



[Practice Management](#) > [Practice Management Solutions Magazine](#) > [November/December 2010](#) > 4 Ways to Boost Efficiency and Cut Costs

4 Ways to Boost Efficiency and Cut Costs

by Jennifer Goldman, CFP®

Taking your business to the next level isn't as complicated as you might think. In many cases, improving your use of technology can significantly upgrade your business's efficiency and productivity while lowering your staffing costs.

The case for moving your business to more robust systems such as a client relationship management system (CRM), a document management system and an e-mail management system is extremely strong. If you're interested but not sure you're up for the work involved in making the transition, there are companies that will handle the set-up and data import so that all you have to do is sit back and be taught how to use your new systems. The fact is, a nimble small business provides great service and grows fast and affordably when it invests in time-saving technologies. Happy, satisfied clients translate into more referrals and more business. Staff members are also happier and tend to stick around when they are spending their time on challenging work and not the mundane, day-to-day operations that can be done by technology.

If you're still not convinced, consider these questions:

- Over the lifetime of the technology, will it really cost you that much to put a permanent technology solution into place that will help you take on new clients?
- How much are you willing to pay for peace of mind knowing what is being done, by whom and how at all times?
- What does it cost your business when you don't have time to follow up on leads or network with referral sources?
- What does it cost to replace a staff member?

Get a Grip on E-mail

First, let's talk turkey about e-mail. In 2005, professionals reported spending two hours per day processing e-mail, with 30 minutes of this time occurring after normal business hours. That was 2005-what do you think 2010 looks like?

Professionals admit that 25 percent of e-mail processing time is wasted, so 30 minutes a day of your salary or a staff member's salary is worth what? It's highly likely you could find something better for you or a staff member to do with those 30 minutes. According to Forrester Research, 38 percent of survey respondents in the U.S. and U.K. say they employ staff to read or otherwise analyze outbound e-mail.

CRM systems such as Salesforce, Zoho and Redtail, and software such as Quickfile and ClearContext let you read an e-mail and automatically move it to the to-do list and assign it to a staff person, or move it to a document management area that retains e-mails for future reference. This solution eliminates two problems: an inbox that is always full and the need to pay a fee to keep all those e-mails stored.

E-mail software such as Google Apps (\$50 per year, per user), GoDaddy (free), Microsoft Business Productivity Online Standard (BPOS) suite (\$10 per user per month) allow you to set up your e-mail and a support@ e-mail so you can direct all client communications to support@ and your staff instead of you. That eliminates you having to be in the office all day filtering e-mails. If you're a sole practitioner, put this in place if you plan on growing your business and adding staff. Clients love knowing there is only one e-mail to use, that your service team will see the e-mail and that it isn't trapped in only one person's in-box.

Increase Your Screen Space

Second, let's talk about increasing your screen space to upgrade your efficiency. When you spend a good part of your day in front of a screen, it makes sense to use at least two monitors.

Bill Gates once said how Microsoft research showed that for standard tasks such as window management and switching between documents, you can get productivity gains of anywhere from 20 to 50 percent with a multi-monitor set-up. It's unbelievable how much time is wasted on opening and minimizing e-mail, web browsers and other software. Spending \$160 for a monitor and dual monitor card is much cheaper than a \$40,000-a-year salaried person wasting at least an hour a day, costing the business \$5,000 a year.

Manage Documents the Right Way

Third, let's talk about document management. Many federal agencies, including the U.S. Securities and Exchange Commission and other national regulatory bodies, are demanding formal document management systems-no more hard drives, zip disks and unmaintained servers. Systems such as NetDocuments or KnowledgeTree (less than \$1,000 per year) or less complex systems such as Google Docs or Box.net eliminate time and money wasted on printing, archiving e-mails, walking files from one desk to another, as well as dragging heavy bags around full of documents to read. It also saves you time backing up everything on a hard drive, or saves money that you would be paying a storage

company to backup everything.

Who Does What?

Finally, it's time to discuss the endless to-do list and who does what. There are a number of inexpensive systems that cost less than \$750 a year or are free and they keep track of to-do's, contacts, e-mails and more. Check out systems ranging from \$50 to \$150 per month such as Redtail CRM, Grendel or Salesforce CRM. You can access these systems with an Internet connection, and they sync with Outlook, which should become the place you send and receive e-mail but nothing else. In addition, they integrate with smartphones and document management systems so you don't waste time manually syncing your cell phone or logging into document management systems separately to view documents.

Harvard Business School's experts Robert Kaplan and David Norton suggests that less than 30 percent of the tasks executives and staff members spend time on actually contribute to achieving the business's strategic plan. Many business owners constantly complain they don't have enough time, enough money and enough clients. The solutions are simple, inexpensive, and they permanently solve the problem. If you need help, there are plenty of doers who will help you figure out the best software and who will do the work of moving all your data into the software, setting it up to meet your needs and integrating the technology with other software and hardware devices.

The bottom line is there is no excuse for not taking the next step to upgrade your productivity and efficiency by adopting a few win-win, low-cost solutions.

Jennifer Goldman, CFP[®], is president of My Virtual COO (www.MyVirtualCOO.com) and has more than 20 years of experience in the financial services industry. My Virtual COO works with advisory firms to integrate technology, staff, workflows (processes) and outsourcers so the firm manages its expenses efficiently and profitably.