



**Executive Brief Series: Experiencing Better IT**

*Approaching IT Strategically to Deliver Better Business Oriented Results*



## Introduction

Technology as a framework is more important now than it ever has been. Consider that one hundred years ago technology was pushing the envelope by delivering a better “box”; technology has come a long way. While we still work to build better “boxes” technology has expanded and offers businesses the chance to enhance every area of their organization. Optimization in sales cycle, marketing, business process, logistics and management are all cutting edge because of IT.

Yet, as critical as technology and IT have become many small and medium business still struggle to make good decisions about their IT investments. SMB executives are shackled by twenty year old ideas about approaching IT initiatives, projects and services. Previously they would hand down simple directives regarding buying a computer for a new employee or buying a server for the new version of some application. These marching orders would be handed off to some IT guy or gal who would then sell them a box, install some applications and leave a card or note behind with a number to call in case it breaks.

The world of speeds and feeds was easy to understand and easier to manage. SMB executives could move on to the next critical business decision and be done with the IT headache. Today’s IT environment is much more complex and many owners and executives are afraid to admit that it is no longer possible for them to be center of a technology discussion. The truth is that many SMB executives have talked technology for so long that they have forgotten how to have business oriented discussions that revolve around technology. Tech talk at the executive level ultimately stagnates the delivery of IT services and compromises the business’ long term growth.

**This executive brief identifies some strategies that organizations and executives can use to approach IT delivery and IT services in a manner consistent with current trends and advancements in technology.**

### Three Keys to Business Oriented IT

- Ensure your conversations are business conversations
- Build a culture of embracing data driven change
- Stay focused on YOUR core competency

## I. Have a Business Conversation

SMB executives know their business. They understand the nuances of delivering their product or service and they have a keen eye on what challenges their business will face. Executives need to embrace what they know and partner at the business level with organizations and individuals who understand IT and how it affects business.

This means dusting off the business jargon and sitting down with your trusted IT partner and having a business conversation. Talk about the strategic plan of the company. Discuss how your organization delivers its service to its customers and discuss the challenges you and your executive team identify with providing the best level of service and products.

Choosing the right IT partner means that this person or team is able to sit down with you and discuss business concepts like service delivery, inventory logistics, cash management and more. The right IT person isn't who knows the fastest processor or is an expert at the latest operating system. The right IT person will embrace business discussions and will be willing to

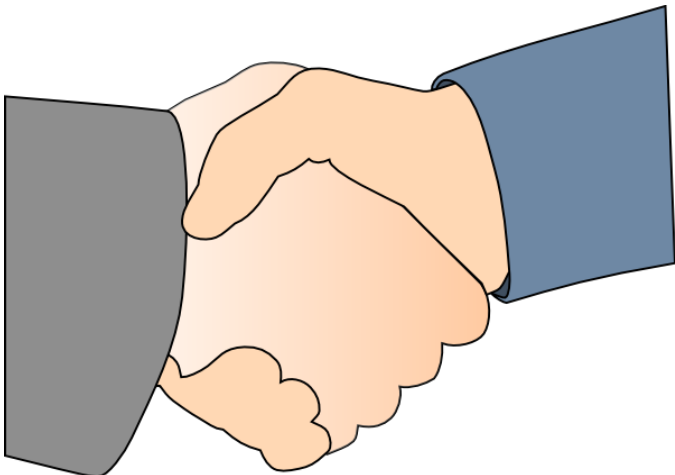
research and develop solutions that solve business challenges and be held accountable to business metrics.

Having a business conversation is a paradigm shift; IT is now conveyed the nature of your business and the future of your business. SMB executives are too busy and have too many facets of their business to worry about whether their internet connection is 30 Mbps download or 35 Mbps download. When you engage your IT professional in a strategic business discussion, the tactical details will naturally conform to the needs of the business.

For example, expecting growth in your revenue and production ramp up translates to certain IT strategies that your trusted partner should understand and be able to implement.

### **Smarter management through scope**

Remember that this is not about handing the reigns of IT delivery over to a third party, whether internal or outsourced, but about setting expectations around business operations, budget constraints and performance characteristics. These are all components that are natural business operators and are not weighed down with technical descriptions and weird sounding names. SMB executives have the experience and skill necessary to set expectations and constraints for their sales, support and delivery staff tied to business metrics; so should they be able to set these same business level metrics for their IT service and delivery.



### II. Embrace Data-Driven Change

Data driven change is the process of making sound business and process decisions based on all available data. Often times this can run counter to the tendency of gut reaction. A great example is rolling dice. A six sided die, numbered one through six, has a probability of one sixth for rolling each number. However, consider a game of chance where someone has rolled three consecutive sixes and they have the chance to wager what the next die roll will be. Often times there is a perceived significance on the six. Although the probability hasn't changed, the perceived probability is higher for the six. After all, the dice are on a streak.

Unfortunately this same philosophy is too often applied to IT decisions. Organizations will make snap decisions about what manufacturer to use, which service to fund or which technology to deploy without truly analyzing the data behind the decision. There is a competitive edge to gain by investing in and understanding the metrics and data behind IT services and utilizing that data in such a way that you are able to accurately invest in the right IT services. This approach to choosing your IT delivery can truly be revolutionary to your business.

If a set of IT professionals were polled and asked how often a client had said something like "Oh, we have to have Dell, because we are Dell shop." You would find a high percentage of them would have lost count only a few years into delivering IT services. Different manufacturers and different processes offer a myriad of ways for an organization to serve its IT needs. However, the propensity to back the last used horse is quite high.

Often a discussion SMB executives become involved in is which technology in the technology stack to use. Cost, performance and serviceability often play second fiddle to the subjective desire to be a certain type of shop.

Let your IT team work for you to develop the best solution that fits your given project. Cost, implementation time, resources utilized and performance are all acceptable constraints and parameters for a project. The right team is constantly analyzing the characteristics of many manufacturers within any given technology. IT delivery and IT strategy relies on SMB executives and organizations trusting in the analysis and expertise of its IT provider. Just as SMB executives have cultivated market knowledge, competitive understanding and invaluable experience in their industry, so too should your IT team be cultivating IT knowledge and experience. Any partnership where there is a lack of trust in the execution will inevitably have problems.

Approaching IT delivery from a standpoint of trust and utilizing data analysis allows SMBs to be more competitive in the same spirit as larger companies. In addition, using data driven change is a strong differentiator amongst competing companies and data driven change will lead to innovation within your industry.

### III. Focus on YOUR Core Competency

IT service companies focus on delivering IT services. It makes sense and serves as a basic business blueprint for being successful. Unfortunately too many SMB organizations try to focus on IT services in an attempt to eliminate cost and directly affect the bottom line. IT however is complicated and because it intertwines with all of the other departments, can be hard to truly assess where the economic and business impact is for a given IT service. Partnering with the right IT team means you can stay out of the IT service delivery business and instead focus on your core business and delivering it to your customers.

The availability of technology and the variety of technology ensures that anyone not focused on IT at the core is going to get frustrated with the decision process and bogged down in technical and tactical details. Strategic analysis and partnership will stop the flow of bad information and allow your organization to be more flexible as it leverages IT to enhance the business.

The right IT team can bring a wealth of knowledge and experience to your organization and should enhance your strategic approach to technology through a variety of ways.

- Development of a technology strategic plan is a major asset to assessing the growth trajectory and growth space of your organization. In addition this can positively impact budgeting, service, administration and other areas of your business.
- Developing a business relationship which keeps you in the driver seat on how the business

should be impacted by technology and how the business will evaluate the success or failure of the impact.

- Access to personnel for whom IT is their core competency ensures your solutions are taking advantage of current technology benefits and helps future proof the expandability and reuse of IT investments.
- Ability to identify additional areas where IT services can be delivered through enhanced means such as virtualization, cloud computing and co-location.

## Summary

The ability to commoditize and deliver IT as a service is mature and robust. However the opportunity to make a mistake has never been higher. SMBs have to develop and leverage strategic approaches to IT service delivery to remain relevant and compete with larger companies and their competitors. This strategic approach is forcing SMB executives to manage an IT delivery business relationship as opposed to a technical relationship.

### For a strategically aligned IT service suite, remember...

- Have business conversations with your IT partners
  - ❖ Set goals and expectations that align along business metrics and deliverables
  - ❖ Don't get bogged down in technical speeds and feeds
- Embrace data-driven change
  - ❖ IT solutions, like other areas of the business, can be evaluated through KPIs (Key Performance Metrics)
  - ❖ Focus on driving innovation through data backed decisions, leave gut decision making for things that your business doesn't depend on
- Focus on YOUR core competency
  - ❖ Let your IT team provide the how to for business challenges, force them to be solution oriented
  - ❖ Leverage your partners core competency in IT services to ensure innovative, scalable solutions

## About the Author

Jason Wilcox is the CIO at Chess, Inc. and the vCIO for a variety of small and medium business clients. Jason leads a team of IT personnel who provide a suite of tactical and strategic IT related services to Chess customers. Jason has spent years developing a better approach to IT service and one that Chess provides to its customers. Together with his team they are able identify core business aligned strategies for their clients and provide a suite of services to meet those needs. Jason has over 15 years in experience in providing design, engineering, operational and strategic services. His industry experience includes IT services, healthcare, legal, automotive, distribution and education.