

ORGANIZATION & MANAGEMENT (/KEYWORDS/ORGANIZATION-MANAGEMENT)

## Sustain IT Budget Survival in Uncertain Times

Three tips for tackling the financial aftermath of COVID-19.



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In this era of social distancing, employers have transitioned many employees to work in the home environment. Some companies have implemented business continuity plans, and others have had to scramble to “make it work.” Either way, workers are utilizing technology tools more broadly than ever before. Video conferencing and collaboration tools, once reserved for elaborate conference rooms, are now at most workers’ fingertips. Most cloud providers are offering “freemium” or low-cost solutions that are easy to use and deploy, which has accelerated the transition faster than the traditional IT solution rollout. Consider this is the ‘new normal.’ It will be interesting to see what lies ahead as this crisis winds down.

There is a mad dash to get people set up with these remote tools and services, and in doing so, cost considerations have taken a back seat to quick, easy, proliferation. Companies are focusing on the immediate crisis and leaving the expense factors to deal with later. When the house is on fire, the immediate reaction is to call the fire department, and then grab the garden hose. When the smoke clears, the technology landscape will be significantly altered. No one knows how much all of this scrambling will cost, that remains to be seen. In the meantime, here are three tips for tackling the financial aftermath:

1. **Consider Cost Mitigation** - With teams being spread out geographically, it's important to determine if costs can be mitigated. Are some of the corporate locations unoccupied based on stay at home orders? There may be services that are completely unused during this crisis. Consider contacting vendors to see what they are willing to offer to ease costs. Communicating with vendors proactively is the best way to avoid expenses adding up. Payments for unused services may be delayed for some time. Many vendors are forgiving late payment fees, interest accrued and disconnection. Most vendors have been offering substantial options to help customers weather this storm financially. They don't want to lose business – or worse, be perceived as inflexible during this crisis.
2. **Assess the Damage** - Once companies get back to a more stable business as usual scenario, it will be time to assess the damage. It's important to track and identify what services are on your network and where they're assigned. There are so many moving parts to a company network today; internet bandwidth, voice/VoIP PSTN services, application licenses, and cloud providers, to name a few. It will be critical to itemize what services licenses were or currently are in use and what the cost is. Organizations may find that these charges far exceed the projected 2020 IT budgets. One of the interesting predicted outcomes of this crisis is that employers will consider keeping some productive team members working from home offices. Managers will need to determine if users still need "freemium" services, or if it makes sense to move to a more permanent license or solution. Network integrity, cost, and security play a large role in this decision. With employees working from a home office, it may not be necessary to equip this office with desktop phones and other on-premises solutions. By deploying VPN and cloud solutions, it may become evident that the WAN needs to be reviewed for efficiency and performance. Network infrastructure managers may need to assess if these changes dictate alterations to the configuration. When the dust settles, and you are able to take a snapshot of what your environment looks like, it will be easier to consider various options going forward.
3. **Analysis and Optimization** - Once costs are mitigated and damages assessed, the next step is to analyze and optimize. In a thriving economy, monies are budgeted for IT projects in growing businesses. However, just like the 2008 recession, many companies were able to fund necessary IT projects by auditing their existing technology expenses and economize. Those that will survive and thrive in the recovering economy will take advantage of opportunities to redesign and adjust their network infrastructure. Smart IT managers will evaluate their companies' networks and budgets. The result will be intelligent and lean optimizations that positively impact budgets. If employee teams continue working at home, managers need to consider how that changes the network. Among items to consider are whether the services previously needed are necessary, if expenses are being duplicated, and do these changes impact current vendor contract pricing. Additionally, there may be many areas that are impacted related to equipment, maintenance agreements, volume pricing, and wireline or wireless services.

## Conclusion

One can say for certain that our world has been forever changed. Focusing on the positive and attending to what can be controlled will allow us to successfully pivot when things return to a "new normal." Though what this "new normal" will be is still unknown, the ever-evolving financial impact is and will continue to be enormous. Those that have a financial recovery plan will most definitely be in a better position. Take advantage of the opportunity that this crisis is presenting – adjust your focus, adapt your environment, and conserve your cash. Until then, stay safe and stay healthy!



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