

FINDING IT SAVINGS



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Businesses are always looking to make the most out of their budgets. Information technology (IT) is one area where you can enjoy enterprise-level service without paying huge amounts. This eBook outlines several key areas for you to find those IT savings.



Business budgeting is never easy. You try to project what you will need and where, while also predicting a variety of different trends. Forecasting IT needs can feel risky at the best of times and recent events have made budgeting even more challenging yet knowing where to find IT savings is always beneficial.

Despite rapid digital transformation, many businesses cannot afford to increase IT budgets: revenue may be contracting, or there may be other costly items for which the business has to keep funds available for, or there isn't C-suite buy-in for investing more in the IT budget when other areas also need attention. Whatever the reason, IT departments gain after adjusting budgets to make new savings.

This eBook explores the top areas where IT teams can identify savings. Showing fiscal responsibility is always going to endear your department to top leaders, plus, the savings made can help you respond to any crisis that might come along or enable you to recover faster.



Taking a Hard Look at IT Budgets

Finding IT savings starts with the careful examination of where money is currently spent. Something that made financial sense when you signed up may not still be necessary today. You will need to review the following areas:

- technology requirements right now.
- hardware use.
- software needs.
- provider partnerships.
- support services.

You may find there are areas that don't merit the same spending as in the past. Then, you can adjust your budget to meet more important objectives. The next sections discuss each of the listed areas in greater detail.



Technology Requirements Right Now

Something that was the right solution before, may not be what you need now. You might be considering upgrading older desktop computers in your work environment. In today's "work from home" environment this may have changed from desktop computers to laptops. So, confirm that these requirements are still relevant and adjust as necessary.

Gartner expects spending on subscription products and cloud services to grow into 2021. The analysts project cloud conferencing will increase by 46.7%. Infrastructure as a Service (IaaS) is projected to grow by 13.7% this year and by 27.6% in 2021.



At the same time, in July 2020 Forrester predicted declining IT spend in the U.S., the European Union, Australia and India. Analysts expected three modes for companies: survival, adaptation or growth. The companies in survival mode were projected to cut their tech budgets by 30% or more. Those in adaptive mode will cut IT budgets by 10–20% and even the companies in growth mode will be looking to economise.

Every business is going to need to take stock. Blindly embracing the digital transformation trend is not the answer.



Hardware Use

If you are looking at upgrading onsite servers, you could decrease the IT budget by migrating to the cloud for a fraction of the cost. You will then avoid the cost of buying hardware, plus, you will save on the cost of maintaining and monitoring that technology – not to mention the savings on utility bills (as you would not be paying to power or cool the hardware).

Maximising hardware use can also make a difference. The days of each application having its own dedicated server is gone. It is now increasingly common to virtualize servers so that several applications or operating systems can share the hardware. This saves you money. You might also explore whether you are buying more expensive hardware than needed.



Software Needs

There are many questions to consider when reviewing your software spending:

- How many different software options are you using?
- Is there any overlap?
- Are you paying hefty fees for software that is not being used much?
- Are there any free alternatives to the software?
- Could you cancel one software package in favour of upgrading another one that more of your people already use?
- Do you have more software licenses than users?



Even standardising the software versions your business runs can save money. Having only one version installed simplifies the IT team's support workload, and makes it easier for users to help each other, both of which, in turn, can reduce expenditure.

Depending on your business and your needs, open-source software (OSS) may be another option for you. You do not have to worry about the initial licensing fees or annual subscription costs. Additionally, you can make modifications to open-source software to personalise the application to your specific needs.



Provider Partnerships

Find some instant savings by looking to your providers. Some of the same providers you are already dealing with could have better deals for you, or more appropriate packages for your needs. It is good practice to check in with your providers to find out if there are any new packages that suit your needs better.

Regularly review the plan you are on with each provider. Sometimes your plan is too low or too large. You could be paying more than you would with a different plan or paying for more users than needed.

Audit your internet service provider (ISP), voice plan, off-site storage, and software solutions to find out if there are better offers or cheaper competitors. But keep in mind that cheaper is not always better!



You can also save money partnering with a proactive IT provider or managed services provider (MSP). These providers generally charged a fixed monthly fee, but this makes it easier to budget around, plus, you gain many benefits including:

- Experts are working to prevent downtime and looking to avoid costly budget blowouts.
- Your systems are monitored for issues.
- An outside perspective can help find savings.
- The MSP may have supplier partnerships that lead to cost savings for you.
- There is a single point of contact for all IT-related issues.



Their job is to make sure your IT is optimized for maximum availability. An expensive repair-focused service may not be able to respond quickly. With outsourced IT you pay a set, predictable fee for support to be always there, ready to respond when you need it. Even when there is a sudden spike in demand for help, this partner is more likely to be able to scale up rapidly.

Meanwhile, your existing IT staff can focus on other IT-related and business-generating tasks. You do not need to spend time and money recruiting, hiring, and training IT support workers.



CONCLUSION

Your IT budget may be remaining static; however, your costs need not remain fixed. Analysing the several areas identified in this eBook can help you identify IT savings. Reducing your personnel count is not the only way to free up funds for important technology. Avoid layoff angst by better managing the money available to you.

Achieve your business objectives with full IT support. We can help you see where you can adjust your hardware, software, services and suppliers. Contact us today for help finding your IT savings.





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