

33.3: Using Technology

Learning Objectives

- Describe the types of technology used in business

Think about how you conduct business today as a consumer. The way that consumers identify and ultimately purchase products, goods and services has changed at an exceedingly rapid pace. This is a direct result of advances of the technology available to today's businesses. What most consumer do not see are the wide range of new and evolving technologies that businesses employ in the development, production and distribution of those products, goods and services. Although the type of technology a business employs is determined by their operations, we can classify the technologies used in business into several broad categories.

1. **Computers.** Desktop computers loaded with office and productivity software packages allow workers to write letters, analyze financial information, send and receive emails, and design sales presentations. The computer itself could be a desktop model with a separate monitor and keyboard, or a mobile laptop. There are two main types of computers. Personal computers (PCs) operate using Microsoft Windows are the most common, and Macintosh Computers using Apple Computer's operating system are popular among creative professionals.
2. **Software.** Software is loaded onto a computer to provide specific types of functionality. Software ranges from word processing programs such as MSWord to highly complex programs that allow developers to create virtual 3D images of a new product. Literally millions of software applications are available to business and selecting the most appropriate software to accomplish the business's objectives occupies much of the time of Information Technology personnel. For example, artificial intelligence/machine learning (AI) continues to gain in importance. Some estimates show that nearly 40 percent of businesses may be using AI to automate their processes by as early as 2019. Businesses are hoping that these AI programs will execute specific tasks, allowing businesses to gain a competitive edge and provide a higher-quality service experience for consumers.
3. **Networking.** Computers are often linked to form a network. This allows people within an organization to share documents or information, provide a central repository to store documents, or for people to communicate using email within an office. They also allow several computers to share a printer or storage device. A network can be limited to computers within a shared office, or span across multiple offices and locations.
4. **Telephone Systems.** You may not think of something as traditional as a telephone system as a technology, but today's business phone systems are quite complex. The most common type of phone system consists of a hardware unit that uses software to split the phone company line among individual handsets. The increasing use of automated attendants that help callers find the employee they are seeking, check their account balance, place a service call, check on the status of an order allow businesses to provide a level of customer service without the caller ever interacting with an employee of the business.
5. **Accounting Systems.** Although primarily a software package, accounting systems are a crucial to business success. Accounting systems keep track of every dollar a company spends along with every dollar of revenue. In addition, accounting systems are capable of tracking labor costs, inventory levels, asset value and other pieces of financial information that managers need in order to make decisions about business operations. These systems can range from a relatively simple system such as QuickBooks to highly complex systems such as SAP.
6. **Computer Aided Manufacturing Systems.** No longer does the manufacturing process require hundreds of employees working on a production line. Computer Aided Manufacturing (CAM) is the use of software and computer controlled machinery to automate the manufacturing process. This can be something as simple as filling cupcake tins with batter at a large bakery facility to building aircraft component parts to later be assembled into a jumbo jet. As technology continues to evolve, computers will take on an even more prominent role in the design and manufacture of everyday household goods.

These broad categories of technology can be found, to some extent, in virtually every business today. However, business cannot sit idle as technology changes around them. Today's businesses must keep informed of new technologies in the same way that they must remain vigilant of changes in consumer demands. While leveraging existing technologies to their benefit, businesses must keep a watchful eye on emerging technologies such as Block Chain, virtual reality and machine learning in order to adopt the technologies that maximize efficiency and ultimately maximize revenue.

? Practice Question

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