



WHAT EVERY **OFFICE ADMINISTRATOR** SHOULD KNOW ABOUT **IT MANAGEMENT, STRATEGY, AND LEADERSHIP**

*By Thomas H. Douglas*

**Every business is a technology company.** No matter your industry, vertical, area of expertise, location, or the age of the company, every business must have technology in place not only to operate but also to achieve success. Yet many businesses fail to see IT for what it is: a key success driver. This is because many business leaders simply do not know how to leverage IT effectively to drive strategy and outcomes.

As an office administrator, your job is particularly challenging. You have to balance managing the technology, people, and budgets, as well as working with the owners and/or partners of the organization. This guide will make it easier to manage all these moving parts.



# FINANCIAL MANAGEMENT



Budget management requirements for technology are constantly changing and becoming more challenging. Planning for the changes and balancing them against the expectation of owners can be tough. Successful organizations usually invest between 3% and 6% of the operating budget on technology. This includes hardware, software, licenses, labor/outourcing, internet, security, etc. It doesn't include traditional phone services, electricity, insurance, or any type of anomaly, whether positive, like expansion, or negative, such as expenses following a data breach.

# Budget Control

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One concept that we believe is fundamental in any SMB is budget control (a.k.a. CFO control). That means that the levers in the organization are aligned to enable the right people to control the budget; it doesn't control them. This is extra important with IT management.

Unfortunately, many businesses don't have this control in place. Many times, this happens when an organization simply doesn't realize the costs and controls related to technology expenses. They may have entered into a burdensome cloud plan or have mistakenly chosen to utilize hourly IT services rather than fixed-fee, long-term services. Often, an organization will make a big move to a cloud or hosted service with the belief that high CapEx (capital expenditures) costs will go away, only to find out that the OpEx (operating expenses) costs soar out of control. Other times, an organization will try to save money by only calling when there is an issue. But without proactive measures and fixed costs in place, this approach creates frustrating peaks and valleys both in cost and in user experience. Many cloud solutions are based on utilization, often referred to as a

"utility expense." The more you use, the more you pay. The problem comes when an organization doesn't realize what they can and should utilize in the cloud environment, resulting in unnecessary spending and higher costs.

One of the premier responsibilities of an office administrator is to ensure controls and cost management capabilities are in place. Doing this keeps costs at a manageable level. We have helped customers quickly exit a bad service partnership or cloud design because the costs turned out to be three or even six times what was anticipated, which can cost an organization tens or hundreds of thousands of dollars per year above what they should be paying. To mitigate this situation, a network assessment and/or cloud readiness assessment should be performed to ensure there are no surprises. In addition, a detailed evaluation of the agreement with the provider should be performed.

# TECHNOLOGY PLANNING

A JMARK best practice is to have a five-year technology plan in place for every client. This plan includes every component on the network: workstations, laptops, servers, network equipment, security, software licenses, renewal management, internet and communication, wide area network (WAN), warranty extensions, etc. The plan is broken up by quarter so that the organization knows exactly when a component will be pulled from the operations as of the day it goes into production. This, combined with clarity around expense versus amortization, allows stakeholders to know exactly what the budget requires to ensure there are no surprises.

Nothing is more frustrating than when an IT provider or department head springs a major expense (like a server) on a business without proper planning. For this reason, the plan should also include application upgrades, business expansions (like an upcoming new location or acquisition), and normal lifecycle management, as well as manufacturer end-of-life schedules. By aligning IT plans and lifecycle management with the responsible parties in IT, the office administrator can determine what to expense, what to depreciate, and what should be accounted for over a given period of time.



It's important to realize that the cost of IT actually increases when an organization tries to push a lifecycle schedule too far. Productivity decreases while problems and frustrations increase when you have an aged technology infrastructure. In the fourth year of operations, workstations begin to experience a higher problem rate, and by the fifth year, those problems begin to blossom into major challenges.

At JMARK, we call this aspect of IT management the “business of IT,” Specifically, the *business of IT* is knowing the cost schedule, best-in-class spending requirements, and other big-picture considerations, whereas the “operations of IT” consist of the day-to-day performance of an environment. Formally, we describe the two as follows:

## The Operations of IT

*This is the day-to-day delivery of IT services that ensures an organization can maximize its technology investment to enable people to maximize their productivity. This is accomplished through helpdesk services; security; server, network, and workstation management; backup and business continuity strategies; application and data management; patch management; firmware; and vendor update management.*

## The Business of IT


*This is the strategy employed to ensure the technology design meets the mission of the organization and aligns those outcomes with the budget and lifecycle management plans. Done properly, this should result in investments being appropriately made to ensure the organization is not put at risk through underspending, wasting of resources, or overspending. This involves aligning the right design, resources, and capabilities so the technology advances the organization toward its objectives.*



One of the challenges for an office administrator is that an increase in the budget can directly impact the owner's income. But as noted above, underspending will cost an organization more over time than spending appropriately. This is because underspending creates risk. In today's world of threats, it's no longer a matter of *if* there will be an issue; it's a matter of *when*. Underspending results in minor issues growing into large ones because the right solutions are not in place to fix or contain them while they're small.




# RISK MANAGEMENT



Another critical responsibility for the office administrator is to manage the risk of the business. Creating clarity and accountability around risk is more than mandatory as the IT environment normally houses the intellectual property, which we label as the “future of the business.” While accounts receivable is a historical record stored within the IT environment, the *future of the business* is stored in the documents, applications, plans, proposals, templates, patents, work products, and other IP data.

Every organization must manage risk. For some, this is medical malpractice; for others, professional liability. But for all, this includes IT risk and cyber liability. Risk management plans should include protections from ransomware, data loss, failures, natural disasters, fires, water damage, vendor failures, and any other disasters which could be likely in your industry or region. A good administrator will take responsibility for oversight and clarity in this arena.

# IT PEOPLE MANAGEMENT



The office administrator is often responsible for the people who manage IT. This daunting task can be quite rewarding. As an office administrator, you can mitigate people issues and risk management by focusing on outcomes when managing these resources.


A good admin should require that IT perform well in both the business and operations of IT, which can only occur by working with an IT delivery solution that operates at a high maturity level. Unfortunately, an “IT guy,” homegrown department, or small, immature partner will never have the capability to perform at a high maturity level. This is influenced by factors including market conditions, threat awareness, access to resources, access to subject matter experts, and having adequate time to mature the solutions and processes needed to consistently deliver the desired *outcomes*. In contrast, a mature partner works and guarantees outcomes, which is all that truly matters when it comes to IT (just like sales).

As part of good IT people (and oversight) management, a few key things need to be in place:

- **Business continuity management:** This should include the tracking of all security events, backup and restore activities, replication management, testing and verification management, and much more. These activities are the key to ensuring risk is properly monitored.
- **Tracking:** Every issue, change request, addition, and modification should be tracked. This includes tracking not just the issue itself but also the time taken to resolve the issue. Every minute of every day should be accounted for within IT.
- **Configuration management:** All components of IT should be accounted for in a configuration management system. This includes the necessary information to redeploy a device should the design of the component be lost. This is especially true for servers, network devices, firewalls, and database management.

- **CSAT (customer satisfaction) results:** As part of good IT management, users should have the ability to rate their support experience, using a consistent rating method with the ability for plain-text feedback.
- **SLA (service level agreements) management:** Service level agreements are a way to measure how well an IT support structure is achieving expectations. All IT issues should have measurable expectations to ensure IT is performing satisfactorily.





All of these items should be reviewed on at least a quarterly basis. By having a formal review process, the office administrator can ensure that IT is operating at a high level and can identify risk areas, frustrations, and any other trends that may require further attention.

If you would like to find out how JMARK makes all of this much easier so you can focus on your organization's financial performance, please [\*click here\*](#). We'd love to help!