

Operational Efficiencies Create New Opportunities for **Modern Systems** 

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Five years ago, Security One, a well-known Windsor, Ontario based security company, found itself in need of an efficient and environmentally friendly business management solution. Beginning at age 19, strong work ethic and business savvy turned a one-man, door-to-door wireless security and smoke detector sales job into a booming, multifaceted company.

Though entrepreneurial spirit and dedication are keys to a prosperous operation, the factor that sets Modern Systems apart from its competition is its ability to adapt. Unlike most businesses, especially those several decades established, Modern Systems has committed to changing with the times. Doing everything from altering sales approaches as millennials claim primary control of the economy, to expanding services beyond security systems into other technological areas, to intelligent business moves during the 2008 recession, Modern Systems is committed to identifying trends and capitalizing on them. They have averaged 24% year over year RMR growth for the past four years. This ultimately has resulted in steady growth and prosperity even in the roughest of economic times—the company has never laid off an employee over the last nearly forty years.

Modern Systems' evolution began with the on-boarding of its first employee after 3 years of existence. That first hire went on to become the vice president of the company before passing of cancer 29 years later. Today, Modern Systems employs upwards of 30 people who perform a multitude of different tasks. The organization can attribute this growth, in part, to a natural progression from exclusively selling conventional security systems to expansion into the home theater, multi-room music and home automation industries. As Morris puts it, "Technology changed and improved, and I found myself in the technology business rather than just security." This worked out well, as "a passion for electronics" inspired his then teenage self to start the company in the first place. Today, home entertainment and related fields make up 20% of Modern Systems' revenue.

As the size and scope of Modern Systems changed, so did its demand for increased operational efficiency. The need for better operations and financial management led the company to the realization that its billing software of over 20 years lacked the capabilities necessary to foster additional growth. After Morris acknowledged that he was constantly in audit mode, focusing on correcting everyday minutia as opposed to moving the company forward on a larger scale, he saw an opportunity to update existing methods.

As with any large business decision, no matter how progressive the organization's mindset, it was important that company did its due diligence before changing course. Therefore, it required a year of thorough research before Modern Systems chose to make the switch to SedonaOffice, the number one financial software for security companies.

Once the new system was in place, there was a notable and immediate increase in efficiency. The modification instantly closed billing and account management gaps and allowed Morris to shift roles. He puts it best by saying, "Now I work on the company versus in it." On trend with many of the organization's prior decisions, the initial risk of making a major internal change yielded high reward.

By utilizing the features of the new software, Modern Systems was prompted to make an impactful, revenueincreasing change: The business wasted no time before identifying customers who hadn't had a rate change in five years or more as well as those paying less than 25 dollars per month for services. After running diagnostics with the new software, it was discovered that some clients hadn't had a rate increase in 25 years. By simply raising fees by three dollars, the company generated more income and completely offset the initial cost of SedonaOffice's services and monthly expenses. Of the 1,600 accounts that met the criteria above, the price change only resulted in 16 phone calls and absolutely no attrition. Maybe most impressively, the entire transaction was completed in one afternoon.

Since adopting the program, Morris has embraced another technological feature that has proven to boost productivity: the SedonaOffice FSU (Field Service Unit). Use of the software has reduced the amount of technician overtime by 19% because of its ability to hold employees more accountable in the field. By adjusting the previous loose, self-reporting method to an electronic system that requires technicians to clock in and out upon dispatch and departure, workers became more accountable and efficient. We are hoping to get a % in the reduction of overtime.

Perhaps the most remarkable thing about Modern Systems' pattern of decisions is that they go against Morris' stereotypical generational inclinations. As he points out, change does not come naturally to traditional business owners. However, Morris' concerted efforts to remain forward-thinking led him to the decision to transition his company to operating using cloud-based systems. This prompted him to purchase the SedonaCloud version of SedonaOffice versus a physical server. Staying true to its innovative ideology, Modern Systems noticed an emerging trend toward cloud-based technology and decided to take a leap, albeit an informed one—again, much energy was spent researching the option before its eventual adoption.

Owners of well-established companies often see no need to alter their operations, and although many are profitable, there is an eventual growth cap that cannot be surpassed. Modern Systems' mentality is that of progressive innovation and adaptation, creating a different type of success that, we expect, will increase exponentially.



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