

Managing Assets, Not Losses

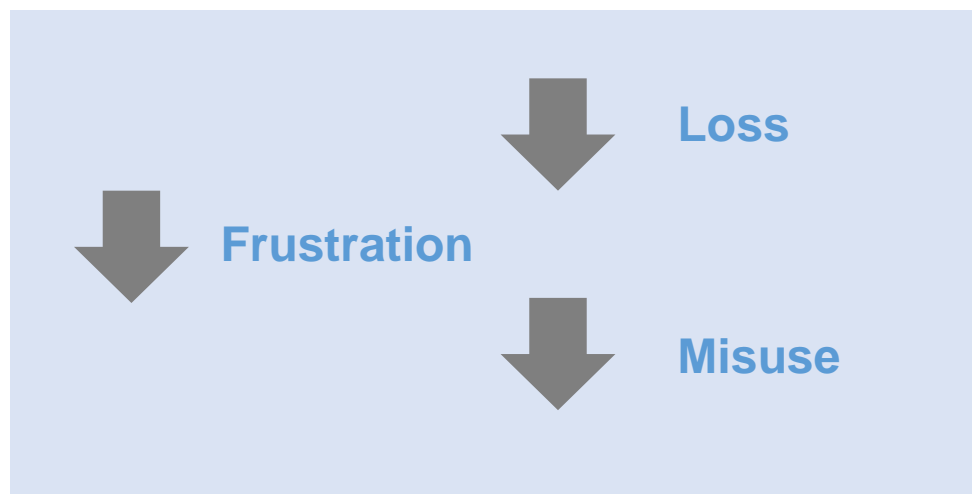
How SMBs Benefit from Asset Tracking Software



Asset Tracking is a must to increase ROI, and increase organizational efficiency.

Abstract

SMBs need to know how to leverage their assets if they are to increase returns on investment, lower costs, and create an organizational context characterized by efficient workflows and productivity focused execution. Asset management tools help achieve all of this and more. Features such as asset lifecycle tracking, inventory management, QR Code and barcode scanning, seamless integration with other supporting solutions and heightened flexibility contribute to these goals. SaaS-based management solutions further streamline the process for SMBs, enabling them to optimize asset management rather than nursing asset and productivity losses.



A SaaS-based asset and inventory management solution far outstrips the functionality and benefits derived from both desktop software and manual spreadsheets.

Should SMBs Opt for Software-as-a-Service?

The use of manual management tools and brick-and-mortar solutions has undergone a sharp decline over the years, with corporate enterprises increasingly looking for answers elsewhere. Asset management and inventory tracking are two avenues where laborious spreadsheets or clunky desktop software are swiftly being replaced by cloud-based alternatives.

These alternatives are not only more effective at identifying and eliminating potential mistakes, but also create a virtuous workflow cycle that spills over into all other aspects of a business, such as increased **value delivery** and workforce **accountability**. In this sense, the right asset management solution can help businesses significantly. This is particularly true of small- or medium-sized businesses for whom a misplaced asset or redundant inventory is especially costly, or the overheads resulting from inefficient management of resources especially high.

SaaS (or software-as-a-service) based asset tracking solutions enable businesses to be as flexible as they need to be in today's fast-paced corporate environment. One of the reasons is that because of its pay-as-you-go subscription model, the low cost of initial uptake works favorably for businesses looking to adopt such services. Not just this, but the model also absorbs quite a lot of the **infrastructural or workforce costs** generally associated with managing on premise or packaged enterprise software.

Another feature of the SaaS model that makes it particularly effective for asset tracking is that the service **can be accessed anywhere, at any time**. Therefore, SaaS based solutions are extremely effective when company's assets are spread out across different warehouses, labs, or storefronts, or when individuals controlling the flow of information get divorced from groups using or maintaining assets on a daily basis. SaaS-based solutions integrate different streams of information as well as protect from communication breakdowns, enabling businesses to run full speed, no matter how big or remote the team. The ability to instantaneously update, change, and respond to well-organized asset utilization data is therefore extremely crucial.

Small business may lack efficient workflows, have a greater need for control owing to their inability to lead with resource-based solutions, and often cannot afford to devote too much money to managerial concerns.

Why Do SMBs Need Asset Management Software?

Ineffective asset management not only has overt costs like the amount it takes to replace a stolen item, or the funds wasted because of an ill-planned inventory bundle becoming obsolete. If asset management is done without the big picture in mind, it can also have other associational costs. For example, an asset might be continually put under maintenance although its depreciated value suggests that it should be retired. The asset therefore is not as productive as it is thought to be, necessitates the payment of tax, takes up expensive warehouse space, interrupts workflow processes, and no doubt lowers the value you could have delivered to consumers as an end goal. All of these hidden costs or liabilities can be addressed by a robust asset tracking system that increases efficiency, enables greater control, and provides you with more comprehensive managerial tools. Why are these three features particularly important for small businesses, though?

[Around 45% of businesses](#) only track and log asset activity based on a project-by-project basis. This means that they prioritize which business undertaking should be mapped closely, and leave others completely unlogged. Strategies of this type inhibit businesses from being able to analyze their workflow processes in a helpful way. Companies doing this can never have a holistic understanding of their asset lifecycles, the directionality of asset usage, and how to make decisions to safeguard their interests even better. This is why a good asset management solution needs to approach questions of **efficiency** from a comprehensive perspective, following an asset from its introduction to the business, all the way through to its eventual retirement. Particularly for SMBs, retaining customers and keeping up with demand can be extremely difficult to do. A healthy asset workflow helps speed the process along, and ensures that value is being added at every step of the asset lifecycle process, eliminating backlogs and reducing inefficiencies caused by poor planning.

In order to be effective, asset management solutions need to not only manage assets, but to find a way to make your assets part of a larger managerial ecosystem.

This is thrown into even sharper relief when you realize that [30% of all businesses](#) are not fully aware of all the assets they own, where they are situated, or indeed who has access to them. This is a disturbing trend because it not only makes it much more likely that assets get stolen, misplaced, or lost, but it also opens a business up to a host of other vulnerabilities. For example, a business could be held accountable for any asset of theirs that, because of ineffective control, played a part in criminal activity. This is why the [ability to control access](#) to your business assets is extremely important. In addition to this, control in the form of customization and integration is really helpful for SMBs. This is because the smaller scale of production and distribution makes it a lot harder for them to respond to market fluctuations or trends as well as they would hope. The ability to sync up with a business' preferred third-party apps, for example, or to specify domains or subcategories for the management of assets therefore means the difference between a passive business enterprise, and one that is actively able to respond to and participate in the larger market context.

[A study by the Gartner Group](#) has shown that 70% of all businesses have ineffective inventory management systems in place, to the extent that the difference between their actual and projected inventory can be as large as 30%! This could mean 30% of all that inventory being wasted as a result of obsolescence, for example, or a severe understocking which would necessarily interrupt channels of productivity. Therefore, [effective management](#) becomes a particularly important metric of success. However, this does not just relate to the management of assets. A problem peculiar to SMBs is their inability to devote funds to ancillary managerial concerns. As a result, an SMB might not be able to spend a lot of money on negotiating or diversifying risk, or investing in sophisticated business relationship management tools. In order to be effective, asset management solutions therefore need to not only manage assets, but to find a way to make your assets part of a larger managerial ecosystem.

Monitoring asset lifecycles effectively leads to more productive assets, a higher ROI, and smoother workflows.

Efficiency and the Asset Lifecycle

The asset lifecycle refers to all the actions taken on a particular asset, from procurement, through to the ways in which it is used, lent out and tracked, serviced, audited, and finally retired. In addition to this, it includes any supporting framework set in place to ensure efficiency – such as the management of information relating to asset utilization – as well as the means through which company efforts are coordinated around the assets it has available.

A clear and well-documented asset lifecycle plan will necessarily translate into a much more productive asset. This is the foremost task of any good asset management software. It ensures that each asset is working at optimum efficiency, is safeguarded from negligence, and is available when it needs to be. The ability to automatically calculate depreciated value is also helpful, and ensures that business decisions relating to assets are only made with the latest data in mind. Therefore, being able to log when a particular piece of equipment has been checked in or out and to whom, to follow audit trails or maintenance reports, and to reserve assets forestalling a potential clash in the future are all crucial steps to ensuring smooth workflow. This kind of asset governance tool therefore drastically improves a company's returns on investment.

A similar need is that of a sturdy inventory management system. Because companies can be unsure of the value and composition of their inventory, and particularly since SMBs can make substantial savings by streamlining and optimizing the way their inventory is planned out and utilized, an asset management system that appreciates and absorbs the role of inventory management is extremely helpful. These obviously work in tandem because of the primal space they occupy with reference to a business' productivity metrics. Therefore, at its simplest, businesses become more efficient and effective if they have access to the right kind of information about their assets and inventory, drawn up by the appropriate people, and preferably done so at the point of a particular action being taken rather than from a centralized and detached authority after much time has elapsed.

Features endorsing greater SMB control include customizability, multi-level access, and third-party integrations.

Enhanced Control

Control is critical for any SMB to succeed. Asset tracking at its most basic already gives a certain degree of control by ensuring that all assets are accounted for and that their movements and records are being tracked and acknowledged. However, there is a need for a much stronger sense of control before a business is able to focus on its core competencies in a legitimate way. This is achieved by ensuring your asset management solution is versatile enough to be used exactly the way you want. For example, the ability to have custom alerts or configurable options is extremely helpful to keep certain parts of the management involved in asset decisions without having them pore over reams of ill-organized spreadsheets. In the same way, perhaps you wish to focus on increasing the ROI of a specific sub-set of assets, or to work on improving maintenance times. The ability to draw up rich custom reports aids managers in the process of tackling these problems, as they reveal the minutiae of a business' inner workings in a clear and intuitive manner.

Access also helps improve the distribution of information, which is why the ability to cut across multiple administration levels using the same platform is extremely useful. Thus, assigning asset custodianship is not just about giving access to a group which is necessarily removed from the daily workings of the business, but also includes bringing clients and employees into the fold. This means you get information straight from the source without any chance of it getting lost in translation across different lines of authority.

Of course, another way to enhance control is to integrate with other services based on your own business' strengths and weaknesses. Therefore, a tool which provides sufficient leeway in that regard is particularly useful. It helps SMBs with limited funds and workforce resources to move a significant portion of their operations under one comprehensive system - managing accounts, fostering loyal customer relationships, and tracking assets all at the same time. It is also useful to have features such as asset labelling as part of this larger system, as it enables businesses to organize their assets in a way that is meaningful to them and their operational philosophy. Barcode or QR code scanning is also an integral part of managing and tracking assets, and removing the need for third-party scanning tools streamlines the process substantially. All of this enhances workflow, enabling businesses to approach problems with the entire contextual framework in mind.

Asset management spills over into other spheres of SMB management, nurturing employee accountability, eliminating risk, and creating time and cost savings.

The Managerial Ecosystem

Physical [asset security costs businesses \\$30,000](#) on average each year. Of course, it is much easier for assets to get lost, misplaced, or damaged when they are not being monitored consistently, or when there are gaps in communicating their whereabouts, custodianship, or utilization context. However, this is not all that an asset management system can insure you against. When done right, asset management has a spillover effect, enhancing all other aspects of a business even as it helps make assets more productive and profitable. This is because it puts certain checks in place that protects businesses from vulnerabilities and helps push for a verifiable set of operational data.

Take the example of employee theft; each year, [theft in a workplace context causes American businesses 50 billion dollars](#) in replacement and infrastructural overheads. By investing in a well-executed asset management system, companies improve the standards of accountability it sets for its employees. Therefore, asset tracking bleeds over into other aspects of the managerial ecosystem and go beyond the remit of just tracking assets. Asset management is also risk management, as it eliminates errors springing from the manual input of data, avoids reservation clashes, and ensures that assets on the verge of breakdown are handled according to industry regulations.

Management in this sense becomes even easier when a tool can be accessed from anywhere, at any time. This is why the mobile app is particularly useful in this context, especially for scanning items in remote locations and ensuring information gets recorded as close to the source of the action as possible. This kind of rich feature can be further enhanced through the use of GPS coordinates. By mapping out and linking assets to their field locations, businesses can have a holistic understanding of the way they use assets. They are able to draw up workflows that are more efficient, for example, or create bundles for projects based on ease of access. A helpful asset management tool will therefore not just look towards ensuring all assets are accounted for, but will also try to create linkages between the assets being used and the vendors that they are procured from, for example, or the equipment that is undergoing maintenance and those who service it. These kinds of linkages are very important for ensuring businesses operate effectively and fluidly.

Jobs of this day and age should focus on creating Knowledge Workers.

Help enable the next 1 Billion Knowledge Workers

Software products that make “control inversion” possible create knowledge workers.

Businesses



How to maximize business efficiency; who has what, for how long, in what condition, at what location, and when is it available.

Which items are overused, which items do we need more, and is there anything that's hampering productivity.

Knowledge Worker



What equipment can I borrow and for how long. How can I make sure that I have the required equipment when I need it.

Conclusion

SMBs benefit from asset tracking in a number of ways. They need to be able to increase efficiency, enhance control, and ensure their asset management tools operate within a larger managerial infrastructure. This not only helps lower both overt and hidden costs, but also improves returns on investment and helps SMBs focus on other areas of enterprise such as growth or value delivery.

EZOfficeInventory offers a cloud-based solution to any SMB's asset management problems. Not only does it diligently track, record, and analyze all features of an asset's lifecycle, but it also enables a huge amount of customization, integration, and control. By bolstering security, improving accountability, and keeping track of vendors and employees alike, EZOfficeInventory can help your SMB reach new heights!



Your feedback is important to us. If you have any comments, we would love to hear from you.

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