

Are You Optimizing Your Technology Assets?

Companies have always found it hard to quantify the return on investment for a technology purchase decision. In the recent past, many companies did not even try. They just purchased software and hardware.

Rather than purchasing new software or hardware, could your company be getting better utilization out of the information technology on hand? Should you be monitoring the technology you have? Is there anything you can do now to save your company money?

Below are a few points a company might want to think about to assist with saving money while continuing to grow.

Perform an audit of your software.

Analyze who is using what software. There are a number of off-the-shelf tracking tools that can be used to assist with the analysis. Retire software if no one is using it. If a piece of software has limited use, see if it is still really needed or just being used because someone prefers it.

For example, at a recent client site most staff were using MS Word, a few were using WordPerfect. The owner was looking to cut cost. The reason both word processing packages were being used was no one had set a standard and the staff using WordPerfect had never been trained in MS Word. When the staff found out they could bring in "old" documents easily, share working documents and not dramatically change work habits, lower costs were suddenly realizable.

Review your licensing and maintenance agreements.

License and maintenance agreements get signed, placed in file cabinets and forgotten about until there is a problem. But organizations evolve and changes might be necessary to your agreements.

Three questions you might want to ask are:

- Are you paying maintenance for software you no longer have or software that no one is using?
- If you have downsized staff or changed a business process, have license agreements been adjusted according to the number of people using the software?
- Are you paying a license on software for a project that was cancelled?

Consider re-implementing software.

Periodically, a system was just implemented incorrectly, or decisions were made not to use certain features or functionality, or the software was over-customized, or a module that is owned was never implemented. By analyzing what the challenges are with the software, you may find out that the package you purchased really is the best fit. It just needs to be implemented differently and people need to be trained. Although you are paying the cost to re-implement, you are not paying for new software.

Last, in an effort to keep cost down during a software implementation effort, implement the software "as is" or out-of-box. By following this approach, the organization can become accustomed to the software and the new technology.

Review how manual processes are being performed.

Overtime software has become more sophisticated and many applications have new business process efficiencies built in. The challenge is many companies have not changed how they are doing business and attempt to make the "new" system conform to the "old" way the company was performing the task. Sometimes it is not possible to change how the process is being performed; other times it is.

Retrain your staff.

System implementations can fall behind schedule and many times the necessary training is crammed into a shortened timeframe or parts of the training are eliminated. The "we will perform the training later" approach is taken. The challenge is scheduling the training at a later point in time.

A related challenge is staff who assisted with and were training during the implementation of software, have moved on. They train their replacements, but the training is limited and the staff do not necessarily understand the impact or why they are performing certain tasks.

As a recap, think about your investment in technology, review your business processes and software, compare your needs and see how you might be able to better utilize your current investment.

