

INFORMATION TECHNOLOGY

# Small businesses should consider software a service

## Ease, price make it ideal for cash-strapped firms

It has been a decade since the high-speed race of eBusiness started on the Internet superhighway. Millions of



**GUEST COLUMN**  
**Hadi Shavarini**

America's small businesses, however, not only do not yet have a Web presence, according to a report from the U.S. Small Business Administration – they are being left behind by the Internet revolution, cutting down on their ability to thrive.

To compete today, small businesses need to take advantage of the World Wide Web to become more efficient, reduce their IT infrastructure and increase employee productivity.

According to AMI Partners, global analysts of IT, Internet and telecom trends in the global small and medium business marketplace, "in aggregate, small businesses spend almost as much on IT solutions as large firms. But individual small business IT resources and budgets are quite modest."

The average small company (one to 99 employees) has an IT budget of less than \$10,000 and often no actual IT staff. Lack of time to plan or implement, the cost of implementation, the radically changing technology, limited expertise and staff training often are the upshot of the lack of a dedicated IT presence. As a result, small businesses need to learn to be more

pragmatic in terms of technology utilization.

Over the past decade, huge investments have been made by medium-size and large businesses in implementing enterprise resource planning (ERP) systems using SAP, PeopleSoft, Oracle and other systems. While most traditional ERP systems have helped companies distribute business information internally, they have become obsolete in terms of the ability to share information not just within a company but with suppliers, customers, partners and shareholders. Additionally, these software systems usually require huge IT investments – an unaffordable option for most small businesses.

But the next generation beyond ERP is here – called Internet Resource Planning (IRP) – and the time has come for small businesses to competitively participate in the IT race.

The introductions of new technologies such as MS Sql, and .Net architecture have enabled the IT professionals and programmers to offer software as service (SAS). With software applications delivered via the Internet, on a subscription or rental basis, companies can outsource some or almost all aspects of their information technology needs.

For example, Web-based applications such as customer relation management (CRM) can streamline entire business processes and put the customers in the driver's seat, while enabling companies to cut operating costs and concentrate on process improvement and service enhancement.

Utilizing the Internet allows a business to monitor, deliver, share and man-

age all business-related information with all constituencies, not just inside the company. It integrates the supply chain and selling chain into one mega-channel that can communicate with customers, deliver product and service customers 24/seven/365. Focusing only on the information inside will no longer suffice.

For companies wishing to acquire new technology, eliminating the fear factor is perhaps one of the greatest benefits of an SAS application. Most ASPs offer a trial (test-drive) period or short-term (monthly) contract period.

Test-driving an application also has the benefit of testing how an organization responds to the changes in work processes and culture. At the same time, employees feel like they are involved in the selec-

tion process. Empowering employees can go a long way toward a smooth enterprise-wide implementation.

SAS also eliminates the need for a dedicated IT department and/or contracted IT services. All that is required is Internet access and a Web browser.

Finally, the most attractive advantage of using an SAS solution is that there is no capital investment required. This benefit makes it very appealing to cash-starved or startup companies who want all the same advantages in automation technology as their larger, established competitors. ■

*Hadi Shavarini is a co-founder of Blue Robin Inc. – an eBusiness infrastructure company in Waltham, Mass.*

### Easy-to-access software

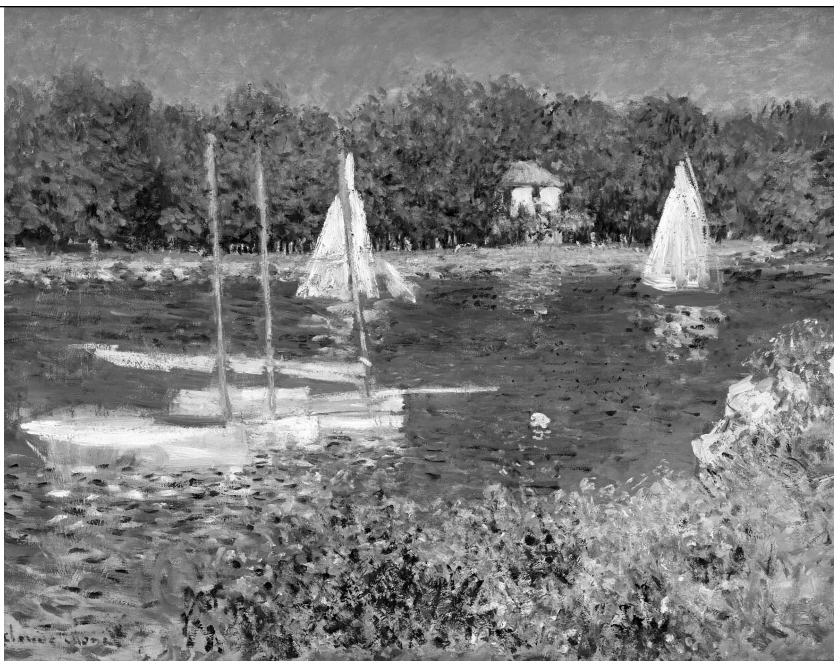
Hundreds of companies are using software as a service (SAS), as marketed by application service providers (ASP). Financial benefits of doing so – as opposed to company building the internal hardware and software capabilities to run the same programs – include the following:

#### HARDWARE

- Network server installation No investment required
- Troubleshooting & maintenance No investment required

#### SOFTWARE

- Database: SQL/Oracle No investment required
- Software licensing No investment required
- Installation on network & user PCs No investment required
- Annual maintenance fee No investment required
- Version upgrades No investment required
- IT Manpower
- Database administrator No investment required
- Network administrative support No investment required
- Daily backups/data storage No investment required
- Access anywhere, anytime Yes



Claude Monet, *The Basin at Argenteuil* (detail), 1874. Gift of Mrs. Murray S. Danforth.

## Visit the premier art museum in Rhode Island

The RISD Museum, a world class museum with a collection of nearly 80,000 works of art in all media, traces the history of art from antiquity to the present through special exhibitions and educational programs for all ages.

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risdworks is an innovative hybrid: a retail store, gallery and design showroom that features an annual collection and changing exhibitions of work by Rhode Island School of Design alumni and faculty in a variety of media.



## It's Raining Cats & Dogs

Tragically, 60,000 cats and dogs are destroyed each day because there are not enough suitable homes for all of the companion animals in the United States. There are many things that people can do to help reduce pet overpopulation.

Take a look at our 12 step program that any caring person can participate in to help reduce pet overpopulation:

1. **Have your veterinarian spay or neuter your pets.**
2. **Get a license for your dog or cat.**
3. **Be certain your pets have Identification Tags.**
4. **Adopt a Friend for Life from your local shelter.**
5. **Consider adopting a mixed-breed or adult pet.**
6. **Wear a t-shirt or display a sticker that has a humane message.**
7. **Keep your cats indoors.**
8. **Only patronize pet shops that don't sell puppies or kittens.**
9. **Ask a friend with an intact pet to have him or her neutered.**
10. **Give a neuter certificate to a friend.**
11. **Spread the message to friends, co-workers and relatives.**
12. **Write a letter to the editor of your local paper with your concerns or maybe even some ideas towards a solution!**

For more information about local spay/neuter programs contact:



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