Developing in-house tools can take your focus off the customer and lead to losses

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Developing in-house technology-based solutions for your business requires high levels of investment and focus, diverting your attention from your clients' needs.

The evolution of technology and the corresponding increase in automation are increasingly relevant to companies' operations and cannot be ignored. The changes have surpassed all previous expectations and are now an ever-present reality for the corporate world. Therefore, management tools are no longer optional; they are a critical factor for organizations looking to step into the era of digital transformation and improve their employees' productivity. Using a management platform, it becomes possible to optimize organizational routines - such as workflows, the distribution of demands and communications -, automating processes and finding bottlenecks.

Globally, the trend is reaching a fever pitch as evidenced by this study by Gartner. According to the consultancy, global spending on business software and the modernization and/or replacement of business applications will reach $201 billion by 2019. Gartner has also predicted that about 28% of the management systems installed globally will be based on SaaS (software as a service) by 2019.

Studies have consistently shown that a management platform will streamline the processes in your company. However, that leads us to another question: is it better to develop a management tool internally or hire an outside provider? Part of the answer stems from the fact that investing in the necessary research and development to build an in-house system is very costly. That factor alone can reduce the feasibility of an in-house solution.

An additional factor could have a negative effect on companies looking to develop a tailor-made system. Once a company begins developing an internal IT system, it inevitably loses some of its focus on the needs and wishes of its clients. Such a loss of focus will disrupt your business, potentially causing losses.

Taking these considerations into account makes choosing a third-party solution an increasingly easy decision. In this case, experts create the tool, besides already having been tested and approved by a range of other firms. An externally-developed tool will require a lower investment than an in-house one and will allow you to maintain your focus on what's important.

Disadvantages of internal tools

Now, to help you choose the best way to move ahead with a management system, let's look closely at some of the benefits and drawbacks.

1. IT investment

As we said before, the investment required to create a tool internally can be high. This is because the **company must invest in hiring and training professionals to develop the tool, besides outlays associated with acquiring hardware** and software needed in the development process.

Payroll costs are likely to be significant, considering that the employees needed to develop a system from scratch must be highly-trained computer professionals who already command a premium on the market. Imagine your additional costs with system analysts or programmers, including benefits and taxes. As developing internal software requires the allocation of full-time staff, **each additional hour worked will increase the final cost of your system.**

To show you, according to the US Department of Labor **the average annual salary for software developers in the United States is $108,670.** This is twice the average salary for all jobs in the country.

Companies that use a third-party management software will not have those expenses and will only need to pay for the service provided. The costs associated with external solutions are measurably lower, considering the much lower expenditure with fixed-price monthly, semi-annual or annual subscriptions. The easily understood outlay will also simplify your financial planning. So, **unless you have an unlimited budget, acquiring a tool through licensing is the more competitive solution.**

2. Continuous improvement

Another important aspect to consider when developing a system internally is the need to track errors, problems, and bugs. Typically, **developing a solution from scratch takes time and continual adjustments before it is suited to your company's needs.**

Besides this, the tool must then be kept up-to-date. Any system must be kept current and benefit from upgrades and improvements, allowing the platform to constantly keep up with your company's demands and requirements.

What's more, we live in an era of constant technological growth, and your IT staff must keep an eye on any changes to maintain the software up-to-date and complete, making sure it doesn't become obsolete. At the moment, all platforms need continuous development and innovation. Just look at your smartphone and think about how many new applications and features routinely appear.

However, that process would require recurrent expenses with equipment and development software, besides the need to hire capable professionals. So, it becomes clear that **the investment in the maintenance and improvement of an in-house system would also be considerable; but, developing and improving a dedicated system is a major undertaking.**

A good third-party online management software will provide automatic updates. The system is the focus of the company behind it and will have a dedicated team of professionals behind it. Such a software firm would have professionals specifically tasked with improving the system by analyzing how the service is used and watching industry trends and how to adapt them to their product. That way, the provider's focus will be on enhancing the product and creating useful new features, giving your company more flexibility and the capacity to focus on what it does best.

3. Vulnerability

Information security is also a fundamental factor in developing internal company software. A vulnerability in the software can compromise data security throughout the organization. To avoid such a risk, **serious attention must be given to risk management during the implementation and configuration of the system, preventing gaps and breaches in the project.**

Again though, the costs associated with a serious level of dedication to information security would be relevant and would increase the cost of the development in an in-house tool. However, when licensing a ready-made platform, you can rest assured that your data is fully protected and that the provider has the necessary infrastructure to keep your business safe. Third-party providers also have IT specialists that regularly update the platform's security to avoid any potential data breaches.

4. Support

Suppose you get to the point where your internally developed system is ready to begin operation. Implementing a new tool often involves lengthy training sessions and the need to explain how to use the tool effectively. Not only that, doubts will always exist, and to address them, you will need a dedicated support team.

When you hire a SaaS, the service will have a support team focused on providing rapid customer service to address the needs and questions of every user to their satisfaction.

5. Customer service and the impact on your business

As you can see, mapping processes and developing and implementing dedicated software, while later maintaining it up-to-date requires serious effort. **When you have your employees build a system a scratch, they, and you will consequently lose focus on your company's core business.** This is because all that investment of time and money will compete with your company's other demands and priorities. A focus on developing a new system for in-house use will necessarily divert your attention from the products, projects or services you provide to your clients, to their detriment.

When you divide your attention between competing projects, you will soon notice the impact it has on your operations. **And, because your company also must consider its deliverables, if your processes, services, demands, and projects are not executed correctly, either because of lack of focus or problems with workflows, your results will be negatively impacted,** with the consequent effect on customer profitability and retention.

However, when you opt to use a structured and market-recognized management system, the focus on product development, maintenance and customer service becomes the domain of the provider. That way, you will have a ready-to-use software suite from the get-go. This way you will avoid losing focus on executing your company's core goals, and you can continue to focus all of your attention on your business model, goals and customers. The more your employees are focused on those, the less trouble you will have in the long-run.

6. Time spent on development

It is clear that developing an in-house system from scratch can take a significant amount of time to complete successfully, in addition to the need to continually update the finished product. **However, since most companies don't have time as an unlimited resource, it's generally not advisable to develop software internally,** which leads us to the importance of licensing an external management tool.

Why license a management system for your company?

We have discussed the disadvantages linked to implementing an in-house platform. Now, though, we will show you six benefits that acquiring an external solution will bring to your business.

1. Developed by experts

When it comes to adopting a management platform for your business, you must understand the risks associated with internal development because of the possibility that the platform you create might not be entirely suited to your requirements.

Choosing software developed by experts in management technology will give you access to a tried and tested product, with proven acceptance by users and companies that have tested and approved the software.

By implementing a ready-made system that is constantly updated, your business will be able to benefit from a constantly evolving product, based on the collective feedback of all the customers that have used the platform and contributed to its improvement. The software has already reached a high level of maturity, resolving any initial problems associated with the development stage to everyone's satisfaction.

2. Adapted to your needs

By licensing the software, your company will gain access to a platform specifically suited to its needs. The system's configuration is designed for flexibility and, **with the parameterization of the account, the software will be organized according to your specific requirements.** Your operation will gain increased efficiency as your teams work more agilely and intelligently, streamlining processes and increasing productivity.

3. Reduced costs

We have discussed the high levels of investment needed to implement an internally-developed platform. Through an online management platform, your business can reduce your IT development spending significantly. **You will not have to worry about personnel costs associated with a root and branch development project,** nor with the need to search for the relevant specialists, worry about systems management or the need to acquire hardware.

4. Mobility in management

Another important benefit of using outsourced software is the ability to access it from anywhere at any time. **As a cloud-based system, the service allows managers to access the information they need at any time** from any computer connected to the internet. This level of access grants your business even more flexibility and speed, giving you constant access to the data you need to manage your business efficiently.

5. Improved customer service

The saying that '*the customer is always right*' also applies to management systems. Based on feedback, the developers correct potential flaws, improve existing functionalities, and create new solutions to address customers' needs. In that way, **we have been able to develop a product with a higher level of quality, leading to a better experience for the platform's users.**

6. Focusing on the customer

Allocating your employees to developing an in-house management platform will be detrimental to your main operations, splitting your attention between the new platform and your day-to-day activities. An online management platform will prevent such a loss of focus, allowing your team to concentrate on what's most important to achieving your company's strategy and goals.

In short, licensing an online management system offers numerous advantages compared with developing an in-house platform.

- ✔ Low cost
- ✔ Automatic updates and improvement
- ✔ Adaptation to your needs
- ✔ Remote technical support
- ✔ Information security
- ✔ Usability
- ✔ Easy access
- ✔ Cloud-based data storage
- ✔ No need to install programs
- ✔ Your team is free to focus on your customers

Learn more about Runrun.it

Now if you really want an online tool that will take your management to another level, you need to get to know more about Runrun.it. Our platform has a team of experts dedicated to continually improving the service and making your company more efficient.

With our platform, you can organize your workflows, manage teams, distribute and prioritize tasks, formalize communications and monitor the progress of every project you have underway. Also, Runrun.it will allow you to monitor your employees' progress and increase their productivity, leading to increasingly efficient management, operational agility and a comprehensive view of every company sector through 360° management.

With an integrated and intelligent management system like Runrun.it, you will have even greater advantages, since the platform has iOS and Android applications and is even accessible from your smartwatch.

There's more: the platform has a time intelligence system, which monitors your employees' work hours and turns that valuable data into actionable intelligence to support executive-level decision-making. Runrun.it also provides a customizable Dashboard that allows you to create and monitor the metrics you need the most. These performance indicators can then be viewed on a single screen and in real-time. Take the system out for a test drive and see how it can help your company reach the next level.

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