

Today it is more important than ever for businesses to keep an eye on expenditure, whilst being mindful of the need to remain competitive and the implications of excessive cost cutting on future success, writes Robert May, managing director of IT solutions consultancy ramsac.

One area that typically accounts for a considerable proportion of the operating budget is IT and whilst maintaining the right level of investment is important, look hard

Relieving the budget

enough and you will find opportunities to reduce cost without compromising service.

Review your requirement for full time IT staff. How much does their salary and ongoing training cost and what return does it deliver? When they take holiday, are off sick, or leave the organisation what happens to the systems you rely on to

support your day to day business needs?

Also, look at your procurement needs. Understanding what hardware and software you need to invest in and when it is vital to minimise unnecessary expenditure. A word of warning! If an offer seems to good to be true, it probably is. Don't be enticed by bargain IT, as you don't want to get stuck with poor products, or get tied into long contracts, which initially appear attractive but prove extremely costly in the long term.

Outsourcing can be an ideal way to achieve the right balance. An IT outsourcing specialist can deliver services and support that often gives better value for money than an in house IT department. They can negotiate better deals with suppliers and you benefit from specialist skills that are often only the luxury of the larger enterprise.

Conducting an IT health check and making immediate, but sensible changes to the way IT is run is an ideal way to alleviate some budgetary pressure.