payable/accounts receivable
 - Inventory management
 - Sales tracking
 - Contact management (Outlook, ACT!)
 - Merchant account support to accept credit card payments
 - Budgeting
 - Estimates
 - Payroll
 - Business tax reporting
- Example vendors include QuickBooks and NetSuite.
- Accounting software for specific industries may be available if your industry has special accounting requirements.



Tool 7. Payroll Services

- Use payroll services:
 - Ensures compliance with payroll regulations and tax withholding.
 - Facilitates quarterly filings for federal, state, and local taxes, and social security.
 - Minimizes errors resulting in fines.
 - Automates processing of payroll checks.
- Example online payroll vendors include:
 - PayCycle (Intuit)
 - SurePayroll
 - Paychex
 - ADP
 - Ceridian
- Switch to a payroll service before your fiscal year begins. Paperwork will be minimized because you are not carrying over payroll history.



Tool 8. Benefits *(Slide 1 of 2)*

- Benefits required by law:
 - Social security taxes.
 - Unemployment insurance.
 - Workers' compensation.
 - Disability insurance – CA, HI, NJ, NY, Puerto Rico, and RI requires partial wage replacement insurance coverage for non-work related sickness or injury.
 - Health plans – COBRA must be provided to terminated or laid-off employees.



Tool 8. Benefits *(Slide 2 of 2)*

- Benefits not required by law:
 - Leave Benefits: Family and Medical Leave Act (FMLA) only applies to businesses with 50 or more employees within 75 miles.
 - Retirement/Pension Plans:
 - Options include traditional 401(k), SIMPLE IRA, and SIMPLE 401(k).
 - Can help attract and keep talented employees.
 - Participants decide how much to contribute on a before-tax basis.
 - Tax deduction for the employer's contribution to employees' accounts.
 - Money contributed may grow.
 - Contributions and earnings generally are not taxed until they are distributed.
 - Participants may be able to take their benefits with them when they leave the company.



Tool 9. Telephony: Landline or VoIP

- VoIP:
 - Pros
 - Routes phone calls over the Internet.
 - Typically cheaper than standard landline – no investment in equipment.
 - Monthly or yearly fee.
 - Access to your phone system anywhere with Internet and a PC.
 - Cons
 - Must have a high-speed Internet connection to get the best results.
 - If your Internet goes down, your phone service will be unavailable.
- Standard landline systems:
 - Choice of larger companies because of its stability.
 - More costly due to purchase of equipment.
- Example vendors include Vocalocity and 8x8.



Tool 10. Marketing Plan and Strategy

- Marketing plan benefits:
 - Develop a coordinated, targeted, and systematic approach to marketing.
 - Ensure communication is consistent throughout all marketing efforts.
 - Determine the best way to get your product or service in front of prospects.
- Marketing strategy:
 - Focus on niche markets initially and expand to other markets as you grow.
 - Have well-defined target market (not hit or miss) to produce the best results.
 - Develop brand awareness to attract and retain customers.
 - Track and measure marketing efforts to see what is successful.
 - Contact 10 customers or prospects daily, ask for referrals, or offer a first-time buyer discount.
 - Use cost-efficient online marketing: Pinterest, LinkedIn, Twitter, and Facebook.
 - Determine a percentage of gross income to spend annually on marketing.
 - Carry business cards with you (all day, every day).
 - Create a personal nametag or pin with your company name and logo on it and wear it at high visibility meetings.



Types of Marketing

- Market research
- Customer service
- Advertising
- Targeting
- Packaging
- Pricing
- e-Marketing
- Target market
- Brochures
- Direct mail
- Newsletters
- Billboards
- Community events
- Sponsorships
- Signage
- Delivery
- Distribution
- Branding
- Public relations
- Social media
- Competitive analysis
- Demand/lead generation
- Communications
- Trade shows
- Word of mouth
- Internet
- Flyers
- Speaking engagements
- Yellow Pages
- Give-aways



Tool 11. Mobile Payment Services

- Mobile payment services allow businesses to accept credit cards anywhere, anytime.
- Some examples of mobile credit card readers include:
 - Square
 - PayPal Here
 - Intuit
- Research various card reader hardware options and use in combination with mobile payment services to handle taxes, tips, and receipts, and getting payments to the bank. Many mobile card swiping services allow businesses to connect directly to a bank account, eliminating the need for a merchant account.
- Be mindful of hidden fees for keyed-in transactions (as opposed to card swipe), and your business phone data plan. Mobile payment services require sending transactions over either Wi-Fi connection or cellular service.



Tool 12. Staffing Services

- Staffing services can help a business quickly fill a temporary or semi-permanent position with qualified and screened applicants.
 - Staffing agencies take a cut of the hourly rate and charge temp-to-permanent fees if you decide to hire the employee full time.
- Consider hiring independent contractors or freelancers through temporary staffing agencies or web sites such as oDesk or Elance.
 - Independent contractors or freelancers are technically self-employed, which means business owners typically won't carry the burden of handling payroll or employment taxes.



Tool 13. Survey Services

- Online survey tools reach out to the customer and request feedback about a transaction.
- An opportunity for the customer to provide valuable information about the product or service and enable the business to make informed decisions going forward.
- Online survey tools are widely available from companies such as:
 - Zoomerang
 - Survey Monkey
 - SurveyGizmo
- Survey methods include:
 - Emailing survey links to customers who voluntarily provided an email address.
 - Including survey prompts on your business web site.
 - Providing surveys integrated with social media such as Twitter or Facebook.



Key Takeaways from This Module

- Enterprise tools are not one-size fits all.
- Industry-specific tools may be available.
- Tools should be expandable for future growth and interface with each other.



Sources and Citations

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