



WHITE PAPER

BUILDING AN EFFECTIVE TECHNOLOGY ROADMAP

*A COMPREHENSIVE TECHNOLOGY ROADMAP CAN
DELIVER A NEW COMPETITIVE EDGE FOR TODAY'S SMB*

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EXECUTIVE SUMMARY



Today, many small to medium-sized businesses (SMBs) don't have a formal, long-term business strategy in place, much less an official technology roadmap that aligns their use of digital tools with their business goals. This scenario represents a mismatch in SMB executives' thinking about technology with what they're actually doing: 86% of SMBs "strongly agree that technology is changing their industry,"¹ but less than one-third have a documented technology plan for the short-term future.²

It's fair to assume that the majority of SMBs don't have the time, technical staff, resources, or even the experience required to develop and implement an effective technology roadmap. For example, when it comes to recruiting IT staff, 49% of small businesses that are actively hiring report that it is difficult to find candidates with the skills they need.³

However, a technology roadmap brings a wide array of significant benefits to enable an organization's digital transformation journey. Most SMBs have recognized the importance of technology to become more competitive and have already started their digital transformation. Any journey is easier with a good roadmap, in this case, one that aligns technology with business objectives. Many SMBs have learned that creating and executing a well-designed roadmap can help them make the best technology decisions that are aligned with strategic business priorities, capabilities, and outcomes.

This white paper will examine the topic of a technology roadmap by taking a closer look at what it is, the benefits it can provide, and best practices any SMB can follow to develop their own complete digital strategy, either on their own or through close collaboration with an experienced business partner.

¹ Cisco, "[How to Become a Digital Challenger: Seven Steps to Success for SMBs.](#)"

² Deloitte, "[The performance of Small and Medium Sized Businesses in a digital world.](#)" 2019.

³ U.S. Chamber of Commerce, "Small Businesses Trying to Hire Face Growing Difficulty Finding Workers," October 28, 2021.

TECHNOLOGY ROADMAPS: OFTEN OVERLOOKED BUT STILL IMPORTANT

Most SMBs are busy operations and likely face changing business priorities each day to stay afloat. Executives and even owners are often hands-on leaders and may drop their management responsibilities to troubleshoot a manufacturing line, smooth things over with an unhappy customer, or make sure an important order goes out the door. While these immediate actions may be necessary, they can prevent SMB leaders from developing well-defined, long-term business strategies. As a result, often SMBs spend more time running the business than they do building the business.

This is evident when it comes to the general lack of business strategy in so many SMBs as well as a comprehensive technology roadmap aligned with the company's goals. According to research, only 15% of small business owners develop a formal business strategy each year – and 27% report that they don't have any strategy at all.⁴ The same is true when it comes to technology planning: 57% of small companies believe they must improve their existing IT infrastructure in order to optimize their operations, but many don't know how to proceed to accomplish this goal.⁵

Strategic technology roadmaps have long been a standard for successful enterprise-level organizations. As SMBs have begun to recognize the importance of technology to their business success, they too have started to adopt a formal approach to developing a strategic plan. While these roadmaps may look different for an SMB, the elements and processes to create them are the same as for larger companies.

Yet many SMBs may believe strategic planning is just for enterprise-level organizations or that their current ad hoc approach works for them. Or, if they see the value, they may not have the time or knowledge needed to develop an effective technology roadmap. Staff is a real issue, too: SMB owners may think it's too early to hire a full-time CIO or senior technology executive with the experience required to develop and execute long-term digital strategies. Many SMBs may not have any IT employees at all – today, 43% of SMBs do not have one full-time IT employee or equivalent in-house.⁶

While all these reasons are understandable – and justifiable – they don't change the fact that strategic technology roadmaps are an extremely important tool to make the best long-term decisions related to digital innovation, and in turn, deliver significant benefits to the entire business.

“85% of SMBs realize the potential of technology and believe that digital tools help their business. Yet 23% are still in the most basic phase of their digital journey – often without a clear plan for how to capitalize on all that technology has to offer.”

*- Deloitte
The Performance of Small and Medium Sized Businesses
in a Digital World*

⁴Agility PR Solutions, [“Small Businesses Are Confident in their Ability to Execute on Goals – Yet 95% Don't Meet Them”](#), May 2020.

⁵SMB Story, [“Trends for SMBs to Watch in 2023”](#), January 2023.

⁶Agility PR Solutions, [“Small Businesses Are Confident in their Ability to Execute on Goals – Yet 95% Don't Meet Them”](#), May 2020.



DIGITAL TRANSFORMATION SUCCESS: DOMINO'S PIZZA



Digital Transformation Success: Domino's Pizza

Domino's Pizza, the one-time leading international pizza chain, embraced digital-first thinking to transform the company from a traditional brick-and-mortar pizza chain to a true technology innovator.

The need for change was driven by increased competition that threatened Domino's core business model: pizza delivery in 30 minutes or less. As new entrants such as DoorDash, Uber Eats, and GrubHub began to beat Domino's at its own game, it quickly became clear that the pizza company needed a revolutionary shift.

Sometimes the biggest changes must come from the most ambitious goals. In this case, Domino's aimed to hit a seemingly impossible target: Make it possible for any customer to order a pizza in 17 seconds or less – the average time a consumer might wait at a traffic light – using a mobile device.⁷ In response, Domino's delivered and soon customers could place an order extremely quickly

without interacting with human employees at any point in the ordering and delivery process. With this innovation, online orders quickly surpassed non-online orders, and more than half of the online orders came from mobile devices.

Not content to rest on its laurels, Domino's soon rolled out many other digital-first innovations, including the industry's first AI ordering bot ("Dom"), GPS order tracking, and even delivery options using autonomous vehicles, electric bikes, and drones. Thanks to its visionary approach and comprehensive technology planning, Domino's exceeded even its own growth goals. Since 2010, Domino's has had a 90x increase in stock value, far superior to Facebook, Google, Amazon, and Apple.⁸

Domino's success story demonstrates that an effective technology strategy and roadmap can help any company take advantage of new innovations to achieve a wide array of business benefits.



⁷NCR, "The Digital Innovations that Took Domino's from Pizza Place to Tech Giant", January 2021.

⁸Product Habits Blog, "How Domino's Pizza Drove a 90X Increase in Stock Value by Acting Like a Tech Startup".

WHAT IS A TECHNOLOGY ROADMAP?

A technology roadmap is a high-level plan that communicates a company's overall IT strategy and corresponding timelines. It is designed to closely align with an organization's business goals and show how the implementation and use of specific technologies – new and existing – will support these objectives over time. This is important because many SMBs may not know where or how to get started. The careful thought and effort that goes into any roadmap planning exercise can help SMBs understand what they have in place now, what challenges or limitations they face, and how new technologies can overcome them while also positioning the company to achieve better business results.

An effective roadmap will define the plan by communicating various technology decisions and breaking them into specific timeframes. While this helps internal teams understand important details and know when these changes are coming, such planning helps the company make sure the quality, scope, timeline, and budget all fall into place.

It is important to note that a technology roadmap is not designed to be finished or complete. Instead, it should be reviewed on a regular, ongoing basis, such as monthly check-ins and quarterly deeper dives. These examination points are updated based on market changes or new business goals and are important to track established metrics; identify, discuss, and solve any issues, and course correct to ensure goals and deadlines are on track. Creating such a vision and planning how to get there is difficult – if not impossible – without such a roadmap.

TECHNOLOGY ROADMAP VS IT ARCHITECTURE MAP

It may be easy to confuse a technology roadmap with an IT architecture map, especially since they sound similar. Yet they are two very different things and serve different purposes.

An IT architecture map depicts the company's infrastructure and assets: applications, systems, networks, databases, and more. In this way, an architecture map is to a house blueprint that shows room dimensions, the location of doors and windows, foundation details, and other information.

To continue the example, a technology roadmap is more comparable to the homeowner's overall project plan for addressing current issues as well as improving the house over time. Instead of house-specific projects such as replacing the 20-year-old roof, painting three or four rooms, or updating the kitchen on a house plan, a technology roadmap would show how an SMB plans to migrate to a [new enterprise resource planning \(ERP\) system](#), implement an AP automation solution, improve cybersecurity, or upgrade their firewall or current eCommerce system.

Since few businesses have the luxury of tackling all projects at once, the roadmap should break projects into realistic timeframes that reflect the company's priorities, budget, resources, and other considerations.

BUSINESS BENEFITS: THE CATALYST FOR FUTURE SUCCESS

Technology roadmaps are a proven way to begin, and then execute, a company's digital transformation. However, it's not just technology for technology's sake – the planning and regular management of a technology roadmap can help SMBs overcome existing challenges, drive new innovations, and help the business achieve its most important goals.

Growth

There is a clear correlation between SMBs' adoption of new digital technology and hitting their growth targets. Small businesses that maximize the use of technology in their operations are more likely to see growth in sales and profits. For example, 82% of small businesses that use six or more technology platforms saw an increase in sales while 84% realized a gain in profits.⁹ Additional research shows that tech-savvy SMBs are three times more likely to experience revenue growth and are twice as profitable than their less-digital peers.¹⁰

Effective roadmap planning exercises can help companies uncover issues that may be holding them back and identify new types of technology to help them accelerate revenue growth. For example, SMBs may have cobbled together a homegrown approach to sales and marketing, but implementing a new [customer relationship management \(CRM\)](#) solution may help them improve internal processes and gain better insights into customers and prospects – vital in improving sales results.

Cost savings

Topline revenue growth is crucial, but so too is managing costs to improve the company's bottom line. Technology can help SMBs reduce costs in many ways, from automating manual processes and reducing related material costs, consolidating disparate systems, and accelerating critical workflows and processes. Additionally, SaaS subscriptions and [cloud hosting options](#) have disrupted past on-premises models once required to purchase, manage, and maintain software applications and data and can present additional opportunities for cost savings.

One SMB, [Hawaii Dental Service \(HDS\)](#), went through a planning exercise to migrate its legacy accounting software to a cloud-based financial solution. After working with a third-party technology advisor, HDS implemented Sage Intacct, a decision that helped them improve budgeting processes and simplify multi-company accounting tasks. For example, HDS freed over 17 hours of time dedicated to AP processing and financial reporting – enabling staff to focus on more strategic tasks and helping HDS significantly reduce costs.

⁹ US. Chamber of Commerce Technology Engagement Center, "[Empowering Small Business: The Impact of Technology on Small Business](#)", August 2022.

¹⁰ Deloitte, "[The Performance of Small and Medium Sized Businesses in a Digital World](#)", 2019.



More efficient operations

Digital transformation projects enable business process optimization through the use of new technologies. For example, an SMB may want to build a comprehensive eCommerce solution that enables customers to buy products, track orders, and view invoices, all while providing valuable purchasing history to help sales, accounting, and the warehouse. An effective technology roadmap can provide a way to synchronize organizational initiatives to avoid priority conflict and competition and make sure all aspects of the project are in alignment.

Business insights & data-driven decision making

Many digital tools are available to help SMBs manage their business and provide detailed views of the company's performance. ERP, CRM, and business intelligence systems can provide detailed dashboards and reports to monitor performance across the business: sales, finance and accounting, marketing, and more. Today's systems can present this information in real time, helping executives and teams gain complete visibility and insights into the metrics that matter most in time to influence results.

Better customer experiences

SMBs are especially close to their customers and can usually benefit from a better way to manage vital touchpoints such as sales, marketing, and customer service. A technology roadmap can help identify new opportunities to deliver on this potential. For example, CRM systems that help teams gain a 360-degree view of all their customers' data and activity enable companies to improve the way they tailor existing practices and provide a better customer experience.

Net at Work customer [Ultraflex](#) followed this same approach by upgrading their CRM solution. With powerful marketing automation capabilities and integration with the company's Sage 100 accounting system, the Microsoft Dynamics 365 solution helped Ultraflex save 500 staff hours per year.

These are examples of specific business goals that SMBs can achieve using technology to drive new digital transformation efforts. Yet SMBs can focus on additional areas of their business and accomplish other important objectives with technology roadmaps.

THE NEXT GENERATION OF ERP - THE DIGITAL OPERATIONS PLATFORMS (DOP)

Forrester Research identifies three key characteristics of Digital Operations Platforms (DOP) as the [Next Generation evolution](#) from traditional Enterprise Resource Planning systems:

- 1. Adaptive for fast-changing business needs.** DOPs harness the cloud, with its ability to enable business agility with decoupled microservices-based architectures, innovation that makes technology “evergreen” (with less difficult upgrades), low- and no-code platforms that support business-led development, and marketplaces that allow self-service access to add-ons.
- 2. Artificial Intelligence (AI)-based for efficiency and innovation.** AI helps with both efficiency, such as automating mundane but critical tasks like the financial close process, and innovation to make products smarter.
- 3. Accessible for interactions beyond the browser.** DOPs offer multiple ways to interact with the system, far beyond the browser and app.

ALIGNING TECHNOLOGY INITIATIVES TO SUPPORT BUSINESS STRATEGY: ELEMENTS OF A COMPLETE ROADMAP

A technology roadmap documents the technology initiatives that support the goals of the business. Developing a roadmap starts with a strong foundation – in this case, security. From there, a solid technology roadmap includes technology areas such as productivity, core business applications, department-specific applications, and infrastructure. The final elements include brand experience and insights and automation.

Security

Security is the foundation of a technology plan, since one event can bring a company down for an extended period of time. Cyber threats such as ransomware, malware, and data breaches are a top concern for companies of any size, but SMBs may be especially vulnerable. These smaller companies may lack the IT staff, resources, and specialized security solutions to adequately defend themselves. Today, 51% of small businesses have no cybersecurity measures in place¹¹, and more alarming, 75% of SMBs could not continue operating if they were hit by ransomware.¹²

For most SMBs, improving defenses and reducing cybersecurity risk should be a high priority on their technology roadmap.

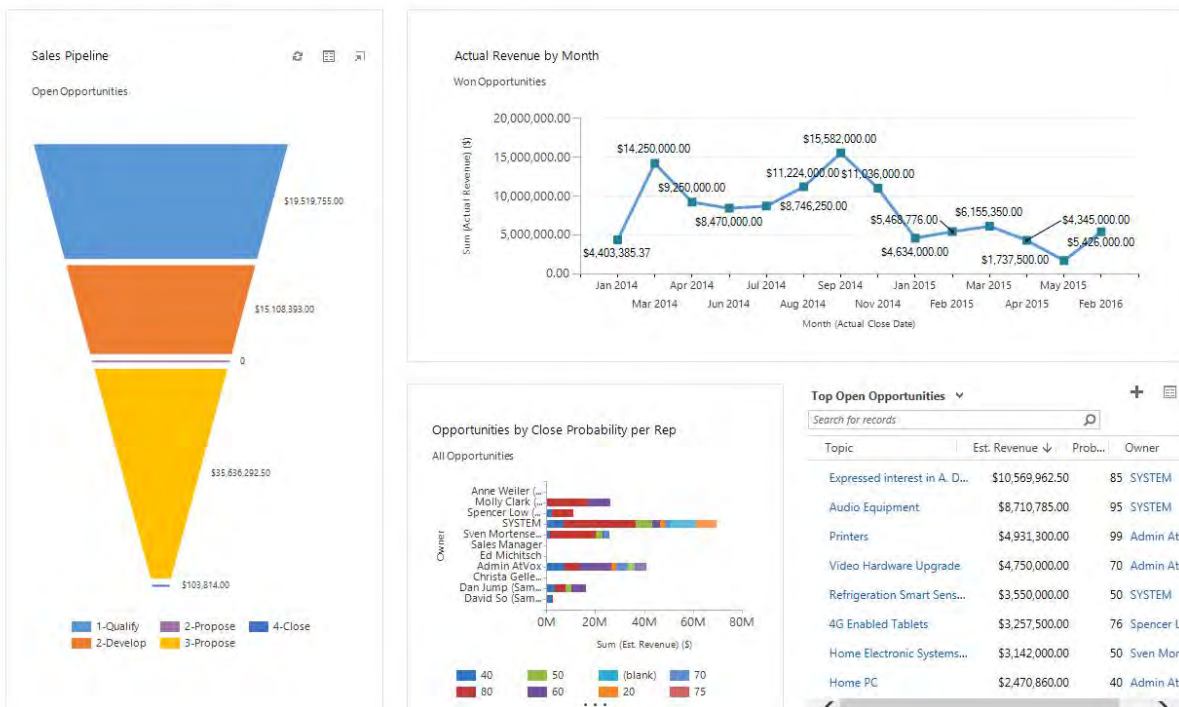
Infrastructure

Infrastructure includes the servers, workstations, laptops, and personal devices that all of the applications will run on and users will use on a daily basis. Important questions to address include cloud versus on-premise deployment, how often the company will have to refresh physical devices, how it will support a bring your own device (BYOD) culture, and if it needs to support a mobile workforce. Examples of infrastructure technology that may be considered include Microsoft Azure, Amazon Web Services, VMware, Dell, and Citrix.

Productivity platforms

Many smaller companies may still be getting by without modern productivity or project management tools, such as Microsoft 365, Google Workspace, Asana, and Slack.

Sales Management



CRM systems, like Microsoft Dynamics, offer a 360-degree view of prospect and customer data and activity, helping businesses glean real-time opportunities to improve existing practices and provide a better customer experience.

¹¹ Digital.com, "51% of Small Business Admit to Leaving Customer Data Unsecure", February 2023.

¹² CNBC and Mometric, "Main Street Overconfidence: America's Small Businesses Aren't Worried about Hacking", August 2021.

A technology roadmap should either identify tools that may exist now or position them as a decision to be made in the future based on costs, expected productivity gains, and return on investment. The roadmap should also address the various deployment options, such as onsite installation and maintenance versus cloud-based systems, and the resources required to support them.

Core business systems

Beyond productivity platforms that offer tools largely designed for employees' daily use, SMBs also rely on a few different core applications. These systems can include ERP and CRM systems, finance, accounting and AP automation, payroll, supply chain management, content management, business intelligence, and more.

Specialized applications

SMBs represent every vertical, which means they may have specialized, industry-specific technology in place. Restaurant point of sale (POS) hardware and software, warehouse and inventory management systems, and retail scheduling applications are all examples of this, while many more exist.

Many SMBs may be using outdated systems that are reaching or have reached end-of-life by the vendor – a prime opportunity to improve the business with more modern technology. One example: As of January 10, 2023, Microsoft no longer provides support for Microsoft Dynamics NAV 2018, which may cause many companies to migrate to an actively enhanced and supported ERP solution.¹³

Department-specific applications

While an ERP is an example of a core business application used across the organization, there are department-specific applications that need to be considered. Often departments like marketing, sales, or field service have very unique needs that can only be delivered by specialized applications.

Recognizing this need and including them in the technology plan ensures that vendor selection, integration, and security standards are carefully planned and executed.

Examples of these applications include Smartsheet and Creatio while there are other examples for HR and accounts payable.

HR and training

SMBs may have a surprising amount of software in their [HR technology stack](#). This can include specialized applications related to recruiting, applicant tracking, onboarding, performance management, employee engagement, training and learning management, and more. These HR-focused technologies may come in the form of individual applications or modules available from a vendor's HR software suite. Again, this category should be carefully evaluated to see if the company could benefit from adding this technology or consolidating, replacing, or upgrading these systems.

Accounts payable (AP) automation

Many SMBs still use a manual approach to paying invoices: opening paper bills, entering data, running reports for invoice approval, and then printing and mailing checks. This is a prime opportunity for improvement for these SMBs with AP automation solutions. Not only does automation help save time and reduce costly errors, but it frees employees to focus on higher-value initiatives that can help the company grow and become more competitive.

Brand experience

Brand experience is how employees, vendors, partners, and customers experience working with the company. For example, are employees living in email or interacting on a platform like Microsoft Teams? Are clients calling a help desk or using a portal? Is important information easy to access online, or does it require emails to be sent?

Applications such as SharePoint, Adobe Creative Cloud, and Microsoft Teams, just to name a few, can be used to facilitate collaboration, ease communication flows, and improve customer, supplier, and employee experiences.

¹³ Microsoft Documentation, Dynamics NAV 2018, <https://learn.microsoft.com/en-us/lifecycle/products/dynamics-nav-2018>

Insights and automation

Because today we live in a SaaS, API-first, everything-connected world, even a small company is likely to be using six or more applications. That means SMBs must consider how they will draw out the important KPIs in a timely manner to make important decisions. Applications such as Power BI and Tableau can help to surface powerful insights and automate key processes.

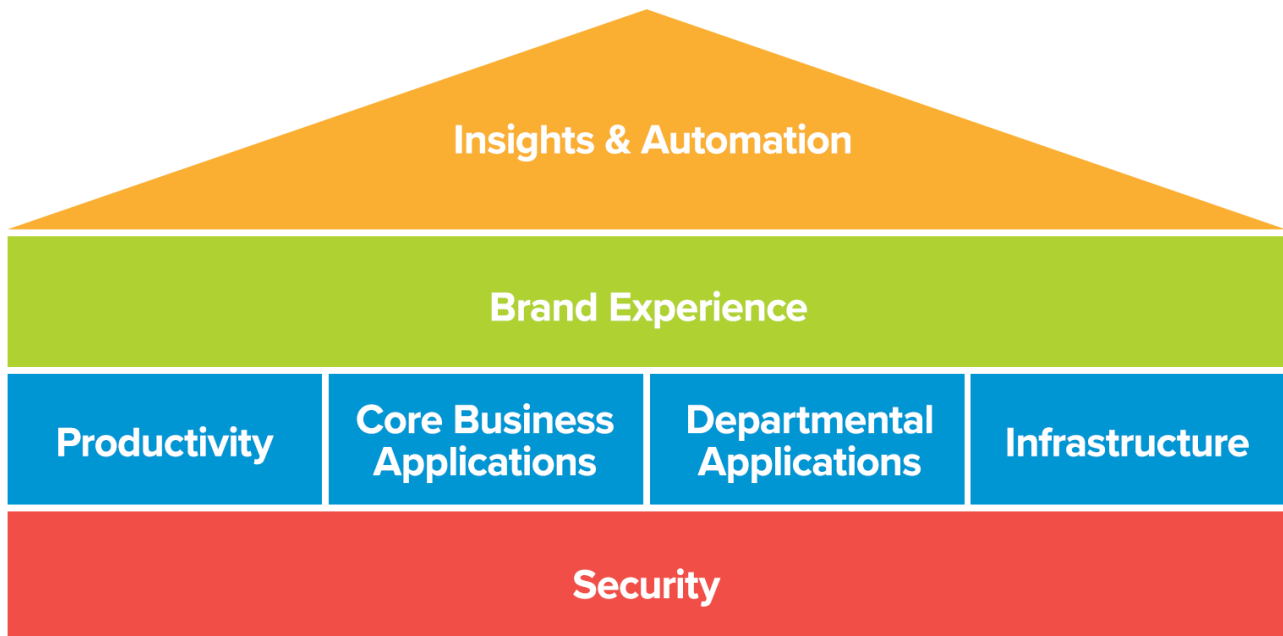
Teams should carefully examine each area to potentially add new technology (if it doesn't already exist), evaluate the current performance of any systems in place, or consider replacing existing technology with more modern solutions better designed to meet their needs. Organizations should also perform a self-assessment of their existing systems since many organizations fail to use their existing systems correctly and do not leverage the maximum capabilities of these systems.

From Reactive to Proactive

UniWell Laboratories once faced significant challenges associated with a lack of strategic thinking and too many tactical, reactive processes. This contract manufacturer relied on spreadsheets and other manual methods to attempt to track, manage, and order vital inventory. This past approach wasn't as efficient or as accurate as UniWell needed, forcing the company to overstock raw materials to counter supply chain disruptions brought about during the COVID-19 pandemic.

After partnering with Net at Work, UniWell developed a technology roadmap that helped it successfully transition away from these past processes and develop a more effective long-term strategy to deliver better results. As a result, UniWell expects to achieve 14% year-over-year growth.

A Complete Technology Roadmap



BEST PRACTICES FOR BUILDING A TECHNOLOGY ROADMAP

A technology roadmap is part of an organization's strategic planning process. When planning for the future, the company needs to understand where they are today and where they want to be in specific timeframes (e.g., one year, three years, or five years). For example, once a five-year vision is identified, the organization will then develop specific strategies that include KPIs to measure progress. In summary, the strategic planning team should articulate its five-year vision, define clear strategies to achieve it, and identify the right set of KPIs to measure ongoing progress.

A company develops a technology roadmap to plan the technology initiatives that will support those strategies. For example, if a SMB wishes to increase its margin by 6% in five years, then reducing costs in the AP department could be an effective strategy to drive those margin improvements. Implementing an AP automation tool could reduce invoice-processing costs from \$6 an invoice to \$2 per invoice.

In this example, the company should add an initiative to its technology roadmap to document their overall requirements for AP automation and evaluate and select the right vendor and software product to meet those requirements and how well it integrates as part of the company's overall DOP. Once that decision is made, the company should also consider the implementation project for the AP automation solution and factor this into their roadmap. All initiatives should detail the timeline, cost, risk, and resource effort.

Once established, the roadmap moves into execution mode. Owners, executives, and other key stakeholders should meet on a monthly basis for regular check-ins as well as quarterly for more detailed reviews to monitor KPIs and other metrics and make sure the roadmap is on track.

As described earlier, many SMBs may not have the senior IT staff or other resources in place to successfully conduct an initial roadmap planning exercise.

In this case, these companies may consider partnering with independent technology advisors who have experience in delivering digital transformations, such as fractional Chief Information Officers.

SMBs Can Lead the Way

While it may seem that larger companies will always lead the way when it comes to adopting new technology and digitally transforming their business, this is not always the case.

There are many examples where SMBs implemented new technologies to reinvent themselves or achieve results that they may never have dreamed possible. When the COVID-19 pandemic forced Little Goat Coffee Roasting to close their retail business, the company quickly built a new eCommerce platform to pivot its entire business model and wholesale coffee beans to local supermarkets.¹⁴

Another example is [Artistic Tile](#), a luxury stone and tile distributor that moved away from an outdated legacy ERP system and implemented a next-generation ERP solution to digitally transform operations for its nearly 200 users. The company significantly improved the overall customer experience and hit an all-time sales record – assisted by its focus on new technology.

¹⁴ WSFS Bank, "[Celebrating Small Businesses: Little Goat Coffee Roasting Owners and Employees Team up to Transform Their Shop, Support the Local business Community](#)," May 2021.

SUMMARY: “HOPE IS NOT A STRATEGY”

It's a challenging time for many SMBs, especially those facing the need to constantly do more with less. Chances are good that SMB leaders are busy, overworked, and don't have extra time to focus on initiatives that won't move the needle when it comes to topline growth or bottom-line profitability.

Business strategy and more specifically, how technology is a means to driving growth, should not fall into this category. Instead, developing a comprehensive technology roadmap – one in lockstep alignment with the company's larger business plan – is one of the most effective ways any SMB can objectively gain organizational alignment on future initiatives to drive growth and margin improvement. Moreover, this tool helps bring IT professionals and business leaders closer together to ensure that technology is used to support overall business goals.

“Hope is not a strategy.” This old line, often used by seasoned business school professors or cynical executives, seems to ring true when it comes to SMBs and their need for business and technology planning. Yet by embracing this challenge as an opportunity and developing better strategies with ongoing, comprehensive technology roadmaps to execute those strategies, SMBs can gain a new – and sustainable – competitive advantage.

Next Steps

To learn how Net at Work delivers the technology expertise, strategic services and next-generation solutions your business requires, request your no-obligation Business Health Assessment with a Fractional Chief Information Officer and identify the short- and long-term opportunities to digitally transform your business by visiting www.netatwork.com today.



ABOUT NET AT WORK

Founded in 1996, Net at Work is a leading technology advisor to thousands of small-to-medium sized businesses throughout North America. The award-winning consultancy offers a rich portfolio of technology, expertise, and services to help organizations derive value from the transformative effects of technology. To start unleashing the power of your business, visit www.NetatWork.com.

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