

ROCK SOLID INDUSTRIAL PARTS
INC.

DIGITAL TRANSFORMATION: A PROVEN STRATEGY FOR INCREASING REVENUE

77M

Matteo Meier

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Table of Contents

Executive Summary	2
Introduction	3
Business Functions to be Affected by Digital Transformation	4
Sales and Marketing	4
Warehouse and Operations.....	9
Executives.....	12
Finance and Accounting	14
Human Resources	16
Information Technology.....	19
Technology	21
Software	21
Hardware	25
Data	27
Infrastructure	28
People.....	29
Structure	30
Risk Assessment	31
Most Difficult Task	31
Major Risks	32
Timeline	35
Budget.....	36
Conclusion	36
Appendix	38
Infrastructure Diagrams	38
HQ and Warehouse	38
Remote Offices	39
Server Room Diagram	39
Detailed Budget.....	40
Endnotes	41

Executive Summary

As RSIP plans to expand into new markets, there comes the need to adopt new technologies in order to stack up to the competition and grow its profits in proportion to its expansion. In 2025, RSIP cannot afford to leave the advantages of modern digital technology and Artificial Intelligence on the table. If RSIP does not adopt and adapt while its competitors do, the company will not be able to sustain its expansion strategy and will be bounced out of the market as an obsolete company of yesteryear. If RSIP aims to expand its operational footprint and salesforce, they need to increase their revenue by at least 118%. There is a wealth of digital solutions that can facilitate this, and RSIP's heretofore oversight of these solutions means that within a three year period, RSIP can rapidly realize all of the benefits that an otherwise slower strategy would diffuse over time.

The primary profit-driving business functions of RSIP's organizational structure will be overhauled, those being Sales, Operations, and Executives. Historically proven digital solutions will be implemented in order to provide these benefits to RSIP, thus increasing profitable revenue growth within the three-year-period of this plan:

- increased efficiency
- eliminating wasted time and resources
- improvement of customer satisfaction
- fostering of returning customers
- shortened fulfillment times
- superior, more insightful information
- increased agility of sales force
- live, unbroken chain of information
- AI-enhanced decision-making and predictive analytics

Upgrading the technology of the secondary and tertiary business processes of RSIP, while not directly driving revenue, will result in saved time and happier, more productive employees, with the added benefit of patching security vulnerabilities. Migrating from a paper-based to a paper-free operation will reduce supply costs and free up storage space within the warehouse. Talent pipelines will be planned to ensure the dissemination of institutional knowledge throughout RSIP, safeguarding the company against knowledge loss. The IT department and the leaders of divisions will work together to exchange knowledge to ensure both that the employees can make the best use of the technology adopted and that the IT department can tailor the technology to the needs of the industrial parts distribution industry.

At the conclusion of the three-year-period, RSIP will not only meet its current needs for profitable revenue growth, but be well equipped to continuously expand, evolve, and innovate. The transformations outlined ensure that RSIP will be transformed into an agile company that hungers for knowledge and improvement. RSIP will be conferred with the ability to bring in the profits to expand further, not just physically, but digitally. The digital transformation of RSIP begins with this plan, but it does not end where this report does.

Introduction

Rock Solid Industrial Parts, Inc. is a business in need of change, and this report will justify that need through based on added value provided by a digital transformation to serve profitable revenue growth. The primary purpose of this report is to serve as a preliminary guide for the purpose of a comprehensive digital transformation of the business of Rock Solid Industrial Parts, Inc. Rock Solid Industrial Parts Inc., which going forward will be abbreviated as RSIP, will have its business functions upgraded, automated, or completely transformed in order to create a new, more efficient RSIP.

The company will be undertaking a total paradigm shift from good enough to more efficient than it ever has been through the use of modern digital technology solutions, and through the evidence found in this report the company will be on track to increase its total sales revenue by 118 percent by the end of our three-year plan. The alternative to digital transformation is stagnation, and failure to take steps towards digital transformation will ensure that the company's successes to date will not endure through its planned expansion. The leadership of RSIP must be proactive, innovative, open-minded, and daring if they plan on their firm's success sustaining itself, and this plan aims to provide the first steps towards a bright, profitable future for RSIP

The structure of the report is as follows: first, the report will cover the different Business Functions that require alteration or total overhauling, in accordance with the organization chart of the company, ordered by the degree to which they drive profitable revenue growth. A complete analysis of the problems, solutions, and benefits of the determined type of digital transformation will be applied to each area of the company, with accompanying figures to improve comprehension and further understanding of the points made. The types of technologies needed to be integrated will be discussed here, but the specific recommendations for choice of technology will be enumerated in the following section.

Next, the report shall provide a complete overview of the technologies available and make recommendations based on what best suits the needs of the business based on the problems discussed in the previous section of the report.

Following this, the report will analyze the various issues affecting the people-based side of the company. To accommodate the changes that will be required for the digital transformation, bringing the individuals of the company up to standard in technological literacy so they can maximize their usage of the new processes and technologies will be another essential task for ensuring the completion of the targeted sales goals. Creating talent pipelines for the dispersal of institutional knowledge will also be implemented.

There are no structure changes requested, so the report will end on a risk assessment followed by the budget report and plan timeline, and finally, the concluding remarks. At the conclusion of the report the merits of digital transformation will be made clear and the plan to increase profitable revenue growth will be expounded upon in totality.

Business Functions to be Affected by Digital Transformation

			Digital Transformation Type			
Function	Notes	U	A	I	R	
Sales and Marketing	CRM system for sales, mobile hotspots for remote and field salespeople	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Warehouse and Operations	IMS for live inventory tracking and increased efficiency, network infrastructure integration on the warehouse floor	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
Executives	Utilizing BI software enhanced by AI for improved decision making and predictive analytics	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Resources	Increase in outsourcing functions to ADP to focus on non-outsourced functions i.e. succession planning	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Accounting and Finance	Upgrade of Quickbooks software to modern version, plus migration of paper-based data to digital database	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Information Technology	ITSM software to administrate over digital transformation process, resolve issues, increase efficiency	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

The modes of digital transformation take the form of the following types: Upgrades, Automation, Information, and Restructuring. No restructures are required for this plan. The three business functions that drive profitable revenue growth at RSIP will be undergoing information digital transformations, and the new technology adopted will change the way those job functions receive information and perform their functions. The three main functions are the Sales, Operations, and Executive divisions. The other job functions will be automated and upgraded by technology, but the nature of their work will be largely the same, but more efficient. These include Finance and Accounting and Human Resources, which already use digital technology, but outdated versions, which require upgrades.

Sales and Marketing

Situation

Due to the nature industry of industrial parts manufacturing, RSIP's Sales and Marketing Division is primarily a Business-to-Business function. RSIP conducts its deals through the use of mobile sales agents who directly interface with clients in order to facilitate new contracts and avenues for distribution. With the new changes to the structure of the organization, the addition of two new sales offices, one in Southern California, and the other in Denver, Colorado, the need arises for a better method of interlinking the sales departments of the offices to coordinate the sales force of RSIP.

The business activities of RSIP will now involve sending its salespeople to an expanded variety of locales in order to close deals and maintain client-distributor relationships. As the salespeople are operating over a wider range of distances, including various rural locales, landline phones and personal cell phones will no longer be enough to keep the sales department in lockstep towards its goals.

Analysis

The addition of a new time zone to the businesses' operative schedule will also cause confusion with meeting times if improperly addressed. The department's usual Monday meetings will need to be altered. The Sales and Marketing Department will need to conduct market research and analysis of the new regions they are expanding into, and new relationships with prospective clients will need to be developed and maintained, and new opportunities will need to be continuously identified.

There will be more moving parts in terms of salespeople on the move in different places, and new distribution avenues will be opened. The physical terrain of the Rocky Mountains requires attention as a region to navigate, both for sales and operations. Increased optimization is a must in order to navigate the increased complexity of the added sales channels, and the addition of new clients warrants a system for keeping track of the increasing sales network of RSIP. In order to facilitate the most responsive sales division possible, the salespeople must be always connected to the central apparatus of the division in order to receive and deliver the most current information from their sales leads, no matter where they are located. The problem of physical distance from the central location of the Sales Department must be eliminated, and the method of digital transformation adopted will make that a possibility.

Breaking into new markets where RSIP does not have a preestablished history requires the need for heavy market research and analytics so that RSIP can gain a foothold in the new markets it is seeking. A way to communicate the strengths of the company through hard data and clear metrics will be key to winning over new clients to RSIP. RSIP has seen long-standing success in its local environment, and the keys to that success must be communicated to its new competitors and prospective customers.

Data/Information Use Case	
Function Name	Field Sales
Process Name	Comments/Notes
Lead Generation	Identifying potential customers and initiating their interest in products or services
Contact and Prospecting	Establishing initial communication with leads to explore their interest and qualify them as potential customers
Needs Analysis	Understanding a customer's specific challenges, goals, and requirements to provide tailored solutions
Proposals and Negotiation	Presenting offers and working through terms to reach a mutually beneficial agreement
Order Fulfillment	Ensuring the accurate and timely delivery of products or services once an order is placed
Follow Up	Maintaining post-sale communication to address any issues and build lasting relationships.
Performance Review and Optimization	Evaluating sales activities and outcomes to identify areas for continuous improvement.
Cross-Integration	Integration with Microsoft 365 software family, specifically Excel, and UC software, in order to facilitate constant communications and regular meetings
AI Enhanced Analysis	Sales data can be analyzed and visualized with the aid of AI in order to make predictions based on demographic and sales data, both current and historical, to craft quick and effective reports for executives

Solution

RSIP's Marketing and Sales department will require multiple solutions. The primary technology that should be adopted is Customer Relationship Management (CRM) software. Through the use of CRM, RSIP's salespeople can expand their network of customers while better maintaining their current client relationships. The analytics provided by most CRM software will allow the salespeople to create more competitive and compelling proposals in their presentations, and with advances in AI technology implemented in many CRM software programs, RSIP's data insights will be on the cutting edge of the industrial parts industry.

The automation of traditional sales workflows will free up time for the field sales team to chase leads and opportunities. Less time spent on busywork and more time spent pursuing opportunities means more customers and greater sales for the same amount of time billed by the salespeople's salaries. CRM aided by AI can even determine the most promising sales leads, which in the event of a surplus of opportunities in the new market will allow RSIP to pursue the path that will result in the greatest quantity of continued sales. CRM usage has been associated with increases in customer retention rates due to enhanced customer engagement and personalized service¹, which will ensure that RSIP's entry into the market is felt, and the initial connections built will last.

The use of AI in the Sales department will primarily take the form of agentic AI. Unlike generative AI, which is primarily used in aiding creative works or snippets of code, or in other words, "new content", agentic AI is concerned with accomplishing tasks in an autonomous way.² These tasks can range from rote processes to important decision making. Generative AI is prompted with instructions and can be changed on the fly, but agentic AI works on its own directives alongside human workers. Agentic AI is the clear fit for RSIP, especially in the sales department, as it can aid in all

In addition to CRM, a universal communications platform will also be needed to be adopted by not only the Sales and Marketing Department, but the company as a whole. This will allow the quick, easy, and convenient flow of information inside the departments and between the departments, the leadership and the workers, and between Sales and Customers. The normal whiteboard presentations used by the department can be supplemented by virtual meetings that have similar functionality. While physical presentations are important for any sales department, implementation of a virtual meeting system can allow for an expanded range of meeting times and the ability to reach a wider audience of preferences and availabilities, allowing for a greater number of customers to be reached by the sales department and following that, an increase in sales. Digital collaboration software can also smooth over the scheduling issues associated with conducting business across time zones that could otherwise arise from human error.

To ensure near-100 percent uptime of the salespeople to the network, mobile hotspots will have to be issued to salespeople so that they do not miss critical opportunities due to environmental factors. Certain CRM software offers offline modes to allow work to be completed without internet, but in cases where the internet is necessary, and in areas with spotty cell service, mobile satellite connections are required to ensure that even in the most remote locations business can proceed without interruption. Missed opportunities will become a thing of the past after the completion of this digital transformation.

Requirement Specification		
Technology Name	CRM	
Requirement Name	ID#	Description/Definition
Lead and Contact Management	CRM 01	Tracks customer interactions, contact details, and lead status in a centralized database
Presentation	CRM 02	The ability to create visually pleasing and persuasive presentations for clients with graphics, charts, and sales pitches
Unified Communications	CRM 03	Integrates with company UC solution to allow cross-communication with peers, and conduct meetings with executives at any time or place
Automated Sales Pipeline Management	CRM 04	Visualizes sales stages, tracks deal progress, and automates follow-ups
Customer Support	CRM 05	Manages support tickets, service requests, complaint responses in an agile manner, allowing for maximum customer satisfaction
Mobile Compatibility	CRM 06	Allows sales teams to update CRM data and access customer insights on mobile devices.
Cross-functionality/Integration	CRM 07	Syncs customer data with QuickBooks, and other financial tools for seamless operations.
Security	CRM 08	Includes role-based access controls, GDPR compliance, and encrypted data storage.
Customization	CRM 09	Enables workflow customization, automation, and adaptation to business growth.
User Experience	CRM 10	Easy to use and familiar UI for employees learn quickly and maximize benefits
AI Integration/Agentic AI	CRM 11	Uses seamless AI integration for predictive analytics and enhanced insights, has capacity of independent decision-making
AI Agents	CRM 12	Preprogrammed AI agents designed specifically for completion of specific tasks

Requirement Specification		
Technology Name	Mobile Hotspot	
Requirement Name	ID#	Description/Definition
Portability	MH01	Can be set deployed in a vehicle and easily transferred between different units
Uptime	MH02	Should be as close to 100% uptime as possibly, in any environment that salespeople are expected to visit
Power Capacity	MH03	Has the requisite upload and download time to support the types of interactions essential to RSIP without delay
Charging	MH04	Must have the ability to constantly receive power to ensure no loss of connection, must have long battery life when separated from source for as long as can be expected for salespeople to be away from charging port
Connection Security	MH05	Protects RSIP business data while connected through robust security system

Benefit

The benefits of CRM will be to foster a cycle of continuous growth of RSIP's sales force through the optimization and automation of traditional processes, centralization of data and enhanced data

collection, and enhancing the efficacy of the department’s ability to bring in sales due to the latter two changes. Automation of traditional workflows allows the salespeople of RSIP to use their time more efficiently, freeing them up to make better insights, spend more time pursuing customers, and close more deals. Studies have shown that CRM automation can reduce administrative workload by up to 40% within the first year of implementation, leading to a 25% increase in sales productivity over two years³, allowing RSIP to be well on its way to increasing revenue throughout the three-year period that this plan outlines. CRM has also been proven to measurably reduce time from contact initiation to deal closure, allowing for more frequent streams of revenue to be captured by RSIP.⁴ Streamlining the processes of the field sales department allows the salespeople to spend less time on busywork and more time on exploiting leads that will net RSIP more sales and satisfy the needs of the customers. Agentic AI can aid RSIP’s sales force in accomplishing both the repetitive tasks like updating information in a database while also conducting predictive analysis and determining the most promising leads. On the customer side, agentic AI can aide in customer service and post-purchase support, and it is predicted that by 2026, the majority of customer service interactions will be made via agentic AI.⁵ This constitutes the first main variable of CRM adoption, exploitation, or the ability of the department to reap the maximum benefit from the resources at their disposal, and this will be the main source of profit inflow that will be accomplished within three years.

Centralizing the headquarters of the Sales and Marketing Department on a digital platform eliminates the problem of a physical location to return to, allowing more flexibility and time on the road for the salespeople to grow the network of customers while not losing any cohesion with the main office. By ensuring a constant connection between the salespeople and the CRM platform via hotspots, there is insurance that no critical opportunities will slip through the cracks. The field salespeople will be enabled to maintain customer relationships at all times. This increased agility maximize RSIP’s Sales and Marketing Department ability to bring in more sales, and it is projected that over three years they will be able to meet the targeted goal of a 118 percent increase in sales revenue.

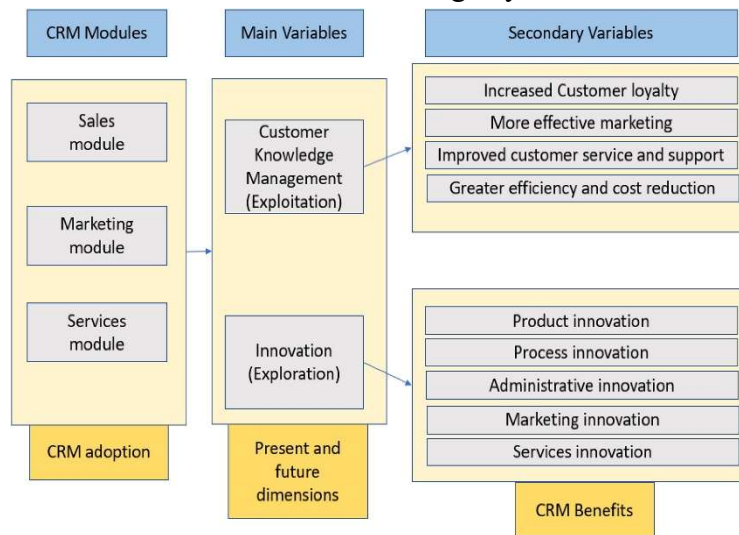


Figure 1

Empirical data suggests that businesses leveraging CRM tools experience the highest revenue growth within the first two years of adoption, which is precisely the time that this plan outlines RSIP’s CRM to be operational.⁶ Combined with the other measures RSIP will be taking should have the company on track to meet its targets. The potential for substantial growth within RSIP owes especially to the fact that while majority of businesses surveyed were already digitally leveraged, RSIP is far less integrated with recent technologies. This signifies that the ceiling for growth for RSIP in adopting CRM is far higher than average, because of the vast leap from decades old processes to the most efficient, agentic AI-enhanced CRM the market has to offer.

After RSIP has the CRM running at full capacity, it will have the capability to integrate historical data following the data migration process of RSIP's old paper records. Using this data will allow the department to forecast trends and target their operations to more promising leads, and continually improve their processes in response to the data captured, thus enabling the second main variable of CRM adoption, innovation. The innovative benefits will allow the marketing department to be more flexible in adopting new processes and technologies, and more agile in responding to the needs of the customers. The innovation increases the potency of the exploitation variable, and in turn the inflow of revenue from improved exploitation allows the department to continue to innovate. By adopting CRM, RSIP can initiate a cycle of positive growth which will sustain itself for as long as RSIP plans to expand into new markets and reach new customers.

After enhancing the capability of the sales department, RSIP will see more orders will be coming in at a greater pace. Once the salespeople have made the deal, their function is over until the next one, and so the time comes for the next step in the transaction process that sustains RSIP as a business. The digital transformation must not end at the sales department, and so the warehouse and operations division must follow suit. By enhancing the efficiency and throughput of the warehouse floor, RSIP will be able to follow through on the sales it makes at a higher rate, and the question of what ought to be sold will be made clear through digital transformation.

Warehouse and Operations

Situation

The warehouse serves as the backbone which supports all other processes of RSIP, which means in turn that it serves as the company's most critical point of failure if digital transformation is unsuccessful. In its current state, the warehousing operation works for the current needs of RSIP, however, as the needs of distribution expand to new markets, greater efficiency will be required.

Additionally, there arises the issue of institutional knowledge. The operations team is an indispensable asset towards the operation of the warehouse, but there are no plans or contingencies in place in the event that the current personnel should change for any reason. In this event, RSIP would be in a situation where they would be lost without a reference point in their most crucial and industry-specific process and decoding the problems left by this vacancy would require a lengthy and resource-consuming process that RSIP can ill afford. While other business functions are largely transferable, only the current operations team knows the intricacies of RSIP's warehouse, inventory, and storage processes.

The warehouse floor is a largely offline space, with no LAN capabilities for live inventory tracking. Weekly spreadsheets are the method of communicating metrics, which limits the amount of flexibility there is in decision making. The week-to-week nature of the operative schedule means that RSIP cannot respond to new trends as fast as its competitors, and because of the longer shipping times associated with expanding their supply chain, this means that key decisions will be made even further behind the curve than usual. Storage optimization is left to human sense, which, though reliable so far, is not perfect, and if it isn't perfect, there is still room for improvement.

Analysis

What RSIP needs is a method of optimizing their order fulfillment system, while at the same time they need to implement a plan to disseminate the institutional knowledge held by the senior warehouse manager down the chain of command of that department. The expansion into two new regions and the planned market entry into maintenance and repair operation (MRO) field introduces a need for higher operating efficiency, the current team's capacity will not suffice. The digital transformation must address this, otherwise, customers will be left dissatisfied with sluggish fulfillment times.

The network infrastructure on the warehouse floor needs to be overhauled, and the warehouse needs to become part of the wider network that will encompass the main office, the new offices, and the traveling salespeople.

Data/Information Use Case	
Function Name	Warehousing/Operations
Process Name	Comments/Notes
Receiving and Inspection	Inbound shipments are received, verified against purchase orders, and inspected for quality.
Inventory Put-Away	Stocked items are labeled, scanned, and assigned to designated storage locations.
Storage Organization	Inventory is arranged efficiently based on demand frequency and space optimization principles.
Order Retrieval	Items are retrieved from storage based on customer orders using barcode/Rfid scanning.
Packing and Labeling	Picked orders are securely packed, labeled for shipment, and verified for accuracy.
Shipping and Dispatch	Packed orders are shipped via carriers, with tracking details recorded in the system.
Returns	Returned items are inspected, restocked, or processed for disposal.
Performance Analytics and Optimization	Monitors warehouse KPIs such as order fulfillment rate, picking accuracy, and storage efficiency.

Another problem that needs addressing is the SKU bloat. With 80K SKUs in the current system, there are bound to be multiple bad entries which are out of stock or no longer available, and no way of tracking the items with highest turnover against those which languish on the shelves. The consequence of this means that storage space that overhead costs that could be utilized towards generating higher profit is spent storing items no one is buying, while SKUs that aren't moving at all muddy the water between the two. Experienced employees may be able to navigate the current setup, but to any new employee it will look increasingly like an unnavigable labyrinth.

In order to grow their customer base in the new markets they are expanding into, increase fulfillment efficiency, optimize storage, and document the items in the inventory, RSIP needs a new, digital platform to meet all of these needs. As it stands, RSIP is a well-established business in its home market and its current customers have set expectations for their services. But if RSIP wants to appeal to modern customers, they must streamline their processes using digital technologies.

Solution

RSIP must integrate a live **Inventory Management System (IMS)** which can integrate interconnectedly with all of the other digital systems that RSIP will be adopting. The cross integration is key; if a part has a 45-day lead time from a supplier, BI analytics can trigger automatic reordering before stock runs low, ensuring uninterrupted supply. Low-performing items can be identified and subsequently reduced or shifted out of stock, optimizing RSIP's storage space for the most frequently ordered items. Inventory optimization allows for more availability of frequently bought items, causing more sales, less stock-outs, and less money spent on unused inventory.⁷

For this to be possible, network infrastructure must be upgraded in the main offices implemented on the main warehouse floor. Tracking technology linked barcode scanners will allow the status of the inventory to be tracked in real time by the operations team, as well as the rest of the divisions of RSIP.

Requirement Specification		
Technology Name	IMS	
Requirement Name	ID#	Description/Definition
Inventory Tracking	IMSO 1	Provides instant visibility into stock levels, locations, and movements within the warehouse.
Barcode & RFID Integration	IMSO 2	Supports barcode and RFID scanning for accurate and efficient inventory management.
Order Processing Automation	IMSO 3	Automates order picking, packing, and shipping workflows to improve efficiency.
Receiving & Put-Away Optimization	IMSO 4	Automatically assigns incoming inventory to optimal storage locations based on demand and availability.
Integration with BI & Sales Systems	IMSO 5	Seamlessly connects with CRM and BI platforms to provide end-to-end visibility.
Warehouse Layout Optimization	IMSO 6	Uses AI and analytics to optimize product placement for faster picking and reduced labor costs.
Cycle Counting & Stock Audits	IMSO 7	Automates periodic stock checks to maintain high inventory accuracy and reduce shrinkage.
AI Integration	IMSO 8	Integrates AI insights to improve efficiency of delivery and fulfillment.

Although it will not be contained in this three year timeline, the implementation of an IMS also creates an easy onramp for the future implementation of an E-Commerce platform, where the customers of RSIP will also be able to see real-time stock updates and make orders to suit their needs using the data captured by the IMS. The implementation of this platforms will have benefits outlasting the confines of this plan.

If RSIP cannot future-proof the warehousing division, however, it stands that all of the above solutions could fall through due to a critical point of failure that RSIP has as of now. Over the course of the first year of the plan, talent pipelines will be implemented to train a succession plan for the warehouse chain of command. Bonus incentives will be provided should a suitable succession plan be developed, and part of that process will be the modernization of the SKU

database, including the conversion of all paper records to a digital database. Old or obsolete SKUs will be trimmed from the database as it migrates to a digital platform at the discretion of senior leadership. In order to have a contingency in place for the lynchpin of RSIP's operations the responsibility of knowing the warehouse floor inside and out will be spread throughout multiple people over the course of this digital transformation. This process is not just about upgrading the technology of RSIP but ensuring that RSIP is a more flexible and prepared for the future.

Benefit

Shorter delivery times are proven to make happier customers, and in a study conducted in 2024 it was found that shorter delivery times create higher satisfaction, higher likelihood of returning customers, and less likelihood of returning products.⁸ In the distributing industry, competitors are chasing shorter delivery times to gain an edge over their competitors. From 2020 to 2022, delivery times for digital purchases in the US further decreased from 6.5 to 4.4

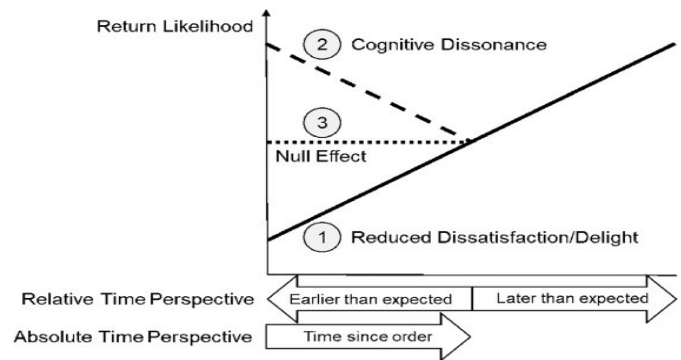


Figure 2

days, with Amazon reaching 1.9 days on average⁹. When RSIP becomes known to make deliveries faster than the rest of the market, new customers will follow, with the added bonus of them being peeled off of its competitors. AI tools can predict demand more accurately, optimize stock levels, and even automate ordering processes. This reduces waste, minimizes stockouts, and ensures capital is used more efficiently.¹⁰ AI can be even be used to look back through RSIP's historical data to identify trends and biases within the company, and identify what drove profits the highest in the past and whether or not those same strategies could apply today.

Executives

Situation

The executive branch of any company is tasked with making the big decisions which affect the primary outcomes of the business's success, and RSIP is no different. As of now, the executive suite is primarily tasked with overseeing the different branches of RSIP and coordinating them as a single organization. RSIP is positioned well for its current capacity, owing to its competent cadre of executives that are well equipped to deal with the familiar challenges facing their firm. However, the executive suite must not be left behind following the digital transformation of RSIP. If the executive suite is not brought up to speed on the changed processes of RSIP, this transformation runs the risk of a failed adoption of their technology from the top down due to executive resistance.

As of now, the decision-making process at RSIP is conducted through weekly meetings in office. Subordinates work in cycles of one week to collect and present information and data to the executives, but within that week the company can only operate off of the conclusions of the previous meeting. With the expansion of RSIP into new markets with more offices, the weekly

physical meetings will become untenable. Not only will it be inconvenient if not impossible to collect the field sales data in an efficient way, but the inefficiency in this style information presentation will cause RSIP to lag behind their competitors, who fully leverage the advances modern technology allows in executive decision-making.

Analysis

The various executives must have access to key data insights fast so they can navigate the various pitfalls of the upcoming expansion and make sure RSIP comes out on top. They need that data at all times and ideally it should be live, reflecting the moment-to-moment changes going on in RSIP. As the reach of RSIP’s operative footprint expands, they can no longer get the full picture just by coming into the office and checking in with their subordinates, the capacity for the executives, especially the CEO, to oversee the company must be upgraded so as not to leave any blind spots unchecked.

Solution

Requirement Specification		
Technology Name	BI Software	
Requirement Name	ID#	Description/Definition
Cross-Integration with Systems	BI01	Connects with CRM, accounting software, and UC platforms to provide a unified view of business operations
Customizability	BI02	Allows for industry-specific modules and workflow configurations to match business needs
AI Integration	BI03	Includes analysis, predictions, and decision making driven by agentic AI
User Friendly Interface	BI04	Features a user-friendly dashboards with real-time KPIs and customizable reporting tools

Business Intelligence (BI) systems are what RSIP’s executive suite needs in order to meet the needs of RSIP as it transitions into a digitally-based firm in order to keep track of all of its metrics, also known as Key Performance Indicators (KPIs) that will allow the executives to make the decisions that drive profitable revenue growth. Integrated BI dashboards are necessary to ensure that no opportunities are missed by the key decision makers at RSIP, and being able to customize the data into readable dashboards makes them accessible to anyone in the organization structure. Their mutability allows the same data to be accessed by different executives and transformed to suit their needs while pulling from the central information base.

Each function of the executive branch will need BI from their subordinates in their respective fields, and so the requirement of BI will be integrated throughout the company in different forms. The CFO will be able to access financials or hiring data from Finance or HR, the VP of Operations will be able to receive reports from the warehouse, and the implementation of UC and collaboration software would also allow superior coordination between the various executives to be able to clearly intuit the states of the other branches of RSIP, which more tightly knits the executive body of RSIP, meaning better communication and less friction between internal segments of the company. All of this can be accomplished in real time, over the cloud, eliminating the need for weekly presentations. Instead, minor decisions and course corrections can be made in real time as new data appears, and larger quarterly presentations will be enhanced

based off of more agile data. The leadership of RSIP will be both more efficient in the moment and more free to plan in the long term.

The BI used will also be synthesized with AI predictive analysis. Agentic AI can be leveraged to detect insights otherwise missed by humans analysts, and also be used to enhance the effectivity of those insights. As one of the fastest growing trends in IT, most companies are either adopting an AI system or developing their own.¹¹ This makes it highly likely that RSIP's competitors are eyeing the benefits of AI-enhanced decision making, if not already adopting it. RSIP cannot afford to miss the chance to get there first.

Benefit

Due to the nature of RSIP's business as a parts distributor, the ability to receive better information at a more frequent rate using BI software will ensure that the executives have functionally zero distance and time delay from the decisions that matter most. The ability to quickly create live-updating dashboards eliminates the time consuming process of updating them manually, inputting data week-to-week and month-to-

month, and consulting the various people responsible for creating these whenever a new request is needed. The digital transformation of this process will eliminate the need for routine weekly meetings for updates, instead creating a constantly flowing stream of information.

With the addition of BI dashboards enhanced by AI and RSIP will become a more agile and responsive company, making key decisions the moment the information becomes available and giving the executives superior information to steer the company in the best possible direction. AI will allow the executives to detect biases in the data and alternative insights, allowing a wider breadth of information to be considered, and repetitive tasks like collecting data for weekly meetings can be automated with real time updating sales data.

Finance and Accounting

Situation

RSIP Inc's Finance and Accounting division relies heavily on outdated software and hardware and use of paper forms. The current division's proven track record of weathering economic storms and keeping RSIP's financials above water are reliable, but not future-proofed, especially when taking into consideration the expansions planned, and the growth required. Modern businesspeople are being trained on the newer methods, and as they grow in experience with those methods, their business acumen will become intertwined with the newest technologies. It is those businesses that

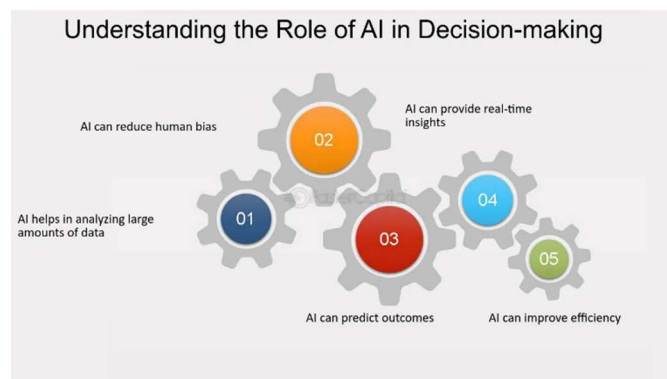


Figure 3

RSIP is competing with, and entering into new markets with obsolete methods spells out a mediocre or failed entry.

If RSIP's Financial Department is unable to make the transition to newer technologies, the losses for RSIP could pose a great threat to the company's otherwise steady life history and its ability to continue to generate growth in sales revenue. As a process, all of the same principles and formulas of finance and accounting will remain the same, but for the digital transformation of RSIP the medium by which they are completed will need to be upgraded.

Analysis

The finance and accounting department already has one foot in the door when it comes to digital transformation because they already use a form of digital Accounting Information Systems (AIS) and spreadsheet software. However, the fact that paper forms are used alongside this introduces the problem of non-standardization. In different scenarios employees will have to use different mediums, thus increasing room for error and the amount of training new CPA's will need to be given. The outdatedness of the software poses the issue of security vulnerabilities, as it lacks the latest security updates and monitoring features. Features like AI assistance can accelerate the accounting process and creation of financial statements, but these tools are nonexistent on the old versions of Quickbooks RSIP uses. Despite the familiarity current employees have with it, the current version that RSIP employs is becoming a liability to the company.

Another liability to RSIP is the decreased productivity caused by operating on outdated hardware. Old desktop computers have slower processing times, and the lack of extra monitors mean that employees must spend more time clumsily switching between tabs to accomplish tasks multiple times, to the point of redundancy. This leads to less work getting done in more time. Even the seconds spent for an outdated OS to load software and websites adds up in the long run.

With the increase in locations, the need to transport physical papers will turn into a millstone around the neck of RSIP's financial department, and scanning, copying, emailing, and faxing introduces the extra dimension of printer maintenance and ink costs. The physical, paper-based way of doing things at RSIP provides numerous fixed costs with zero tangible benefits outside of familiarity.

Solution

The solution to the finance department comes in two phases. The first phase is the upgrade of all hardware and software within the department, though this will be applied universally throughout the company. The equipment at any given employee's desk will have to be overhauled with new displays, computers, and software. Current employees will require training on the features included with the updated software, so as to maximize the benefits that can be drawn from the increase costs of the licensing.

The second phase is a total conversion of physical data onto a digital database combined with the phasing-out of the paper-based system at RSIP. By going paper-free, RSIP can avoid ongoing costs of materials, supplies, and maintenance related to paperwork appliances and storage costs. The integration of this digital database means that all offices can access the same materials and

information at any time without worrying about delivery of paper mail or at the behest of employees on the other end faxing information to them.

Benefit

The benefits of upgrading the accounting and finance department come in the form of increased efficiency and reduced waste. Companies that go paper-free on average are able to increase their overall efficiency by heavily reducing the supply and maintenance costs of the office component of the business, which also has the effect of increasing the profit margin by reducing fixed costs. The average office worker still uses around 10,000 sheets of paper a year, according to The Paperless Project, and it was found that in total, American corporations spend over \$120 billion on printed forms, most of which become outdated within three months¹². Printed forms cannot be amended once printed, required revisions require reprints, and the costs add up. For a business on the smaller end, these costs matter to RSIP.

Time-in-transit for deliverables will be reduced to almost zero through digital technology, and the department's human capital will be future-proofed after adopting the new technology and gaining the skills associated with the digital transformation, allowing them to navigate future changes with the same learned skills.

Upgrading the Finance and Accounting department's software also safeguards the company against the vulnerability of legacy systems. It can be comforting to stick to the same version of software that you are used to, but the older the platform is, the longer hackers and digital criminals have to discover new vulnerabilities in the software. By upgrading, RSIP will heavily reduce the risk of coming under attack by hackers. More security, more efficiency, and less waste will allow the Finance and Accounting department to operate at peak proficiency, and through the use of modern analytics platforms enhanced by AI, a better picture of RSIP's financials will be realized.

Human Resources

Situation

The Human Resources department of RSIP is largely in the same position as the finance and accounting department but will not be undergoing any personnel expansion through the new plan, remaining centrally in the main location. This means that digitization is more important because the HR department will need to interface with the new branches of RSIP without having any functionaries on site. The outsourcing of payroll to ADP means that RSIP relies on another company to complete its HR functions, an understandable need with an HR department of one employee. The expansion plan calls for a large addition of employees localized primarily to the sales team. This has the consequence of increasing the workload of that HR employee by a magnitude of nearly threefold. Although HR doesn't drive profits, it still needs to get done, and the expansion and digital transformation effecting that capability negatively will cause issues in the company.

Analysis

The plan does not call for a massive expansion of the HR department, however, in this case, there is still room for increased efficiency via the elimination of paper documents. Physical documents

introduce a greater potential for human error. The time and effort expended by maintaining physical records burns up resources and man hours that could be applied better elsewhere, and has the potential reduce the need to outsource completely. The migration process will be in synergy with the finance and accounting department's same migration, resolving both issues at once.

The need for outsourcing to ADP indicates that the workload for the HR department as-is is too much for the current staff of one employee to manage, and an expansion will only worsen this problem. If the minute processes could be streamlined or automated by the digital transformation, that could eliminate the need to pay for outsourced services. The freeing up of work hours can also allow the HR department to pursue other endeavors, such as aiding in the training the current workforce of RSIP to the new standards necessary to successfully reap the benefits of digital transformation, alongside the IT department.

Requirement Specification		
Technology Name	HRIS	Key: Blue: Ideally Outsourced Green: Ideally Handled Internally
Requirement Name	ID#	Description/Definition
Core HR Management	HRIS01	Maintains employee records, job descriptions, and organizational structures.
Payroll Processing	HRIS02	Automates salary calculations, tax deductions, and direct deposit management.
Benefits Administration	HRIS03	Manages employee health plans, retirement savings, and other perks.
Time and Attendance Tracking	HRIS04	Tracks employee work hours, leaves, and overtime with biometric or digital clock-in systems.
Recruitment and Applicant Tracking	HRIS05	Creates job postings, candidate screening, interview scheduling, and hiring of talent.
Employee Self Service	HRIS06	Allows employees to access pay stubs, request time off, and update personal information via a portal.
Integration with CRM, and AIS	HRIS07	Connects with payroll, CRM, and accounting systems for seamless data synchronization.
Training Administration	HRIS08	Ensures new and current hires are up to data on mandatory training, both job related and ancillary, including legal requirements
AI Integration	HRIS09	Integration of AI to automate rote processes and assist employees 24/7
Succession Planning	HRIS10	Ensures that chain of command has continuity of institutional knowledge, fosters and encourages talent growth within the company

Solution

A paper-free migration is the most important step that needs to be taken by the Human Resources department in this digital transformation. The HR must adopt a cloud-based Human Resources Information Systems (HRIS). With the potential of human error and delays brought on by paper documents, when the pay of its employees is on the line, it is in RSIP's best interest to make their HR systems as efficient as possible.

ADP has a proven track record with RSIP when it comes to their payroll processing services. They accomplish the task with minimal internal knowledge of the company, signifying that many of the

job functions of HR are largely universal. If the rest of HR's repetitive or general tasks such as time and attendance tracking, benefits administration, and general record-keeping can be automated via outsourcing, HR can turn its attention to where it can be better spent, in the service of focusing on acquiring and nurturing the human talent within RSIP, rather than their documents.

The use of AI can reduce the workload while increasing the agility of the HR department with 24/7 assistance available via AI-assisted workflows available via outsourced HRIS. This combines the efficiency of outsourcing with the agility of a dedicated in-house team, and AI is constantly and rapidly improving, which will increase the benefit to RSIP even beyond the time-limited scope of this action plan.

The implementation of an outsourced centralized system with automated processes will allow for a shift in priority from the HR department from a function of rote maintenance of its required tasks to a major aid in the process of digital transformation. By implementing Employee Self Service (ESS) through ADP, employees can access their own information at all times, and less time spent assisting employees perform basic tasks means that HR can now focus on the other half of their function while the rest is covered by ADP.

Benefit

Although HR is not the main profit-generating arm of any company, it is important for the morale of the employees for it to run as smoothly and efficiently as possible. A study by Hitachi found that a decrease in HR-related problems resulted in more productive, happier employees¹³. By reducing overhead and increasing efficiency in the HR department via outsourcing, RSIP can directly affect the productivity of RSIP despite not traditionally being a profit generating function of the company.

Employees via self-service can access the information they need and make requests for time off and overtime via a system which automatically allocates these resources based on the needs of the company. Minimal input from a human operator will be needed, mainly for course-correcting adjustments, but this will be far less time consuming than the current system, as the rote processes will be handled by ADP. The efficiency and productivity of the HR department will be increased in a cost effective way, being cheaper than hiring new manpower for the department or overworking the current one.

When these tasks are cleared up for HR, they can work with IT implement training and incentive structures to complete outside learning. HR can ensure that the friction associated with adopting new technologies is lessened by ensuring that the employee base is encouraged to meet the challenge of learning head-on. Bonuses, point-based raise

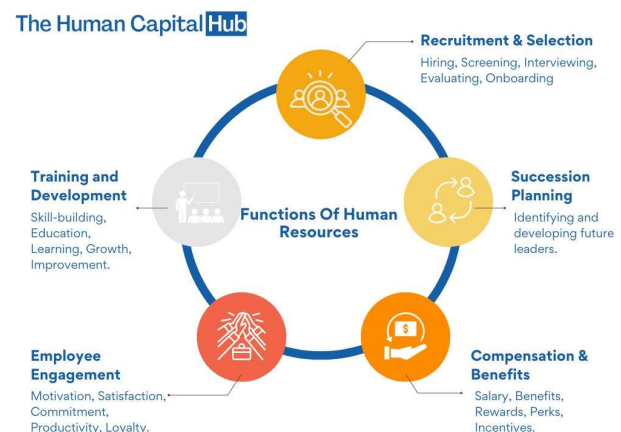


Figure 4, Chimphondah, Natasha. "Functions of Human Resources: How the Department Works." Human Capital Hub, October 17, 2024. <https://www.thehumancapitalhub.com/articles/functions-of-human-resources-how-the-department-works>.

or promotion incentives, and certifications devised to foster an environment of knowledge-chasing and innovation. A combination of mandatory trainings for core competencies and benefits for pursuing further development of skills can ensure that the digital transformation not only of the processes, but the very human resources HR is concerned with, pays itself back.

Information Technology

Situation

The IT department is positioned to make or break the digital transformation of RSIP as the primary overseers of the adoption and onboarding of new technologies. It falls on this department to bridge the gap from between the IT world and the leaders of the other departments in order to showcase the benefits of adopting new technologies. Despite this, it can be unclear where the benefits of IT show up in the grand scheme of the company, at least on the balance sheet, as it shows up as a cost, but the benefits it brings show up under the line items of other departments. It is a key aspect of any business, but also an enhancement, there are businesses that function entirely without an IT function. The goal of this report is to showcase the value of the IT department through the digital transformation, and how IT can serve to foster profitable revenue growth, and support the above functions in their adoption of information technology.

Within the expansion plan there is a considered requisition of two additional IT to support the senior manager. Although nothing is concrete, placing the entire workload of a digital transformation could be deleterious to the goal of a smooth transformation process.

Data/Information Use Case	
Function Name	Information Technology
Process Name	Comments/Notes
User Account Provisioning	Creates, updates, and manages user access credentials
Incident Management	Logs, tracks, and resolves IT-related issues and support requests
Patch Management	Ensures systems are updated with the latest security and software patches
Security Event Monitoring	Monitors systems for potential threats and unusual activity
Software Deployment	Distributing and installing software across user devices
Device Enrollment	Registering and configuring new devices for end-user access

Analysis

Within the expansion plan there is a considered requisition of two additional IT to support the senior manager. Although nothing is concrete, placing the entire workload of a digital transformation on the shoulders of one employee will be a risky maneuver, especially one with minimal experience in the industrial parts industry. The Senior Director needs to be free for the bigger problems facing the company. IT will be overseeing and smoothing over the transition of

the newly altered processes, and therefore will need to address all friction associated with the new adoption. IT department will take the administrative role in the implementation of all of the above technologies and will need access to troubleshooting and issue-resolving capabilities, along with controlling personnel-based privileges and access control.

Solution

Requirement Specification		
Technology Name	ITSM	
Requirement Name	ID#	Description/Definition
Cross-Integration with Systems	IT01	Connects with CRM, accounting software, and UC platforms to provide a unified view of business operations
Remote Support	IT02	Allows for industry-specific modules and workflow configurations to match business needs
AI Integration	IT03	Includes automated workflows assisted by agentic AI
Centralized Ticket Management	IT04	One place to log, track, and resolve incidents and service requests
Change Management	IT05	Plan, approve, and document changes to IT systems
Multi-Channel Support	IT06	Accept tickets from email, forms, chatbots, or Microsoft Teams

The IT department will serve as the administrative arm of all of the above technologies, being given access to troubleshoot and resolve issues and respond to issue tickets. Information Technology Service Management (ITSM) software and Remote Support software will be required to allow IT to respond the issues that arise. A dedicated platform centralizes IT related issues to ensure that they are attended to, and it allows the IT team to respond to issues via the platform, eliminating the issue of distance for the remote salespeople and satellite offices. A report conducted by Freshworks on businesses that adopted ITSM found that the benefits of increased support for remote workers and allowing IT to be more synergized with business priorities resulted in a high increase in employee productivity.¹⁴

ITSM will aid in the work of the other departments, but it will add to the workload of RSIP's one IT department member. This report recommends that management undertake the IT department expansion, but in a temporary capacity. The two planned requisitions can be filled by temporary IT interns that can handle the easier problems while the director of IT sees to the overall picture. By employing interns, RSIP can save on salary costs and make clear that the function is a temporary measure for the purposes of this digital transformation, and if they end up providing a great benefit to the company, they can always be offered a permanent spot.

Benefit

Later in this report the risk assessment will be covered. The primary methods of reducing the risks associated with digital transformation are all overseen by IT. IT is the nervous system behind the body of the company, and will signal to the different organs where pain points and course alterations need to be made in order to run most efficiently. If the brain of the company, the executives, lack an effective nervous system to the different departments, the company will not be able to control its direction towards an increase in revenue.

Implementation is the benefit that IT provides. This report shows that adopting these technologies will result in an increase in sales revenue and efficiency within RSIP. Without IT, RSIP will be unable to implement any of these technologies on its own, and the employees of their would be highly unlikely to independently implement any of these solutions. Response to problems that will inevitably arise during the digital transformation process will make or break RSIP's ability to use the technology to increase its profitable revenue growth. ITSM will ensure that IT can perform this role in the most efficient way possible.

With the solutions for each business function identified, the choice must be made as to what technology option best suits RSIP's needs and goals. There are many solutions to a single problem, but RSIP has many problems. The ideal solution to be found is a single solution that can solve many problems.



Figure 5 “It Service Management.”
Information Technology, July 2, 2024.
<https://technology.berkeley.edu/ITSM>.

Technology

Software

When it comes to selecting new software to a company, there are generally two paths you can choose from: an all-in-one suite or a variety of best-in-class options from different vendors. While maximizing the benefits of each vendor can result in a more optimized process flow, there also comes the issue of costs racking up from various different services. Providers usually offer the best value for money for all-in-one services, so while one service may have one application that stands above the others, the benefit drawn from that is less than the cost of using that services along with a different service that meets other needs. Remaining in the same ecosystem removes the problem of cross-integration difficulties, as they are effortlessly interlinked by the nature of being one package from one developer. Having a unified vision also makes the adoption of new software easier on the user end, as applications have common structures that resemble each other. It is because of this that the recommendations below largely fall under the all-in-one format, both because it provides the best value for money and features and is also the best suited for the needs of its adoptees, the employees of RSIP.

New Software

The first new software solution RSIP must adopt is a CRM platform in order to maximize their sales potential as they enter new markets. The chart below compares 4 leading CRM platforms along with an analysis of how well they fit the specific business needs of RSIP. Ultimately, the recommendation of Microsoft Dynamics 365 is the clear choice for RSIP.

Most importantly, the company is most familiar with Microsoft software, so the learning curve will not be too high for the current employee base. Microsoft's CRM is fully featured and AI integrated with Microsoft Copilot through Microsoft 365, which includes the Copilot Agents

feature, allowing for personalized AI agents to be employed in RSIP's sales force leveraged towards proactive task management, in addition to agentic AI for predictive analysis.¹⁵ With ample customer support and integration with the unified communications system of choice, as well as cross compatibility with existing software used by RSIP, like Excel and QuickBooks, 365 CRM will seamlessly integrate with the other processes of RSIP. Features like OneDrive and Azure allow for cross-organizational communication and storage of information, ensuring that the Sales department remains agile and interconnected with the other divisions of RSIP.

Additionally, while staying within the Microsoft ecosystem, there is a large knowledge base through Microsoft Learn, which features interactive lessons at all levels in order to maximize learning of all Microsoft applications, including gamified incentives in order to encourage continued learning. This fits with the proposed agenda of RSIP incentivizing outside learning for increased efficiency without having to develop a dedicated curriculum.

An economic impact study conducted by Forrester found that upon the adoption of Microsoft's CRM platform, they were able to boost their operating profits over a three-year period with the total quantified benefits over three years at approximately \$70.86 million with a payback period of 7 months¹⁶. This proves that the adoption of not only CRM, but Microsoft's platform can be an extremely profitable venture for a company, and will contribute a great amount to the 118% sales increase target. Any costs incurred by the adoption will swiftly be paid back by the profits CRM will earn RSIP, and with such a short payback period, RSIP will see the benefits before the digital transformation process has even concluded.

Technology Solution Options Comparisons ¹⁷					
Technology Name		CRM		Key: Green: Best Suited to Business Needs Yellow: Standard Fit for Business Needs Red: Not Fit for Business Needs	
Requirement Name	ID#	Microsoft Dynamics 365	Salesforce	HubSpot	Zoho
Lead Tracking	CRM01				
Pitch Creation	CRM02				
Unified Communications	CRM03				
Automated Sales Pipeline Management	CRM04				
Customer Support	CRM05				
Mobile Compatibility	CRM06				
Cross-functionality/Integration	CRM07				
Security	CRM08				
Customization	CRM09				
User Experience	CRM10				
AI Integration/Agentic AI	CRM11				
AI Agents	CRM12				

Dynamics 365 offers an all-in-one approach, which avoids the need for managing different subscription and licensing costs, and finding solutions for breaching gaps between solutions by

offering best-in-class cross functionality and compatibility. All of these options include mobile compatibility, but when combined with the other benefits, and lack of clear downsides, Microsoft Dynamics 365 is the clear choice for RSIP's business needs.

Following the CRM, RSIP's best option for Inventory Management Software is once again within the Microsoft ecosystem with Dynamics 365 Supply Chain Management. This once again contains the minimal integration overhead with the interconnected systems of RSIP, with a dedicated AI assistant in the form of Copilot, and a unified environment for an intuitive user experience. While Manhattan Associates leads in advanced automation, their focus is on robotics-integrated warehouses with extremely high throughput, which is a level of advanced automation RSIP has yet to reach. As the simplest and most effective solution, Dynamics wins out again for the business needs of RSIP.

Technology Solution Options Comparisons ¹⁸					
Technology Name		IMS		Key: Green: Best Suited to Business Needs Yellow: Standard Fit for Business Needs Red: Not Fit for Business Needs	
Requirement Name	ID#	Dynamics 365 Supply Chain Management	Manhattan Associates IMS	Infor IMS	Blue Yonder IMS
Inventory Tracking	IMS01				
Barcode & RFID Integration	IMS02				
Order Processing Automation	IMS03				
Receiving & Put-Away Optimization	IMS04				
Integration with BI & Sales Systems	IMS05				
Warehouse Layout Optimization	IMS06				
Cycle Counting & Stock Audits	IMS07				
AI Integration	IMS08				

Lastly, for the executive branch, it comes time to make the selection of what BI software to use. All options feature a fairly easy to comprehend user interface, which follows with the goal of BI to make insights easily readable, but for the rest of the options, it is clear that Microsoft Power BI possesses the features that best fit RSIP's business needs. With the rest of RSIP's processes firmly embedded in the Microsoft ecosystem, Power BI offers another seamless service for creating highly customizable, live-updating dashboards that can be easily shared throughout the different divisions of RSIP. Power BI offers the highest compatibility with QuickBooks and Microsoft Office tools like Excel, and the familiarity of the design ensures that it will be easily adopted by the employees.

The greatest advantage is it's no-code, natural-language querying system using Azure Machine learning the provide extremely easy-to-create insights faster than any competitor on the market.

The AI is continually updated, ensuring a stream of improvements and new features that will enhance the analysis of the executives. While Tableau may have more advanced features, it struggles with integration with systems and is less user friendly, and Looker is far more optimized for the Google Cloud ecosystem. Qlik Sense uses an associative model that takes more time to learn and is more oriented towards developers rather than business users. Only Power BI meets all of the requirements, ergo, it is the recommended software.

Technology Solution Options Comparisons ¹⁹					
Technology Name		BI		Key: Green: Best Suited to Business Needs Yellow: Standard Fit for Business Needs Red: Not Fit for Business Needs	
Requirement Name	ID#	Microsoft Power BI	Tableau	Qlik Sense	Looker
Cross-Integration with Systems	BI01				
Customizability	BI02				
AI Integration	BI03				
User Friendly Interface	BI04				

On top of all of the above advantages, integrating the Microsoft ecosystem also solves the issue of a Unified Communications system. Microsoft 365 for Business also includes Microsoft Teams, which includes easy file sharing, text, call, and video communications, group chat functionality for different divisions of the company, and whiteboard functionality for online presentations. This enables all key figures in RSIP to conduct meetings regardless of their location, which is necessary as RSIP expands outside of the Silicon Valley.

Technology Solution Options Comparisons ²⁰					
Technology Name		ITSM		Key: Green: Best Suited to Business Needs Yellow: Standard Fit for Business Needs Red: Not Fit for Business Needs	
Requirement Name	ID#	Microsoft 365 ServiceNow	SysAid	Spiceworks Cloud Help Desk	FreshService
Cross-Integration with Systems	IT01				
Remote Support	IT02				
AI Integration	IT03				
Centralized Ticket Management	IT04				
Change Management	IT05				
Multi-Channel Support	IT06				

To manage all of this new software, the IT manager will need a unified platform to address and resolve all technical issues. At this point, diverging from the Microsoft ecosystem would be unadvisable, however there are some factors that Microsoft is slightly lacking in. ServiceNow, Microsoft's dedicated ITSM meets most of RSIP's business needs, with Copilot Agentic AI integration, remote, multichannel support with MS Teams, Outlook, Quickbooks, and direct

compatibility, and integrating without issue with the remaining library of MS services. It requires some configuration for change management, but other than that it is the best among its competitors for RSIP. Notably, Spiceworks Cloud Help Desk is completely free, but it heavily lacks functionality necessary for RSIP's business needs.

Upgraded Software

RSIP will need to bring the rest of its software up to date in order to allow for the best compatibility with these new systems and in order to patch any security vulnerabilities associated with the old versions. As RSIP is firmly entrenched within Microsoft's ecosystem, all computers will need to run on the latest version of Windows, Windows 11, and the Office 365 Suite will be included on every individual PC. The Finance and Accounting department will be upgrading from Quickbooks Desktop to QuickBooks Online, the latest platform for the software, and included will be a migration of all of the financial data of RSIP. All PCs will be configured by the IT department to feature the new or upgraded software as it is integrated into RSIP, with auto-updating enabled to ensure that the latest security updates are downloaded to all work devices. While this may result in downtime, that minor lost time is worth planning around to avoid the heavy financial costs of a digital attack.²¹

During the transition period, legacy versions will slowly be phased out as employees adapt to the new versions, but the transition will be over the three-year period, allowing employees to acclimate to their new digital work environments.

ADP will take over more of HR's rote processes as RSIP upgrades to ADP's full package, including healthcare benefits and tax services, compliance, background checks for hires, time-tracking and employee self-service. All of the "busy work" tasks can be handled by ADP, leaving more time for RSIP's HR representative to focus on the bigger picture. AI integration for analytics and insights is also included through the ADP Assist tool, included in most packages. As RSIP is growing from a small to a medium-sized business, according to the tiering of benefits in ADP, ADP Workforce Now is the most suitable package for RSIP's business needs.²²

Hardware

Both new and upgraded hardware will be needed to accommodate the new software adopted by RSIP's digital transformation. RSIP is a very tech-light company, with most of its processes being completed on paper, and what few computers are integrated into the workflow are heavily out of date and incapable of running the software that RSIP needs. There will also need to be entirely new hardware needed to complete the newly transformed processes. A comparison for the new hardware will need to be made in order to decide the best benefit to RSIP, but as for the what RSIP is currently using, a simple upgrade will be in order.

New Hardware

In order to support RSIP's new, robust sales force, traveling sales agents will need to be connected to the network at all times on the road. The primary new hardware solution needing

adoption is a mobile hotspot. The priorities are portability, connectivity, and security. They need to be compact enough to take anywhere, which across the board is a given for mobile hotspots. The Netgear Nighthawk M1, however, boasts the best in class power capacity combined with 1Gbps speed and capacity for multiple connected devices ensures that one device can support multiple salespeople if need be. With an easy to user touchscreen interface and secure connection, M1 fits the needs of RSIP’s sales department without exception.

Technology Solution Options Comparisons ²³					
Technology Name		Mobile Hotspot			
Requirement Name	ID#	Netgear Nighthawk M1	Verizon Jetpack MiFi 8800L	AT&T Nighthawk LTE Mobile Hotspot	TP-Link M7650
Portability	MH01				
Uptime	MH02				
Power Capacity	MH03				
Charging	MH04				
Connection Security	MH05				

Upgraded Hardware

RSIP will require new PCs, Laptops, and monitors in order to most effectively use the new software required by this plan. Doing away with the bulky rigs of the previous generations, instead a lightweight, compact design is recommended for both the PCs and monitors, both to optimize space in the office and to take advantage of the cloud, which outsources heavy computational needs and database storage space to the cloud provider. This means that the computing power of the in-house PCs need not be top of the line, only enough to run the software which connects to the cloud. The Lenovo P3 Tiny contains an extremely compact design and all the computing power that RSIP needs, in addition to USB and GigaBit Ethernet connectivity make this a highly valuable package for RSIP’s business needs. Alongside this there will be a two monitor display for increased efficiency and productivity, using a Dell Pro 24 Plus Video Conferencing Monitor with integrated webcam and microphone functionality paired with a basic 24 inch monitor, in-office employees will see a large upgrade to their efficiency and a less cluttered office space.



Figure 6 Seidman, Lon. “Lenovo P3 Tiny Review - Mini PC Workstation.” Lon Seidman & Lon.TV Blog, December 22, 2024. <https://blog.lon.tv/2024/12/22/lenovo-p3-tiny-review-mini-pc-workstation/>.

Traveling sales agents will need laptops in order to work from any location using their mobile hotspots. The focus should not be on computing power but creative potential, and so the Microsoft Surface Pro is recommended, both for the compatibility with the chosen ecosystem and from the touch screen functionality, which allows for the option of using the touch screen to design compelling pitches and presentations. The new sales employees will be acclimated to this functionality, it being an industry standard for graphic design, and stylus functionality can mimic the feel of working on paper²⁴ with the efficiency of digital documents.



Figure 7 Pikover, James. “Surface Pro 4 Review.” *IGN*, May 31, 2023.
<https://www.ign.com/articles/2015/11/30/surface-pro-4-review>.

Data

Data Migration

The data of RSIP is largely contained on paper records, physical SKUs, and PDF'd files sent on a weekly basis. This is highly inefficient and for new employees, this system will be an impenetrable barrier to productivity, especially with the introduction of two new locations. During the first year of the digital transformation all divisions of RSIP will be tasked with collecting all of the historical data of their respective departments and transferring it onto an Excel spreadsheet, using appropriate fields for the information contained. This process will contain a supervised audit and total inventory count, eliminating all obsolete SKUs or entries in the warehouse division, for example, or removing any duplicate entries. This process will serve both the purpose of cleaning and converting the data of RSIP a digital format, but also familiarize the employees with the data, passing down key institutional knowledge.

After this process, they will cross-validate their records with physical

records, and then convert their spreadsheets into CSV files. Once this is accomplished the data migration process to a live database server can begin. As RSIP is within the Microsoft ecosystem, the fitting solution will be to utilize the built-in Data Management Framework of Dynamics SCM to ensure the warehouse data is standardized for that software. Other data, like the sales, financial, and employee data will be migrated using Azure Data factory. Staying within

Dynamics 365 Data Migration Stages

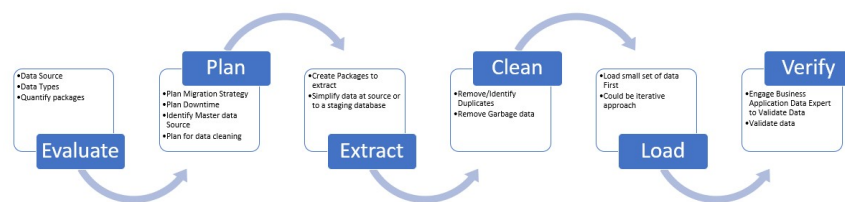
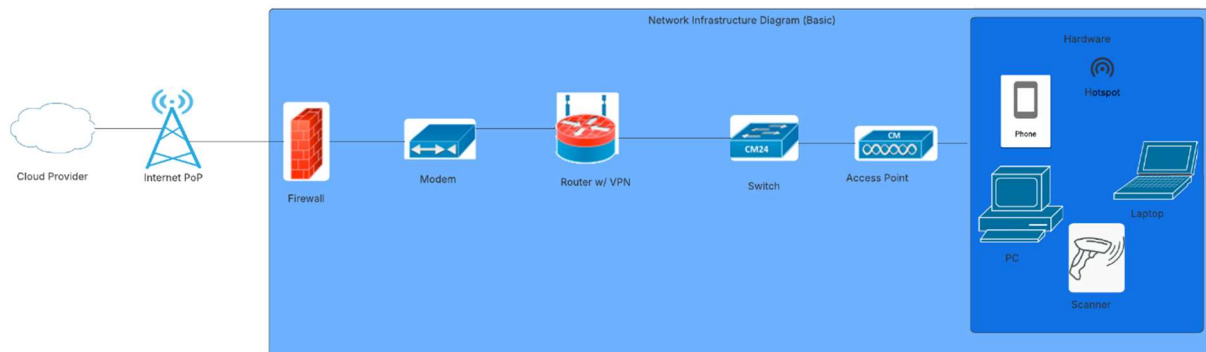


Figure 8 Tripathy, Author Kunal. “Dynamics 365 : Data Migration Demystified-Part I: Kunal Tripathy.” Kunal Tripathy | Dynamics of Microsoft Dynamics 365 & Power Platform, June 4, 2019.
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the Microsoft ecosystem means that costs associated with these necessary processes are rolled into the profit generating software, avoiding the need to hire consultants or outside services. Microsoft offers contracted terms for data storage, and in accordance with RSIP's needs, a 3-year contract offers the best value for money. The IT department will be tasked with overseeing the technical aspects of the migration process, making sure that no data is lost, and the services are being correctly implemented.

After the data is migrated to a live database using Microsoft Azure, the historical data will be copied and partitioned into a backup instance using Azure's long-term backup service. This will allow an infrequent access archive to be cheaply stored in order to safeguard RSIP's records against data loss. This archive can be updated semi-frequently in order to back up RSIP's records, but the primary cost of this service is retrieval. This will serve as a last resort for the most critical of circumstances.

Infrastructure



The network infrastructure is the foundation to lay all of the above technologies on, as the bridge between hardware and software and the internet. As such, it the network buildout will be one of the first tasks to be completed in the plan. The priorities for RSIP's network should be complete connectivity and security. As of now only the office space of RSIP has been linked to a network, but in order to utilize Dynamics 365 SCM, the warehouse floors will also need to be connected to that network. The in accordance with the rest of the digital transformation, the switches will be cloud managed, and the access points in the warehouse floor will be linked to the cloud.

RSIP must prioritize network security to avoid vulnerabilities, and thus it is recommended that top-of-the line routers with integrated VPNs be utilized, with an industrial strength firewall employed to protect RSIP's network infrastructure from the outside. These standards will be applied to the regional sales offices as well for consistency. For all intents and purposes there will be no distance between the headquarters and these regional sales offices, due to the digital nature of the network, and so they cannot be outliers, as any vulnerabilities in them will lead back to the main location.

On the warehouse floor, strategic placement of the Cloud Managed Access Points will be critical. Strategic placement of ceiling mounted AP's will be utilized to avoid communication blockage due to the metal structure of the storage and the stored items, which are also mainly metal

industrial components. They will be spaced out between each aisle to avoid cross interference. The four corners of the warehouse floor will also be equipped with access points to cover the dead zones left by the aisle access points, which will be centered. To account for the thickness of the warehouse wall another access point will be provided for the office floor.

All hardware will be connected to the modem through a wired connection for maximum connection speed, minimum latency and downtime, and network security, but Wi-Fi will be available for employees and select verified guests, as well as for the barcode scanners on the warehouse floor. Connection to the Internet PoP will be utilized through the unused fiber termination in the server room. In order to support the increased level of online operations, RSIP will need to upgrade from consumer-grade internet to business-grade, both for the speed and bandwidth improvements and for the required security features. Upgrading to AT&T Fiber 1G Business Internet will provide all of these while staying with the same ISP, and is also has the benefit of a 63 percent cheaper per-month cost than its direct competitor, Comcast Business Internet Gigabit.

People

The ethos of the people side of the organization going forward should be to inculcate a mindset of continuous improvement and learning. The digital transformation of RSIP will not conclude at the end of this three-year plan, and as time goes on the natural evolution and growth of RSIP should come as a natural function of the company, ideally not requiring proposals like this one. Therefore, at every time along this three-year timeline RSIP must incentivize and reward its employees for increasing their technical skills, and those rewards must be hard benefits, those that can inspire real desire for improvement.

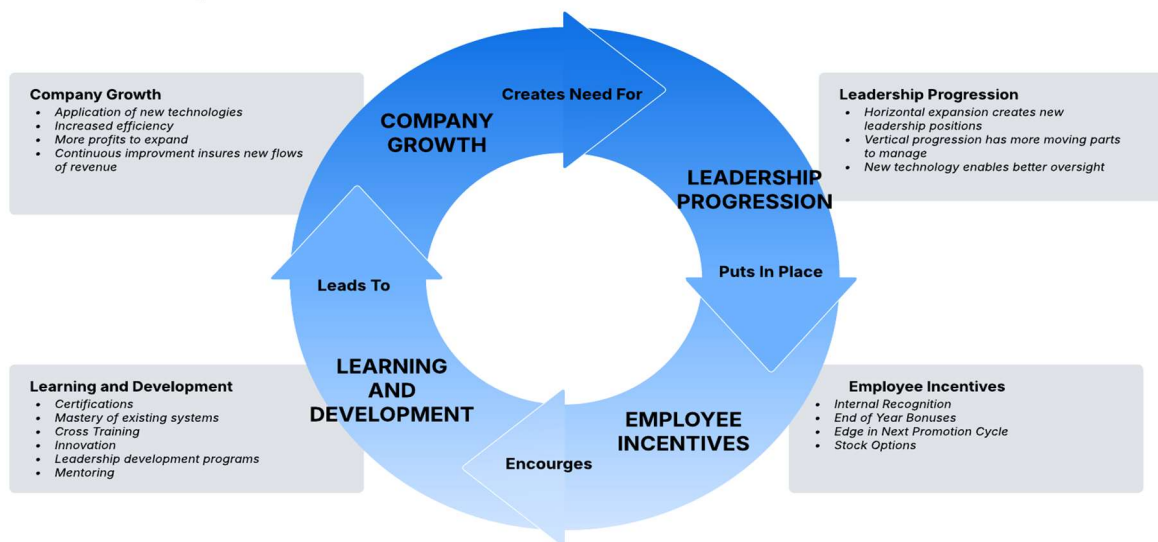


Figure 9

Succession Planning

Promoting talent within the organization from the bottom up also future proofs the company against the march of time, creating a chain of inheritance allowing the best workers to move up in the company and eventually take over once the current executives step down. The familiarity that these long-time, loyal workers will have with RSIP will ensure that they are the best fit to take over stewardship of it. Recent data shows that less than 1 in 3 U.S. employees were engaged at work, leading them to look for new jobs. A good succession plan can boost employee engagement and reduce the costs of finding and training new talent.²⁵

Therefore, as part of the 3-year-plan, RSIP will implement a policy that all senior leadership in all departments must develop a contingency plan for their incapacitation or other reasons for their absence from the company, and it must be actionable within one quarter. This will ensure that all institutional knowledge held in RSIP has a method of being passed down so that RSIP can continue to be successful. As RSIP further expands, the centralization of key knowledge to a few power players will end up being an Achilles' heel to the company.

Talent Pipelines

In order to foster a company culture of loyalty, ambition, and cohesiveness, RSIP must reward its long time employees with benefits for remaining with RSIP. It is proven that if employees believe they have a future within their company, they are willing to work harder and more productively.²⁶ It also raises morale to know that hard work can pay off, instead of outsiders being brought in to take charge of the lower-levels while hard workers meet dead ends. However, this is a two way process, and in order to continue to reward long-time RSIP employees with company advancement, they must be equipped to adapt and evolve alongside RSIP.

Rewards like end-of-year bonuses linked to reaching learning milestones, reimbursable certification vouchers, promotion possibilities to management, and for the future even the ability to be granted charge over expansions into new markets for the highest performing employees. At every level of the organizational chart employees will be encouraged to work harder and work better, and employee loyalty means more productivity, less time spent filling roles, and smarter, more skilled employees with a greater stake in the company's success. Organizations that invest in employee development report an 11% increase in profitability, highlighting the tangible benefits of fostering career advancement opportunities.²⁷

Structure

No structural changes are anticipated.

Risk Assessment

Most Difficult Task

Analysis

The biggest challenge for RSIP's digital transformation is projected to be the transition from paper-based work to 100% digital. RSIP has made it's success doing things the way they are done now and the employee base of RSIP has minimal technology experience. RSIP is not a tech company, they work with real world problems and physical inventory. This creates not only a familiarity with paper documents but a mindset that what works for RSIP now will work into the future. Converting such vast amounts of data from disparate, unorganized paper documents, all in unstandardized formats, across multiple business functions into a centralized database will also provide friction to the data migration process. The higher rungs of the ladder of RSIP's organizational chart will be interacting with the technological improvements the most, meaning that they pose the threat of causing executive resistance. Changing things that have a historical record of success in RSIP will require proof of greater success along with guarantees against failure.

Solution

The solution to reduce the friction of the digital transformation is that the benefits will be highly visible and feelable to the users at RSIP. While it might feel different at first switching to a digital format, leaving some tasks up to automated technology, out of manual control, the benefits will be felt firsthand as the rote tasks once left for human hands are taken by technology. When an employee can go home an hour earlier because the friction of their job is eliminated by more efficient technology, any scruples they had against change will leave their mind. Combining this with the learning incentives put in place will create a clear path for RSIP employees to follow to not just learn the basics, but master the new technologies at hand.

This efficiency will not just make the lives of the employees easier, but RSIP's customers will also enjoy the benefits. Strengthening RSIP's customer relations is necessary, especially because of the need for building new ones. The increase in delivery times will make RSIP the choice of distributor against its competitors, and CRM will allow the most promising, convertible leads to be identified and pursued. Identifying the changing needs of the market will be made easier through CRM, and collecting all of RSIP's data in a universally accessible database will make all divisions of the company more able to identify the information needed to meet the market where it wants while simultaneously cutting out the inventory bloat.

All technological issues will be addressed by IT, who will meticulously review the process of implementation and data migration, ensuring that the employees of RSIP are equipped with the

tools and knowledge they need for success, and coming to their aid whenever the need arises. Giving the IT department the resources to respond to issues will ensure that they are quickly resolved so that RSIP can continue operating at full capacity and efficiency.

Major Risks

With any transformative endeavor, there are numerous risks involved in undertaking it. RSIP's digital transformation will be no different, and thus below are gathered a series of the risks that RSIP is facing should it follow the plan of this report, and following each risk assessment is a mitigation strategy to ensure that the risks are identified and avoided. The risks selected are based on historical data which showcases the common pitfalls of IT projects and digital transformations, along with business projects in general, and the mitigation strategies are proven antidotes to these problems. Although stats related to project failure rates are intimidating to see, RSIP is completely in control of its planning, and so it is self-determined whether RSIP will follow the path of failure or success, and addressing these risks, RSIP will be set on the latter path.

Risk 1 – Adoption Failure

As a whole, the greatest risk associated with the digital transformation process at RSIP is the risk of failed adoption of technologies. While there are numerous other risks associated with the digital transformation process, the mitigations of which will be expounded on, none are so crucial to address as this. A bibliometric analysis published in the Journal of Business Research in 2024 indicates that digital transformation projects have failure rates as high as 70%, with personnel-related issues being the leading cause of failure²⁸. RSIP is in a comfortable status quo in regard to its processes, which have served well over the decades, but in this time of uncertainty regarding the physical expansion of facilities, in addition to the digital transformation, the risk of RSIP employees failing to utilize the new technology can make all of the efforts outlined in this proposal for naught. There is even the possibility of losing employees in protest, or early retirements in response to the changing ways of the company. If key leadership or institutional knowledge is lost in this transition period, it will highly inhibit the future growth and profit-generating capabilities of the company.

The solution is to implement a well-planned, phased implementation schedule in order to onboard all necessary personnel on the new technologies and processes coming to their respective divisions. By breaking up the implementation into chunks, the IT and HR departments can identify points of difficulty and address them before moving onto the next phase, and ensuring that there is not too large of a backlog of problems needing to be addressed. Shifting the business into this mode of fractional implementation and improvement also sets up RSIP to become a company capable of continuous improvement and innovation.²⁹

Part of the pushback on digital transformation is due to the lack of communicated benefits from the side in favor of transformation, and part of that strategy is contained within this report. This report outlines the benefits for RSIP undergoing digital transformation, and should make clear the benefits both in terms of profitable revenue growth and quality of life in the workplace that digital transformation is the solution, and without digital transformation RSIP will be unable to capitalize on its expansion.

The aforementioned adoption failure risk is the possibility that RSIP employees are unable to adapt to the introduction of new technologies into their current paradigm of systems. This risk is less important because although the software being used by the department is outdated, currently dated versions of the software exists to this day. At the very bare minimum, it is expected that operations will continue as usual without maximizing the potential of the new features because at their core, accounting principles remain the same and technologies like Excel and QuickBooks still function much the same way as their older versions, with new tricks on top of the baseline. This is the only plausible worst case scenario, in which the company will still benefit from the reduced costs from paper-free work and the patching of security vulnerabilities from using the old software. However, it is far more likely that the employees will be able to maximalize the gains from the new software via technical support from the IT department, which will ensure that all employees have access to training and ongoing support for the technologies that RSIP will adopt.

Risk 2 – Resource Misallocation

Another risk in adopting new software for a firm is overallocation of resources and the overspending associated with it. If RSIP purchases too costly of an infrastructure for their pace of expansion, RSIP will be locked into a higher bill for unused resources. The solution to this problem is Cloud Computing. Cloud-based technologies, if adopted, would be able to be used by the employee's personal devices and allow ease of centralization across the entire organization, without the need for on-premises infrastructure and operating costs. This also allows RSIP to scale their needs based on the rate of expansion, thus minimizing costs at different stages of the digital transformation due to the highly scalable nature of cloud computing technology, however, this is contingent on the proper utilization of mitigation tools in order to prevent RSIP's cloud use from overutilizing resources³⁰.

Another vector of attack for resource allocation problems is the attractiveness of new technology as a universal problem solver without adequate knowledge of the needs of the company. This digital transformation plan avoids the allure of a total transformation. The benefits of business technologies like ERP and e-commerce are alluring, however, at this point in RSIP's expansion, these technologies would quickly consume the resources of the company. An unwise CIO would lead RSIP headlong into adopting these technologies all at once, while ignoring the capacity for the company to support the adoption of these technologies. Chasing already established competitors by adopting their technologies all at once is an alluring trap that RSIP must avoid. Chasing the lead of promising technologies that cannot yet be supported is something that this plan avoid by categorizing the types of transformations needed for each process.

Throughout the 3 year transformation plan, RSIP will be able to utilize only the resources that they need and nothing more, minimizing the cost of adoption associated with company-wide software upgrades. RSIP is not a large company, and it is also not an IT company. The costs associated with maintaining more and more server space as the network of distribution grows will become an albatross around the company's financial statements. Smart utilization of the cloud ensures that RSIP will only pay for what is necessary, and can expand at the pace in which it is capable, rather than over or underinvesting in physical infrastructure.

This requires the close supervision of the IT department and quarterly reviews of progress and KPI targets. By frequently reviewing and overseeing the allocation of resources, and making agile pivots and adjustments before any runaway problems escape containment, IT can ensure that RSIP's digital transformation is not expending any wasted resources.

Risk 3 – Data Loss

The primary risk of a migration from paper and old software to a paper-free, new software approach is the loss of data and information in the intermediary period. Improper record keeping and data governance can cause critical errors, the effects of which could cause financial and legal trouble for RSIP. The digital transformation timeline will address this risk. The plan for the complete migration will be measured and deliberate, and paper archives and digital backups will be kept until the end of the migration period and archived in a secure fashion after the migration has been both completed, and only after the employees have been completely trained on the new method. This will hedge against data loss by keeping two copies of the data in two different mediums, preventing the miniscule risk of failed adoption from ruining the entire finance and accounting department.

We will also protect RSIP from loss of data through security breaches by implementing a robust VPN and firewall system, as covered in the network infrastructure portion of the report. As a company using outdated technology, as of now, RSIP is largely safe from cyber-attacks, as the majority of their data is paper-based. With the transition to a digital database, cyber-attacks become a new threat that needs to be mitigated. Unlike many enterprise companies, RSIP likely couldn't survive a data breach. For small business owners, the average cost of a cyber-attack can range from \$120,000 to \$1.24 million per strike, according to a recent report on the state of IT for small and medium-sized businesses; in 2023 alone, nearly 43% of all cyberattacks were directed at smaller businesses.³¹ RSIP can spare no expense when it comes to security, and all network infrastructure will need the best security measure in the industry for our needs.

Additionally, there is the migration of current and historical sales data to the platform chosen. Our chosen CRM software, Microsoft Dynamics 365, provides integrated solutions to these problems, such as Azure Data Migration Service making the risk of data loss negligible. To make the risk zero, however, data can be stored on a digital backup as well as on a hard copy to be retained as an archive in case the of system failure or a security breach. These same risks apply to the finance and accounting department apply to the HR department, and will be mitigated the same way. Scrutinous data governance and archiving will ensure preservation of migrated records to the digital sphere. IT will supervise all of these efforts to make sure they are executed without issue.

Risk 4 – Executive Resistance

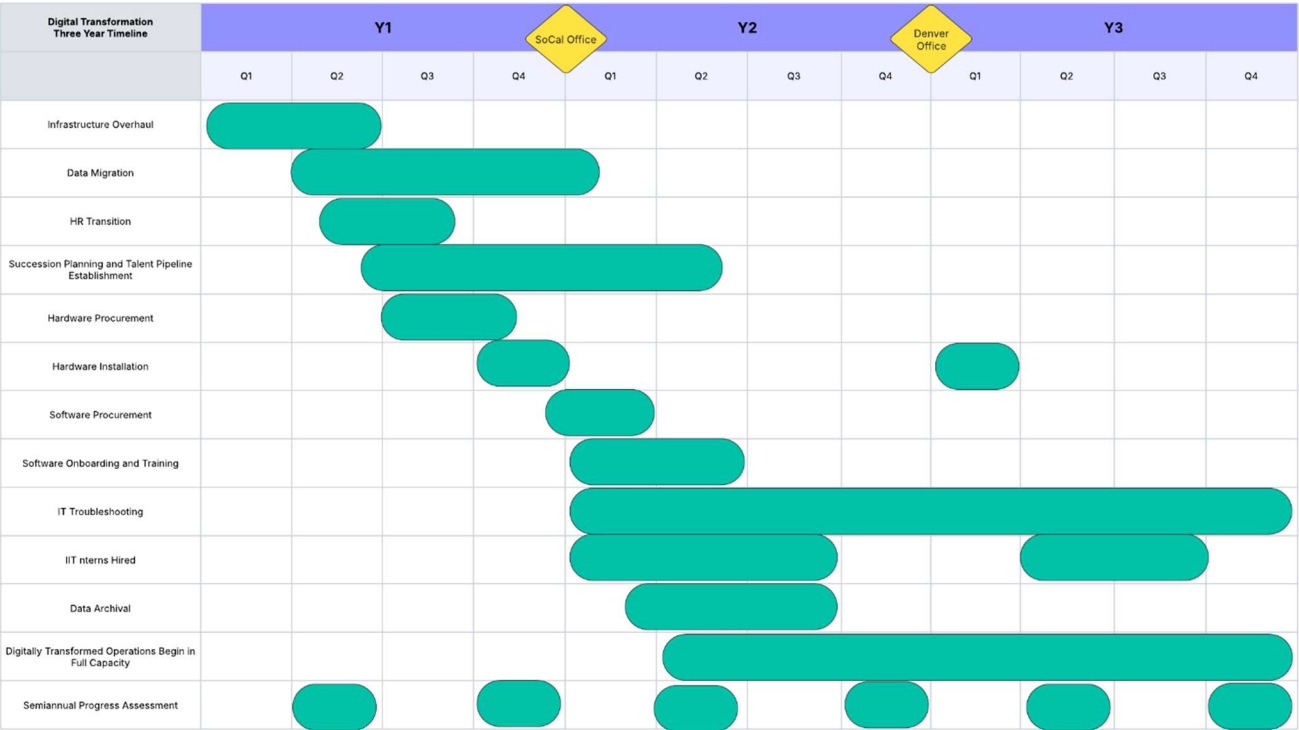
Taking everything said thus far into account, the final decision making of RSIP falls on the executive suite, and so the final hurdle for the digital transformation plan to overcome after considering all of the risks in this report is resistance from the executives. The goal of this report is to provide the evidence and a guiding document in order to begin the process of the digital transformation. Executive resistance is one the most significant risks to any project, and the only way to mitigate this risk is to make the best possible case on the merits of digital transformation

and how it will cause profitable revenue growth for RSIP. If this report fulfills its ontological purpose of making that case, then by reaching this point in the document the risk should already be mitigated.

Timeline

The primary aim of the timeline is to maximize fully digitally transformed operating time, because only when RSIP is utilizing the above technologies will they generate profitable revenue growth for the company. Until then, this digital transformation will only be an expense for RSIP. Following the timeline, the aim is to have RSIP operating using the digitally transformed less than halfway through the entire 3 year process, making use of simultaneous training and troubleshooting to mitigate troubles while getting RSIP digitally literate enough to reap the benefits of the CRM, BI, and IMS systems.

The timeline begins with the infrastructure overhaul, which will lay the foundation for the rest of the phases of digital transformation. The data migration from paper records to a digital database will begin alongside this, so that when the new technologies are implemented, the data of RSIP is ready to be used. During this opening period there will also be the transition of HR in its current capacity as an administrative role to an assistant to the IT department and the facilitator of passing down institutional knowledge. Patching the vulnerability of institutional knowledge loss during the first year of this transformation will accomplish the goal of future-proofing RSIP, finishing out the first year with a major value add, despite the lack of return on investment from the software, hardware, and infrastructure costs.



Timing the installation of new hardware with the opening of the first new office ensures maximum efficiency. The interns will be employed during the summer periods of the second and third years, requisitioning top of the line talent from Silicon Valley universities to aid in the troubleshooting of the technologies alongside the IT department.

Semiannual progress reviews should be implemented to ensure that RSIP is meeting the goals outlined by this timeline. Reassessing progress can identify points of trouble, or if the digital transformation proceeds smoothly, plan methods for accelerating the timeline so that RSIP can reap the benefits as soon as possible. Course corrections can happen within the operating year to ensure that the plan does not veer too far off course before correction. This does not mean that during the intermediary periods this process will be unsupervised, the IT department will be taking full responsibility, these periods are updates for the executives to gauge progress.

Budget

Three Year Implementation Budget Summary				
Line Item	Year 1	Year 2	Year 3	Total
Software	\$27,120	\$129,960	\$175,638	\$332,718
Hardware	\$104,568	\$21,120	\$31,680	\$157,368
Data	\$4,083	\$4,083	\$4,083	\$12,249
Infrastructure	\$21,093	\$10,955	\$12,917	\$44,965
Other	0	\$20,800	\$70,800	\$91,600
Total	\$156,864	\$186,918	\$295,118	\$638,900

Budget concerns are crucial to all projects, and RSIP has set a clear limit for the IT department to contain itself to. Despite this, the evidence shows that 91% of projects end up exceeding their budgets, schedules, or both, even when accounting for this fact³². Hofstadter's Law also affirms that this is the case. Being able to anticipate the productivity and costs of people is one of the hardest tasks for management to execute. Due to the high amount of costs that come with RSIP's expansion, RSIP cannot afford ballooning IT costs in these next crucial years in which every cent will make the difference between a successful and failed expansion. It is the IT department's responsibility to remain within the confines of the budget in order to facilitate a successful expansion.

In order to account for Hofstadter's Law, the digital transformation costs will be kept below using the full extent of the budget. This constraint will be imposed both as a mitigative measure, but also as a promise to the executive branch and a challenge to the IT department. The digital transformation process will save RSIP both money and time, and the rewards RSIP will reap will be profitable revenue growth and increased efficiency. This measure will serve to ensure that.

Conclusion

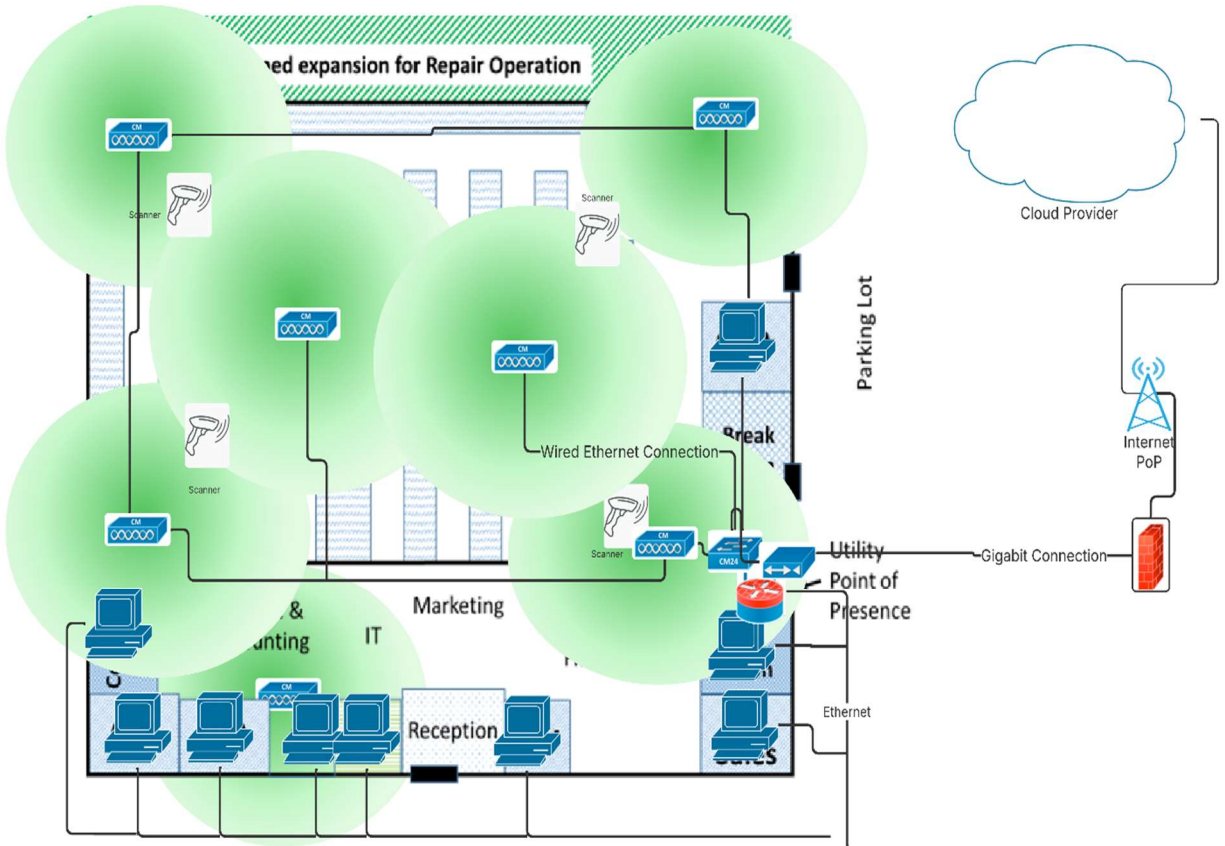
At the end of this report, the it is the hope of the IT department that it is clear that RSIP will benefit from undergoing the digital transformation process. RSIP, though a long-standing business, is only beginning its first stages of growth, and in order to surpass its competitors, it must surpass them in

both business and technological prowess. RSIP has one so far, and at the end of this three year transition period, it will have the second, along with an increase in profitable revenue growth. Using CRM and IMS, RSIP will equip its new salespeople with the ability to maximize their sales force, chasing more leads and closing more deals. In the warehouse workers will be able to fulfill more orders faster through increased productivity, leading to satisfied clients and more returning customers. BI software will aid our executive suite by giving them the best information possible to guide the company through this important trial, and AI will tie all of these software solutions together with its capacity to enhance and predict trends. Physical supply costs will be cut out entirely as RSIP moves into a fully digital operation, and HR and IT will ensure the entire digital transformation process goes smoothly. This plan will position RSIP to expand further, both in its sales footprint but also in its distribution footprint, using optimized processes to be able to serve a wider market with new distribution centers as well as new sales offices. As time goes on RSIP can further transform digitally, entering the world of E-commerce and eventually implementing an ERP as RSIP grows into a fully-fledged enterprise. This plan marks the beginning of a new age for RSIP, and the opportunities are endless, so long as they are taken.

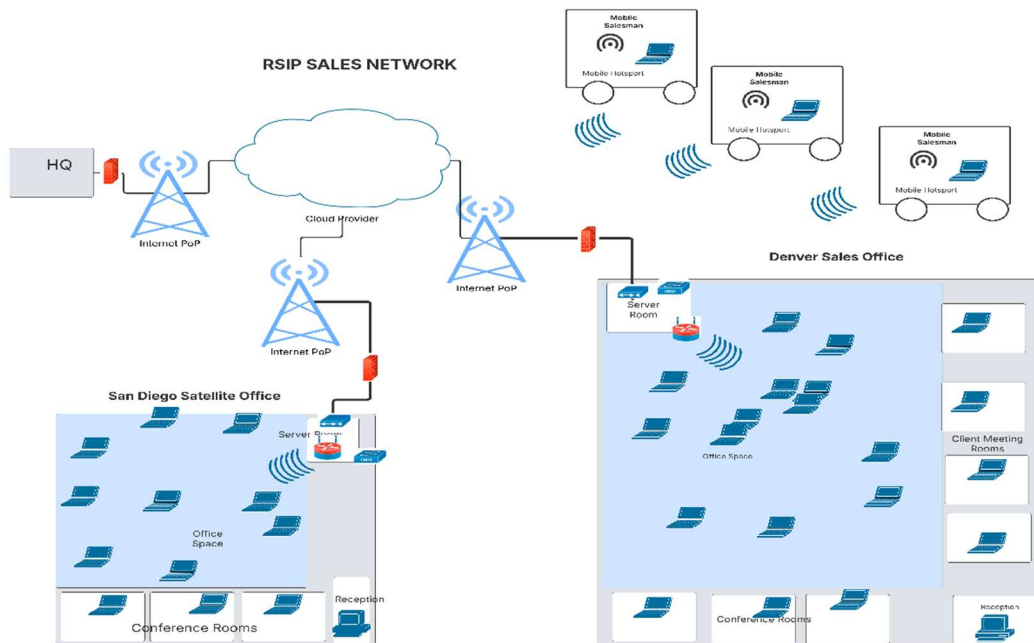
Appendix

Infrastructure Diagrams

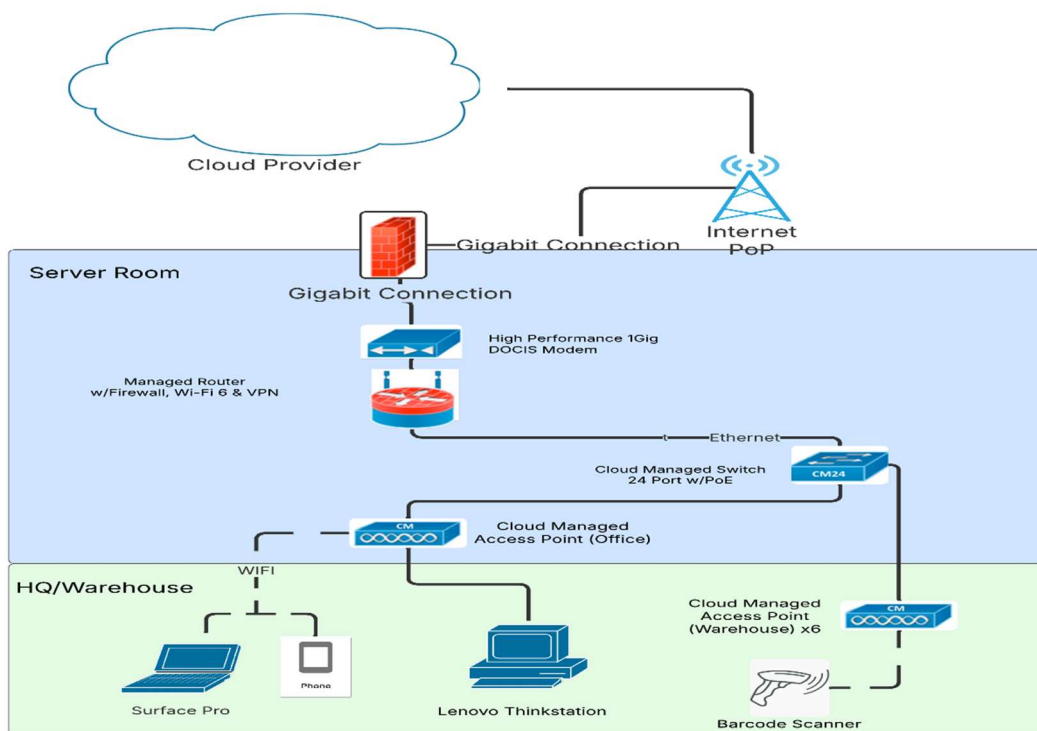
HQ and Warehouse



Remote Offices



Server Room Diagram



Detailed Budget

High Level 3 Year Financial Plan ³³								
Item Name	Unit Price	Year 1		Year 2		Year 3		3Y Total
		Qty	Total	Qty	Total	Qty	Total	
Software								
Dynamics 365 CRM	\$105/user/month	0	0	36	\$45,360	53	\$66,780	\$112,140
Dynamics 365 SCM	\$210/user/month	0	0	5	\$12,600	5	\$12,600	\$25,200
PowerBI	\$10/user/month	0	0	9	\$1,080	13	\$1,560	\$2,640
Microsoft ServiceNow	\$100/user/month	1	\$1,200	3	\$2,400	3	\$2,400	\$6000
Microsoft 365 Business Standard and Microsoft 365 Copilot	\$44/user/month	0	0	53	\$27,984	71	\$37,488	\$65,472
Quickbooks Online Plus	\$49.50/user/month	0	0	4	\$2,376	5	\$2,970	\$5,346
ADP	\$60/employee/month	36	\$25,920	53	\$38,160	71	\$51,840	\$115,920
Total Software Cost			\$27,120		\$129,960		\$175,638	\$332,718
Hardware								
Lenovo P3 Tiny	\$859	42	\$36,078	0	0	0	0	\$36,078
Microsoft Surface Pro	\$895	30	\$26,850	0	0	0	0	\$26,850
Dell Pro 24 VCM	\$410	42	\$17,220	0	0	0	0	\$17,220
Dell Pro 24	\$185	42	\$7,770	0	0	0	0	\$7,770
NetGear Hotspot	\$180	30	\$5,400	0	0	0	0	\$5,400
	\$80/month	12	\$11,250	22	\$21,120	33	\$31,680	\$64,050
Total Hardware Cost			\$104,568		\$21,120		\$31,680	\$157,368
Data								
Azure Data Migration Service	Free	1	\$0	0	0	0	0	\$0
Data Storage : Standard-series vCore 8 (Gen 5) 3 years reserved with Azure Hybrid Benefit (51 GB)	\$339/month	1	\$40,68	1	\$4,068	1	\$4,068	\$12,204
Azure Long-Term Backup	\$0.025/GB/month	1	\$15	1	\$15	\$1	15	\$45
Total Data Cost			\$4,083		\$4,083		\$4,083	\$12,249
Infrastructure								
High Performance 1Gig DOCIS Modem	\$600/unit	1	\$600	1	\$600	1	\$600	\$1,800
High Performance Managed Commercial Grade Firewall	\$1,000/unit \$191/year Cisco Meraki license	1	\$1,000 \$191	1	\$1,000 \$382	1	\$1,000 \$573	\$3,000 \$1,146
Managed Router w/Firewall, Wi-Fi 6 & VPN	\$500/unit	1	\$500	1	\$500	1	\$500	\$1,500
Cloud Managed 24 Port Switch w/PoE	\$2,000/unit \$181/year Cisco Meraki License	2	\$4,000 \$362	1	\$2,000 \$543	1	\$2,000 \$724	\$8,000 \$1,629
Cloud Managed Access Point	\$350/unit \$150/year Cisco Meraki license	7	\$2,450 \$1,050	1	\$350 \$1,200	1	\$350 \$1,350	\$3,150 \$3,600
AT&T Fiber 1G Business	\$120/month	1	\$1,440	2	\$2,880	3	\$4,320	\$8,640
Installation	\$5,000, HQ \$1,500, satellite offices	1	\$5,000	1	\$1,500	1	\$1,500	\$8,000
Total Infrastructure Cost			\$21,093		\$10,955		\$12,917	\$44,965
Other								
Intern Salaries	\$20/hr, 6 months	0	0	2	\$20,800	2	\$20,800	\$41,600
Incentives/Bonuses	\$50,000	0	0	0	0	1	\$50,000	\$50,000
Total Other Costs			0		\$20,800		\$70,800	\$91,600
Yearly Totals			\$156,864		\$186,918		\$295,118	
Plan Total								\$638,900

Endnotes

General

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Power BI: <https://www.microsoft.com/en-us/power-platform/products/power-bi/pricing>
Microsoft 365 Business: <https://www.microsoft.com/en-us/microsoft-365/business/compare-all-microsoft-365-business-products-with-microsoft-365-copilot>
ADP: <https://www.adp.com/who-we-serve/by-business-size/50-999-employees.aspx#tab-d916a09c-204d-4c2d-afbe-a5528d08dec5-1>
Quickbooks Online: <https://quickbooks.intuit.com/pricing/>

Hardware

Lenovo Thinkstation P3 Tiny: https://www.lenovo.com/us/en/p/workstations/thinkstation-p-series/thinkstation-p3-tiny-workstation/30h1000xus?cid=us:seo:41h72l&srsltid=AfmBOOpuTTQrZ1yh_BQwzQSwr42_BHE_xCNpVuqvmHnug6iK8SlTTCZlofw&gQT=2
Dell Pro 24 VCM: https://www.dell.com/en-us/shop/dell-pro-24-plus-video-conferencing-monitor-p2424heb/apd/210-bglq/monitors-monitor-accessories#techspecs_section
Dell 24: https://www.dell.com/en-us/shop/dell-24-monitor-p2425h/apd/210-bmgh/monitors-monitor-accessories?tfid=91049735&&gacd=9684992-1102-5761040-266906002-0&dg=ST&SA360CID=71700000117208882&gad_source=1&gclid=Cj0KCCQjw7dm-BhCoARIsALFk4v_ze4szBMQt7gHHikgzR0wpfZDFYyxXbAXkBS-Zhr6oNdELARmRbQoaAqA5EALw_wcB&gclsrc=aw.ds
Microsoft Surface Pro: <https://www.microsoft.com/en-us/surface/devices/compare-devices?cdresult=1-2>
Netgear Nighthawk: <https://www.amazon.com/Netgear-Nighthawk-MR1100-GSM-Unlocked/dp/B07G5KWZ3H>

Data

Azure Data Migration Service: <https://azure.microsoft.com/en-us/pricing/details/database-migration/>
Azure Data Storage and Backup: <https://azure.microsoft.com/en-us/pricing/details/azure-sql-database/single/#pricing>

Infrastructure

Cisco Meraki: https://www.insight.com/en_US/shop/product/LIC-MX64-ENT-1YR/cisco%20systems/LIC-MX64-ENT-1YR/Cisco-Meraki-Enterprise-subscription-license-1-year-1-license/
AT&T Business Internet: <https://www.business.org/services/internet/att-vs-comcast-business-internet/>