



Discovery Results – Sample Pty Ltd

Introduction

Sample Pty Ltd manufactures and sells widgets through a network of retailers, and direct to the consumer via its website.

Current revenue is around \$28m. The plan is to increase turnover towards \$44m over the next 5 years. New manufacturing equipment will be purchased to increase efficiency and capacity. Market exposure will expand through an increase in the number of retailers as well as direct online sales.

FASES – Summary

Rating – 5 Risk – Medium/High

This an environment that has seen a considerable lack of investment beyond the bare minimum. There are many issues to resolve before the IT and will be sufficiently robust to reliably support the proposed increase in revenues.

1. Core system has many flaws and risks catastrophic failure
2. Quality and age of tools contributing to inefficiencies
3. Lack of systemisation and documentation
4. Lack of training and poor staff development
5. Minimal prospect and customer engagement

FOUNDATION

Rating – 5 Risk – High

Day to day software requirements are met, but the existing core systems represent a significant risk and could lead to a catastrophic loss of processing capabilities.

The business and marketing strategies are geared towards the significant growth of revenues, but there is limited appetite for investment in the underlying systems that will be needed to support this.

Systems

Score – 4 Risk – High

1. Sample Pty Ltd's core systems were created inhouse and do not fully support the needs of the business or customer. E.g. Some orders still need to be processed manually. No ability to provide accurate back order information to retailers.
2. Systems do not support multi-user access.
3. Systems do not provide effective remote access, necessary to support existing remote employees.
4. Management reporting is poor and slow to be delivered.
5. Infrastructure is managed by a third-party MSP. No indications of any issues.



6. Server and networking hardware updated sporadically due to budgetary constraints.
7. Backups are regularly tested, however disaster recover policy tests are outstanding.
8. Single point of contact for all IT and system requirements.

Risks

1. Increase in sales risks overloading core systems.
2. Lack of multi-user support inefficient and a data security risk
3. Disaster recovery not tested in 2 years.
4. User storage of documents on local devices rather than a server risks loss of data.
5. Maintenance contract with MSP is due for assessment against the market.
6. Single point of contact for ALL systems and reporting requirements.

Solutions

Score – 7 Risk – Low

1. Majority of solution software requirements are addressed by Office 365 (Word, Excel, Powerpoint etc.)
2. Other mainstream tools used include, Chrome browser, Adobe Acrobat for PDFs and Paintshop for graphics.
3. Standardisation throughout the business is reasonably high.
4. Some ad hoc use of online tools such as Trello, Evernote, Dropbox.

Risks

1. Heavy reliance on email. Transitioning to a group chat tool such as Microsoft Teams or Slack could reduce overheads.
2. Ad hoc use of external tools increases the risk of a loss of control of data.

Strategy

Score – 4 Risk –High

1. Sample Pty Ltd wants to implement cutting edge technology as part of its manufacturing process but is less keen to invest in innovation in other areas e.g. back office process automation or customer access to data.
2. Current priority is to determine viability of increased automation in manufacturing to support increase in sales through new markets. However, the ageing and inflexible core systems may not be able to support the increase in volume.
3. Website is based on Shopify and provides no additional functionality for retailers or the consumer

Risks

1. Minimal investment in core system may lead to inability to process orders.
2. Minimal customer engagement through website leaves retailers unable to provide accurate information to their customers.
3. Minimal customer engagement through website leaves the consumer unable to obtain information about orders

ASSISTANCE

Rating – 5 Risk – High



The team is expected to use relatively poor equipment with minimal education and lacklustre support from the leadership. Dependence on one person for all software and systems issues risks a complete breakdown of all system processing in his absence.

Equip

Score – 5 Risk – Medium

1. PCs and servers are of a relatively low specification
2. PCs and servers are relatively old
3. Core systems don't effectively deliver the data and information required, relying on the output of one individual on an ad hoc basis
4. Poor data quality leads to inaccurate forecasting

Risks

1. Low calibre equipment drives inefficiency
2. Low calibre equipment reduces morale, increases staff turnover and degrades the quality of the team
3. Inaccurate forecasting leads to backorders

Educate

Score – 5 Risk – Medium

1. Team assumed to be proficient in common tools such as Excel and Word
2. Minimal education during onboarding
3. Limited support materials for future reference
4. Minimal formal education in the use of any tools

Risks

1. Efficiency reduced due to poor education and lack of effective skills
2. Minimal staff development reduces morale, increases staff turnover and degrades the quality of the team

Encourage

Score – 5 Risk – High

1. Minimal encouragement from leadership with regards to education in or adoption of new tools
2. Limited use of evangelists. IT single point of contact, the only point of contact.

Risks

1. Efficiency reduced due to poor education and lack of effective skills
2. Minimal staff development reduces morale, increases staff turnover and degrades the quality of the team
3. Lack of evangelists leaves IT single point of contact as the only point of contact for systems and solutions knowledge.

SIMPLIFY

Rating – 6 Risk – Medium



Significant opportunities exist to streamline and automate many activities, large and small. Lack of recorded knowledge means scaling will introduced additional overheads and inefficiencies, particularly few new hires.

Procedures

Score – 6 Risk – Medium

1. Online orders need to be rekeyed in to core production system
2. Printed checklists and manual entry of data diving inefficiency
3. Poor or missing documentation

Risks

1. Risk of order data corruption that will increase as the business scales
2. Increased returns and customer dissatisfaction
3. Manual intervention increases risk of data corruption and processing errors
4. Poor documentation increases silos and prevents easy repetition by lower skilled staff

Processes

Score – 6 Risk – Medium

1. Production spreadsheets prepared regularly.
2. Preparation/sending of retailer statements includes several manual steps.
3. Poor or missing documentation

Risks

1. Lack of automation for spreadsheet production is inefficient and risks inaccuracy
2. Statement preparation inefficient, risks inaccuracy of data and is a data security risk.
3. Lack of documentation builds silos and dependencies
4. Poor documentation increases silos and prevents easy repetition by lower skilled staff

Practices

Score – 7 Risk – Low

1. Poor user engagement due to poor tools
2. Large volume of emails

Risks

1. Low efficiency of many back office staff

ENGAGE

Rating – 5 Risk – Medium

Prospect and customer engagement can be increased significantly through the effective use of automation tools and modern social media strategies. Scaling will exacerbate existing issues with customer and retailer communication.

Customer

Score – 6 Risk – Medium

1. Backorders not communicated effectively with retailers



2. Minimal interaction with customers post sale
3. Retailer and customer account/order information unavailable

Risks

1. Potential loss of accounts due to backorder issues
2. Increased requirement for phone staff due to lack of self-service facilities

Connect

Score – 4 Risk – High

1. Some engagement on social media, but few if any responses to user engagement
2. Posts created manually.
3. No CRM. Limited customer and no effective prospect tracking in core system.
4. Website (Shopify) is little more than an online store.

Risks

1. Lack of prospect engagement leads to loss of potential sale
2. Lack of automation driving inefficiency
3. No CRM means no effective management of prospects or customers
4. Limited social media strategy.

Collaborate

Score – 4 Risk – Low

1. Negligible electronic collaboration with 3rd parties

Risks

1. Inefficiency and risk of errors due to reliance on manual and paper-based systems

STRENGTH

Score – 3 Risk – High

This is an IT landscape that appears to have been largely ignored for the past few years and lacks any sense of direction or purpose. It is a very good example of a “set and forget”.

Invest

Score – 3 Risk – Medium

1. 3-4% of revenue spent on IT
2. Minimal desire to further invest in technology, except manufacturing systems
3. Reliance on outdated and ineffective core systems

Risks

1. Old technology guarantees inefficiency and comparatively poor performance compared to competition.
2. Continued use of existing core systems means scaling will introduce significant risk of loss of processing capabilities

Innovate

Score – 3 Risk – Medium



1. No innovation mindset. Traditional approach taken to technology use
2. Significant reliance on analogue tools rather than looking for digital alternatives

Risks

1. Performance of the team will continue to degrade
2. Comparative performance of the business will continue to degrade as competitors retool and reskill

Iterate

Score – 3 Risk – High

1. No formal review policy for IT purchasing requirements.
2. Reactive purchasing decisions poorly planned and tactical rather than strategic
3. No formal measuring methodology to determine effectiveness of initiatives

Risks

1. Comparative performance of the business will continue to degrade as competitors retool and reskill
2. Lack of coherent strategy will increase IT fragmentation