



EBOOK

How Spreadsheets are Bad for Business

And How Custom Solutions Can Help



For several decades now, **spreadsheets have been the go-to organizational resource for professionals** and businesses around the world.

The data entry platform is accessible, easy-to-use, and has a shallow learning curve, making it an attractive option for small businesses and tech novices.

Spreadsheets are used for a myriad of purposes, ranging from order management to inventory tracking, accounting to HR tasks — but are they still the best option for running your business?



We'd like to outline some pros and cons of **spreadsheets**, as well as discuss how custom software development can be an excellent alternative for your business needs.

Pros of Using Spreadsheets for Your Business

Over the years, spreadsheets have become ubiquitous in the professional world. Their versatility allows businesses to input and organize all kinds of data, for a variety of different tasks and departments.



Pros of Using Spreadsheets for Your Business (continued)

Additionally, due to their intuitive and easy set-up, spreadsheets are very accessible to small, emerging businesses without advanced tech capabilities — little to no training or experience is required. From a financial perspective, there are numerous inexpensive and even free (think Google Sheets) options, which appeals to early-stage companies with tighter budgets.

MAIN BENEFITS OF USING SPREADSHEETS

- ✓ Easy to set-up, learn, and use; they don't require tech expertise
- ✓ Inexpensive and even free options
- ✓ Convenient and ubiquitous
- ✓ Can be used for a variety of tasks
- ✓ Offer calculation capabilities and ready-to-use formulas
- ✓ Available in universal file format that can be accessible

Cons of Using Spreadsheets for Your Business

However, regardless of the benefits, spreadsheets are quickly becoming an outdated and inefficient way of running a business. As technology advances and businesses begin to grow, the simplicity of spreadsheets is no longer sufficient for managing critical operations.

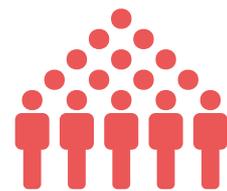
APPROXIMATELY

88%

OF SPREADSHEETS CONTAIN ERRORS.

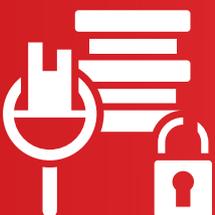
Spreadsheets, though accessible and easy to learn, also pose a number of risks. It is estimated that approximately 88% of spreadsheets contain errors — this ranges from small businesses to companies as large as JP Morgan.

The large margin for error primarily comes from the fact that spreadsheet data entry is done by humans, and is compounded by the difficulty of troubleshooting and error detection in spreadsheets.



DATA ENTRY IS SUBJECTED TO HUMAN ERROR

SECURITY RISKS WITH USING SPREADSHEETS



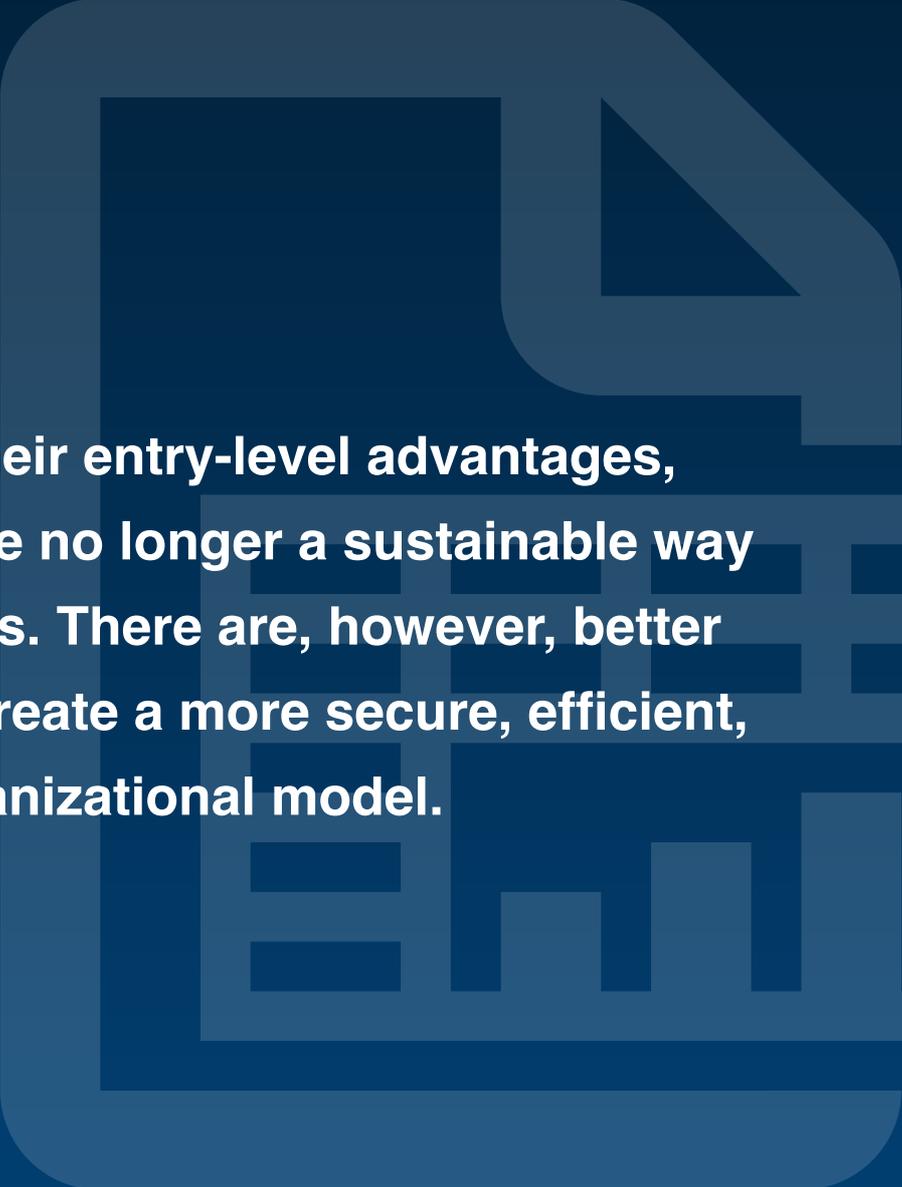
There are also security risks associated with using spreadsheets. Ease of sharing can lead to data breaches if the spreadsheet file is accessed by the wrong people, even if the file is password-protected. Additionally, data can be lost or compromised if there are any hardware failures.

Cons of Using Spreadsheets for Your Business (continued)

There are numerous other disadvantages to using spreadsheets for business operations. Here are the major cons of working with spreadsheets:

DISADVANTAGES TO USING SPREADSHEETS

- Time consuming (involves lots of copying, pasting, repetitive data entry)
- Scheduling and planning
- Storing contact lists
- Accounting tasks such as preparing financial statement, expense tracking, and budgeting
- Inventory Tracking
- HR management including employee schedules, time off requests, talent acquisition, and training
- Time tracking
- Miscellaneous data aggregation



Regardless of their entry-level advantages, spreadsheets are no longer a sustainable way to run a business. There are, however, better alternatives to create a more secure, efficient, and flexible organizational model.

How Custom Software Can Help Your Business

Some companies may turn towards an Enterprise Resource Planning System (ERP) as a replacement for spreadsheets. **Although ERPs can be an effective method for collecting, organizing, and utilizing data, they can oftentimes be expensive and limited in their capabilities.**



PREPACKAGED SOLUTIONS DON'T FULFILL A BUSINESS'S NEEDS.

Due to their prepackaged delivery model, ERPs aren't built to fulfill a business's unique needs — their solutions are more cookie-cutter than individualized.

Custom software, on the other hand, is an attractive and worthwhile alternative for spreadsheets in your business. Investing in a platform tailored to your company's specific workflow could be highly advantageous for productivity, revenue, and organization.

INVESTING IN A TAILORED PLATFORM COULD BE ADVANTAGEOUS FOR REVENUE



CUSTOM SOFTWARE OPTIMIZES WORK FLOWS

Custom software development provides users with the flexibility, security, and efficiency to optimize their work flows.

How Custom Software Can Help Your Business (continued)

ADVANTAGE OF CUSTOM SOFTWARE

- + Increased Security
- + Greater Flexibility
- + Faster processing times for large amounts of data
- + More streamlined cross-functional collaboration options
- + Optimal efficiency and speed
- + Reduced tech debt (you own your IP and don't have to continuously purchase upgrades)

Our Case Study

Lionshare Negotiations provides world-class negotiation training and consulting to companies of all sizes, helping salespeople plan and execute exceptional deals. Applt Ventures partnered with Lionshare to create a piece of custom software that would help organize and manage Lionshare’s step-by-step training system.



Deal Dashboard
Applt Ventures
Herman Blake | Mar 07, 2018

Boundary Assessment - Alternatives

Our RP \$110000 | Target \$24000

Our Power Position
67%
Our Side Power Position Score

Their side Power Position
32%
Confidence Level

95% Confidence Level

95% Confidence Level

The final product was a custom web-based application, which provided security, flexibility, and scalability for both Lionshare and its clients.

Unlike spreadsheets, the application allows Lionshare to protect its intellectual property (IP), as well as grants its clients instant and remote access to training materials from the programs. Additionally, the custom application provides a platform for monitoring deals and accessing vital data real-time.

Financially, the transition to a custom application resulted in significant outcomes for Lionshare and its clients. Many clients saw increases of 10-20x in their deal sizes, with one particular individual seeing a 200% increase in the value of a \$7.5 million dollar deal.

For more information on this case study: [Lionshare Negotiations](#)



Concessions

Target \$24000 | Their RP \$31000 | Anchor \$32000

Concession Pool \$8000

Are you making a concession on this item?	Value willing to give	Value given away	Item asked for in return	Value of item asked for in return	Value gained from item received in return	Net value gain/loss
Yes	\$2000	\$500	Pay Net 10	\$300	\$300	-\$200
No	\$1500	\$0	Use customer's Help Desk	\$2000	Add	Add
No	\$1000	\$0	Customer pays shipping	\$900	Add	Add
No	\$1000	\$0	Our property after 5 years	\$4000	Add	Add
No	\$2000	\$0	We can resell	\$12000	Add	Add
No	\$500	\$0	Customer buys Q/A program	\$2500	Add	Add

Conclusion

Though spreadsheets are convenient and easy to use, they are an outdated method of running a business. They lack the data security, flexibility, efficiency, and scalability that is needed by most growing businesses, and they are highly vulnerable to human error.

Custom software offers a strong alternative for managing data and workflows. A customized program can address a company's unique needs, all while offering greater security, increased flexibility, optimal efficiency, faster data processing times, and more functional collaboration tools.

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