IT - THE RIGHT DIRECTION

Interview with
ALICE EDGCUMBE-RENDLE
MANAGING DIRECTOR
EDGCUMBES



In a series of interviews with KFA Connect, company directors talk about the issues which need to be addressed to align IT with their business strategy and operations.

The interviews will be brought together as a report to be published by DECISION magazine and then as a digital book.



AS MISSION statements go, it's well-crafted.

"We always work to three clear principles, and they guide us in everything we do," says Alice Edgcumbe-Rendle, managing director of Edgcumbes coffee roasters and tea blenders. "That our range of products and services, though wide, must be relevant to the individual needs of individual customers. That we must work to increase the profitability and success of our customers, ensuring they have the best quality advice and products at all times. That only an exemplary service allows our customers to trust and rely on us."

Then she pauses. While it might not be centre-stage as far as the customer is concerned, there's another ingredient which needs to be included.

"IT is the elephant in the room for SMEs," she suggests. "Their focus is on growth and they make that happen first. They know the right approach would be to have better systems in place to cope with growth effectively, but they want to see the money coming in first. The result is that we create so much more work for ourselves. The danger is that a company compromises the values which have brought success.

"Of course the owner manager has so many different tasks - they are all things to all people. But IT should be the enabler so that they can break out of that. What a company in this position needs is a root and branch review, but that in itself is tough for a small business which is growing, both in terms of time, and a loyalty to an existing service provider."

It is unusual to be known for the quality of both coffee and tea, but because of hydration and other health benefits, the latter has increased in popularity and there is growing demand for green and herbal infusions, in particular from the millennial generation.

Not that in terms of business development, Edgcumbe-Rendle thinks the diversification is particularly left-field. "A long-established business has to be innovative if it is to stay relevant," she asserts. "Otherwise, if you don't continue to reinvent yourself, you can just get lost in the marketplace as newcomers arrive with new ideas.

"The internet has meant that all supply chains have flattened, so we will find manufacturers and producers selling direct to hotels and restaurants as well as wholesalers. That means there is a need to keep coming up with value



added services for the customer, such as bespoke packaging, providing the actual coffee machines, and offering support so that their staff are proficient in tea and coffee-making skills..

Over the years Edgcumbes have always introduced new IT but what the company suddenly realised is that it was out growing everything. "As a business grows faster, systems can begin to creak," muses Edgcumbe-Rendle, "and there is a sudden realisation that having production, EPOS, the internet, accounts, all on different platforms is no longer sustainable.

"The core requirement is for IT to produce accurate data, but SMEs usually don't have the knowledge or the staff resource to make informed use of the information. Compared to our knowledge of tea and coffee, we know diddly squat about IT. But unless investment is made, at the very least it will hamper growth. Fundamentally, without an understanding of analytics, it isn't possible to get the best return from a website."

What does concern Edgcumbe-Rendle is that she believes IT can constrain how people communicate. "I say to people in the office, don't just email a

customer: why not follow it up with a phone call," she explains. "After all, before the internet we would send a letter and then make that phone call. I think there is a risk that IT can make us lazy or removed from the customer without realising it."

That extends to attention to detail when it comes to a company's web presence, she says. "If your website isn't customer-focused, they will just click off and go elsewhere because they can. Customers want to use the internet to compare prices so there has to be transparency when it comes to transportation costs for example. I wonder if some suppliers are reluctant to invest in IT, even though they can see the requirements, because they know it will change their market and how they do business forever."

Certainly IT enables Edgcumbes to set out their environmental credentials fulsomely. Their used coffee grounds are used to fertilise plants; LED lighting has been installed in the roastery, and in conjunction with Brighton University, Edgcumbes are working on how to create new products from recycled coffee sacks which otherwise would eventually be discarded. Then there are the certifications, including



from the Rainforest Alliance, Fairtrade Foundation and the Beverage Standards Association, and the Specialist Coffee Association. Customers (and that includes B2B as well as B2C) who have their coffee or tea containers refilled get a 10% discount.

"I am sure there is a law of unintended consequences which can be applied to IT," Edgcumbe-Rendle suggests. "New companies are going to be fresher, run by a generation more comfortable with IT. So for established businesses, which like it or not will be stuck with legacy, there is a need to accept that they need to listen to experts. Unfortunately SME owners aren't so good at that."

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