

COMPUTERS IN THE GREEN INDUSTRY

Green industry companies are turning to computers to help manage their businesses. But before you invest, ask yourself these questions.

by Rudd McGary and Ed Wandtke

All businesses run on information. The ability of a company to control and use information will generally make the difference between a highly successful company and one that either "just makes it," or "goes under." The green industry is no exception.

As parts of the green industry grow and mature, owner/operators must have easy access to information in forms that will help them manage their companies better. In addition, billing and accounting generally used by the green industries need to be monitored so that cash flow is controlled internally.

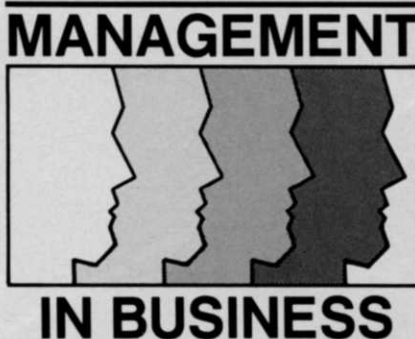
Enter: the computer.

More green industry firms recognize the need for a device that will help process data in their day-to-day operations. One answer is to handle the various jobs manually by increasing staff. Another is to explore the benefits of working with computers, which are many. But many questions need to be asked before deciding on the type of computer to buy.

Let's get rid of some of the myths that surround computers, both large and small.



Wandtke and McGary are senior consultants with All-Green Management Associates in Columbus, Ohio. Dr. McGary focuses on marketing and management issues. Wandtke focuses on operations and financial questions.



First, the function of the computer, in most cases, is to organize input so it is useful to the operator. The forms of the programs generally will determine how the information is to be formatted. For instance, a spread-sheet program yields numerical information arranged in standard manual spread-sheet form. A word processing program lets the operator work on alpha information in forms such as letters. An A/R program organizes work in accounts receivable, and so on.

The myth is that the computer will analyze these numbers or words. The operator has to know how to interpret the information to correctly use it. Some highly-sophisticated programs do analysis, but the type of programs to be reviewed next month don't lend themselves to that. So remember, this is a G-I-G-O system here: "Garbage-In-Garbage-Out." Putting the wrong information into the computer will yield the wrong information back. It might look nicer, but it will still be wrong.

A second myth is that people who use computers find extra time in the work week. In some cases, the work load is reduced (particularly if everything was done manually), but introducing a computer to a business has not generally yielded more free time. What usually happens is a reduction of work load when the machine is introduced. But it then levels off as the operator begins to put more information into the machine to process. Not

time but more information is the product.

A third myth is that purchasing a computer will automatically make for a better company. Certainly, if computers are used correctly, a business can be helped immensely. But if the company had an ineffective system of controls to begin with, a computer shouldn't be expected to magically correct the problems.

Questions on computer systems

The most commonly-asked question about choosing a computer system isn't necessarily the most important for the long term. "What will it cost me?" doesn't deal with the problem. Here are some questions that should be asked before price.

1. How does your system presently work? A manual system can be transferred to a computer in some form. If a manual system is truly efficient, the assumption can be made that it will work on a computer.

2. What do you want to control? The most common first use of computers in the green industry is accounts receivable. Billings, aging of receivables and customer lists are most often better done on computers. Other functions might be inventory control, accounts payable, general ledger, routing, sales controls, marketing information, payroll, design capabilities, vehicle maintenance and personnel information. First, ask yourself what you want to control and then seek out a software vendor.

3. Who should I buy from? Each of the programs listed next month were written by reputable, knowledgeable companies. Certainly you should take the time to talk to more than one.

4. Do I have to buy hardware from the same company selling the software? In some cases yes, in others no. If the program is written to be PC-compatible, there is a wide choice. In other cases, the software is written for a specific machine and often the soft-

ware vendor can supply the hardware as well as the software.

5. Are some hardware brands better than others? Generally not to any great degree. Brand-name machines may cost a little more, and they may carry with them a better resource if problems crop up.

6. How big a computer do I need? In order to answer this, owners should sit down and take a hard, long look at their companies. If substantial growth is expected, computer needs should be planned accordingly. If little growth is expected, the same applies.

Generally, a reputable software company will ask several questions to see if they are talking to a likely candidate for their programs. The key issue will be growth. The ability of the programs and hardware to grow with a company is a key factor.

7. Can I do everything on a personal computer? While this is close to question No. 6, it's not the same. Certain personal computers have fairly fast internal speed coupled with a large memory, generally in the form of a hard drive.

What should be avoided is a dual floppy computer, which a company of almost any size will find unusable. Several fine programs available for personal computers should be considered with the question above.

8. Should I buy generic or customized programs? It is better to work with programs that have industry-specific factors. Dozens of A/R programs are available, but they don't necessarily work the way the green industry likes to use them. By choosing a software company with some industry experience, owners have some

assurance that they have designed programs with the right type of company in mind.

9. When should I buy my computer system? Most companies wait too long rather than the reverse. If staff is overworked, billing lags, inventory is confusing, or a business suffers any other major problems relating to information, a computer should be considered.

10. What do I have to know about computers to use one? Not much. The better the programming, the easier

Owner/operators must have easy access to information in forms that will help them manage their companies better.

the machine is to use. Many people with "computer apprehension" fail to buy a computer system because of visions of large unmanageable machines. This is not true in the case of the programs we reviewed. They were all usable by someone who had little or no basic knowledge of computers.

11. How long will it take me, or my staff, to learn to use the computer? This varies, but generally the types of programs we reviewed could be learned within a week and then would become comfortable after about a month.

12. How will I learn to use the computer? Either by on-site visits from the programmers, phone assistance, or the manuals. It's really not that tough once you start.

13. Finally, what will it cost? Several components go into the cost of a computer system. Hardware, software, peripherals and the support system all have costs associated with them. An owner has to assess what he or she wants the computer to do, then check on the available options. Some people might want to look up some computer magazines and find articles on peripherals, for example, to get a working idea of the available products.

The general answer to the cost question is that the computer package will probably run somewhere between \$5,000 and \$20,000, depending on size. They can get a lot more expensive, but that is the general range of prices of programs we reviewed. The key is to question more than one vendor so a comparison base can be determined. Some answers will confuse some people. The only protection is to understand—not computers—but what they can do.

Remember in computer shopping that the companies themselves are better at describing the specific parts of their program than we can next month in our program appraisals. They will be better able to answer any questions on individual issues. Before buying, a check should be made of the support system: what it costs, how it's done and who will be doing it. This is an additional cost in some cases but may be well worth it.

Finally, a choice should be made based on needs and personal relationships with suppliers. The astute owner would call several so that he or she could begin to make comparisons.

All the programs we will be reviewing next month were logically written, and each of them had special features unable to fit into short reviews. A final decision should be made based on the costs, the machines, the features of the programs and—most importantly—on how individual owners feel about answers to any questions.

Many of the companies listed visit major national conventions to demonstrate software. By taking time to make a decision, a system should be purchased that fits both the present and future needs of the company. These systems will help the company be more effective and profitable in the future.

LM

In November, LANDSCAPE MANAGEMENT will look at software programs available to the green industry.



Diagonal Data's software helps companies keep track of vehicle maintenance.