Impact of Technology in Business

Santhosh T.

Abstract: Regardless of your personal opinion—Luddite or technophile—the rapid advance of technology isn't going to slow any time soon. More and more small businesses that fail to adapt are going to find themselves left behind while the savvy ones who learn to keep up will reap the rewards. You don't have to rebuild your business from the ground up—there's some kernel of merit that's allowed you to enjoy success thus far. You just have to understand how technology affects your business (for better or worse) and how to apply advancements in order to play them to your advantage.

Keyword: Technology, Increased Business, Reduced Cost, Adapt new Technology, Security Threat.

I. INTRODUCTION

We have undoubtedly witnessed a fundamental shift in the way traditional businesses operate and engage with their customers over the last ten years. The explosion of the Internet and mobile technology, and the seemingly endless potential of the ways that they can be used, is outstripping and sometimes undermining structures of working that have prevailed for more than a century.

And it keeps changing every day. These changes have also had a big influence on how the business world operates. Its influence is felt in practically all aspects on the day-to-day operations of businesses, both large and small.

This revolution is removing commercial and technological barriers that have previously hampered free communication between people. Major advancements in mobile technology – and the advent of mobile web – mean we can now shop, advertise, read, purchase and bank with our mobile devices.

By challenging traditional business models, the convergence of readily available internet services and mass mobile devices has delivered unimaginable benefits to both consumer and brand.

Mobility delivers choice for the customer and also lowers barriers to entry for third parties. Integrating old business models with new to provide choice to all demographics, whether in Internet or non-Internet ready markets, will continue to unlock the full potential of mobile technology to all industries.

There is no doubt that business technology has revolutionized the way companies conduct business. But, the question remains: Are small business owners ready for the shift in technology, and if so, what resources do they have in place to handle these rapid changes?

In a survey conducted by Small Business Technology Institute (SBTI) and *Small Business Technology Magazine*, managers from more than 3,000 companies reported that after health care, managing the evolving technologies available is proving to be a major concern.

The report also indicated that small businesses tend to allocate very limited human and financial resources to support where it functions, small businesses approach IT support on a reactive basis and reply heavily on tactical support by product lenders.

This type of approach and decision making around an area that is arguably the most important sector within any business operating under a rapidly evolving market place is a sure fire way to get taken over by competitors or go out of business.

For the very first time, small businesses have the opportunity to implement business technology and level the playing field with larger organizations, a chance that should not be taken lightly for those looking to remain in the game of business.

Whilst the list of advantages are too long to document, below you will find several key advantages to how your business will improve as a result of technological advances in your business:

II. REDUCING BUSINESS COSTS

Small business owners can use technology to reduce business costs. Business technology helps automate back office functions, such as record keeping, accounting and payroll. Business owners can also use technology to create secure environments for maintaining sensitive business or consumer information.

A. Improving Communication

Business technology can help small businesses improve their communication processes. Emails, texting, websites and personal digital products applications, known as "apps," can help companies improve communication with consumers. Using several types of information technology communication methods allow companies to saturate the economic market with their message.

Companies may also receive more consumer feedback through these electronic communication methods. These methods also allow companies to reach consumers through mobile devices in a real-time format.

B. Potential Increase in Business

Technology allows small businesses to reach new economic markets. Rather than just selling consumer goods or services in the local market, small businesses can reach regional, national and international markets. Retail websites are the most common way small businesses sell products in several different economic markets.

Websites represent a low-cost option that consumers can access 24/7 when needing to purchase goods or services. Small business owners can also use Internet advertising to reach new markets and customers through carefully placed web banners or ads.

Santhosh T., Assistant Professor, PSG College of Arts and Science, Coimbatore (Tamil Nadu), India. E-mail: santhosh.arasu93@gmail.com

III. CONSIDERATIONS

Business technology allows companies to outsource business function to other businesses in the national and international business environment. Outsourcing can help company's lower costs and focus on completing the business function they do best. Technical support and customer service are two common function companies outsource.

Small business owners may consider outsourcing function if they do not have the proper facilities or available manpower. Technology allows businesses to outsource function to the cheapest areas possible, including foreign countries.

The society as we know it is going through a radical makeover, thanks to constant connectivity everywhere. This is creating a need for a digital makeover of everything – from retail to our postal system. It is changing our infrastructure needs and it is also increasing the velocity of business. To stay ahead of the game business owners must also change the traditional way of operating their day-to-day business.

The business world stayed pretty much the same for a century or so after the Industrial Revolution but it's probably pretty safe to say that's _never_ going to happen again. The exponential rate at which technology is developing, mutating, and adapting is so fast that you can't help but be swept away in a tidal wave of progress—whether you're ready for it or not. You might not think we've come that far but if you had access to a time machine and went back just five years you'd be shocked to see:

- Social media struggling to integrate with consumerism
- Mobile phones primarily being used for "casual" pursuits by the general public rather than "business," "work" or "commerce" applications
- The relative non-existence of cloud-based solutions for small to mid-sized businesses
- The birth of the App Generation (again, primarily concerned with games and trivialities like "poking")
- The bumbling incompetence of early attempts at omni-channel marketing

Technology has literally changed every aspect of the way any business operates and never before in history has that change occurred so fast. Below you'll find eight ways in which technology has fundamentally changed business (for better or worse).

A. Mobile Solutions

Mobility is "The Next Big Thing." So much so that Google has revamped it's algorithms once again to prioritize websites that make seamless mobile web browsing easier. Every aspect of your business can be handled from remote locations if your smart device or tablet is loaded with the correct software. Everything from your sales enablement, content marketing and customer relations through back end processes like shipping and invoicing at the click of a button. But mobile isn't just for you—it's for your consumers as well. With the rise of Generation Y (Millennials) more people are using mobile devices to buy, sell, shop, find local businesses, and share their retail experiences with friends, acquaintances, prospects, and Facebook strangers every day. This new paradigm has literally rewritten the book on marketing to prospects.

B. Cloud Computing

Cloud computing allows businesses large and small to move some of their operation to third-party servers accessible via Internet connectivity. Not only does this allow for variable data packages but also for rapid (on-demand) expansion and mobility without the fear of downtime, crashes, or permanently lost data. This has allowed small business access to resources that would have been cost prohibitive for them in the past and evened the playing field when it comes to competing against corporations with far more funding.

C. Extreme Customer Segmentation

With the flow of more and more data, it's easier now than ever before to understand the customers you're looking for. With analytics services expanding you can segment your prospects into ever more minute groups in order to target them specifically and, in effect, get more bang for your marketing buck. Even a simple Google account will let you know where your visitors are from, what type of browser they're using, how they found your website, what they do while on it, how long they stay, and at which point they decided to leave. More in-depth services can allow you to whittle that data down even further to incrementally refine your processes, offerings, and approach to dramatically increase conversions.

D. Connectivity

Technology has also increased the ease with which we can all stay in touch. Whether it's having your coworkers and employees available via text/video chat at a moment's notice, or being able to send targeted promotional email blasts to prequalified customers when they're shopping at nearby businesses, the rise of mobile technology has blended almost seamlessly with communication software to create a hyper-real web of real time information.

E. Decreasing Cost/Increasing Functionality

Two things have come together to create a "buyer's market" when it comes to software solutions for your business. First, the hardware and software necessary to create these software solutions has become increasingly easy to use and afford. Secondly, the number of tech savvy and entrepreneurial minds who can exploit such crumbling barriers has multiplied exponentially. A back end inventory system that once took a multi-million-dollar company a year to create in the not-too-distant past takes a couple of weeks for a few recent college graduates to put together. These solutions are offered at affordable rates and are often simple enough to use that businesses don't need to hire dedicated employees or sign long-term service contracts in order to make use of them.

F. Changing Consumer Base

As mentioned above, Millennials are becoming the primary driving force behind business, the economy, and the world, really. In just three years these young folks will represent over half of the American workforce and in two years they will be at their peak affluence (the most money to spend and the fewest financial obligations of their lives). These individuals are more numerous than Baby Boomers, have a looser hold on their wallets, and desire the near-instant gratification of "living in the moment." And, it goes without saying these are the people who were raised on digital technology. They are not only the most wired generation yet, they are the ones responsible for forcing business to get tech-savvy as well.

IV. SOCIAL IMPACT

You can't afford to operate your business as if it exists in a vacuum any longer. The rise of social networking has figuratively shrunk the world and now users can connect without regard to geographical obstacle, financial background, or even social status. Indeed, years ago you may have been able to skate by on "okay" customer service and product offerings but now you'll likely incur a hateful rant on Facebook or a bad review on rating sites like Yelp. And, to use a quote that's often tossed about flippantly, what goes on the Internet stays on the Internet. This means that if you earn a bad reputation, it's going to stick with you. That's why you see businesses large and small worried about their digital footprint, their social identity. They have community managers and such on the lookout for potential "bad press" and out making the rounds trying to be proactive.

A. Decreased Downtime

The rise of technology does have downsides. It seems like there isn't any downtime for individuals to recuperate anymore. Even the coveted American tradition of vacation has become a thing of the past. We always have access to email, text messages, or "work" via the laptop or tablet. And while your intention may be to get away from things for a while, it's more likely than not that you'll succumb to the temptation of "checking in" at least once. And when you do, it's over.

B. Threats to Existing Business

1. Technological developments will fundamentally change current business models: the question is not when but how firms will, and are able, to embrace new technology in their business and operational processes;
2. Firms operating in the mid-market segment will be severely impacted and may not have the investment power (effort, time, expertise, money) required to satisfactory implement;
3. Big Law and, in particular, the Big 4 will be among the "winners" and take market share in legal services segments/sectors requiring and allowing for the introduction of technology;
4. New (disruptive) technology will play an increasing role in the formulation of law firm strategies and impact the competitive market positioning of firms - firms need to determine what they want to achieve, analyze their current market positioning and follow a rigorous strategic analysis of how technology can strengthen their competitiveness;
5. Law firms should not be afraid to embrace new technology and experiment; for those who will just "*follow*" and take a "*wait-and-see*" approach it may be too late.

C. Technology's Negative Impact on Business

Technology has positive effects on global business. The Internet makes it possible for people to communicate easily with associates in other countries. Ecommerce makes it possible for consumers to purchase almost anything from almost anywhere. And the flow of information is fast and often free once you have paid for Internet access. However, technology also has negative impacts on business.

D. Business Relationships

Internet technology -- such as chat rooms, Skype and other software -- has made it possible to hold meetings without all parties being physically present in the same place. A drawback is that meeting with somebody over the Internet is much less personal than meeting face-to-face.

It's ironic that while 24/7 connectivity has improved customer service, it has been detrimental to the office environment. Internet technology in business decreases the personal aspect of business relationships. Business people used to network in restaurants and on golf courses. Today, the lack of physical proximity decreases brainstorming and other communications that use a personal touch.

E. Employee Morale

Installing monitoring software in the workplace sends the message to employees that the company does not trust them, according to research done under the aegis of professor Howard Besser while teaching at New York University.

In a Pew Research Study about the effect of the internet on their work, nearly half of the employees who responded said their employers block their access to some websites. This was an increase over when the survey was conducted in previous years. Yet, the employees felt internet use had increased their productivity but also their time spent working.

Giving employees responsibility, trust and respect boosts their morale and productivity. Showing them that they are not trusted and must be recorded decreases morale and worker productivity. This is true regardless of the actual reasons for installing monitoring software, according to the same research.

F. Time-Wasting Spam

Spam refers to unwanted and unsolicited email messages. Spam is widespread and has negative impacts on business, according to the article "Impact of Information Technology on Global Business" published by Purdue University. Wading through spam email is a waste of time,

And spam filters can only do so much. Users of spam filters must then check for necessary email messages diverted incorrectly as spam.

G. Brick and Mortar

The popularity of ecommerce has had a negative impact on brick-and-mortar retail stores. Smaller stores are finding more and more difficult to compete with both Internet businesses and larger retail stores. For example, small community bookstores must compete with Amazon.com as well as large stores such as Barnes & Noble that sell in person and online. Sometimes the smaller stores end up going out of business.

V. CONCLUSION

Global economy would breakdown and world development will stand still if technological commerce is taken for granted and trade is neglected. The importance of technology in business sector heavily penetrated. It became an enormous business itself, in the form of software design and development, computer hardware manufacturing and robotics applications. It is difficult to imagine living without the presence of technology that most of individual are relishing now a days. It's like living back in the previous decades, no computers, unavailability of cellular phones, absence of internet.

Absolutely, the importance of technology in the business eventually produced a valuable lifestyle. Businesses are growing extensive and progressive. It provides a quicker, appropriate, and more competent system of performing business relations. The good thing that brought by technology in the business world has also influence the living of every individual and the society it belongs.

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