



Top 10 Tech Hit List for 2010: Technology Mistakes Small Businesses Make and How to Avoid Them

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# RevITup™ Business Care TechEd Series:

The Top 10 Tech Hit List for 2010: Technology Mistakes Small Businesses Make (and How to Avoid Them)



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Presented by The Launch Pad



## The Top 10 Technology Mistakes Small Businesses Make (And How to Avoid Them)

### Challenges for Business 2010

- The IT industry is constantly changing, particularly as it relates to cloud/SAAS
- Choices in available strategy, products and tools for business can be overwhelming.
- Smaller organizations lack an internal dedicated IT staff to anticipate and implement key business automation solutions.
- Even with internal IT resources, few organizations have time to stay completely current on key technology trends and changes and stay focused on core competency.

Few, if any, small businesses have time to monitor the daily changes that impact information technology. Even fewer possess the resources necessary to keep current with changes to operating systems, products like Microsoft Office, proprietary business software, critical business applications, printing technologies, web-based tools, email services and a myriad of other technology concerns. As a result many fall victims to critical and costly technology mistakes and lose out on many of the best benefits.

### Expert Small Business Managed IT & Web Services

Fortunately, small businesses don't need to be experts at both their business operations and information technology. The Launch Pad can help. The Launch Pad provides fixed-fee technology management solutions for small and medium-sized businesses nationwide. With our newly launched franchise, there can be a Launch Pad Client Solutions Manager near you who can act as a valued member of your team.

Expect more. You'll find it here. Through our RevITup™ Business Care Technology Series, The Launch Pad works to meet the technical needs with or without internal IT staff. Our goal is to be a single point of technology contact and leadership. We pride ourselves on fanatical customer support and in building long-term technology partnerships with our business customers. Our goal is to be your one-stop source for small business IT services and web solutions, and a key partner for your business computer consulting needs. It's like having an entire IT staff right at your fingertips.

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## What Technology Mistakes Consistently Rise to the Top of the Pile?

We hope our guide helps you pinpoint the most common technology mistakes businesses make and teach you simple, targeted and easily applied strategies to avoid them.

### 1. Not Having the Right Technology Management or Partner Relationship.

#### Have you've outgrown your current provider?

- IT "Guy" who isn't always available or can't always resolve the issue
- The office "Power User"
- The boss's son
- Using the wrong model - "break/fix" or hourly billing.
- Staying with non responsive provider out of fear/loyalty.
- Only focus on reactive infrastructure - no real planning or road-mapping. No solutions development.

#### Strategy/Solution

DIY is NOT a solution. Don't fall into the trap of outsourcing bits and pieces. Calculate true costs and ROI. The first step is to tally your current IT capital and operating expenses; hardware, software and staff costs. Then, identify the in-house staff costs for people formally assigned to manage your IT operations. You will also want to calculate any outside IT fees incurred to implement or maintain your office technology. To get a true cost of ROI and cost of downtime, estimate the indirect costs of network or system downtime, including lost revenue due to customer and partner dissatisfaction, and lost employee productivity.

Look into engaging the services of a fixed-fee managed solutions provider. Check references/industry experience.

### 2. Purchasing Wrong Hardware or Low Quality Hardware

#### Here is where many organizations go wrong:

- The great hardware deal online or at electronics store...
- Impulse purchases.
- Purchasing non business-class components/systems
- No upgrading at appropriate times
- Not checking compatibility before buying

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## Strategy/Solution

So called great hardware deals can end up costing your company big dollars. Hardware either doesn't work correctly or doesn't last. The key is to make planned purchases and avoid ad-hoc buying, Make sure that you purchase only business class equipment. Don't get caught up on brands just for the sake of brand. However, you do want to have consistency with purchase selections. It's easier to manage and to service. Purchase equipment designed to work together and hardware that is certified by your vendor for your solution.

## 3. Purchasing Wrong Software, Improper Licensing & Inefficient Licensing

### Some Eye Openers:

- Software piracy cost = 12 billion annually. BSA says almost ¼ of software is not licensed
- Microsoft licensing is complex; OEM, Open License, Retail, Education/Student
- Investing in wrong licensing type/strategy can cost thousands in short and long term
- Many businesses not aware of lack of compliance, borrowed software, employee loads
- Online activation is common and software providers track usage and actively impose sanctions
- If repairs or reloads are needed, unlicensed software can cause delays/expense

## Strategy/Solution

Software license compliance is the most important legal point you need to understand to protect your technology purchases. Fines can be tremendous. Learn the requirements. An experienced technology partner can help navigate licensing parameters, perform audits on existing systems and make recommendations for purchases. Keep a spreadsheet with a user matrix or use an inexpensive audit program to properly document purchases, list product keys and track licenses. Copies of software licenses should be centralized and stored in one place.

Purchase software only from legitimate channels. Beware online "deals" (grey mark software) which cannot be properly licensed. All workstations and servers should have Microsoft license stickers with key codes. If you receive an audit letter, respond promptly, immediately gain compliance.



## 4. Lack of True Understanding of Security/Lack of Tools & Strategy

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## Some Eye Openers:

- Most security breaches come from within not outside the network or from former employees.
- Many organizations are not adhering to data compliance requirements in their industry and do not realize it.
- Antivirus software is not enough to adequately protect the network.
- Only properly configured business class firewalls have the controls necessary to lock down networks and monitor breaches.

## Strategy/Solution

Engaging the services of a professional is necessary to properly assess your network and implement the right strategies for security. While there are many components of a security strategy, we've identified three key security takeaways that you will be able to implement immediately.

### Policies & Procedures

One of the most important things you can do is to implement a written set of policies. This should be read and signed-off on by all employees. Your security policy should be incorporated into your employee handbook. It should include items such as web use, remote access, outline of parameters for downloading and installing software. Employee Internet usage can be a huge productivity killer! Adding monitoring and filtering is not only cost effective but can protect against security breaches and employee misuse.

### Passwords

Implementing the use strong passwords and keeping a central list of all program, user and server passwords is critical to protecting your organization. If you have an internal IT department or even an outsourced company, a central password list should be kept by key executives. Best practice dictates changing passwords every 90 days and immediately after an employee leaves. Also device passwords should be changed on the same schedule.

### Virus Protection

Use a corporate antivirus program centrally managed and up to date with all desktops protected. Also implement at least one antispysware program such as Spybot or Malware Bytes which runs nightly.

## 5. No Power Protection/Improper Power Protection

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## Does any of these fit?

- Workstations not all equipped with battery backups/quality products
- Servers not using monitored battery backups, improper sized protection or low quality equipment
- Network components including Internet router, modems, firewalls and switches not attached to battery backups
- Using surge strips or wall outlet expanders. Can cause equipment to go down
- Not testing backups and batteries or not replacing units every 2 – 3 years

## Strategy/Solution

A good quality battery backup is the one simple, inexpensive purchase that can save you thousands of dollars and hours of employee downtime. Make sure that all servers and each workstation is attached to a good quality battery backup under 3 years old and tested. Servers need to use backup monitoring software which will gracefully shut down the operating system and unit in the event of a power loss.

Workstation backups are less than \$50, prevent downtime and extend equipment life. Do a survey of your network and remove surge strips, wall expanders. Servers should be on their own power circuits. Deploy high-quality surge suppressors for all computer equipment and other peripherals. Verify that all networking devices are properly cabled to tested battery backups. Have your technology partner do an audit to identify any deficiencies and remedy them.

## 6. Not Properly Investing in Infrastructure Components Including Cabling

### Have you made these mistakes?

- Using a non-certified installer to run your cabling (phone installer) or DIY
- Using inadequate/low quality cabling, patch cables, wall plates or jacks
- Not best practices for cabling. Hanging cable out of wall with jacks, no labeling
- Using poor quality patch panels or low quality switches

## Strategy/Solution

High quality, properly run, patched and terminated cabling is critical to a sound network. Poor infrastructure is the biggest cause of unexplained network issues and will lead to never ending series problems with performance and stability. Make sure that all cabling is properly run through ceilings/walls and terminated to a plate/patch panel by a

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certified installer. Do not run cabling on the floor. Cables should be neatly tied and labeled both at wall plates by user desks and in the server room. Check before you write the check! Use business class switches, preferably managed switches. The current cabling standard is Cat6 with proper insulation. Patch cables should be high quality. Do not use existing cabling if you relocate without having it certified. Patch panels should not be reused. Check references, insurance and licenses of cable installers. Make sure they provide schematic of your cabling layout.

## 7. Lack of Sound Data Backup/Loss of Server or Site Strategy

### Are you Putting your Business at Risk?



- Using Tape Backups. Using a single external disk backup
- Backup jobs not monitored and verified. Assuming employee/IT provider is checking backup jobs regularly.
- Not backing up entire server/system state – can lead to hours/days of down time
- No strategy or “plan b” in event server goes down. How long will it be offline
- No disaster recovery strategy, no data backed up offsite, no test restores

### Strategy/Solution

Start by reviewing your existing strategy and identify weaknesses. Develop a DR strategy. Contact your IT provider or personnel and ask the above questions. Review and verify your backup sets today. Have your provider show you how. Make sure that someone is doing test restores regularly. Make sure you can answer the following questions: What is our process for updating backups when new programs are added? What is the policy for data retention? What is the policy for offsite backup? Explore integrated solutions that provide onsite and offsite backup plus some mechanism for stand-by server capabilities if a server goes down.



## 8. Not Providing Adequate Technology Training to Employees

### The Common Denominators in Many Companies:

- No documented workflow or standard operating procedure for key software
- Software is under utilized by more than 75%

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- No on-boarding program for training employees on software use/standards
- Inadequately trained employees cost the company money, have low morale and are less productive.
- Implementing line-of-business software without training on key features

## Strategy/Solution

Learn how to make the most of technology Investments. Training should be part of the culture. Have a plan and process for implementing software. Work with your IT partner to review your business automation processes and workflow. Identify inefficiencies and implement training and process to remove them. Utilize free training available online through Microsoft and line-of-business software companies. Survey your employees and find out where they need training. Incorporate technology training into quarterly expectations.

## 9. Not Having a Comprehensive Technology Roadmap

### Is Technology Viewed as a Necessary Evil?

- Smaller organizations often have ad-hoc technology approach
- Spend many dollars on wrong equipment/software
- Treat technology as a distasteful expense not an investment to improve process
- No technology planning, ROI analysis. Impulse or short-sighted purchases

## Strategy/Solution

Technology planning is a key to small business success today. It is imperative to align with an experienced IT partner that provides solutions planning and ROI analysis as part of the services. Spend the time to review needs, current problems to solve and goals desired. Plan purchases and budget for them. Understand the short and long term ROI (return on investment). Review what your competitors are doing. How much are they spending? What technology tools are they using? Look for a fixed fee, proactive provider that is a trusted advisor and provides business reviews and planning metrics.

## 10. Don't Get Stuck in Old Ways of Thinking about Technology

### Are you Living in the Past?

- Small businesses tend to think that their options are limited
- Afraid to make changes because don't know how to assess the implications/benefits of technology

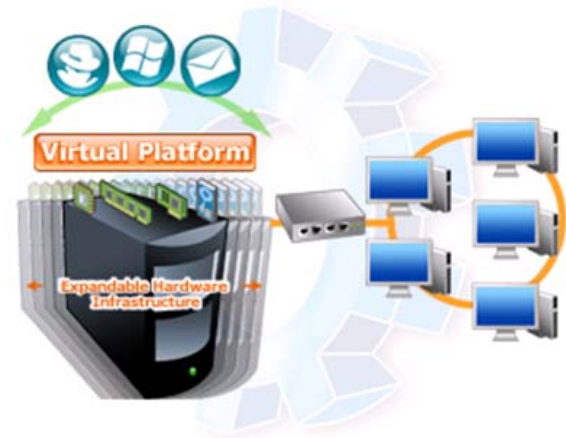
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- Lack of internal resources may mean not taking advantage of value/improper implementation.
- SMBs often assume that desired technologies will be expensive or are fearful of losing control.

## Strategy/Solution

Learn to embrace new technology as an educated consumer. Traditional client/server networks are being replaced by more efficient solutions that rely on technologies like virtualization to reduce hardware and management costs. Mobile solutions can reduce costs and increase productivity. Cloud computing and SAAS are very appealing for SMBs. Virtualization is now affordable, green and can provide significant saving over time. Work with a solutions provider who can evaluate these tools with you.



### About The Launch Pad

The Launch Pad shares technology insight through research studies, white papers, newsletter articles and most importantly feedback from our clients to help small businesses and organizations succeed with technology and on the web. Our team has been helping businesses and organizations develop and manage cost effective technology solutions aimed at growing small business since 1992 expanding our capabilities and services with the growth of the web to include managed hosting, website design and development and domain registration.

*Your pursue your vision... we'll manage the technology*

We encourage you to contact us for information about RevITup Business Care series, specialized technology services for small and mid-sized businesses. As a starting point, we can offer a no-cost technology assessment to help identify best solutions for your organization.

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