



Enterprising Rural Families™

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TIP OF THE MONTH:

GENERATION X WOMEN IN THE FAMILY BUSINESS

Many baby boomers focused solely on work in order to succeed; younger women want more time with family. Gen X women are more interested in a well-rounded life than making big personal sacrifices to achieve success.

Here is how Generation Xers rated various values and goals as being extremely important:

Have a loving family	84%
Enjoy life	79%
Obtain and share companionship with family & friends	72%
Establish a relationship with a significant other	72%
Have a variety of responsibilities	22%
Earn a great deal of money	21%
Become an influential leader	16%
Become well-known	6%

Baby-boomer women who achieved senior positions in their fields made a big impression on Gen X women, and much of it was negative. A recent study showed that only 67% of top executive women with MBAs were likely to be married, compared to 84% of men. Similarly, 75% of the men had children, while only 49% of the women did. Generally, the new woman is not willing to make those sacrifices.

Taken from *A Balancing Act for Gen X Women* by Gutni, Business Week, 1/21/2002

Family Business and Technology: A Love/Hate Relationship

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Technology...you can't live with it and you can't live without it! Technology is as much a part of the modern family business world as coffee machines and copiers. Computers are everywhere, and procedures like billing and product delivery rely, at least in part, on automation. As Chris Joseph, writing for Demand Media, states, "While technology offers an array of benefits to businesses, it also comes with many potential drawbacks."



In a survey of small and family business owners conducted by the Microsoft Corporation, the owners were asked how technology helps small family businesses:

- ▶ Increases efficiency of operations
- ▶ Grows the business
- ▶ Provides better customer service
- ▶ Improves quality of our image or product
- ▶ Helps us stay competitive with bigger businesses
- ▶ Gives us an advantage over our competition

But the benefits come with a price. David Freedman, manager for the New York Times.com's blog-- **You're the Boss: The Art of Running a Small Business** states, "Technology is wonderful--when it isn't driving you up a tree screaming." As he points out, there are many challenges: costs, including personal time; reliability, stuff still breaks; complexity, too much, too confusing, too poorly explained; time to learn the technology; change, just when you have everything working perfectly, it becomes obsolete; and payoff, do you reckon when all is said and done, you're somehow not getting as much return on your investment in time and money as you should?

Let us look more in-depth at the upside and downside of technology.

On the upside

Kyra Bartolomei, also writing for Demand Media, states that innovations in technology have improved operations at companies of all sizes and helped turn small local businesses into global competitors.

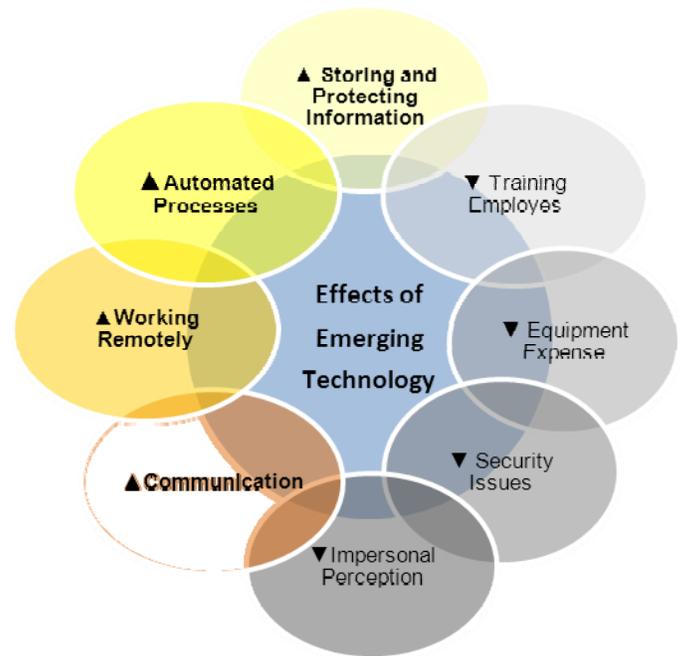


Storing and protecting information: Technology creates electronic storage systems to protect your company's valuable records. Secure maintenance of customer and patient records is vital to a business' integrity.

Automated processes: In family businesses, people look for ways to do more in less time. Technology improves the business efficiency by developing automated processes to take the burden off the staff. Computers run reports, create queries, track projects and manage finances.

Work remotely: IT systems provide remote access to the company's electronic network so employees can work from home or on the road. This increases productivity because employees can still get the work done, even when they aren't physically in the office.

Communication: Technology gives the business the resources it needs to communicate quickly and effectively. This also saves time and money as technology limits the need for people to be in the same physical location.



On the downside

While technology may lower operating costs and increase productivity, a few disadvantages exist with this technology:

Impersonal perception: Technology can give the perception that a business is impersonal. Consumers who are consistently peppered with electronic communication may feel this way. In addition, consumers attempting to contact a business and are unable to reach a human voice become frustrated.

Security issues: Emails, text messages and other website communications are vulnerable to hackers or others who shouldn't have access to certain information. There are also serious legal liabilities if a customer's personal information is illegally accessed. Businesses need to incur expenses creating internal controls.

Equipment expense: Businesses must continually purchase equipment; either upgrades, replacement, or new products in order to maintain relevance. Technology also requires businesses to employ someone to handle repair, replacement, maintenance. Even if this function is outsourced, an expense is incurred.

Difficulty training employees: Some individuals may have difficulty understanding the technology. Businesses may need to spend a lot of time training individuals to use the technology effectively for the intended purpose.

What family business owners say?

When David Freedman asked family business owners, through his blog, what they thought of technology, they responded:



“For me, technology is a life saver. It allows our firm to run profitably with a much lower breakeven point than if we didn’t use a ton of technology to run our office.”

“Welcome to the world of technology! As much as we gripe about it, technology definitely has its benefits. You can essentially develop a product/service and with a few resources, market it at a local, regional, national, and even global level in a reasonable amount of time. Now that’s pretty cool.”

“You can’t be an expert at everything. This is especially true with small businesses, where time and money is always limited. You’re in business to do business, to make sales, to satisfy customers. You’re not in business to be a tech expert.”

“Most small business owners don’t have the time to learn everything that’s involved in keeping a system up and running. After all, keeping your customers happy whether you use technology or not is most important. A handwritten thank you note mailed the old fashion way is worth more in repeat business than any note sent by email or text.”

Balancing benefits vs. risks

When it comes to investing in technology, striking the right balance is key to concerns about spending too much or too little. Due diligence is essential to determining what technologies will generate the best return on investment and advance your business. Your business needs should drive the selection of your technology solutions--not the other way around. Before you invest in any technology solutions, answer these key questions:

- ✓ Who will benefit from the technology in performing their jobs?
- ✓ How will employees’ use of the technology benefit your business?
- ✓ Is the technology capable of scaling to support your expansion plans?
- ✓ How much effort is required to integrate the technology with your existing system?
- ✓ How stable and established is the technology--is it at risk of becoming obsolete and no longer supported?
- ✓ What are the security risks and what measures do you need to implement to protect your business?
- ✓ What are the costs for purchasing, installing, training users, maintaining and supporting the technology and its users, including upgrades and add-ons?

Applying a due diligence approach to working through technology considerations can help make more educated investments decisions, minimize risk and maximize investment. It can also satisfy older and younger employees because they’ll see that both of their perspectives are being addressed in a logical structured manner.



INVESTING IN TECHNOLOGY

- Spend money on your technology as an investment – not as a cost.
- Spend money on technology that will help you now and in the future.
- Use of the WEB and Internet are no jokes, they’re a part of the business trend.
- Mobile technology empowers small businesses - if you and your staff are traveling around, then you need to implement mobile technology.
- Smart small businesses outsource their tech needs. Not so smart, do it all.
- Don’t technologize a bad business process - if there are parts of your business that are not going so well and you think technology is the answer, you’re wrong



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