



## **GRIP REPORTS**

**The Tipping Point and Why People Still Matter**

*by: Elias Amash*

# The Tipping Point and Why People Still Matter

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There comes a time in life when we all have to make a decision which we are not absolutely positive needs to be made. We wrestle with our thoughts of should we, or should we not? We analyze and scrutinize all facets of the impact of the decision we are about to make. The decision making is usually the hardest part of the entire process.

We have all been at a crossroads at several times in our lives. Should we go to college? Should we take this job? Should we get married? Should we buy a house? Should we have children? I need not go on, because you know life-altering questions seem to come all too often. The questions change, but the process of making the decision remains.

How does one know when the time is right to make a decision? The decision may be at the wrong time, for the wrong reasons, or worse yet have a ripple effect which might cause others to feel somewhat sorrowful.

## Technology as part of our new digital lifestyle

Technology has changed our world significantly. Back in the day, we only received phone calls when we were at home. Now we are always reachable, as we take our phones with us everywhere. Smartphones are really just computers that we have with us at all times. We can check our e-mail, visit websites and even write and edit on the go. Indeed, today's smartphones have more computing power than the best PCs of even five years ago, and even more computing power than the Orion spaceship that may someday bring astronauts to Mars.



While this can be a great benefit, it does have a downside. We can work from anywhere, which easily becomes working from everywhere. We often find it hard to unplug. We like the connectivity and the ability to reach and be reached by others.

The problem lies in the fact that when we don't unplug, we risk work encroaching on our leisure time. We may be pulling employees away from their friends and family when we email, text or call with a work question. This constant state of being ready to shift into work mode can be detrimental to our health and morale, because our personal, online inventory system is always available and being used. Literally, we could work all the time!



It's great to not be tied to a desk. Who doesn't enjoy being able to work from a table outdoors or the local coffee shop from time to time?

On the other hand, no one likes having their lunch or their family time interrupted by a work call.

That's why it's important to establish boundaries. For instance, you could decide that anything that arises during your typical work hours will be addressed as it comes in; however, if a problem arises outside work hours you will wait until a convenient time to look into it.

This is not as easy as it sounds. We hear that ringtone or text alert and we automatically reach for our devices. "Notifications heighten our self-worth, are how we know someone is listening to us and caring about what we have to say," according to Alexis LaFata of lifestyle blog Elite Daily. It's all about dopamine, the chemical associated with reward and motivation response in the brain that emerges when we receive a notification from Facebook, Twitter, or other social or communications platform.

In fact, there's even an *Internet Addiction Disorder*.

Apple CEO Tim Cook reportedly receives 700-800 emails per day, according to a roundup story in Business Insider on the email habits of CEOs. In efforts to reduce unnecessary messages and distractions, LinkedIn CEO Jeff Weiner advises, "if you want less email, send less email."

However, when these interactions take us out of the moment with our friends and family -- or even distract us from truly significant business-related tasks during the day -- it can be the start of larger problems. It's hard to feel valued and important to someone who always seems to push pause with you so that they can look at their phone. This can certainly cause alienation, straining relationships and throwing priorities -- both personal and professional -- into disarray.

Balance is the key, as many companies today have reached a “tipping point” on technology adoption. Leaders need to know when to embrace technology in the organization and for their employees, and when to scale it back. We can blame technology, but it’s really our underlying behaviors which may need the adjustment.

### Over-relying on technology?

While technology has afforded us countless conveniences, our reliance on technology certainly carries risk and can have dire consequences.

If you lost your phone and were stranded in the middle of nowhere, what would you do? Have you memorized the phone numbers of your closest friends and family members? Probably not. Phone or technology loss in an emergency situation could exacerbate a difficult or emergency situation.

Risks and dangers are amplified exponentially when hardware and software fail. Computers could bring more frequent headaches as they link together with billions of other electronic devices and household appliances—a trend that has become known as the Internet of Things (or IoT).



This technology chain will increase the complexity of systems and raise the risks of massive breakdowns, either through an inadvertent glitch or a planned, malicious attack.

"The problem is humans can't keep up with all the technology they have created," says Avivah Litan, an analyst at technology industry analyst firm Gartner.

The number of U.S. data breaches tracked in 2016 hit an all-time record high of 1,093, according to a study conducted by the Identity Theft Resource Center and CyberScout. Hacking/skimming/phishing attacks were the leading cause of data breach incidents, accounting for 55.5 percent of the overall number of breaches. However, breaches involving accidental email/Internet exposure of information was the second most common type of breach incident, at 9.2 percent, followed by employee error at 8.7 percent.

Most companies do not have a plan in place to deal with security breaches, whether deliberate or unintended. This is critical, as employees carry their computers (i.e., smartphones) home with them to conduct work from anywhere.

### Productive....or not

Security aside, our reliance on technology gives us the feeling that we are working more productively and efficiently. But are we?

In a February 2016 article in Harvard Business Review, “Is Technology Really Helping Us Get More Done?”, Bain & Co. partner Michael Mankins shares research he conducted on the impact of technology in the workplace. After studying the office use of email, instant messaging



programs, calendars, and other systems, he discovered that the average manager has less than 6½ hours per week of uninterrupted time to get work done.

6½ hours per week. That's it.

"Companies have continued to invest in new technologies for the workplace, but the benefits are no longer visible," explains Mankins. "In fact, we may have reached a tipping point where each new investment in office technology must be carefully assessed against a simple test: will it actually help people get more done, or not?"

Clearly, the beneficiaries of this trend -- enterprise software vendors -- stand to gain the most. Last year, the top 100 global software companies took in \$272 billion in revenue.

Organizations should think twice before bringing the next new shiny object into the workplace.

### **Replacing decision-making skills**

Let's get back to the people in your organization. Computers can make us more productive, barring outages or breaches, but can they make us smarter? Can technology help us make stronger, more-effective -- and profitable -- decisions?

Perhaps not by itself. Technology has changed the way we interact with information and data, and how we arrived at conclusions or solutions years ago -- often through our own investigation coupled with collaboration with colleagues -- is slowly fading away, unfortunately. Younger generations, including millennials and now, Generation Z (those born in 1995 or later), are quite adept at incorporating personal technology in the workplace. Facebook and Twitter searches provide answers in seconds, and their devices of choice are often phones or tablets.

"However, the reliance on technology to solve every question confuses people's perception of their own knowledge and intelligence," writes Rony Zarom in Entrepreneur magazine. "And that reliance may well lead to overconfidence and poor decision-making."

Employers should be concerned that technology is preventing young employees from thinking critically to solve problems. Four in 10 U.S. college students graduate without the complex reasoning skills they need to manage professional work, and nine out of 10 employers judge recent college graduates as poorly prepared for the workforce in such areas as critical thinking, communication and problem-solving.

Companies can fix this in multiple ways. They can be selective about the technologies and devices they incorporate into the business, and further, they can provide training for employees in decision-making and leadership.



### **Customers still buy from people**

Lastly, technology decisions should be based on the idea that your business exists solely because you deliver something of value to customers. They buy from you because you deliver a unique experience, product, service, or a combination of all three.

Technology can only go so far in identifying customers and keeping them happy. Your customers may have discovered you via a Google Local or Yelp search, but a combination of touchpoints both physical and virtual will ensure that your customers stay for good.

The in-store buying experience should delight customers with personalized service and more importantly, provide critical purchasing information that consumers cannot get online. Additionally, knowledgeable and fully-engaged store associates can further strengthen the in-store experience.

Shoppers are willing to pay for unforgettable experiences - such as a DIY demonstrations, wine tastings, art classes, fashion shows or fitness competitions - thereby keeping stores in business.

Such customer experience is the result of an emotional or physical connection with the products offered in the store. This encourages the shopper to make a purchase, so as to retain that experience once he or she leaves. The emotional tie-in or memory of the product also serves as a reminder that a future trip to that physical location might be in order. As such, a unique customer experience often leads to customer loyalty. Customers want to be dazzled so retailers should create the biggest WOW experience possible.

To stand out, you have to go above and beyond. Technology can help behind the scenes but today's leaders need to make the right decisions so as not to let technology run amok and possibly add unwanted risk to the business.

"Today, many investments in new technology are essentially workarounds for bad behaviors or poor procedures," adds Mankins, the Bain consultant. "Leaders should carefully assess whether to accept a bad behavior as given and invest in new technology to cope with it, or instead change the dysfunctional behavior."

### ***About the Author***

Elias Amash, President of GRIP, is an industry veteran with more than 20 years of experience in global sourcing, manufacturing, distribution, retail merchandising, fulfillment, marketing, technology, and operations. He is a trusted partner to hundreds of retailers and has "leveled up" the industry with GRIP's undying commitment to offering only the highest levels of service to its customers. Amash has recently published his third business book, *The Future of Retail* which is available on Amazon. He is also the author of *Importing from China: The Good, The Bad, and The Ugly*, and *101 Bright Ideas: Winning Tactics to Increase Retail Sales*.

### ***About GRIP***

GRIP was incorporated by Charles Amash in 1980 and has grown into one of the nation's top suppliers of innovative products to the retail industry. Located just south of Grand Rapids, Michigan, GRIP features a 200,000 sqft state-of-the-art warehouse facility including a 2,000 sqft product showroom. GRIP carries a product line of over 1,000 specialty hand tools, automotive, cargo control, Goodyear Air hose, LED lighting, Magnetics, outdoors, household items, and general merchandise. GRIP has a proven track record of excellence in supplying retail clients with innovative products, timely fulfillment, and world-class customer support. At GRIP, everything is about earning your business...one customer at a time. It's about building relationships and fostering business partnerships that will last long into the future. Our goal is to have Customers for Life. The future at GRIP is exciting and we're hoping that you can be a part of it as one of our many Customers for Life. Learn more at [www.whygrip.com](http://www.whygrip.com).

