BEAR MARKET MARKETING

There's always another economic slowdown ahead. Work on need-driven messaging now to lessen the pain later.

It hasn't been that long since the USA officially exited the last recession, and in some quarters it doesn't seem like it ended at all. By and large though, business has returned to normal, or found a post-recession "new normal." The Dow has been hanging out in the upper teen-thousands for a while, unemployment has been slowly whittled down to nearly manageable levels, the pace of foreclosures has slowed to a crawl—and complacency has set in.

You're probably seeing plenty of businesses that are behaving as though current conditions are going to continue forever. Both history and logic tell us that this is not the case, though, and recent trends—plunging oil prices, slower economic growth in China, contractions in U.S. consumer spending—are starting to indicate that a reckoning will be coming.

There's always another crunch around the corner. Count on it. As marketers, our clients should be able to count on us for at least some foresight. If there's likely to be a considerable disruption to "business as usual," we'll be providing a pretty valuable service if we've prepared for it in advance. That begins by recognizing one basic fact: In tough economic times, sales happen based on needs rather than wants. The products and brands that fare the best are those that directly address needs, or that are broadly perceived as doing so.

How many Segway scooters have you seen cruising around your neighborhood? Probably pretty few. Why? Because Segways were only wanted, never needed. Or, at the lower-cost end of the personal transportation spectrum, how many Smith and Wesson mountain bikes? (Yes, they do make them). Or those indispensible Apple watches that everyone seemed to be talking about a few months ago, and which almost everybody seems to have forgotten exist?

In the absence of an actual need for a product, it is a marketing team's job to create the next-best thing: a perceived need. "Wow" factor – and "Want" factor – are great for fueling window shopping and catalog browsing, but they only will carry you so far in times of austerity. In tough times, "Need" is what you need.

To wit: Consider your iPhone (or, for non-Apple loyalists, insert your smartphone brand here). How lost do you think you would you be without it? Compare that with how lost you'd *really* be: In a pinch, you could still make calls, check voicemail, send rudimentary texts and do most of the actually essential stuff you do every day with using that old Motorola or Ericcson that's still collecting dust in your bottom desk drawer. But you don't. You *need* your smartphone, or at least think you do. That's the mark of a marketing triumph: A product successfully transformed into a *lifestyle essential.*

The same principles hold true for almost any product. The best way to successfully sell your way through a slump is to convince a newly anxious consumer that they *need* what you've got, rather than just want it. The high-priced organic milk (to keep your family healthy). The new, more powerful software (to remain efficient and competitive at work). The expensive gym membership (to remain attractive and ward off the effects of aging). In short, marketing messages have to connect with and address the prevailing consumer mindset. They have to meet anxiety head on, and find a way to lessen it.

When the next slowdown arrives – and sooner or later, it will – the brands that thrive will be those that did their homework beforehand, calculating their position within a changed set of consumer priorities and crafting messaging suitable for a changed psychological climate. They will be messages of strength, stability, calmness, confidence, and reassurance—and they will be these brands' most *needed* product of all.

BUILDING A BULLETPROOF BRAND

Most brands are wedded to their core products or services. Immortal brands transcend them.

What single company would you turn to if you wanted to buy a vacation package, join a book club, create an online dating profile, and catch up on the latest news?

There *is* one that does all that, if you live in Europe. One that isn't first and foremost a dot-com or search engine or internet retailer. And if you live in the USA, you've probably never heard of them, though that may change in the next few years.

It's called Guardian News and Media Limited. Not the most scintillating name, and one which probably means next to nothing to you unless you've happened across an article or two from guardian.co.uk. Behind the name, though, there's a powerful international brand, and a rather fascinating story.

Rewind a few decades to a time when Guardian News and Media Limited was just the *Manchester Guardian*, a slowly-fading liberal newspaper in a waning industrial town in northern England. Its future couldn't have seemed promising: Even before the internet age, newspapers were under threat from television, declining readership, high costs, and media consolidation, and the *Guardian's* competitors were closing shop left and right, just as newspapers had begun to do here. When confronted with the critical change-or-die choice, the company's leadership decided to do something different: Evolve. So they did.

The *Guardian* first became a national paper, then an international one. Then an online presence, then a full-fledged media company, and finally a purveyor of everything from bestselling novels to celebrity events to Spanish vacations, all trading under variants of the *Guardian* name.

GNMG's top brass correctly identified its most valuable asset – not its news, but its name, and the bond of trust it had established with readers over the course of a century and a half of existence. Management figured that the public had trusted the *Guardian* to deliver reliable news; why wouldn't they trust them to deliver everything else? GNMG transformed itself from a newspaper into an *experience,* a service provider, an arbiter of taste, and an invaluable lifestyle enhancement tool for a clearly-marked demographic: Upscale, largely urban, liberally-inclined professionals eager for amusement and cultural enrichment accompanied by a dash of social conscience.

Want a weekend getaway? Turn to Guardian. Looking to get out more? Turn to Guardian. Need a date for Saturday? Turn to Guardian. It's all a world away from the crusading reporting that built the name – but a busy constellations of websites, a welter of podcasts, licensed media content and the paper itself give GNMG a powerful channel to market a vast range of lifestyle-tailored products and services to a loyal constituency only too eager to snap them up. And as the company's practices to date have shown, GNMG is ready to adapt as tastes wax and wane, adding product lines and deleting others as demand and fashion dictate.

Sure, it's still nominally a news company – in the same way that Amazon remains nominally a bookseller – but the *Guardian* paper is now accessory rather than essence. The Guardian brand is this company's solid core, its economic engine.

GNMG's success is probably a combination of brilliant strategy, good timing, and sheer dumb luck. However it was achieved, it has inadvertently provided an object lesson to would-be brand-builders worldwide: Don't be afraid to move beyond core products for the sake of the brand. What you do may have to change – the world doesn't need many blacksmiths or telegraph operators anymore, after all – but who you are shouldn't have to.

THE DECLINE OF DISRUPTION

In marketing, disruption has become the new status quo—and that's not disruptive at all.

It happens with a certain dull regularity in the business world: A word, a concept, a pithy phrase gains traction, catches fire, and finds its way into every other presentation, headline, or blog post. For a brief, shining moment, it comes to embody the essence of a movement, a touchstone for cultural relevance. *That* word, *that* idea is suddenly everywhere. Afraid of being left behind, everybody wedges it into their latest Powerpoint and jumps on the bandwagon. Which is promptly crushed beneath their weight.

Bad things happen to words through overuse: They become jargon. The moment they become jargon, they're on the way to becoming both meaningless and enormously irritating; once they're irritating, they're toxic. At that point, the meanings behind them—even the good ones—self-immolate. You know what I'm talking about: When was the last time "dynamic," "synergy" or "impactful" meant anything? And the last time you could hear "paradigm shift" with a straight face?

"Disruption" now falls into that category. It seems that *everybody* now wants to be "disruptive." So we have people trying to create "disruptive" campaigns for body spray, cookies, and cat food. Leaving aside the point that these "disruptions" are likely about as "impactful" as a pebble falling into the Atlantic ocean… *why* is disruption considered an appropriate goal? The truth is that in most cases it isn't.

Any decent ad or marketing message is, in one sense, disruptive: If it captures any attention or succeeds in getting a brand noticed and remembered, it has managed to cause a measure of disruption by virtue of making things different than they would have been otherwise. But that's not—or at least shouldn't be—remarkable in any sense. For marketers, it is the low bar for participation, the price of entry.

Which leads us to "disruption" in another sense—something referred to in elementary schools as attention-seeking behavior. Remember flash mobs? A couple of years ago they were a big deal. How about the guy skydiving from the balloon in the stratosphere—remember what product that was for? Or the Lite-Brite installation campaign in Boston that led the police to block off portions of the city, thinking they were bombs… what movie was that for again? All of these were disruptive. They attracted attention and eyeballs and some Facebook likes. What they didn't do, though, was sell product. They had one job to do, and they didn't do it.

Naturally, every brand wants to cut through the clutter, but trying to do it through gimmicks isn't enough. What good is a "disruption" that distracts from your product, that provokes a backlash, or that isn't tied to your business objectives? Disruption for disruption's sake may give marketing teams something to pat themselves on the back for for a moment or two, but it’s unlikely to build a brand, increase revenue, or add value. Ultimately, it’s pointless. And it’s noise.

Real disruption transforms the way we conduct business, view the world, get things done. Disruption that doesn’t just interrupt, but which transcends the existing narrative, and replaces it with something else. That’s the high bar, and it’s out of reach for all but a fortunate few. Think Apple, Uber, Netflix, AirBnB: For these companies, their products and their marketing are in large measure one and the same. The disruptive impact of the product *is* the essence of its marketing. Nobody has to sit around in a conference room or in a focus group trying to figure out how to be disruptive; when you change the way the world communicates, travels, listens to music, or finds a place to sleep, making the experience exponentially better, people take notice.

Unlike flash mobs and Lite Brite bombs, disruption is intrinsic to what Apple, Uber, Netflix and AirBnB do and what they are. Their disruption is the province of a select few—disruption that still means something, that has a point and a purpose. As their success and others’ failure shows, it’s important to have both.

GAME-CHANGING TECHNOLOGIES: HERE COMES THE NEXT WAVE

If you've been in the workplace for any considerable length of time, you've already seen how technological changes have had the power to rapidly and radically transform the way business is done.

No matter your age, chances are a multitude of sweeping changes have already taken place in your lifetime. Some have been immediately and obviously significant and transformative – and others have taken place almost unnoticed.

Think about it for a moment: Twenty years ago, fewer than a third of America's small and medium-sized businesses had adopted email. Your "powerful" new desktop computer – if you had one - probably had eight megabytes of RAM and a 1-gigabyte hard drive. If you sent an email, you probably did it through a dialup connection to America Online or CompuServe. As primitive as these things sound now, they were game-changing technologies—and they had enormous ramifications for business.

If there's anything technology has shown us in recent years, it's this: Continual change is the new normal. New systems and practices sweep away old ones away with almost predictable regularity. The changes come faster, with greater frequency, and have more immediate impact upon businesses, creating powerful advantages for some companies and big problems for others.

It isn't always easy to see these changes coming, or to gauge their impact ahead of time. Some heavily-hyped, would-be game changers have fizzled – you probably didn't ride a Segway Scooter to work this morning, for instance – but others stand to make a much bigger impression. It's important to tell the difference between them.

So what *is* a truly "game changing" technology? As I see it, they share some key characteristics:

- Game-changers are *disruptive.* They disturb – or do away with – established practices and technologies.
- They are *fast.* Speed is the watchword of our age, and technologies that help us do things faster gain immediate traction.
- They both reflect and drive *cultural change.* The way we think and our cultural concerns are changing quickly too – and transformative technologies are in synch with that.
- They increase *efficiency and productivity*. A global economy means global competition; efficiency and productivity gains create a powerful competitive edge.
- They provide demonstrable, significant *value.* In an era of tight margins and resources, people and companies don't have time for technologies that don't deliver.

In coming weeks, I'll be taking a look at a few of game changing technologies to come – some of which are already well underway. Some are the hyped ones that you've heard about, and others are flying under the radar. All stand to be significant – and they just may change *our* games in ways we can only begin to imagine.

U.S. Federal Government Data Breached - Can You Protect Your Organization?

The U.S. federal government has joined Target, Home Depot and Sony as the latest major organization to report that their systems have been breached by hackers. The damage? Notifying up to 4 million current and former federal employees that their personal financial data may have been compromised.

Gone are the days when IT could simply build up a massive, defensive wall of protection and believe that the data living behind it would be safe from attack. Organizations now need to shift their security strategies from "if" to "when" their systems will be breached— and design their cybersecurity plan accordingly.

According to a 2014 report by the Ponemon Institute, a research organization specializing in privacy, data protection, and information security, some 43% of companies experienced a data breach in the preceding year. Michael Bruemmer, vice president of credit information company Experian's data breach resolution group and sponsor of the report, cites employee negligence as a root cause of some 80% of the breaches identified in the report.

Today, mobility is the new normal, and 33% of employees who typically work on employer premises also frequently work away from their desks. It is essentially impossible for companies to maintain complete control of their data in this environment, so what is IT to do? Microsoft may have a solution that will work for you.

Microsoft's Enterprise Mobility Suite (EMS) is a set of tools that combine identity management, mobile device and application management, access and information protection, and desktop virtualization to maximize data security in the mobile-enabled workplace. As a badged consultant for Microsoft, I have the opportunity to see these tools in action every day when I access Microsoft's internal network, and assess their effectiveness firsthand.

The first of these tools, Azure Active Directory (AD) Premium, provides identity management. When accessing Microsoft's network from my Red Level- managed PC, I am directed to the Office 365 portal and prompted to login using my smartcard or my username and password. Security policies on my PC prohibit smartcard use, so I opt to login with my username and password. The system then informs me that it needs additional information to verify my account, and I then receive an automated call to my mobile phone asking me to enter my security PIN (a 6+ digit code). I am only granted network access when the PIN is correctly entered.

Additional tools provide added security after login. Azure Rights Management manages access to specific files, classes and types of information, preventing unauthorized access, copying, sharing, or modification. Azure Rights Management delivers file-level protections that live within the file, and can prevent a user from editing, printing, sharing, or even opening a file regardless of where the file actually exists. Even if copied to a USB drive or sent to a personal email address, unauthorized users are prevented from using it in any way without appropriate permissions and a valid account – an important safeguard concerning employees who no longer work for the company.
Of course, there is a lot more to cybersecurity than identity and access management or information protection, but EMS is a powerful tool in the fight against hackers and data breaches. To learn more

about EMS or other advanced security options, schedule a briefing with a Red Level representative. We'll help make sure that your organization doesn't become a "breaking story."

<<Red Level Boiler Plate with emphasis on Microsoft>>

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Technology Torchbearers Prove It: Leading Beats Following

For the C-suite, today's technology revolution means that executives often don't have to simply embrace change – they have to anticipate it. Decision makers have to identify which tech trends are most likely to make the strongest, most lasting impression, and then, of course, finding the optimal moment to jump on board. Picking technological winners and losers has always been a high-stakes game; as costs rise and times-to-market shorten, they're going to climb even higher. At the same time, the cost of hanging back is rising.

By this point, most of us are keeping a wary eye on connected devices and the Internet of Things. But have you considered the possible impact of cognitive computing – that is, computer simulation of human thought processes? Have you considered wearable technology and how it could impact your employees? And what about advanced manufacturing technologies: Not just the gee-whiz stuff like 3D printing, but nanotechnology, nanomaterials, and new methods for creating completely customized products on demand?

Some people are paying attention – and they're gaining some major business advantages for doing so. A new CMO survey from IBM dubs our current era "the age of disruption," and states that technology "torchbearers"—companies that are particularly quick to innovate, or adopt new technologies and methods—tend to strongly outperform "market followers." The IBM report cites six percent of the companies it surveyed as being "torchbearers;" by inference, that means that 94 percent of us will be left in the dust, with lower market profiles and lower profits.

CMOs participating in the study took particular notice of the tide of changes in the information space. The report states, "CMOs…point to the disruptive influence of new technologies. They think mobile solutions, the Internet of Things and cloud computing will have a massive impact on their organizations over the next three to five years. However, they're not ignoring cognitive computing or other emerging technologies that could deliver enormous pay-offs."

The operative word, of course, is *could*—which does not always translate to *will.* It's easy to get distracted by big, bright, shiny object and sometimes, move too quickly to adopt a premature technology. At the same time, if you don't move quick enough, IBM says we're pretty much toast.

So how do you choose the place the right bet on the right technology at the right time? I find when I'm evaluating whether or not to adopt a certain technology, focusing on three main questions helps my plan fall into place:

1. Will this technology empower our employees?
2. How will it positively impact my customer's experience?
3. Does this technology differentiate us among our competitors?

The answers help give me a clear-eyed view of the technology's real-world value, as well as the likely outcome of jumping on board, waiting a while, or running in the opposite direction. If the value is considerable, immediate, and aligned with business goals, I am a lot more comfortable buying in.

Of course, anyone's expertise is naturally limited – and you can't always just trust your instincts. When the technology is complex and the stakes are high, it helps to bring in reinforcements to help with analysis and strategy, as well as with the practical issues surrounding deployment. I find that I can't be afraid to ask for help from "the experts;" often, they'll confirm my impressions – or they'll see both opportunities and hazards that I'd otherwise miss. And while you can't very well lead by following, it *does* make sense to keep an eye on what "the other guy" is doing—if a competitor has hopped onto a trend, it pays to see how it's working out for them while you evaluate your next move.

The business environment can be very unforgiving, and the future is no place for the faint of heart. People and companies who are averse to change are likely to be in for a bumpy ride. "Change is the only constant," or so the saying goes, and from our vantage point, this seems to be even more true when it comes to computing and information technology. We see the pace of change within our own company, the technologies we work with, in our clients' companies, and in the way their businesses operate as a result. The revolution has come to stay, and it's going to keep revolving faster and faster. We'd all better get used to it.

WHEN HEADPHONES GO ON, DOES CONNECTION SWITCH OFF?

It seems funny to say it in today's super-connected, technology-enabled, always-on world, but sometimes we're the farthest apart when we're right next to each other. A recent Digiday article brought that home to me by highlighting the presence of one of the most universal, but little considered, fixtures of the modern workplace: Headphones.

In her article, author Shareen Pathak says "People sitting next to each other without office walls don't necessarily collaborate more. In fact, they often collaborate less, as they re-create private space with headphones." It's a point that's hard to argue: Walk into any contemporary open-plan office and you're likely to see a good percentage of people present encased in their own self-made privacy bubbles, grooving to their own self-selected soundtrack – and doing their best to shut out the people and activity going on around them.

The reasons are pretty obvious: distractions are disruptive to problem solving and to focused thought. In congested shared workspaces, headphones are one of the few ways that workers can assert a measure of control over their personal environments, creating what one author has called "temporary autonomous zones" for themselves. If a simple pair of earbuds can seal out the banter in the cubicle next door, or improve an employee's morale by giving them a sense of control over their individual environment, who's to argue? A happier, more focused worker is certainly a greater asset to their company than a distracted, disaffected one.

But there's always a "but." What does it say about a company and its culture when the earphones go in, the room goes quiet, and direct interpersonal communication screeches to a halt? Sure, employees may be messaging or emailing each other as much or more than ever, and may be communicating vital information effectively. But are they really *connecting* in the ways that serve them and the companies they work for the best?

There is still a lot to be said for actual connection between people in real space, in real time, face to face. Email, instant messaging are great for conveying information, confirming details, and providing answers. They don't do so well in terms of fostering brainstorming, forging friendships, or building personal bonds between people.

Businesses aren't solitary pursuits; they are teams of people who *know each other* as real people who make an organization perform to its full potential. To build those teams, we have to spend time without our headphones and outside of our personal bubbles – and it's management's job to make sure that happens. It's more important than ever to provide a framework where teams can connect, recharge and build purpose. When what used to occur naturally somehow doesn't, we have help it along. Here are a few ideas:

1. Consider creating a more flexible work space where employees can physically shut a door and hustle through a deadline. Perhaps consider adding a shared lounge/workspace area where team members are welcome to wear headphones. This provides alternatives to employees just sitting at their desk with headphone on.
2. Allow team members to work from home. If you don't currently have work from home options, you can gradually start this policy shift by allowing a day or two a month, and gradually building from there. The kind of deadline-driven, focused, deep work that requires 'zoning out' can and should be done from home, where an employee has more control over their environment. Software that connects onsite and offsite employees and allows for collaboration has come very far. Red Level uses Skype and Office 365.
3. Build team-building moments into the workday that encourage your team to connect in a meaningfully way. I'm a fan of the morning stand-up (or even better, taking a walk) meeting to quickly connect with coworkers on what needs to be accomplished that day. Or bring in bagels and fruit or ice cream in the afternoon to create a social hour where your teams can just talk to each other about anything - not just business.

Healthy, high-functioning business environments strike a natural balance between engagement and the privacy that headphones provide. Conflict, stress, intra-office competition, and general low morale can prompt employees to tune out, drop out, and disengage; when the phones tend to go on and stay on until quitting time, it can be a sign that your organization's culture is breaking down. If headphones are glued on in your workplace from dawn 'til dusk, you might want to ask just what your employees are trying so hard to block out—and take steps to deal with it.

TACKLING IT BUDGETING FOR SMBs

To stay competitive, troublesome IT budgeting can't be avoided.

The typical SMB manager's approach to IT budgeting used to be pretty straightforward: Keep it lean. Keep it simple. Avoid it as much as possible. And since there's usually a vocal constituency outside of IT that's pretty unhappy with change, think twice – and then three times – before authorizing major investment into any project that's likely to have a transformative or disruptive effect. Within IT departments, the marching orders were clear: Fix what's broken, and upgrade when only absolutely necessary. Keep the wheels turning, but not any faster or slower than usual.

That really doesn't work too well anymore. Not only is "disruptive" no longer a bad word – it is virtually a mandate. The competitive and efficiency advantages provided by innovations such as cloud computing suddenly become too big to ignore when "the other guy" starts reaping the benefits while your company is stuck in neutral. At the same time, thinking around IT has changed too. People are thinking less about IT as the department that keeps the machines in the basement and on the desktop humming, and more as the gatekeepers of a company's information and process matrix – and as a department that can be a profit center in its own right. IT suddenly has a lot more to live up to – and it needs the means to do it.

So how do you break out of just-getting-by, repair-and-replace IT budgeting and create a budget that really makes sense for your business? Perhaps surprisingly, in much the same way as other budgeting is accomplished: By starting with a solid assessment of needs, benefits, and costs. Along the way, it helps to ask a few key questions that can help determine the right spending level for your company.

1. What are the neighbors doing? Obviously, IT spending varies wildly by industry and business size; there is certainly no such thing as a universal "right" dollar amount from one company to the next - and your competitors are unlikely to eagerly discuss their spending with you. But any noticeable technology initiatives, like a push towards hosted applications or a mobile-enabled workforce, can give you an idea of moves you may need to make. (Hint: chances are your competitors are increasing their investments).
2. How do you expect technology to support your business objectives? Technology is expensive, no doubt about it – but nowhere near as expensive as lost market share or missed revenue projections. It's more likely than not that your IT department and the technological tools play a pretty central role in hitting company performance targets. Take full account of that role – and spend accordingly.
3. Are you thinking about costs or benefits first? Sure, nobody likes making significant capital expenditures – but an exclusive focus on cost-cutting or lean operations can be fatal to competitive capability where technology is concerned. The benefits of maintaining an optimal business technology environment can be hard to enumerate – but they are tangible, and can have a decisive effect on business results.

A side note: This may sound like a bitter pill, but try to swallow it anyway: No matter how much you've spent, you've probably been underspending. For example, a recent study showed that the size of the average IT team is 3.7 people in North America, but it is 4.4 people in Europe, the Middle East and Asia. That's seven-tenths more in terms of a worker's yearly hours that EMEA companies of comparable size are able to throw at innovation, problem solving, efficiency drives, and business automation – and for companies with undersized IT departments, it's a lost opportunity. Whether you're working with outsourced or in-house IT, you get what you pay for – and if you're not spending, you're probably not getting either. The same spend-and-receive principle holds true for investment in development, applications, cloud services and other IT functions.

A properly allocated, right-sized IT budget stands to have a transformative effect upon your business – particularly if recent lean years or simple inertia have led your company to slip behind the technology curve. Developing a well-considered IT budget might seem like a difficult task if you haven't tackled it head-on before – but the rewards of doing it are matched by the risks of failing to.

TAKING CARE OF BUSINESS FOR 2016—AND BEYOND

We are now nearly two months into 2016. For many business owners, the close of 2015 was an opportunity to take account of where their business stood – what it had accomplished in the past year, and where it's likely to go in this one.

From our perspective, our year-end analysis found the overall US business climate to be an interesting one—a mixture of good and bad news, with both bright and daunting prospects on the horizon. By nature, Trion is a company that thrives in times of change and challenge, but that certainly doesn't hold true for the majority of businesses. Stability, order, and a logical progression of events create the best overall business climate, but 2015's close found all three in somewhat shorter supply than many companies might like.

Here's where it seems we stand. On the plus side, the economy is still enjoying general growth overall, though it is faltering in some sectors and growth never really started in others. The unemployment rate is edging back towards something resembling normal levels. Interest rates remain at historically low levels for the moment. There are few signs of significant inflation, and we're just starting to see some slight upward pressure on wages.

That's the good news. Now, the other side of the coin.

Nobody has to tell you that globally we are experiencing tremendous uncertainty and upheaval—the broadcast news networks will certainly never let you forget it. Headlines are filled with terrorist attacks, plunging oil prices, downed airliners, military skirmishes throughout the Middle East and dotted throughout Asia. We're facing the distinct possibility that US troops may be called to take an active role in Syria; the US is simultaneously in significant diplomatic and economic disputes with Russia and China; and there's no clear favorite in sight for next year's presidential elections, leaving considerable uncertainty as to future tax and economic policies. From a business owner's standpoint, any and all of these circumstances have the potential to be disruptive.

As a business owner, you can't control national or global events – but you have at least some control over your response to them. That control is amplified when plan ahead for them, and are ready to make changes on the fly as consumer sentiment changes, economic conditions shift, prices rise, or supply chains contract. Just as in the natural world, adaptation is the key to survival, and the advantage goes to companies ready to right-think, right-size, and right-strategize for the times they're in *and* the times to come.

As human resource services specialists, that's what Trion is all about. A big part of our business is helping our clients adapt constructively to change and meet emerging business challenges head on. We work to give companies the flexibility to adapt, both responsively and proactively as needed, making sure they have the right number of the right people in the right positions to get the job done—and freeing management up to focus on handling today's urgent business needs, strategizing to meet tomorrow's demands, and laying the groundwork for stability and success, no matter what the coming years may bring.

Trion hopes that your company takes the time to take stock of where it stands. Like you, we're hoping that the US sidesteps the more daunting concerns ahead, and that 2016 is a profitable, positive year. We're ready, though, for any challenges that lay ahead—and to help our clients meet them as well.

TRION BLOG #3
V.1.0
September 17, 2015

HEAD:

Getting Back To Business: HR Outsourcing's Big Advantage

BODY:

Running a business isn't easy. As almost any CEO can tell you, doing their job right means doing several jobs right – and doing them all at once. All too often, many of these jobs consist of burdensome HR activities that don't generate revenue, drive sales, or build competitive advantage, but which are nonetheless essential to daily operations.

As necessary as it is to keep on top of payroll, tax, regulatory compliance, workers' comp and other activities, these do nothing to advance the business. In fact, the time devoted to them is time taken directly from strategy, promotion, revenue generation, relationship building, customer service and other core functions of a company. Time spent on administrative matters doesn't just cost money – it costs opportunity. The attention, resources, and working hours devoted to these tasks isn't used to create, innovate, expand, or sell – and the lost opportunity to do so may well be taken by the competition.

More and more, companies are recognizing the enormous burden that HR administration is placing upon them – and they're doing something about it. Outsourcing is becoming a key element in many growing companies' success strategies as they recognize the unique benefits it provides:

- Efficiency. Outsourcing HR to a professional solution provider enables businesses to streamline operations and focus efforts where they matter most.
- Economies of scale. Professional HR practitioners are an expensive, skilled resource; it makes more sense to leverage a shared resource than hire in-house personnel.
- Limitation of liability. By outsourcing HR functions, companies can shift a great deal of legal and regulatory liability to the outsourcer, particularly with regard to Worker's Compensation.
- Expertise. The best HR outsourcing firms are specialists in what they do, with exhaustive procedural, legal, process and regulatory knowledge that few in-house departments can match.

Companies with outsourced HR functions quickly reap the rewards of this new management model – and the differences they see are reflected in their growth trajectories *and* their bottom lines. A white paper published by the National Association of Professional Employer Organizations shows that companies that outsource HR functions experience a 9% higher employment growth rate than those that don't. In addition, they show a 4% higher employment growth rate than in the overall economy.

At Trion, we've helped countless clients get their opportunity mojo back. We know from firsthand experience that for a company to succeed to their greatest potential, its senior management must remain focused on business-building activities. We make it our job to make that possible.