

AN INTRODUCTION TO **MIS**

WHITE PAPER



CLARITY
SOFTWARE GROUP

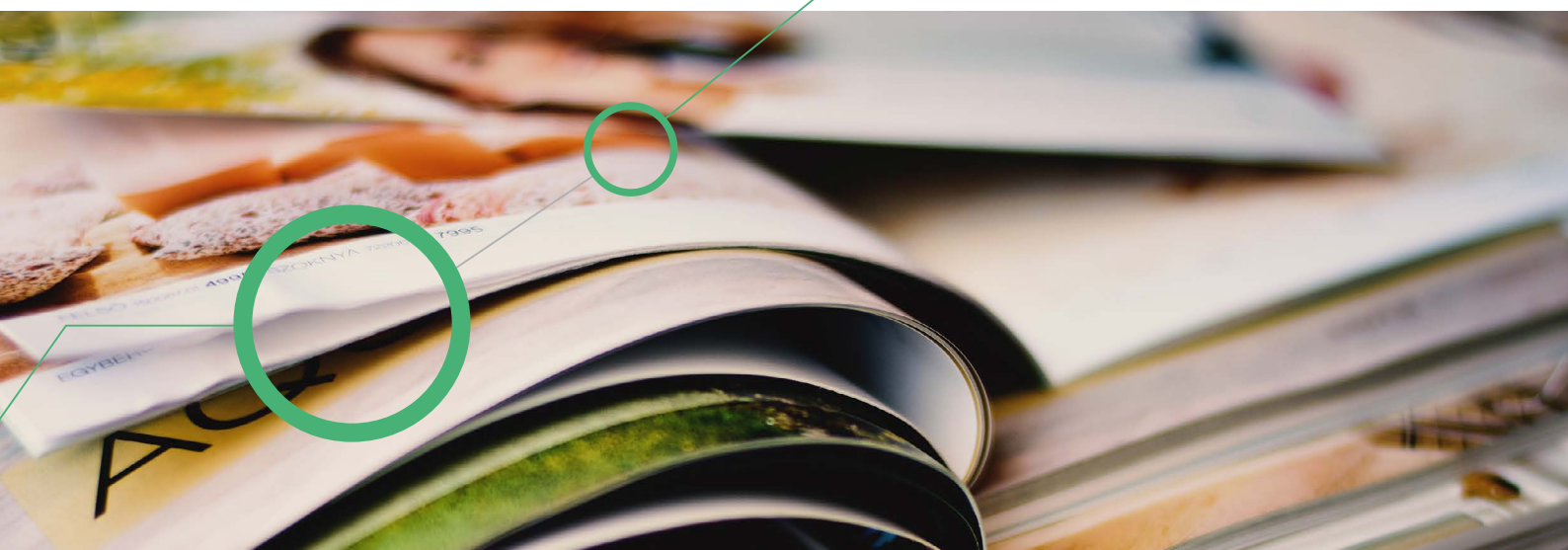


**A GUIDE FOR
DIGITAL PRINT,
SIGNAGE AND
GRAPHIC DESIGN**



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INTRODUCTION

SECTION 1

SHARING OUR INDUSTRY EXPERIENCE IN DIGITAL PRINT, SIGN AND GRAPHIC DISPLAY

From its foundation in 2001, Clarity Software has written and implemented hundreds of successful MIS and CRM systems for SMEs in digital print, sign making and graphic display.

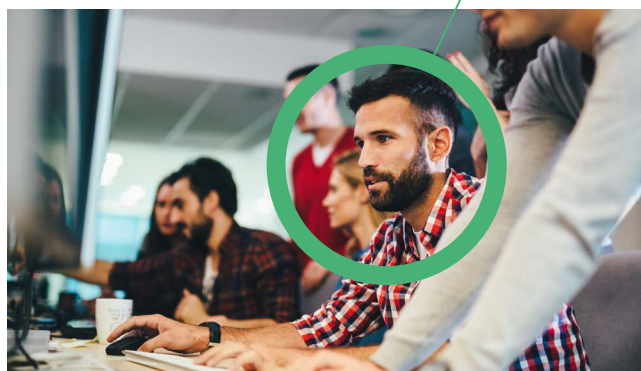
With over 3,500 active global users of Clarity, Clarity Software has accumulated a wealth of industry knowledge from its customers and has evolved this invaluable information into cutting edge functionality for all users to benefit from. Clarity users range from newly incorporated digital print brokers with one or two employees, through established 100+ employee franchised sign makers and graphic displayers with bespoke operational processes. We have developed our software around companies like yours, with our user base growing thanks largely to referrals. Whatever the individual niche or expertise within this evolving industry, we know how important it is to be accurate when it comes to job costing, production management, delivery timekeeping and invoicing.

Every sign maker, printer or display company is unique in some way, whether it is based on business processes, pricing or product specialty; so flexibility and adapting to changing business needs is critical for MIS providers to continue to deliver value and return on investment.

We have created this complimentary white paper so all companies in the industry can understand how MIS may help their businesses grow.

We are operating in an increasingly automated environment, particularly with the rise and adoption of new system-driven technologies such as Job Definition Format (JDF), now over ten years old, by recognising thousands of worldwide users.

We hope you find this white paper useful and all feedback and comments are welcomed, so we can continue to pass incremental value on to our user community.





MIS EXPLAINED

SECTION 2

UNDERSTANDING THE TRUE MEANING OF A MANAGEMENT INFORMATION SYSTEM (MIS)

In a nutshell, a Management Information System (MIS) is a system or process that provides decision makers with the information needed to manage a business effectively.

MIS differs from regular Information System (IS) technology in that it yields additional information to support automated or human decision making; thus, optimising the profitability and success of the business operation as a consequence.

Business software in the print, sign, graphic display and creative industry has unquestionably evolved. Its humble beginnings were over 30 years ago when simple automated processes were introduced to manage some of the most basic human functions.



The result was a huge reduction in man hours, human error and overall cost, demonstrating how return on investment (ROI) from computer software could easily be quantified into savings or profit.

This blueprint has been expanded ever since and various segments of MIS software have emerged to govern their own unique space often referred to as modules - offering tailored areas of functionality to suit business requirements and urgent priorities.

Some of the most familiar modules include Customer Relationship Management (CRM) which manages the full interactive customer experience from first marketing contact through sales quotations, to managing customer expectations and delivery, through to contract renewal and repeat ordering. However, a true MIS will span and centralise the entire operational breadth of the company, offering integrated processes from customer prospecting to chasing invoice payment.

Various solutions can be used to fulfil this integrated requirement, with an example being the connection of an accounting system such as Sage Instant, Sage 50, Pastel or Quickbooks.

But the overall objective of MIS is to create a joined-up system that requires the minimum of human input to produce the maximum in visibility and decision making power.

With MIS installed, your business should see almost immediate improvements in efficiency, costing accuracy and bottom line profit.



CRM - A VITAL COMPONENT

SECTION 3

CUSTOMER RELATIONSHIP MANAGEMENT IS RELIED UPON BY EVERY DEPARTMENT

During the marketing and sales process, all notes, activities and interactions are logged within the CRM module against the prospect or company, which can be picked up and used by the shop floor or production team.

These often include:

- Phone calls
- Emails
- Meetings
- Site visits
- Marketing campaigns
- Fittings and deliveries
- Historic quotes (won and lost)
- Changes of contact
- Credit status



During the production or service delivery of the job, the CRM functionality allows you to log your customer relations for required actions such as technical support, additional material purchases or changes in operational schedules.

Working in conjunction with this, having one central calendar for all of your business activities is priceless, as it gives global visibility across the progress of jobs and immediate availability for fittings and deliveries.

Mobile devices such as iPhones can also be used for Proof of Delivery (POD), sending confirmation directly back to your MIS via 3G or Wi-Fi connection.

If you can synchronise this calendar with your mobile device, or access it remotely, then this opens the door to optimised staff efficiency. Integrated CRM is essential requirement and is core to a seamless workflow.



CHOOSING THE TIME TO BUY

SECTION 4

IS A MANAGEMENT INFORMATION SYSTEM THE RIGHT SOLUTION FOR MY BUSINESS?

This is the burning issue that many SMEs struggle to evaluate. A good place to start is to challenge your business with some simple questions:

Do I have complete 360 degree visibility of my workflow?

Can I access any information I need in order to make immediate decisions?

Can I produce automated reports for outstanding quotations, sales wins & losses, operational costs and customer service metrics?

Does everyone within my team have the tools they need to maximise their performance?

More often than not, the answers to these qualification questions should give you the information you need to make an early headline decision.

There is no minimum size requirement for a company to derive benefit from introducing MIS software into the business.

Whether you are a sole trader or a 100+ employee limited company, information is power and will undoubtedly assist you in your decision making.

In fact, many users of Clarity are single or dual user companies who are using our product to centralise their day-to-day processes in quoting, estimating, sales processing and delivery management. A classic example of a small business 'pain' that can be solved by MIS is being able to retrieve historic quotations and job orders quickly.

Imagine if a previous customer requested a repeat quote for a job you successfully provided him with a year ago, saying it was £2,950+vat at that time. Do you know where to look for this information? Can you access it quickly whilst you are on the phone? How do you know that the customer is relaying the correct price from last year?

With an appropriate MIS driving your business you can access this information at a click of a button. You can verify the previous year's quote and re-quote the customer based on the latest material prices which are already stored in your system, potentially saving you hours in admin time.

Simultaneously, you can evaluate your stock levels, plan for additional materials and calculate your expected delivery time using the workflow modules, resulting in a fast and accurate job profit estimation for the business. Furthermore, your customer will benefit from being able to make a fast buying decision, increasing your win potential on the job.

This level of functionality is only achievable through a fully-integrated system that joins up all the processes of your business. Be wary of 'fragmented' solutions which do not offer this level of integration or efficiency; for example, a stand-alone CRM system.

This common business issue is just one of many which can be addressed by implementing MIS and can easily be quantified for ROI. It would enable you to increase your daily quotation output, track exactly which quotes made it through to sale and delivery, and all for the optimum profit margin.



PLANNING FOR CHANGE

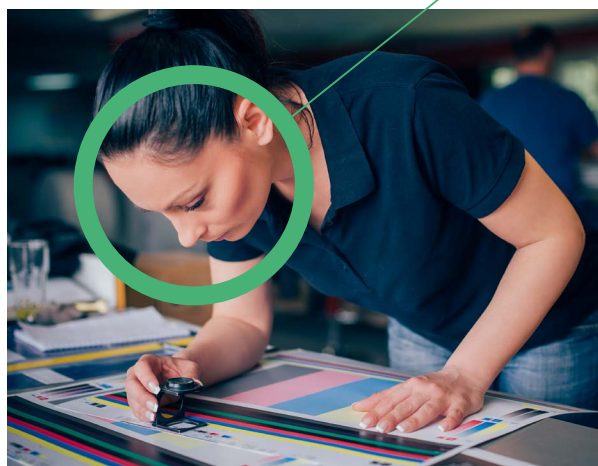
SECTION 5

MANAGING THE IMPACT MIS WILL HAVE ON YOUR EMPLOYEES AND BUSINESS PROCESSES

In our modern commercial environment, change and evolution is an essential strategy for any business to remain competitive, particularly in print, design and sign making, where new technologies such as Job Definition Format (JDF) are increasingly favoured. Quite simply, if you stand still, you will be left behind.

System software, along with product and staff development, is one of the most recognised means to improve business efficiency and facilitate managed growth within the business. However, there is no doubt that MIS will change the way your business operates. It is change after all, and will mean that your staff and operational processes will need to be adjusted to suit your new system.

This will take some thoughtful planning and, in some instances, may require a restructuring of your workforce based on the time and labour savings you will experience.



The business 'cost' of change is one of the biggest fears that Clarity Software encounters when speaking to companies interested in adopting MIS. Many companies will be reticent to this level of change and will, therefore, decide against investing in a solution due to the perceived risk.

This essentially puts the company back to square one with their pressing business issues unresolved, which is undesirable for everyone. Be mindful of the change though, as it can often cause some apathy or anxiety amongst certain members of staff or in certain departments, which needs to be managed carefully.

Many of our Clarity customers choose to adopt a 'super user' or 'product champion' strategy, which involves designating increased responsibility to chosen staff members to increase their buy-in on the new system.

This helps eliminate their fear of change, reduces a potential negative influence amongst staff and instils positive attitude towards the software throughout your company.



FINANCIAL RETURN ON INVESTMENT (ROI)

SECTION 6

QUANTIFYING AND ENJOYING YOUR OVERALL RETURN ON INVESTMENT (ROI)

It is understandable that the financial investment of any business in new system technology will always be under scrutiny, as it could potentially be perceived as a 'nice to have' rather than a 'need to have'.

Companies who adopt MIS within their businesses, however, will almost always testify to its immediate positive influence on their profit.

Your return on investment (ROI) can easily be quantified from go-live and will be driven by a number of pre-defined key performance indicators (KPIs) and reporting measurements. These can be reviewed on an on-going basis using automated system reports and your ability to easily extract information from your MIS. It will ultimately give you the information you need to record your financial achievements and make informed future decisions.

Common KPI targets to quantify ROI include:

- Reducing material and stock-on-hand costs
- Reducing the number of man hours utilised
- Tracking and maximising sales closures
- Reducing delivery lead times
- Improving speed of quotation
- Reducing staff wages
- Minimising production overheads
- Reducing wastage levels
- Improving customer retention
- Enhancing customer service quality

Having the ability to view and review these targets represents a huge step forward in any business and will directly contribute to its profitability. Often this information would be manually put together and directors and senior managers would have very limited access to it without the involvement of other employees.

But with MIS you have the power to generate this information in real time and use it to continue to optimise your business processes. System-wide KPI tracking drives performance. As for the price of the investment, nowadays there is an increased amount of flexibility on how you can purchase your system, with the ability to rent or buy the software.

Renting has grown sharply over the last five years - demonstrated by the coining of the phrase Software as a Service (SaaS) - essentially providing users with a pay-monthly or pay-annually option which reduces the initial outlay for the software.

Clarity Software provides both outright purchasing and renting scenarios for Clarity with an added option of leasing the investment through an accredited finance provider.





SCALABILITY AND EVOLUTION

SECTION 7

SCALE, EVOLVE AND DRAW MORE VALUE FROM YOUR MANAGEMENT INFORMATION SYSTEM

Most system investments will be taken as part of a defined business plan and normally range from a three to ten year life expectancy.

To expect your system to drive your business beyond ten years may seem attractive on the balance sheet, but realistically technology (and your business) may have moved on by this time to the extent that new options may need to be considered and budgeted for.

Developing your system and manipulating it to match your growth means you will give your business the best chance of maximum ROI over this period, and the best chance of extending your life cycle beyond it.

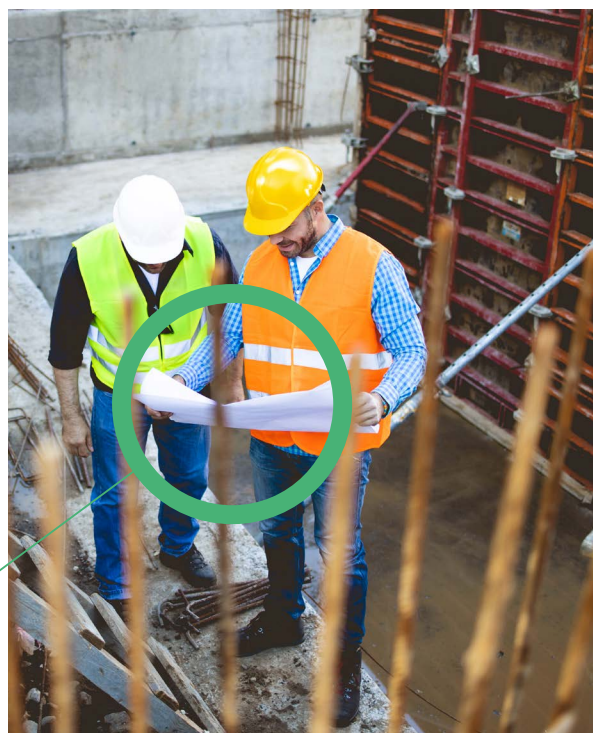
Connectivity to other systems is essential in this strategy, as you may face the need to introduce specialist third party applications to cater for new functionality requirements in key areas.

JDF has experienced the greatest emergence of all new file innovations in the print, design and sign industry over the last ten years.

Based on standard XML, JDF supports bi-directional workflow interaction, which means it can have two-way conversations across your system, sending, receiving, answering and returning information where required.

This has already contributed massively to the industry's search for an optimum automated operation and must be considered when investing in MIS.

Your MIS should be primed for open integration with solutions for Web2Print, Nesting, e-Commerce and automated workflow. Artwork processing applications from providers such as EskoArtwork rely on your MIS as the 'central brain' and use a combination of XML (Extensible Markup Language) or JDF (Job Definition Format) file types.





FAQS

SECTION 8

THE MOST COMMON QUESTIONS ASKED BY OUR CUSTOMERS

Q1: How many different products should I look at when choosing my system?

A: Normally a short list of three products is sufficient for you to make an informed choice on a suitable system. Always make sure your selected providers can cater for your functionality requirements and have sufficient references from other users within the industry.

Q2: When or how do I know that I need MIS?

A: There are various common indicators to look for when considering MIS, particularly if it represents your first business system investment. You will probably be able to identify some (if not all) of the following: poor reporting, lack of sales pipeline visibility, manual processes rather than computerised ones, expensive overheads, lack of connectivity, slow quotation turnaround, unpredictable labour costs, minimal e-commerce ability and clouded management decision making.

Q3: What should I look for in a new system?

A: Industry-specific functionality, justifiable price and ease of implementation and training are the key criteria to look out for when selecting your MIS. It will be of increased benefit if you are working directly with the product author (such as Clarity Software) as development and customisation should be easier and quicker to achieve.

Q4: We are always very busy; how long will the system take to install?

A: With a good broadband connection, software systems for SMEs can often be deployed via download over the internet and will be quick to install. Others will require software to be shared from the central server on your business network or installed via a CD-ROM.

Regarding training, based on a 5 user system then 3 or 4 days (depending on breadth of functionality requirements) should be sufficient to ensure a smooth transition. Remember not to undervalue the future rewards of good training however, and use smart planning to schedule your training sessions.

Q5: What is the average price of a system?

A: SME systems based on a 5-user configuration would normally price between £5,000 and £15,000 (including training), depending on the level of functionality requirements. Many providers (including Clarity Software) will offer purchase or rental options and leasing finance can be arranged (subject to status) for those businesses with preferred strategies of staging their payments.



FAQS

SECTION 8 CONTINUED

THE MOST COMMON QUESTIONS ASKED BY OUR CUSTOMERS

Q6: Will my new MIS connect with my existing accounting system?

A: It is important to check with your providers before making an investment decision whether or not the system will integrate with your existing accounts software. Sage Instant, Sage 50 Pastel and QuickBooks are the most common packages used and you should, therefore, expect your MIS to join up with them accordingly.

Q7: Will my system be upgraded and supported?

A: The importance of an SLA (service level agreement or support contract) with your supplier should never be underestimated, as in most cases it will provide you with inclusive upgrades, fixes, enhancements, free seminars and peace of mind that your system will be future-proofed and well looked-after. If you choose not to take an SLA then you will always run the risk of potential failure and lack of connectivity with other software product advancements such as new versions of Sage and QuickBooks.

Q8: Will I need to buy new computers?

A: In most cases, computers bought within the last five years would be sufficient to run modern MIS. This would include operating systems such as Windows XP, Vista and 7, and Mac OS 9 or 10. If your computer is running on a more antiquated operating system then a new PC investment may be worth considering to optimise your efficiency.

Q9: We have managed so far without MIS, so why do I need a system now?

A: Alongside all of the key indicators to look out for in Q2, one of the driving reasons to invest is to safeguard your future position within the market and remain competitive for your customers. Having effective processes and quick turnarounds is fast becoming a pre-requisite, as is the ability to include automated technology such as JDF and XML, and generating the information needed to streamline your operational running costs.

Q10: We cannot see a tangible ROI so why should we invest in MIS?

A: Return on investment (ROI) comes in many shapes and sizes when related to MIS. The important factor is to define key performance indicators (KPIs) to measure the increased business profitability. KPIs such as job profitability at quote stage, sales wins, reduced wage bills, marketing efficiency, production optimisation, on time delivery and enhanced decision making will all contribute to a measurable bottom line return.



SUMMARY

SECTION 9

TAKE A CONFIDENT LEAP OF FAITH WITH YOUR DUE DILIGENCE SUCCESSFULLY DONE

Printers, designers and sign makers investing in MIS are choosing to do so as a direct response to the evolving marketplace. Automated processing is here to stay, and MIS represents one of the most reliable means to reduce costs and stabilise margins.

Client budgets are being affected by the slow economy, so every penny counts when it comes to quoting and estimating, and improving even the finest details can win orders from under your competitors' noses.

Armed with our free white paper, Clarity Software hopes you are better equipped to increase your knowledge and have the confidence to maximise the return from your MIS system.

There are many products available and it can be a minefield to negotiate, particularly for companies making their first investment, and so we always aim to simplify the subject as much as possible for our customers.

With over 21 established years in the software industry we are always available to offer opinion and advice on **0121 248 2448**.

If you think that Clarity will potentially be an option for your business then you can download a free trial of the software from our website at **clarity-software.com**

