

## Start-Ups In 2010: An IT Technology Roadmap To Success

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In this article I am giving my thoughts on how **start-ups** can place themselves firmly ahead of the competition by optimising their IT infrastructures...

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As we move swiftly into the New Year, it is clear that 2010 is going to have a unique set of challenges and opportunities for all new business start-ups. In difficult times, even with some signs of green shoots of recovery, **start-ups** have to think long and hard about every aspect of their business processes before signalling full steam ahead. Every single project and process has to show real **return on...**

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**...investment (ROI)** -absolutely essential when there is an overwhelming need to keep costs down and optimise efficiencies wherever possible.

The point about **IT** is often missed. If you don't use **IT** effectively it's a simple overhead that needs pruning. If it's used well it becomes the arteries that pipe healthy blood around the business. Good **IT** should be at the heart of a business, making it efficient and fast to react. The business intelligence should give the best **real time data** to the management so they can make the best informed decisions. Many companies do not like to clutter decision making with the facts, relying too much on opinion. When you do this, making decisions becomes a lottery. If you had to go on a long journey in a car would you do it without a petrol gauge and guess how much fuel was in the tank?

Once you commit to the road of having **IT embedded in your business strategy** you must also be prepared to keep investing for the long term. If the **IT** is good, your business will become dependent on it in the same way you are dependent on... continued on page two >

1 2 3 4 5 »

## Start-Ups In 2010: An IT Technology Roadmap To Success

< continued from page one

...having the best staff. This means making it a priority when it comes to budgeting and not a discretionary expenditure.

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### Don't keep your CIO in the dark

A challenge for many organisations is that they still see **IT** as a utility rather than a key part of the company that adds real value. It is still too often the case that at the monthly 'heads up' meeting where all the usual suspects are gathered - the MD, FD, CEO, CFO, COO, the head of sales, the marketing director and the other management teams - that no-one has...

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...invited the CIO or **IT Director**. Sometimes I feel that some businesses would prefer to re-title their CIO as CAD (control, alt, delete) because they feel the role is simply about fixing broken PC's.

Entrepreneurial companies have an opportunity to change that. It is important to look at all business investments holistically, so the CIO or equivalent must be included right from the outset.

### Use social media

**Social media** has become more than just a buzz phrase for both business and personal communications over recent years - and will undoubtedly gain even wider appreciation throughout the next decade. Go-ahead companies have an excellent opportunity to make the most of the new and emerging communications channels helping improve customer relations, develop networking opportunities for new business, and strengthen relationships with suppliers and business partners.

**Social media** strategies must be clearly defined and deployed to ensure that all activities are beneficial for a company. **Start-ups** have great flexibility of action as they can set their strategic goals at a very early stage of development, and refine these as they grow, but established companies can and should embrace new ideas as well. Taking our organisation as an example, **social media** has proven... continued on page three >

## Start-Ups In 2010: An IT Technology Roadmap To Success

< continued from page two

...its effectiveness in helping to reach out to customers and build relationships. Our customers can now develop direct individual relationships with our engineers through online communities such as LinkedIn.

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### Network maintenance is a necessity

Never underestimate the importance of keeping the **IT network infrastructures** up and running. If the **IT network** fails even partially, the applications for all people that run across it stops, where as a faulty PC only effects one person. Cutting **IT maintenance costs** across the board can put an entire business out of operation. IDC's recent recommendation that companies should...

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...drive down **networking costs** in an effort to 'claw back money' for diminishing **IT budgets** needs to be considered in some depth. I believe this is a folly and is aimed at easy targets, not the right ones. Don't settle for break fix maintenance but instead demand service restoration and co availability contracts. Basic (and usually cheap) break fix contracts normally work out as wasted money because the service expected simply can't be provided for the price charged. New generation support contracts wrap restoration of service into a wider offering including inventory management, monitoring, configuration control and software updates, failure and trend monitoring whilst also making available skills for design, implementation and change control. In short, getting the best out of the **IT investment**.

In fact, over the last five years, maintenance costs have already been squeezed by up to 75%! Unfortunately this only strengthens the idea that **IT networks** are a commodity. **IT infrastructures** are generally very resilient, giving a perception they don't fail. The reality is they do fail and with modern businesses now relying on them the repercussions of failure are very costly. The problem is that there is a disconnection between those in... continued on page four >

## Start-Ups In 2010: An IT Technology Roadmap To Success

< continued from page three

...charge of the business strategy and those in charge of the business operations. The strategy looks at **IT's ROI** to the business as a whole but operations aren't kept in the loop so see any interruption to **IT** or the network in isolation. From the research Networks First has done we know that the vast majority of companies don't have a mechanism to measure the cost of downtime in a holistic manner.

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### Challenge the concept of **IT network and data management**

Companies should be wary of signing any agreements without understanding precisely what they...



...will get in return. One of the most poorly recorded pieces of information is the impact, financially and reputationally, of lost production as a result of network failure. Some companies simply believe that it is the luck of the draw and happens to every business - that isn't and need not necessarily be the case!

In line with this, organisations are beginning to move away from the typical approach of maintenance based on response times, instead giving greater emphasis to system availability. Contracts have begun to focus on service level agreement elements specifying levels of network uptime, and identifying the costs incurred when key business processes are unable to function. Response times are clearly important and should not be forgotten, but they don't indicate the actual length of time required to fix the fault.

Remote management is also becoming increasingly sophisticated to support the move away from the traditional 'break fix' model. Newer technologies that regularly report back on various elements within the network are enabling preventative maintenance, with prediction and resolution of potential faults before they occur.

### Deliver customer benefits

Any investment in **IT** has to prove its worth. By linking infrastructure maintenance with network... continued on page five >

## Start-Ups In 2010: An IT Technology Roadmap To Success

< continued from page four

...availability, it is possible to identify a clear **ROI for IT projects**. With improved planning for end of life products, and guarantees that the systems...

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...will always be running at the levels defined in the service level agreements, so organisations can plan effectively for current and future operations. Those companies that get it right will be surprised at the overall level of savings that they will be able to realise.

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