Back in Control

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Webinar White Paper

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Zen & the Art of Technology Management

Executive Summary

An Executive's Guide to Managing Business-Critical Technology

Business owners need to embrace new technology to improve business operations. While the right technology choices can facilitate business and improve staff productivity, wrong technology choices or misguided implementations can have the opposite effect. Owners who are not technology experts need to make better decisions about the technology that is ultimately supporting the success or failure of their business. This Executive Guide will help you evaluate the information technology operations of your business and gain control over its effectiveness. It gives you a 10-Point Reality Check to help you assess current technology infrastructure relative to your business operations. It then outlines a 5-Step Action Plan for gaining control over technology investments and ensuring they are in line with your business goals.

Introduction:

The Impact of Technology on Executive Business Control

There was a time, before information technology, when business owners had a unique perspective and complete understanding of their business. That time of sense and simplicity are long gone. Operations of the business that were once simple are now complex, and involve many different technologies which fall outside the expertise of most business owners. From the personal computer to the Internet and wireless devices, business owners have embraced a rapid influx of technologies into their corporate infrastructure. New technologies that quickly took hold landed front and center on the stage of business operations.

Today's corporation is only as successful as the technology infrastructure that is used to support it. Yet how does a business owner who has little technology expertise stay in control of a business that is now being run by technology? How can you evaluate the value of the technology systems that are driving your ultimate success or failure?

This Executive Guide will help you evaluate the information technology operations of your business and gain control over its effectiveness. It gives you a 10-Point Reality Check to help you assess current technology infrastructure relative to your business operations. It then outlines a 5-Step Action Plan for gaining control over technology investments and ensuring they are in line with your business goals.

The Problem: Too Much IT Spending with Too Little Control

Information technology changed the nature of business operations drastically. The advances came fast: PCs, LANs, WANs, Internet, email, VPNs, VoIP, wireless devices and more. With each new technology came great potential to reduce business operating cost, improve staff productivity and capture market share. Yet the complexity and cost involved in identifying, implementing and maintaining these solutions made it difficult to justify the expense.

Swept away by the technology frenzy, business owners lost track of where technology spending was taking their business. Worse yet, somewhere along the way, they lost control over managing it and could no longer determine whether it was helping the business.

The Solution: Evaluate your Situation and Regain Control

Warren Buffet once said, "In the business world, the rearview mirror is always clearer than the windshield." Likewise, it is easy to look back and see how business owners could lose control of their IT direction. The good news is this: by gathering the right information and making a plan for change, you can take back control, and realign your technology to support your business needs.

This is a two-part solution. First, you must answer some key questions to determine where your IT systems are working and where changes need to be made. The 10-Point Reality Check will identify where technology problems exist. Second, you must follow the 5-Step Action Plan for making changes that will get you back on track and prevent you from losing control of your technology direction in the future.

The suggested path is short and intense, and one that you must be willing to take in order to achieve any real results. But fear not: with the right resources and expertise, you can overcome most—if not all—IT shortcomings that are revealed here and make the changes necessary to achieve the near-perfect computing environment that you need for business success.

PART ONE: A 10-POINT REALITY CHECK

The questions posed below are designed to pinpoint key areas where information technology is critical to overall business health. If you are not sure of the answer to even one of these questions below, then you can assume that your technology is not supporting your business.

1: Are your IT solutions effectively supporting your business needs?

The IT systems used within your business should be sufficient to support both your employees and your customers—at all times. These systems should streamline and improve your business-critical functions like accounts payable, accounts receivable, sales, marketing, HR, customer service and others. Appropriate staff and outside resources required for managing and maintaining these systems should also be in place. If not, you cannot ensure that the systems required will meet business requirements and satisfy customer demand.

> " In this new wave of technology, you can't do it all yourself, you have to form alliances.

Carlos Slim Helu

2: Are your IT salaries in line with industry standards?

It is essential to pinpoint the overall value of each IT staff member to your business, and set realistic salaries based upon a thorough understanding of the current market value of the work they perform.

You may be putting your business at risk if you do not know how to set competitive salaries for your IT staff. Risks include hiring the wrong employee for a low wage who ends up costing your business in poor decisions and operational difficulties. Or, you could lose talented IT staff to higher paying jobs that offer more career advancement. Losing these valuable IT employees can cause business interruptions that impact bottom line initiatives.

3: Do you have a 5-year IT plan that supports corporate growth goals?

It's important that your IT systems are working for your business today. But it's doubly important to know how well this same system will work for your business five years from now. Will that new technology you invested in last week still be relevant? How do you know when to pull the plug on existing solutions and move to a different technology infrastructure? If you grow your business as you intend, will you outgrow your network or is it flexible enough to meet future demand?

A good IT plan should address hardware, software, service and personnel requirements and enable you to target IT spending strategically.

4: What is your data backup strategy, and when was it last put to the test?

When was the last time your IT manager took your backup media off site and tried restoring it on totally independent hardware in order to recover your system in the event of a loss or disaster?

While it's okay for IT staff to restore a file now and then from your local tape drive, it is not a replacement for testing the all-essential full off-site restore. Does your data backup and recovery strategy handle all critical situations? Does it include occasional file restore, full database restore and disaster recovery? This planning is critical for protecting your business assets from unrecoverable loss or disaster.

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5: Are you secure against IT threats such as viruses and theft—both internal and external—to your company?

There are many security threats to business data, from hackers and viruses, to employees who willfully steal, shift or destroy files and documents. How protected is your business? While simple firewall technology can protect your business data from outside intruders, how do you guard your business against the employee who willfully steals or destroys company data?

While you may be tempted to add layers of security within your organization, carefully measure the effects of the complexity it may bring, and how the overall workflow will be altered. The balance between easy access and strong control is critical to maintaining agile business operations.

6: Can you guarantee near 100% Internet uptime?

Internet loss and email problems stand at the top of the list of IT problems that can bring your business to standstill. As a business owner, it's essential to have the right technology investments to ensure highly available Internet and email access for employees and customers alike. Do you have Internet redundancy in place to reduce downtime? Do you have email backup? Do you have 24x7 monitoring in place to pinpoint problems before they impact connectivity?

7: Does your network support the needs of employees and customers?

As a networking infrastructure grows old, it becomes more complex and less reliable. And, unfortunately, most companies don't see these changes until some external event occurs that causes the network to slow down or stop working. You should expect that over time, and with rapid growth, your network will lose its sharp edge: speed and reliability will decrease and the investments you made in your network are compromised by de-graded performance resulting in lost time and lost revenue. You need to ensure your network response time keeps pace with demand, is reliable, supports peak usage times, and accommodates the need for future net-work growth.

8: How can you be sure your IT equipment and services are adding value?

When it comes to evaluating IT investments, you could look at invoices but that only tells you how much money you've spent. It doesn't reveal if the investment is delivering value to your business. You can examine IT expenditures from one year to the next, but that only reveals if spending

has increased or decreased, it doesn't tell you where you can scale back or where you need to invest more.

9: Do you have a data storage plan in place to satisfy search, retrieval and compliance requirements?

Emails, IM, documents, spreadsheets, and PowerPoint presentations are the very lifeblood of your business, yet managing the vast quantities of this information has become a daunting task. Keep too much information for too long and your IT systems become overburdened and response times slow. Purge too much information from your system too quickly and risk losing important information required for compliance and litigation. Data storage solutions are available to help business owners manage this task, and provide reliable solutions for ensuring business-critical information is highly available, easily accessible and secure.

10: Do you have full control over your IT operations?

Understanding the nuts and bolts of your IT investment and knowing how your staff uses it should be a priority. In order to keep your pulse on your IT investment and make good technology choices you must communicate with your employees. Ask the staff members using the systems how well the technology is working. Find out where shortcomings occur and move swiftly to make changes. Enlist the help of your IT staff to pinpoint areas that could be improved with additional technology funds versus areas where spending can be cut back. Form an alliance with a trusted IT resource: a technology professional who understands your business and who can help you evaluate business IT requirements—both current and future.

PART TWO: A 5-STEP ACTION PLAN FOR TAKING CONTROL

Once you've assessed your company in light of the questions above, you can better identify the key areas in your business where IT changes need to be made. The 5-Step Action Plan below is a valuable tool that you can use to make the recommended changes to take back control of your IT investments. Not only will you be able to evaluate IT expenditures relative to business productivity gains, you put yourself in a better position to make smarter IT investments in your company. You also have the potential to identify areas where IT spending can be reduced, thus opening up new opportunities to invest in other areas of your company.

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Step #1. Survey your users.

Send out a survey to your internal and external employees to find out if they are using the installed technology resources and if those systems are improving job efficiency. Send out a different survey to senior managers asking them to quantify the direct costs of technology in their department in relation to business gains of the business.

Step #2. Survey your IT professionals.

Ask your internal IT staff and external IT consultants to quantify how well your IT systems are meeting operational standards—and where deficiencies occur that could put your business at risk.

Step #3. Secure a neutral assessment.

Hire a local IT consultant with business experience to provide you with a "neutral" baseline assessment of your current IT infrastructure strengths and weaknesses.

Step #4. Analyze the results.

Perform a "GAP" analysis to determine how far your technology investment is from meeting standards required to support your business—so you can move forward with meaningful changes.

Step #5. Establish short- and long-term plans.

Have a 3-month, 1-year and 5-year business plan available for use in establishing IT budgets and making more strategic IT purchase decisions.

CONCLUSION

The complexity and abundance of information technology has changed the focus of business owners forever. While their commitment to the workings of their business are core, they must also face the challenge of understanding technology in order to know how well they are serving operations, or risk losing money on systems that do not produce measurable gains.

While it may be tempting to leave IT technology procurement and spending in the hands of IT staff and eager department managers caught up in the excitement of the technology lure, beware. IT employees, while valued advisors, are not business planners and do not have the integrated business knowledge or small business expertise essential for "owning" long-range technology investments.

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Warren Buffet

Mexican billionaire businessman Carlos Slim Helu once said, "In this new wave of technology, you can't do it all yourself, you have to form alliances." This is as true for the small business owner as it is for billionaire business-men. Positive ROI of technology for the business owner can never be fully realized so long as its control and implementation is being handled by IT staff alone. It is essential that the business owner, along with a valued IT expert, be involved to ensure that technology investments are supporting short and long-term business goals.

IT STARTS WITH A TECHNOLOGY ASSESSMENT

An independent review of your technology infrastructure by an experienced IT expert who has business expertise can yield highly valuable results. These outside assessments can help you better target IT investments, as well as pinpoint areas where spending can be reduced and savings can be achieved. These high-value business partners can provide an impartial assessment of your business technology needs, and make expert recommendations for improving it for today—and for future growth.

ABOUT THE AUTHOR

Ilene Rosoff is an IT expert who has more than 25 years of experience building and managing IT infrastructures for small business. She is the President and CEO of RevITup Enterprises, LLC, dba The Launch Pad, a Tampa-based managed IT services provider. Ilene has been recognized successively as Finalist for Tampa's Business Woman of the Year and listed in the MSP Mentor top 250 and CRNs Top 100 Women in the Channel. Ilene is a frequent speaker on a number of technology topics critical for businesses success. The Launch Pad has recently expanded its technology systems with the launch of the nation's first managed IT service franchise.

ABOUT THE LAUNCH PAD

Ranked in Inc. 5000 and Tampa, Florida Fast 50 in 2009 & 2010, The Launch Pad delivers premier managed IT support services and web services to small and medium-sized businesses and nonprofit organizations throughout the US. Through the RevITup™ Business Care Series, Launch Pad clients engage a complete, fixed-fee technology management partnership that includes 24/7 proactive network monitoring, management and remote support. The award-wining help desk and service team is complemented by a full suite of professional technology services. The goal is 100% reliable and worry-free IT so that our clients can focus on their core business. For more information, contact 1-888-920-3450 x 210 or visit The Launch Pad online at www.launchpadonline.com.