

# How Digital Transformation Gives SMBs the Agility Advantage

3 Ways Small Businesses Use Digital Workflow to Boost Productivity and Cut Costs



## 3 Ways Digital Transformation Can Help Small Businesses Thrive

Using technology to reduce friction in workflows is a proven way for companies of all sizes to compete and grow. When you employ the right tools to streamline your business, customer service improves, partnerships work better and internal company operations run more smoothly.

Taking contracts and other documents paperless by using e-signatures and digital transaction management is one of the best areas for small and midsize businesses to invest their technology effort because the results are so immediate, says Aragon Research CEO Jim Lundy. In his work advising companies on technology decisions and strategies, Lundy has found that tapping digital tools to help manage document-based transactions can deliver competitive advantages — especially to SMBs, which are under tremendous pressure to perform.

Read on to learn how transforming your document-based processes can take your business forward in three key areas: customer experience, business partnerships and internal productivity.

### 1. Transform the customer experience

**Why:** It's critical to deliver your best customer experience before someone else determined to disrupt your industry does so first. "Transformation is the battle cry," but it's all about the customer, says Lundy.

Companies sometimes delay changes to customer-facing systems, preferring to begin by tackling internal processes. But when it comes to digital transformation, that's a mistake; it's better to start with customer-facing processes and work back from there. Improving your customers' experience can also have an immediate and direct impact on your revenue.

**What to do:** Identify areas where you can make it easier for customers to do business with you, like signing quotes or executing sales contracts. Those are good places to implement digital transaction management (DTM) software, which automates document-based processes. If customers can finalize a transaction quickly and with fewer steps, they leave pleased by the experience and are inclined to repeat it. A seemingly small initiative, like eliminating printed contracts and wet signatures, can confer a big competitive advantage.

**Results:** “Sales is the killer use case,” says Lundy. He cites a technology firm he has worked with that implemented electronic signatures in sales and cut its time to finalize most contracts from two days to less than an hour. Eliminating delays in the sales cycle improves customer satisfaction while dramatically boosting revenues and growth.

## 2. Transform business partnerships

**Why:** Every company works with other businesses to help deliver value. In order to scale efficiently, small, growing firms in particular rely on suppliers, subcontractors and specialized consultants as they build capacity in product development, production, distribution and marketing. Managing these partners often requires document-based communication. When you redesign



### User Advice: Build a process that can scale as you grow

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App Annie had 40 employees when it first adopted DocuSign in 2013 to improve its deal-closure process. The San Francisco company, which provides advanced analytics to mobile app publishers, is now 10 times that size. Senior Sales Operations Manager Noam Haberfeld advises fast-growing companies to adopt digital transaction tools as early as possible to build processes that are bulletproof from the start: “Design it so there’s no manual involvement, and if you build the

process right, it will scale.” Haberfeld also recommends integrating e-signature tools with your CRM system; App Annie took advantage of DocuSign’s close integration with Salesforce.com. “Syncing it into your CRM provides great value and benefits,” he says. “If you have a good operations team and you have a good process, you can live in your CRM.”

processes and then enable that streamlined workflow with digital tools, communication is more transparent, timely and accurate, and you can get the most from your partners.

**What to do:** Simplify workflows, approvals and signatures with corporate partners and suppliers. Digital transaction management tools offer a more efficient, secure way to handle change orders, master service agreements, compliance documents, IP licensing, nondisclosure agreements and other documents within your business network.

**Results:** When Chicago-based Reed Construction expanded its use of DocuSign to include communications with subcontractors, it reduced a 12-step approval process to four steps. Documents that previously changed hands six or seven times, creating inefficiency, are now routed through just three people. Document status can also be tracked instantly, which means project managers know exactly where to follow up to expedite the process. With faster turnaround times, the company was able to extract more value from its partners.

### 3. Transform internal operations

**Why:** Eliminating manual workflows, paper-based procedures, and the need to re-key data from one system to another will make your business more agile. The ability to accelerate billing and collections and reduce errors throughout your internal processes delivers a big financial payoff.

**What to do:** Transforming internal processes sometimes meets resistance from those who are used to working a certain way. It's best to identify a pilot project where you can show employees an easy win. "It's a huge change, and there's a fear factor," says Lundy. "You have to clearly explain

the transformation and show people that it's going to allow them to do more of this and less of that and make their jobs easier and maybe even more fun." Adopting DTM to streamline a cumbersome task with multiple approvals, such as new-hire onboarding, can help to sell change internally.

**Results:** The project lead implementing DocuSign at the OAS Federal Credit Union won over users by demonstrating the benefits on an individual level: When she showed bank officers how much easier it was to handle electronic documents instead of printing, signing, scanning, and emailing documents, they were quickly convinced to adopt the tool. Some employees were concerned about how the move to paperless processes would affect their ability to meet regulatory requirements. But going digital has actually produced improvements in this area, including faster audits and the ability to easily prove standards compliance.

### **Start your digital transformation journey**

Digital disruption is creating new opportunities in all industries, and agile smaller companies are often better able to take advantage of those major shifts. Designing good processes early on, and implementing technologies that help make those processes more scalable, can give SMBs the edge over more established competitors.

Beginning with a small deployment of e-signatures in a specific area of your business can demonstrate benefits that will encourage wider adoption. Lessons learned in one function can ease implementation in another.

"The quicker you can get rid of the processes that are slowing you down, the faster you can get to outcomes," says Lundy.

## Q&A: Why the Time Is Right for SMBs to Go Digital

Pressing business priorities often edge out internal improvements in a small company. But long-term growth and company health depend on the integration of technology that will enable small businesses to generate time and resource savings, making them better able to compete. Catherine Courage, DocuSign's senior vice president of customer experience, shares her insight on how digital transaction management can pay back quickly for SMBs.

### Q. Why should SMBs consider digital transformation now?

A. Speed and agility are absolutely critical to any company, but particularly for small companies. Moving to digital transactions allows small companies to remove the friction and complexity of doing business manually. It also frees up resources, people, and money that can be put toward other business initiatives. You want to be able to simplify business processes and focus on the things that matter, which are ultimately your customers and their success.



### User Advice: Tap your internal workflow experts

When the Federal Credit Union serving the staff of the Organization of American States adopted DocuSign, Operations Officer and Project Manager Maria Arraya took on the task of setting up all the forms required for each department's workflow. Her goal as project lead was to simplify adoption, but handling every change request became overwhelming. Arraya found that others in the organization were willing to help. "People who are very innovative and love technology

as much as I do were very willing to learn and be in charge of their own departments' forms," she says. Sharing the workload also put implementation in the hands of individuals who were experts in the process being automated.



**Q. Do smaller companies have any advantages in going digital?**

**A.** Small businesses can see immediate benefits, even from smaller scale deployments. Small-scale deployments can be implemented faster, requiring less selling across departments and making it easier to vet and acquire solutions. That means your business can start seeing gains sooner.

**Q. How has the changing tech landscape made this easier?**

**A.** When you consider digital systems in the early days, you would think of Oracle and SAP and multimillion-dollar, years-long implementations and deployments. That's just not the way it is today. Cloud-based software services can be deployed quickly and easily, and you don't need an IT staff. You can get a simple use case and test it, see if you like it, see the ease and value that it brings, and then start to deploy it more broadly.

**Q. Does mobile technology play a role in transformation efforts?**

**A.** Mobile is key to meeting the expectations of users. Implementing technology that isn't compatible with the way your employees work will slow adoption. Users expect that any new tool will work across every platform and every device. Making sure your DTM technology can deliver on the mobile devices that your employees have in their hands all day long will enable them to be more effective and productive in their day-to-day.

## Q. What keeps some SMBs from moving ahead with a tech overhaul?

A. It's important to overcome the perception that digital transformation is too complex or unnecessary for small organizations. Small companies sometimes tend to wait too long to invest in these initiatives. However, with cloud-based, software-as-a-service products like DocuSign, you don't need an IT staff. You can get up and running really easily, and they're not high-cost solutions. Have a road map of small things you can bite off to drive big improvements — those are changes that are going to propel your business forward.



### User Advice: Make change easy for your partners

Digital transaction management was chosen as the starting point when Chicago-based Reed Construction embarked on an initiative to upgrade its digital toolset. Implementing DocuSign “was one of the simplest things we’ve ever done when it comes to technology,” says CFO Erik Hærstad. To make this new way of doing business painless for the company’s partners, templates and forms were first tested with employees to ensure the new process was easy to use and understand. For the first six months after rollout, every submittal to an external business partner included a brief explanation of how the procedure worked. The streamlined process has paid off in better experiences for clients, leading to a Net Promoter Score of +55 after implementation, as well as year-over-year revenue growth of 93 percent.

To learn more about how DocuSign can help your digital transformation, visit <https://www.docusign.com/SMB>.