IT Business™

IT Business Brief

Is Your Firm Getting the Most Out of IT?
Part 3 of 3

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A note from the founders

In a recent article in the Harvard Business Review, Nicolas Carr made the argument that IT has become a commodity. He made the analogy between IT and electricity and inferred that companies should manage IT the same way that they manage electricity.

Carr's assertions have struck a nerve in large part because his assertions have some validity. For example, there is no doubt that a number of components of the IT infrastructure do indeed resemble a utility such as electricity; i.e., Switched 10 Mbps Ethernet Local Area Networks (LANs) and Frame Relay Wide Area Networks (WANs).

Many leaders of the IT industry leaders, such as Scott McNealy of Sun, have taken time to personally respond to Carr's assertions. This IT Business Brief, the third in the series, continues that discussion. In particular, this brief details what IT management needs to know about technology in order to ensure that IT is applying its scarce resources to those aspects of the business the return the most tangible value.

This is a critical discussion and one that we will return to in future IT Business Briefs.

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Is Your Firm Getting the Most Out of IT?

The purpose of this paper by SysDom Technologies is to look at, consider and provide awareness on the various business and management issues associated with the successful implementation of technology projects for the small to mid-size organisation.

In this last of three parts, we'll consider:

- What Directors/Managers Should/Ought/Must Know About Technology

- Revisiting Your System – A Never-ending Story

The figures quoted here are based upon trade press surveys and reports on companies operating in Europe. As always, your mileage may vary.

What Directors/Managers Should/Ought/Must Know About Technology

Previously in this series some of the issues surrounding training and particularly those problems associated with ensuring that revenue generating staff members attend those IT training sessions essential to their respective corporate functions, were addressed. However, and of significant consequence, according to the results of a survey conducted recently among those same revenue generating staff working in City firms, in excess of 40% of those responding said they felt the constant introduction of new technology into their lives had become an ever increasing factor in making their working day far more stressful.

Notwithstanding this factor, as the contemplation of working without computers is not a viable option in today's commercial environment, how should a business best address the issue of such training, given the dichotomy that confronts revenue generating staff, of coping with the enormous pressures to continually increase sales on one hand and coming to terms with an apparently irresistible tide of new technology on the other?

Perhaps a better strategy, instead of constantly struggling to try to keep pace with all of the new developments that a business may wish to incorporate, might be to become more selective about exactly which of such developments in Information Technology its staff members are trained to use. Consider, that rather than dissipating valuable and costly resources inducing revenue generating staff to use systems they either will never use or should not be using – a classic example being, is it really necessary that sales staff are taught to become expert users of a word-processing software package thus turning them into a firms most costly secretaries? The focus therefore should be upon ensuring that they are trained in and are able to master those applications from which they and in return the business, will really gain some tangible value.

The majority of revenue generating staff might consider email to be of primary importance to them but other equally valid aspirants could take account of graphical based software such as Visio or Power Point – particularly for those who make presentations to clients; the Excel spreadsheet – for accounts staff balancing and reconciling all manner of figures and/or related finance work; and for support and secretarial staff or basic web browsing and the use of a diary/to-do list an application, such as Microsoft Outlook. In fact as the latter also encompasses email, with that option you would be getting two for the price of one. Further nominees might include any client or workflow management systems a firm might utilise and for managers with an overall responsibility for client relations, a working, if not basic knowledge of the reporting aspects of the accounts application and also any Client Management system, must be considered as invaluable, if not essential.

The underlying question being, how far should any individual director/manager proceed in terms of his or her depth of understanding? Essentially, such an individual should

be sufficiently proficient that he or she be self-reliant with those systems on a day-to-day basis. This is of particular importance if within a firm it's managers or directors take files home to work on or use laptops on business trips and client visits. If the case, such personnel are likely to be away from the home office on a regular basis – at which time they will be deprived of the safety net of the firm's in-house IT staff or access to its supplier's support desk. It is essential that such staff build up their own comfort zone of IT competence in order that they are able to cope adequately when something goes wrong. And unfortunately, as quoted by an eminent IT guru, when it comes to dealing with computers, one thing you can always rely on is their unreliability.

One example might be the recalcitrant laptop, for as is all too often the case some laptops (the same goes for desktop computers for that matter) have an exasperating habit of intermittently "locking-up" for no apparent reason. Consider that one minute a firm's principal sales person is the middle of really impressing a potentially valuable prospective client with the company's ability to provide that "killer" solution or some other such particularly important subject or a key presentation, and the next minute he is clicking the mouse button in ever increasing desperation while the screen remains defiantly frozen. From the point of view of pure technology it is no big deal – in fact it happens to millions of people around the world everyday. But, to the sales person making the presentation, at that moment, it must feel as if it is the most embarrassing thing to have ever happened to him in his entire career. At least it would be if he were unfamiliar with the technology – because he hadn't achieved the comfort zone of competence and the knowledge that the simple solution is to reboot the laptop. (In fact that usually fixes most minor computer problems -according to our CTO.) This preceding example, amply justifying the contention, that a competent level of IT familiarity is not only required but is essential for all of a firm's staff.

In common with most forms of technology, oftentimes there are a few basic guidelines and practicalities that can be employed to get you
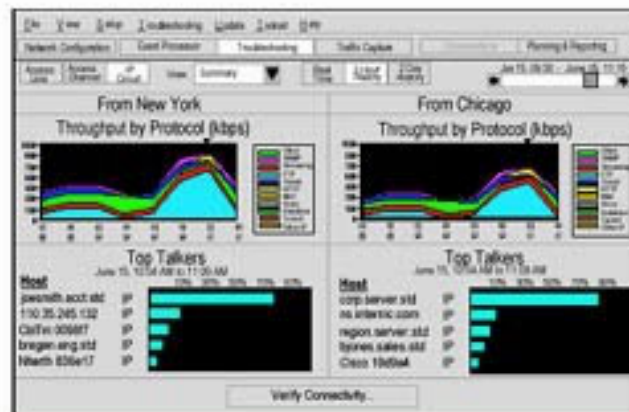
out of most hiccoughs. Typically, far too many people fail to save and back-up files often enough, accordingly when a system crashes it becomes a devastating setback as so much work in terms of both time and content has to be expended in the rebuilding of a system's data. However, by simply pinpointing such guidelines and practicalities associated with these items – the day-to-day fundamentals of how to operate a computer, including a familiarity with the hardware and the operating system, as well as the users most frequently depended upon software applications – that user can achieve a level of self-sufficiency and self-reliance that will make life much easier for him or her.

It will also contribute to making that user's life less stressful – if only because he or she has developed the confidence in their own ability to discern that they can recover the situation if indeed something does go wrong. So, disregard trying to learn everything. Simply encourage concentration upon those things a user really needs to know.

Revisiting Your System – A Never-Ending story

It has been previously detailed why those responsible for a firm's technology systems would be in error to consider their association with office automation and IT projects to be complete upon the agreement of

contractual terms with a supplier/consultant. As mentioned formerly, implementation is another vitally important area upon which a firm's directors/managers must keep their fingers firmly on the IT pulse, but even once a system is deployed, up and running smoothly their participation does not end there.

From the implementation of a system onwards, it is essential to have someone with a senior position within the business – ideally someone with whom the "buck does actually stop" and who has the authority to make the ultimate decisions, combined with an overall responsibility for the firm's technology portfolio. This, in order to ensure that not only do current systems continue to run smoothly, but also to be aware of future trends and advances within the IT world generally and how such trends and advances might relate to their firms specific's in particular.

Larger firms with extensive budgets have a distinct advantage in this area in that they have the economic resources to be able to retain highly experienced IT directors/managers. Unfortunately, in smaller firms this need for an ongoing commitment towards IT is frequently overlooked or else dismissed as being either inconsequential or unaffordable – the results of such a philosophy can and most often are disastrous.

Without doubt there are still firms that consider that IT is something that should be "done" every five years or so and then marginalised until once again, five years further down the road, it becomes necessary to embark upon the periodic "necessity" of upgrading their accounts and word-processing systems. Regretfully, as a result of the speed at which technology currently moves, such a perception can no longer be considered as representative of any form of viable IT option. For example in the last five years email has shifted from being a nice-to-have "executive plaything" to a must-have basic technology; Microsoft Word has replaced WordPerfect as the pre-eminent word-processing platform; there have been three major upgrades to the Windows operating system alone; Linux is now becoming a viable contender within the corporate networking arena; firms of all shapes and sizes are now increasingly being required to provide their clients with direct access, via extranet portals, to client specific progress information. Furthermore, in some particular instances, as a direct result of the legion of initiatives, directives and legislation emanating on a now virtually daily, if not weekly basis, by the combination of local, National and EEC governmental departments, firms being required to come to terms with an practically overwhelming increasing

level of e-bureaucracy matters at almost every turn.

Amongst SMEs, without the luxury of large corporate IT budgets, a most common underestimation is the placement of a comparatively inexperienced or subordinate person, such as an office manager, in total charge of their IT systems and then abandon them to get on with it, with only the most basic of recourse, if any at all, to the required levels of support or assistance, in the inevitable event of problems occurring which are beyond that incumbents knowledge or experience. The catch-22 of such a scenario is that not only are such members of an organisation unlikely to be able to offer any strategic advice on broader developments of a firms IT strategy – so a firm risks falling behind their competition – but they may also lack the technical proficiency necessary to ensure the system does not encounter any day-to-day problems.

As an example, IT suppliers and consultants are often called in on an emergency basis when a business has attempted to reconcile an end of month or end of year set of accounts only to have the system inform them that the disk upon which the data for the accounts system resides is 98 percent full. Simplistic as such an example may be and apologies are made in advance for any form of presumption in this regard, but what it seeks

to highlight is that someone has failed to realise that as more and more information is written to computer's storage systems, it will eventually deplete the available free space of that storage space. Consequently it becomes impossible to run programmes and maintain data properly, subsequently failing to provide those results and information upon which the business both relies and depends. A person possessed of the appropriate experience/training with and in IT skills would anticipate such a situation, monitor it on a regular basis and be cognisant of the need to provide an appropriate solution; whereas someone from a general administrative background, who has just had IT added to their brief, will not posses that ability. Thus, an every day IT condition could well become a major problem to the business concerned, which, if allowed to occur, will almost inevitably result in equally serious financial implications.

Similarly, for the reason that such people often lack any real influence within the firm, their best efforts and undoubtedly such efforts could be substantial, they will most probably be entirely ineffective when it comes to trying to get problems solved. As mentioned previously, many SMEs face an almost Herculean task in attempting to induce revenue generators in general – and directors in particular – to concentrate upon and take serious-

ly, the subject of IT training. By a firm delegating the accountability for these vitally important issues to a comparatively junior member of that firm there is extremely little chance of anyone within it paying attention to either their suggestions or recommendations.

Ultimately therefore, the message for firms, especially SMEs, has to be: **you cannot simply buy a new system and then forget about it.** There must be an ongoing and high level commitment within the firm's management structure and organisation, both to the day-to-day management of existing systems and to the longer term monitoring of developments in technology and strategic planning for future IT projects.

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