

Inc.

Fonality
Talking Business

Innovations in Unification, Part 4

Creating an infrastructure for company growth

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Introduction: Planning for—and Investing in—Company Growth

Once a solid business foundation has been established in the startup phase, and growth begins on top of that foundation, the business needs to create a solid infrastructure to support that growth. Just as a state-of-the-art skyscraper needs good design and engineering, a growth-minded company needs to have a cohesive plan to integrate staffing and operations to support expansion.

Without these critical components, the company may experience “growing pains” that illustrate gaps in its ability to manage such growth. It’s not uncommon for companies without proper staffing and infrastructure to lag in attracting and retaining talent or to develop issues in serving customers effectively.

Planning and investing in that infrastructure is something that many business owners overlook, says business growth consultant Bill Ringle, founder and CEO of LearnWell, a business advisory and training firm based in Springfield, Pennsylvania. Many companies continue to grow without adapting to that growth. As a result, they overburden systems they had in place that were originally designed to handle much smaller loads, and they don’t recognize the problem until the system is not working as well as it should, he says. Common examples might be an accounting department that can no longer properly monitor expenses or manage the current flow of accounts receivable and payable or a sales department that isn’t effectively following up on leads.

“For businesses to grow effectively and create an infrastructure to support that growth, they need to focus on two key areas: people and processes.”

By turning a critical eye inward and examining how these areas are being developed, the company can create a culture which facilitates expansion, even when it is fast-paced.

The Power of People

Regardless of where an organization is in its lifecycle, it has undoubtedly addressed staffing in some capacity. While some companies have seasonal needs that require scaling quickly for a few months and then decreasing their size, others experience steady increases in employee count over time.

Whatever the business pattern is in hiring, increased head count affects virtually every area of the company, from office space and daily operations to technology, finance, and human resources management.

Take a strategic approach to hiring

Don't be hasty in hiring new employees, even if your company has the need for them, says Ringle. Instead, take a more strategic approach. First, define the most immediate needs in your organization. Where are bottlenecks happening? What are the areas most critical to attracting and maximizing new customers? Where are you finding the most complaints or challenges? These are indications that you might need to address staffing and talent issues. For each, write a job description that includes the talents necessary to overcome the challenges, then hire to those job descriptions, says Ringle.

"Your on-boarding process, including resume review, interviewing, and reference checks, needs to be thorough in order to make sure you're hiring the right talent and that the people are qualified to fill the positions and needs your company has," he says. Don't just look for the most immediate needs, either. Look for people who will be able to bring skills that can add fresh ideas and innovation to the company and who have a track record of building successful projects and ventures.

"When you invest in people who have strengths that you lack, you're investing in building your entire firm, says Ringle."

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Staying in touch keeps employees engaged

Once the employees are part of the team, institute a regular series of milestones for check-in, feedback, and increased responsibility, says Ringle. While many companies do this on an annual basis, the growth consultant says that is much too infrequent. Instead, work with new employees on a monthly basis to give them feedback on their performance, and get their input on what is working and what could be improved in both the management of the company and in the positions for which they're responsible. This will help you catch any problems or dissatisfaction early enough to take action and maintain the engagement of your best talent.

Being in touch with employee engagement is also a smart business move. A 2010 report by human resources consulting firm Towers & Watson looked at firms with highly engaged workforces as well as those whose employees were less engaged and compared financial performance. Those companies which focused on employee engagement had operating income improvement of 19 percent over one year. Firms whose workers were less engaged averaged a 33 percent decline over the same period.

Employee engagement is also secured by giving individuals the tools they need to do their jobs effectively. Tools like a unified communications (UC) system can help companies seamlessly integrate multiple locations and mobile workers while ensuring that internal communications can scale quickly as the company grows. UC is built on an integrated platform to support and enhance the wide range of communications functions necessary in today's competitive work environments. Voice, data, and video communications are all managed on a single IT infrastructure accessible from a range of mobile phones and devices, laptops, tablets, and in-office equipment. By allowing employees to access data, applications, and other critical business tools by simply "plugging in," unified communications improves productivity and allows organizations to quickly support a growing employee base without heavy investment in IT staff and equipment.

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As your team grows, the need for more attention to functions like human resources management, benefits administration, industry certifications and compliance assurance, training program development, and procurement also grows. In addition, your firm will have changes in outward-facing management tasks such as handling contracts, dealing with subcontractors and vendors, developing strategic partnerships and arrangements and processing nondisclosure agreements. Once your company surpasses 49 employees, it is subject to new employment regulations. Based on your industry and location, your business may need to comply with a range of government laws, rules, and regulations ranging from federal industry requirements to state employment regulations to local zoning ordinances. It is essential that job descriptions include clear definitions of responsibility for these critical functions. You also need to create a series of processes that help ensure that each department is handling its responsibilities as effectively as possible.

Creating Effective Processes

A business process is a series of steps or tasks that produce a product, service, or outcome. As a business grows, it needs more processes to manage all of its internal and external functions effectively. To manage those disparate requirements and to create an environment where the steps to each successful outcome are clear and replicable, it's a good idea to institute process mapping as part of your growing business' infrastructure.

Mapping: The process behind the process

Process mapping can be key to helping companies achieve consistent growth. By creating clear definitions of the steps that need to be taken for each critical task, the company can closely examine its current processes to improve each one, while eliminating waste, speeding cycle times, improving customer service quality and satisfaction, and enhancing employee motivation and ownership of the tasks he or she performs.

"Many times, business owners don't even understand that there are inconsistent processes," says Ringle. This is especially true in fast-growing companies where owners and managers may feel they "don't have time" to pay attention to such levels of detail.

At the most elementary level, he recommends having meetings with small groups of employees responsible for specific tasks in the company. Have each person create a list of tasks related to key business functions. Inevitably, there will be differences in opinion about how the job is best performed. This exercise can help you eliminate wasteful steps and bring into sharp focus the most effective way to perform each task, thereby increasing productivity and reducing the amount of time many functions take to complete. In addition, such process maps make training new employees easier, as they can simply refer to the list or diagram for guidance on how to complete the functions themselves. Ringle estimates that fewer than 20 percent of companies with less than \$100 million annual revenue have written processes for key business functions.

Improving processes sometimes requires change, but Ringle says that change gets a bad rap. Once employees can see that the improvements will reduce time and waste and make their jobs easier, they're usually enthusiastic about them.

“Getting outside perspectives on the process rather than assuming you know how it is done ensures two things: First, you get a better understanding from the people who are actually doing the work. Second, your employees begin to communicate and collaborate better and help each other understand.”

That increases their ownership of each task and improves the process,” says Ringle.

Prioritizing needs

Companies should look at crucial business functions first in order to prioritize which processes are most in need of attention. Those functions related to cash flow, acquiring customers, creating the product or service, delivering the product, and customer service are generally the most important. Within that framework, look for the areas where you're having the greatest challenges. They could include: decreasing overdue accounts payable, improving call center outcomes, reducing manufacturing errors, or creating more efficient staff schedules, to name a few.

Once a list of critical business functions in need of improvement and mapping is identified, Ringle tackles these functions based on the owner's vision. He asks the owner: Where are you going with this company? Where do you want to be in three years? If revenue is the biggest obstacle, he starts evaluating accounting processes such as invoicing, collecting money owed, and managing expenses. If there are issues in delivering products and services that are inhibiting growth and customer satisfaction, he starts there.

Many times, the way to simplify processes is to invest in the right tools and technology. Some business owners might be reluctant to do that, but the upfront cost can be saved many times, over the life of the business. Ringle recalls one company with four people working on a data

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processing project. A simple \$150 software tool could have saved the company 10 to 15 employee hours per week. Process mapping can also reveal where this type of savings and simplification can make a big difference in the bottom line.

Ringle says process improvement to facilitate growth really comes down to three steps:

1. Acknowledging that the situation could be better.
2. Discussing the current situation and possible changes with those directly involved in the process.
3. Prioritizing changes and creating a timeline for implementing them.

Keeping employees connected and giving them the ability to facilitate communication is also critical as companies grow. Salespeople who are out on the road, customer service representatives in call centers, and distribution personnel handling shipping and receiving should all have centralized information centers where they can add information to customer files and also share order and scheduling information.

Allowing mobile or remote employees to connect via a variety of devices and into a centralized, cloud-based system increases their effectiveness and productivity while making it easier for them to update data and customer feedback easily. For example, if a company uses a cloud-based customer relationship management system in addition to proprietary systems for logistics, inventory management, and shipping, it makes up-to-the-minute information available to all employees who are authorized to access it, reducing miscommunication, errors, and delays that can cause issues with customer orders.

Growth can be facilitated or inhibited by the people and processes your company adopts. By taking care to create an employee onboarding plan that identifies, attracts, hires, and retains the best talent for your company and by constantly engaging in a program of process identification and improvement, supported by the right tools and technology, your company can build a framework for success that will support even the most fast-paced growth. Investing in people, processes, and technology can pay off in manifold ways over time, and it will reduce obstacles as you scale your business.

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Supporting Growth with Unified Communications

Since its founding in 2005, cloud-based content-sharing platform Box has enjoyed brisk growth. However, between 2009 and 2012, the Los Altos, California company's staff skyrocketed from about 50 to nearly 500, serving more than 10 million individuals and companies.

With nearly 10 times the number of employees it had just three years earlier and a constantly expanding roster of customers, it was critical for company managers to create an internal infrastructure to support that growth.

The most critical need for an integrated, cloud-based communications system was in the Box marketing department, where the team "lives and breathes metrics," says marketing director Menaka Shroff. Box needed a phone system that would service multiple locations with no down-time. In addition, a unified communications system would provide an effective way of collecting customer feedback from sales and marketing representatives. The team also needed a digital dashboard that would make it easy for the sales team and managers to review data and make recommendations to increase sales. And the company needed to be able to add users with minimal disruption as it grew.

Finding answers in the cloud.

"We had to be able to scale quickly. The answers for us were in the cloud and in finding partner platforms," says Shroff.

After a group of core users compared several systems and consulted with Box IT director Jeff Sutton, Box's management team decided that Fonality's interface was the intuitive, flexible fit it needed to streamline its communication processes. Fonality's Heads-Up Display (HUD), a powerful dashboard that connects phones, desktop, and important business applications into a unified, easy-to-use interface, shows whether employees are available or busy—an important tool for managers. The platform could also interface with Box's own

document management system, as well as CRM powerhouse Salesforce.com, which is an important tool the company uses to track information about customers and prospects.

In Box's case, growth is two-fold—scaling the company's service infrastructure to ensure it can support rapid addition of new customers in addition to building processes to support new employees. IT director Jeff Sutton spends time getting employee feedback in order to ensure that the company's technology is best serving employees and finding ways to make it better.

"This is not a company with a top-down approach. We look for the best solutions, wherever we can find them," he says. Finding effective solutions like Fonality has allowed Box to grow exponentially, both internally and externally.

Joining Unification Nation

If you're ready to become a part of Unification Nation and put the unified communications advantage to work for your company, Fonality makes the transition easy and affordable.

As a leading developer of cloud-based business communications solutions for nearly two decades, Fonality weaves together all of your communications applications, equipment, and devices into one seamless, streamlined system that out-powers even the most expensive phone and server systems. Best of all, as your business communication power is boosted, your out-of-pocket costs shrink.

Fonality has solutions for any size business. So, whether you're the chief executive officer of your spare bedroom or the head of a fast-growing multinational company with employees all over the globe, we're ready and able to support your growth every step of the way. See how UC can help your business sharpen its competitive edge by visiting www.fonality.com or calling **1.877.366.2548**.