

WHY YOUR COMPANIES IT STRATEGY IS KEY TO BUSINESSES SUCCESS





For many small to mid-sized businesses, the IT team is there to fix things when they break, or add new things just as they're needed. Having IT as part of the strategic planning process isn't deemed necessary.

To an extent you can see why. By going the 'quick fix' route there's often less of an up-front investment to make in time and money. And you'll more or less get what you've asked for.

But there's also a cost. By keeping IT in the dark about your business strategy, you're also keeping them from setting up the best infrastructure and systems for what's planned ahead. And when those quick fixes become permanent fixtures, problems can creep in as a business begins to incur a 'technology debt'.

The term 'technology debt' was originally coined to describe a quick-fix approach to developing computer code that ignored the big picture, to the long-term detriment of a project. The more the quick fixes were left unchecked, the more difficult and expensive it would be to pull back, look at the big picture and re-do things properly.

As such, technology debt works in exactly the same manner when looking at an IT system in its entirety. Particularly when a business experiences growth. Daisy chaining network switches is a common example. A little like multiple double adaptors for electricity, each additional switch fixes a short-term growth problem, but also impacts the overall operational efficiency of the network.



4 TELLTALE SIGNS YOUR BUSINESS IS INCURRING TECHNOLOGY DEBT

Most businesses are oblivious to mounting technology debt as the problems associated with it don't suddenly appear, but creep up over time. So you need to look out for the telltale signs that those IT quick fixes are no longer fixing:

The more successful the business, the slower the systems seem to run.

You want to add new functionality, but are told by IT it's going to be a huge investment, take a long time or not be possible at all.

Your competitors are offering products and services you're unable to offer because of IT limitations.

Your team has become frustrated and unhappy about IT.

Ironically, even the monetary cost of all the quick fixes can make a patchwork IT more expensive than one that's thought out for the long term. Which means you're down on both cost and performance.

The process of developing an IT strategy plays an important role in helping you to scale up your business. It is absolutely critical to invest money and resources as needed to set up the right systems to grow your company. You need to set up proper systems for accounting, project management, customer communication, and more. Without robust, scalable infrastructure, your execution will falter and you'll end up with disgruntled customers and frustrated employees; in the long run you'll end up losing money.



3 SIMPLE STEPS TO DEVELOP A IT STRATEGIC PLAN

To get things working the way you want, the technology you should choose, how you should use it and the network platform you need is 100% dependant on your business plan.

1. UNDERSTAND THE OVERALL BUSINESS PLAN

To develop an IT strategy that aligns with the overall business plan you must first understand the business plan. It doesn't need to be complex you can start by listing out the goals set for each department in your business. From this point you can identify the technology which is needed to support these goals and document an overarching vision statement for IT.

2. DEFINE A IT STRATEGY AND STRATEGIC PLAN

To make sure your IT strategy and your Business strategy are on the same page, it would be beneficial to hold a strategic workshop to discuss and understand exactly what your business goals are and how today's technology can best be used to help you reach these goals. The IT strategic plan may set out to accomplish things like:

- **Enhancing your HR and Communication capability** - implement a unified system to manage your entire employee lifecycle, enabling you to cost-effectively manage your workforce.
- **Increasing sales and marketing functions** - implement a Customer Relationship management system to understand, engage and anticipate your clients' needs.
- **Effectively managing your finance and accounting** - implement a data platform designed to effectively manage and quickly analyse any type of data.

3. REVIEW AND REVISE THE PLAN REGULARLY

Business objectives can change and therefore it's necessary to review the plan at least on a quarterly basis. This will ensure the business and IT strategy stays on the same page.

Aligning Business and IT strategies is not an easy task, but it is essential to continued business progression, growth, prosperity and functionality.



We live in an increasingly technological world and technology can either give your business an edge or be its achilles heel. If your technology is moving faster and away from your business goals, you run the risk of losing what you stand for, in the same sentence if your business goals are not updated and communicated regularly you might be implementing, or not implementing crucial technologies that could help you progress.

HOW CAN LANREX HELP

It all starts with our [Lanrex 4 Stage Business Diagnostic](#), which uncovers where technology connects to your business strategy. Once clear on your business strategy and status we audit existing infrastructure against industry best practice. The next step is to develop a plan that is right for your business.

WANT TO KNOW HOW YOUR IT STACKS UP?

If you're wondering whether your current IT is helping or hurting your business strategy, have a chat to the team at Lanrex. As IT specialists for small to medium sized businesses, we're in an excellent position to help you understand where your capabilities sit in the competitive landscape. Best thing is, finding out won't cost you a cent. Find out more at www.lanrex.com.au.