



Guidelines for IT Budgeting in 2009

As we move into 2009, it is time to take a look at our IT budgets and begin planning for the New Year. Two key IT challenges according to a majority of our customers are securing funds for IT investments and convincing business executives of the importance of IT. This poses a problem when it comes to IT budgeting. The good news however is technology allows you to do more with less, and we could all benefit from that this year.

Clearly every business has different IT challenges, needs, wants and preferences. With this being said, we have outlined some trends in technology, our recommendations and a few things that should be considered when budgeting for the 2009 calendar year:

SERVER VIRTUALIZATION: Every business software application in production typically requires one or more dedicated servers to run. Each of these servers must be purchased, installed, maintained, powered and cooled. By using software to *virtualize* these servers, installation and ongoing costs are reduced by more than 80% because many dedicated servers are able to run on one physical server. Not only do companies save up to 80% on the cost of power, but gain huge advantages in system fault tolerance, disaster recoverability and application availability.

DATA STORAGE CONSOLIDATION: Data storage has historically required major investments in capital and time to maintain. The maturing of electronic document management and email archiving is requiring huge increases in the size and complexity of these data stores. In addition, the sheer size of the data stores mean that conventional backup systems no longer have the time off hours to back everything up. Storage Area Networks are now required to meet this need. These systems provide the *centralized* ability to dynamically grow storage size at any time, withstand multiple system faults without failure and to "snapshot" system data for backup throughout the work day while the users are working. They can also be easily "replicated" to an offsite facility as part of the company IT Disaster strategy.

ELECTRONIC DOCUMENT CONTROL AND DISCOVERY: Being able to digitally index, control versions and maintain document retention policy of all data and email across the company network is quickly becoming a major requirement. The need is being driven by changes in Federal Rules of Civil Procedure and for the need to be able to organize and search through the increased amounts of digital data. Enterprise software applications are now being widely installed to archive email, index and scan all incoming mail, automate AP and payroll processes and to integrate with other existing information systems.

SECURITY: It is increasingly important to remain resolved and vigilant in maintaining the security and controlled access to company information systems. The success of the internet and the ability to inexpensively provide real time access to IT systems presents many challenges to IT security. The key is to continue to evolve and increasing the ability to monitor access to systems by using state of the art firewall appliances, content monitoring software as well as checks and balances to include managed services, remote network monitoring, security / vulnerability assessments. This also includes routine network maintenance to include: regular maintenance on Workstations and Servers, Regular patch maintenance on Operating Systems and Applications, Developing information security policies with strong authentication and Developing and testing your disaster recovery program

COLLABORATION: Real time collaboration is at the core of every team effort and team collaboration web sites are quickly becoming a requirement. They allow real time team discussion, posting of calendars and can be deployed quickly and efficiently. Microsoft SharePoint software integrates with the company network, data and email systems to securely deploy these dynamic web sites for internal and external business line application use.

INCREASED MOBILE ACCESS TO IT RESOURCES: Seven days a week, 24 hours a day access to all IT resources is driving the need for more effective mobile devices. New classes of remote computing devices that allow secure access to phone, email, internet and company data are becoming available. With the recent advent of the new Apple iPhone, these devices have taken a quantum leap in usability and will quickly become the new mobile standard. Computer laptops will continue to be popular for remote users, but many users will migrate to the smaller devices.



PURCHASING GUIDELINES: **Standardize on one brand of computer.** Buying from just one manufacturer like Dell, greatly decreases the total cost of ownership by allowing for more streamlined support, less inter-office computer envy and higher levels of reliability.

Standardize on one or two models of network printer. If you have only one model of black and white and one model of color printers in your office you only need toner for that one model. Also from an IT perspective its easier to maintain and give access to.

Upgrade your computers every 3 years. It may sound like a lot, but our experience shows that a 3 year refresh cycle on computers offers the best combination of performance and capability and reliability. The older the machine the more it costs to maintain.

Plan for 100%-150% growth in data storage needs. Whenever a server purchase is made, be sure to account for at least 100%-150% growth in data storage needs. The average small business fills the hard drives of a server before that server is ready for retirement. With the 100%-150% guideline you should be able to make it through the 3 year life of the server. If your budget doesn't allow for the purchase of all that disk space upfront then purchase a system with the ability to add more storage later without buying a whole new server.

Stay current on licensing. Software licensing usually costs as much as a server, but its usually neglected across the overall organization. Staying current with licensing as you grow your business will help keep you in legal compliance and help you absorb the costs at the appropriate time, not just when the Business Software Alliance calls to do an audit.

USE OUTSOURCED IT TO AUGMENT YOUR CURRENT IT STAFF (OR TO BE YOUR IT STAFF):

In an unsure economy, consider outsourcing part of your IT staff instead of hiring to replace that position. Don't be committed to high salaries and expensive staff costs, and bypass the risk of hiring more in-house personnel. Outsourcing to an IT expert or local IT firm can leave you more flexible, letting you focus on your core business, not on filling jobs in the IT department.

Outsource for additional expertise. Can your full time IT guy or even full time IT department offer you expansive technical expertise? How can one person, who works only on one network, possibly have the expertise that a team of professionals that manage many networks, with all their unique needs and technical intricacies offer? They simply can't. So keep your full time IT staff and bring in an outsourced IT provider to offer additional technical expertise for a large project, for a 3rd party technical audit, or simply to help you improve internal processes and offer industry best practices.

TRAFFIC OPTIMIZATION: Many enterprises use traffic optimization solutions in order to cut costs and relieve network congestion. Traffic optimization solutions remove repetitive traffic from your network and can provide dramatic application performance increases - typically by five to 50 times and in some cases up to 100 times faster - across the broad range of applications that enterprises care about the most.

Although creating an IT budget can be a daunting task it is something that needs to be done. When the proper time is spent companies can meet their challenges, needs, wants and preferences appropriately. This effort will result in increased revenue and increased productivity. For more information on how Data Net can help you implement and maintain a healthy network that provides valuable ROI, please contact Mandy Parent at 760-466-1200.

Happy Holidays from *Your friends at Data Net Solutions, Inc.*