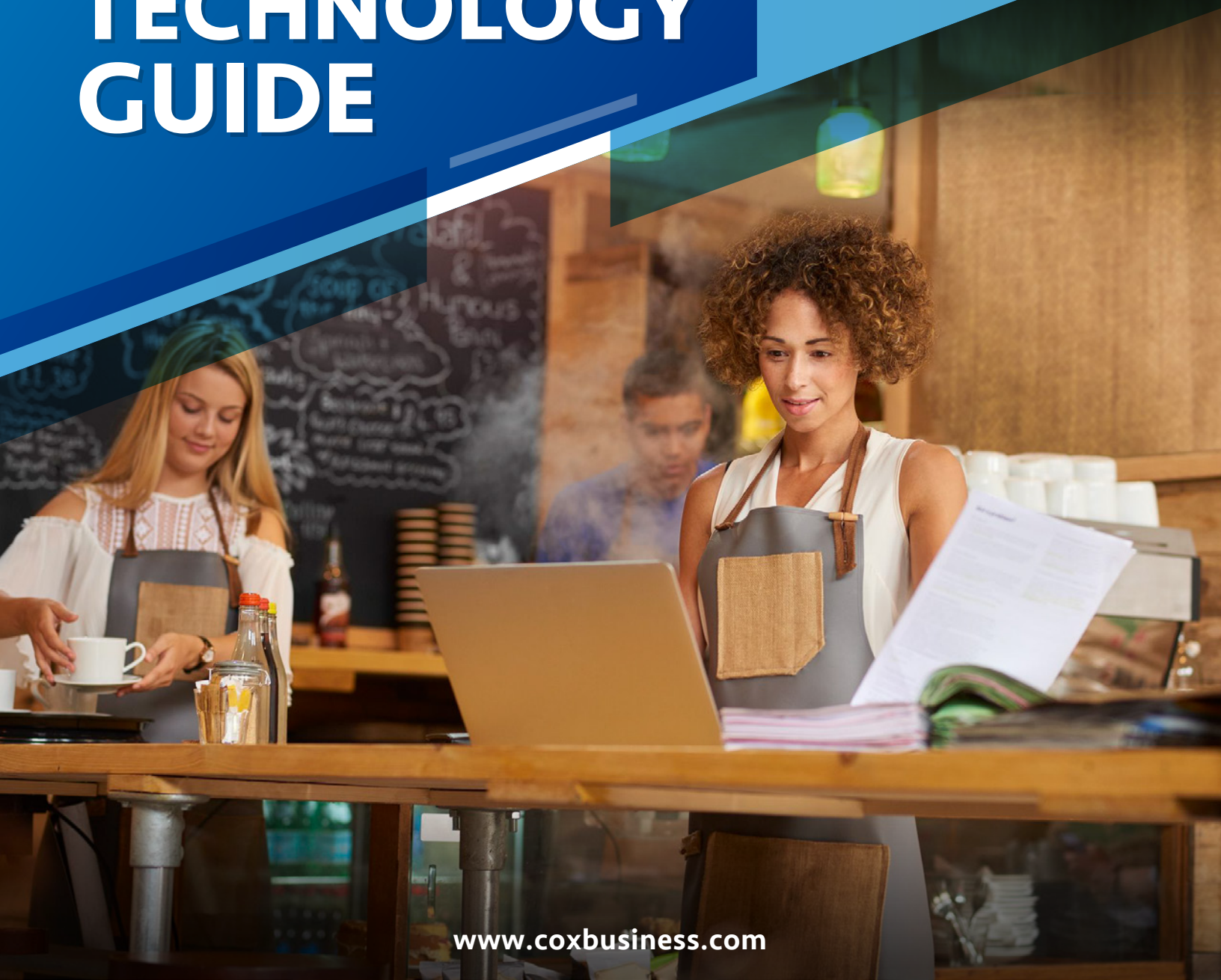


SMALL BUSINESS STARTUP TECHNOLOGY GUIDE



Digitally advanced small businesses are twice as profitable than less technically savvy companies. They also experience higher revenue and customer growth. But technology alone doesn't deliver results. Technology partnerships, strategy, and a strong foundation are crucial for small startup businesses.

Develop a framework to ensure a return on investment (ROI), and you'll position your small business startup for success.

In this guide, you'll learn how to evaluate your technology and prepare for growth while tying key objectives to specific business outcomes.





WHAT IS A STRATEGIC APPROACH TO TECHNOLOGY?

A simple but well-planned technology strategy will define how your technology supports your goals. It ensures that each digital objective aligns with one or more business drivers. With a planned approach, you can introduce technologies that improve startup processes while developing a solid foundation for the future.

Moreover, your technology plan can uncover critical gaps and vulnerabilities you will need to address. Use your findings to fuel growth, strengthen your cybersecurity posture, and build resilience.

TIE TECHNOLOGY INVESTMENTS TO SPECIFIC BUSINESS OUTCOMES

Most decision-making falls to you as a startup entrepreneur, including technology objectives and follow-through. Deloitte found that 70% of small to medium business (SMB) owners handle their digital technology decisions. Unfortunately, "Only 8% of companies say they are getting their money's worth in terms of good business outcomes and advanced digital capabilities," according to Bain.ⁱⁱ

Understanding how your technology goals affect your startup's performance is a critical step.

In the Technology Investment Fitness Index (TIFI), Price, Waterhouse, Cooper (PwC), one of the nation's most reputable business accounting firms, recommends assessing the "alignment between IT spending and business capabilities."ⁱⁱⁱ Consider your business drivers and ensure new technologies tie to one or more outcomes.

Your business drivers may include:



Boosting revenue through
productivity improvements

Increasing agility by automating
business workflows



Driving profitability by
decreasing costs

Improving revenue by
expanding your customer base



DISCOVER TRAINING OPPORTUNITIES

PwC reported, "One in three jobs will disappear or "be severely disrupted" over the next ten years "because of technological change." Companies must support their staff by teaching them" how to think, act and thrive in a digital world that is sustainable over time."^{iv}

Before officially opening their doors, many entrepreneurs and their teams develop preferences for specific cloud-based tools. If you're familiar with an application, it's easier to use it for business than training on a new system. However, it's better to standardize processes and software early for security and growth purposes. This decision may require upskilling or reskilling.

And when your team is small and capable, it's easy to underestimate the time it'll take to digitalize workflows and maximize value from technology investments. A longer adoption time than expected can put your digital goals behind schedule and even shut down projects altogether.

Acknowledge weaknesses and the risks of not addressing them before updating or choosing new technology.

Work with technology partners like Cox Business that provide round-the-clock support, self-help resources, and staff training when possible.^v



ASSESS YOUR TECHNOLOGY FOUNDATION

Reliable Business Internet, business phone service, and cloud services are must-have tools regardless of your industry or niche. The technology foundation needs a line of defense against cyberattacks, not only for the technology but also people and process. You may be tempted to save money by looking for the lowest-priced providers for each.

But the money saved could become a massive headache when your business grows, and your platforms can't scale. Determine your immediate and future needs to find the right fit for your business.



INTERNET AND WI-FI

Your immediate needs will differ depending on your business location, consumer base, and usage patterns. Review business and home office internet services to see pricing and speeds for each tier. Compare these to your current and expected usage. Speak with a Cox Business representative to explore packages, customer support, and hardware options.



Consider these factors:



BUSINESS PHONE NUMBER AND SYSTEM

Your business phone number isn't only for communication. It's about getting your new brand out there. You'll want a business phone number for your website, Google business page, and more. Even if you run your business entirely online, a business phone number gives your brand credibility and will help if you make sales or collections calls. Also, it keeps your team connected.



Cloud-based business telephone like Voice over Internet Protocol (VoIP) systems don't require upfront capital investments, and some will work with your existing hardware.^{vii} You can forward small business phone services to personal phones off-site and access account details from anywhere with an Internet connection.^{viii} Of critical importance is selecting a scalable solution that will support your company's growth.

Many of today's cloud-based VoIP business phone systems offer a unified communications (UC) platform.

UC applications give your teams access to voice, video, and messaging tools from a single login and provide a great way to streamline communication in the workplace.

With one login, your team can access voice and video tools that help them manage conversations more effectively while decreasing the risks of missing important messages or searching through emails when they need information quickly.



CLOUD SERVICES

Having on-site software that isn't accessible from anywhere isn't feasible for most startups. Business owners and their teams are used to having access to documents, forms, presentations, and customer data from their cell phones. More than 80% of SMB respondents to a Deloitte survey "use digital tools for internal management and logistics," and 90% use them for communication.^{ix}

During startup days, your team may piece together various cloud services for messaging, video conferencing, and file sharing. But management will get unruly as your business grows, making it challenging to track conversations, documents, and user permissions.

That's not to say that you shouldn't use free versions of cloud-hosted tools for your startup. But we recommend working with a trusted and reliable **Cloud services provider** like Cox Business and Rapid Scale to identify solutions based on the specific needs of your business.



EVALUATE YOUR CORE PROCESSES

Your core processes are the capabilities, actions, and activities your new business needs to develop and deliver a service or product. This category covers everyday systems, from accounting to product development and sales. For business resilience and growth, it's essential to pick the right tools and document your workflows early. Consider how technology can improve workflows and your business for each process.

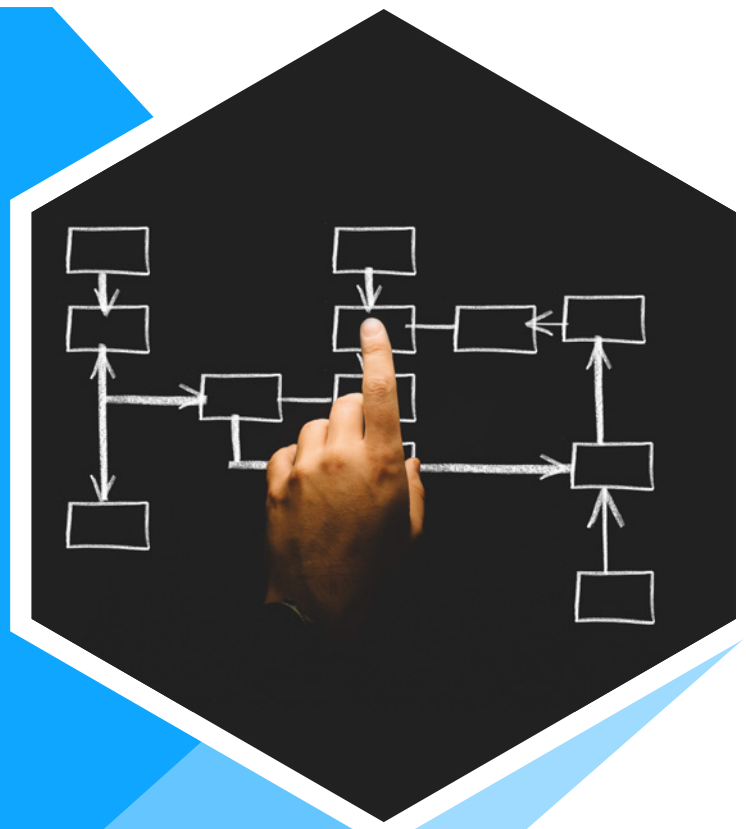
STEP 1

CATEGORIZE YOUR CORE PROCESSES

Create a list of workflows required to run your startup and consider what technology can help you achieve. Place business-critical systems and processes into the first category. These might include methods of forecasting sales, selling online, and communicating with customers. Technology solutions suitable for these tasks consist of cloud-based accounting, website or eCommerce tools, Internet and Wi-Fi access, and business phone systems.

When considering what processes would benefit from technology, it's essential to consider the investment required. Some technologies may be necessary, while others, like an advanced CRM or digitally-enabled conference room, may require additional investment. This category may also require extra tech support, either in-house or outsourced. It would be best to keep each option's potential benefits and drawbacks in mind when making decisions. By doing so, you can make the best choices for your business.

Lastly, create a list of improvements that could transform how you do business. Refining your product development and manufacturing processes could be a game-changer.



Edge computing (allows for processing of data at the edge, without the need for the data to be transported to another server environment) and dedicated business Internet are two ways to deliver computing power to your team and increase productivity and efficiency.

**STEP
2**

CONSIDER IN-HOUSE VS. MANAGED SERVICES

Startup companies must evaluate their technological capacity to execute technology initiatives. The evaluation should assess resources and outsourcing management to achieve successful outcomes.

Most small business startups don't have dedicated IT professionals on their team when starting. And it can be challenging to find (and afford) employees who can install, maintain, and troubleshoot your existing services and integrate new hardware and software as your business grows. Plus, there's onboarding and training to consider and the need for 24/7 support.



Enter Managed Services. There are many reasons why your small startup business should consider outsourcing to a managed service provider (MSP). Perhaps the most important reason is that it can help you save money. By outsourcing IT services, you can avoid the high costs associated with hiring in-house staff or the headaches associated with contracting multiple freelancers.

In addition to saving money, outsourcing IT services can also help you improve the quality of your products and services. A reliable managed service provider will have the experience and expertise necessary to provide IT support that meets your current and future needs. They can also help you stay up to date with the latest technology trends.

Finally, outsourcing IT services can give you peace of mind. When you outsource to a trusted provider like Cox Business, you can be confident that a team of experts is handling many of your technical needs. Managed services can free up your time to focus on growing your business.

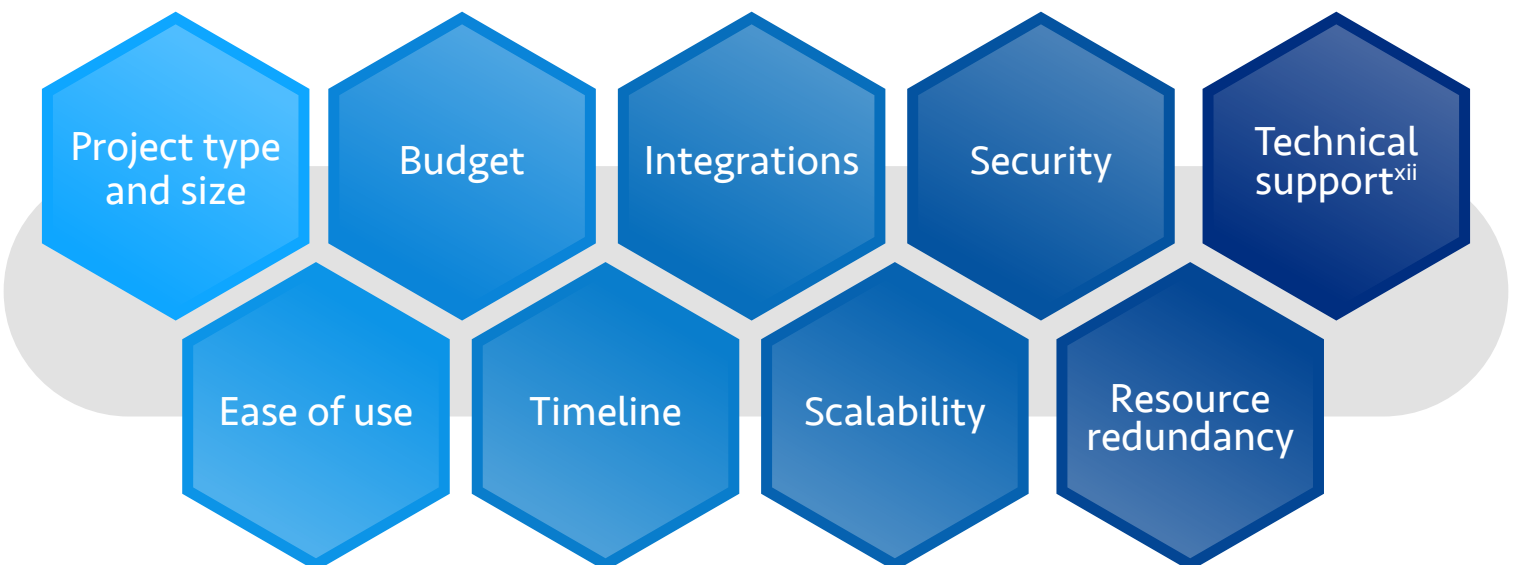


STEP
3

CREATE A BLUEPRINT FOR TECHNOLOGY DECISION-MAKING

Once you've identified your core processes, find one or more business drivers that make a case for a technology improvement. For instance, increasing agility by automation is a crucial reason for using cloud services, as the benefits are well-known. But there are dozens or hundreds of potential cloud solutions for every problem. How do you choose?

Choose the right technology by looking at:



UNDERSTAND HOW TECHNOLOGY BENEFITS YOUR STARTUP

Your technologies and techniques can give your business a competitive advantage. However, failure to understand the benefits of technology can lead to misconceptions about the desired ROI during digital transformation.

Tying your objective to business drivers provides clarity. But it helps if you also get your co-founders, investors, & employees on board.

Present your team with case studies, competitive research, and information that supports your objectives. Don't forget to show how technology benefits them personally. Automation reduces costs for your startup. But it also decreases tedious tasks and allows your team to focus on doing the jobs they love.



Scalability

Technology enables you to keep up with demand and invest in growth. Likewise, you can scale down when needed. In most cases, cloud-based tools and managed services provide the most flexibility, as you don't need on-site infrastructure or to increase your tech staffing. Instead, an online portal provides access to account details, allowing you to add or remove users, features, and permissions from any internet-connected device.



Mobility

Undoubtedly, the flexibility technologies provide for mobile users and virtual teams is a crucial benefit for startups. Mobile tools for staff allow them to be productive from anywhere. Likewise, customer-facing, mobile-optimized platforms increase customer satisfaction and build brand trust. And as an entrepreneur, turning your cell phone or tablet into a virtual workspace can be life-changing.

The flexibility and mobility provided by technology support:

Customers:



Mobile-optimized eCommerce sites and apps deliver the experience your customers expect. Startups can exceed expectations by using mobile-optimized solutions for more than shopping carts. Consider how technology can enhance customer service or make it easier to leave a review.

Staff and contractors:



With a talent shortage and a tight labor market, developing a solid and diverse team can be challenging. Technology keeps staff connected, and remote work expands your labor pool. Crunchbase Y Combinator data found that "70% of startups offer remote work options."^{11xiii}

Leaders:



It can feel like there's no work-life balance when you're in charge of a startup. The flexibility of mobile tools lets you monitor business-critical situations from anywhere while also setting boundaries using various notification, device, & software settings.

COLLABORATION & COMMUNICATION

Clear, consistent communication and collaboration are vital to your startup. The right collaboration tools keep your team engaged, make meetings more effective, and enable project oversight. Deloitte reported that "around 90% of SMBs believe digital tools have fostered innovation in their business, particularly in entering new markets and communicating with customers."^{xiv}

Artificial Intelligence (AI) and Machine Learning (ML) technologies capture data from conversations, helping your startup analyze sales pitches and conferences.



Furthermore, communications platforms like Microsoft Teams and Cisco Webex can help to organize and unify your meetings, documents, chat messages, and more.

CUSTOMER EXPERIENCES

SMBs that maximize their use of digital tools are five times more likely to reach new customers and three times more likely to experience customer growth, according to Deloitte.^{xvii} Technology helps streamline workflows, improve security, and personalize communications. Each component enhances experiences and increases customer satisfaction.



BUILD YOUR STARTUP DIGITAL TOOLKIT

Regardless of your industry or business model, technology plays a vital role in your startup. While technology can improve workflows and experiences, costly mistakes can waste resources and frustrate users. Reduce your risks by developing a technology strategy. Build a strong technology foundation and align digital initiatives to business outcomes. Plus, don't discount the value of technology partnerships.



i(Deloitte Touche Tomatso Limited, 2017)
ii(Padmanabhan, 2021)
iii(PriceWaterhouseCooper/PwC, 2015)
iv(PriceWaterhouseCooper / PwC, 2019)
v(Cox Business, 1998-2022)
vi(Cox Business, 1998-2022)

viii(Cox Business, 1998-2022)
xi(Cox Business, 1998-2022)
x(Deloitte Financial Advisory S.L.U., 2019)
xi(Cox Business, 1998-2022)
xii(Cox Business, 1998-2022)
xiii(Segal, 2022)

xiv(Teare, 2022)
xv(Deloitte Financial Advisory S.L.U., 2019)
xvi(Cox Business, 1998-2022)
xvii(Cox Business, 1998-2022)
(Deloitte Financial Advisory S.L.U., 2019)



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