

## ***Technology Trends and Your Company Worth*** ***Moving from Awareness to Preparedness***

*by Larry O'Toole*



***A business owner recently said to me, “I was aware that particular trend might impact me...but now wish I was more than aware, wish I had been prepared!”***

It's one thing to be aware that an emerging or evolving technology might impact your business, it's another to be prepared for it. In the military, the mantra is to create Situational Awareness and drive Operational Effectiveness. This too should be the mantra of every business owner, especially as it pertains to advances in technology.

***In your company strategic plan, do you address the impact that technological trends could have on your business and is your plan enabling your preparedness?***

This is an important question that every business owner and CEO should ask. Too often strategic plans primarily focus on growing revenues and profits but aren't building the necessary bridge as to how technology changes could impact the overall value or worth of your company. Addressing trends and their potential positive or negative impact on your business is a major component to building the worth of your business and needs to be part of your ongoing strategic thinking and planning.

### ***Understanding the Technology vs Understanding Its Impact***

Owners and senior executives talk more about the technologies themselves than about the impact they might have on their business. It's exciting and fun to learn about technologies such as artificial intelligence, additive manufacturing, robotics, nanotechnologies and the list goes on and on. But even more important is being aware of what the strategic impact will be on your business either from a particular technology or a combination of technologies. It's only from thinking about the strategic impact a technology or combined technologies can have on your business that you will be able to think about how to be prepared.

The graphic here is intended to help you think about stepping above the technologies themselves and to think about what their strategic impact could mean for your business. In moving to “preparedness”, you will want to step back and think about what changes the trends are driving AND what the impact could be on your company. What are these technologies going to mean on key strategic aspects of your business such as the products or services you offer, on your pricing strategy, on your sales and cash cycles, or even on your workforce? Any or all of these can and ultimately will impact the worth of your company.

## Technology Trends and Your Strategic Plan

### Technology Trends Are Driving.....

- Greater speed & ease of access to information
- Greater speed & ease of access to products/services
- Opportunity for greater productivity & efficiencies
- Real time monitoring of product performance
- Ability to predict product/system performance
- Move from paper to digital
- Greater interest in sharing assets versus owning
- Connectivity of assets/assets becoming smarter
- New ways for people and systems to interact

### What It Means For Your Business.....

Impact On Your.....	The Magnitude of Impact		
Customer decision drivers	High?	Medium?	Low?
Sales cycle - timing	High?	Medium?	Low?
Product/service offering	High?	Medium?	Low?
Pricing strategies	High?	Medium?	Low?
Cash flow timing	High?	Medium?	Low?
Workforce capabilities	High?	Medium?	Low?
Supply chain effectiveness	High?	Medium?	Low?
Production/delivery model	High?	Medium?	Low?
Business model effectiveness	High?	Medium?	Low?

....impact on your overall business and personal net worth?

A graphic such as this can help facilitate productive dialog with your team. It's also extremely productive in the strategic thinking process to take your glasses off and put your customer's glasses on to see what the impact might be for them. If a trend is going to impact your customer (or possibly even a key vendor), you can be sure you will feel it as well.

### ***Actions to Move You to Preparedness***

Business owners and executives agree with preparing for technological change but often are inhibited from taking appropriate action because of the uncertainty in how to prepare. In effectively moving from Awareness to Preparedness, here are some steps I've taken with my businesses. Any or all of these can help get you on the right track and give you the confidence that you are taking the right steps.

- *Identify new questions to ask your customers and vendors as it pertains to technologies they are seeing. If your sales and supply chain people are asking the same old questions, they aren't learning new things. Start asking new questions.*
- *Identify the Think Tank organizations for your industry and engage/follow them.*
- *Rethink your Trade Shows/Events participation. Use these forums as enablers to learn what technologies are affecting your industry and how companies are preparing.*
- *Assign a company champion for trends that you can see will have a high likelihood of impact on your business. Bring focus to the trend(s) and therefore focus to your preparations.*
- *If you have a company Board of Directors or Advisors, consider the merits of adding a Trends Committee. At a minimum, have Board level discussions regarding trends.*

You work hard in trying to do everything you can to see your company succeed. Given the unprecedented level of technological change, it's critical that you prepare your business strategically to ward off those that can hurt your company and capitalize on those that will enable it. Embrace the military mantra....create situational awareness and drive operational effectiveness. Doing so will move you from Awareness to Preparedness and grow the overall worth of your business!

*About the Author: About the Author: Larry O'Toole has over 20 years as an experienced CEO of manufacturing and service businesses. He recently founded Yosemite Associates, LLC and introduced his **Bank your moment**® campaign to help company owners extract the uncertainty of getting the right strategic plan in place to build company value. Larry now serves as a private investor, corporate director and provides advisory services to a diversified group of business owners on their value building journey. Larry can be reached at [Larry.OToole@YosemiteAssociates.com](mailto:Larry.OToole@YosemiteAssociates.com). Phone: 949.874.0787.*

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