

Reducing costs doesn't have to mean reducing capabilities. In fact, done intelligently, it can boost efficiency and productivity without sacrificing performance.

What if you could save money, have a more efficient IT system and even reduce your energy needs? And what if those changes could involve all gain and no pain? As companies struggle with a sluggish economy and belt-tightening becomes a way of life, savvy IT managers are recognizing that reducing IT costs can help save money and the planet. What's more, it can boost efficiency and productivity.

Here are four painless, but effective ways to reduce costs without sacrificing performance:

1. Back to Basics.

Most users need only a limited suite of applications, basic hardware and limited database access. Go beyond that and acquisition, maintenance and storage costs all add up - with no real gain. Give employees what they need but don't bother with features only hardcore users will understand and utilize.

Another great way to streamline operations and cut costs is to standardize hardware, applications, systems and processes. Also, consolidate where possible. Evaluate how many servers and storage systems you truly need. As you slim down and simplify, your organization will be more efficient and fewer people will be needed to implement updates, provide tech support and troubleshoot problems.

As an added bonus, you'll be better able to manage risk, including viruses and software vulnerabilities.

2. Weigh the Benefits of Innovation vs. The Cost of New Technology

Many organizations are hesitant to buy the newest, most-hyped hardware and software. "I'll wait for Service Pack 1" they say. But there are some new products out there that have truly meaningful value propositions. Automatically writing them off may be short-sighted. Many of the folks from the "I'll wait for the first Service Pack" camp have probably installed new products without the benefit of expert assistance.

If a product has the potential for a strong return on investment, then turn to an expert to assist with the installation. A qualified consulting organization will have already worked with the pre-production releases of new products and be both aware and prepared for challenges. Microsoft Partners, for instance, not only have knowledge and access to products before they are released, they also have the ability to tap into Microsoft directly for assistance.

Cost benefits that come from implementing the right system the right way could far outweigh any perceived cost savings you'd get by procrastinating.

3. Every Day is Earth Day.

Nothing sucks up power like IT systems. Whether you're cooling servers or watching entire office buildings aglow with monitors that have been left on overnight, the drain is extraordinary. While data centers are often blamed for energy consumption, a study by research company Gartner finds that individual PCs are actually worse.

PCs and monitors contribute 40% of total emissions while data centers stand at about 23%, according to Gartner. The lessons range from the simple - turn off computers and monitors at the end of the workday, to more complex. For example, computers can be programmed to automatically power down at a set time each day or when they have been idle for an extended period of time.

Although monitoring systems and physical changes, such as locating data centers where it's cooler, may cost more upfront; as energy prices rise, the long-term financial (and environmental) benefits could be substantial.

4. If you've got it, use it!

We have seen countless organizations implement and/or purchase systems only to have them end up as "credenza-ware". Other times, systems are implemented, but not all of the features are utilized. To us, this represents money wasted. If you've already made an investment in a technology, it makes the most sense to use every bit of it. For each of your installed systems, you should verify the following:

- a. Is it being maintained on a regular basis? - We've seen many system installations atrophy because of neglect. If you made the investment in something, then you should make sure it's being proactively monitored and managed. If you take care of your systems, your systems will take care of you.
- b. Is it meeting the original objectives? - Try to locate and read the original project charter to see why you even installed the product at all. If it's not doing what it's supposed to, fix it! If no project charter exists and no one knows what the original objectives were, you have more problems to fix than just your systems.
- c. Is there any other way to capitalize on the product? - Many products were installed to meet one requirement, but have the ability to meet others. Is there any way to get more out of what you've already got? If you don't know what you don't know, then perhaps you should call in an expert.
- d. Do you already own the updated version of the application, but have yet to install it? - If you've already spent the money on a new version (as is common with certain software license agreements), you should start planning to get that new version installed. If you don't have the man-power to tackle the project, then look for outside assistance. Not only will you be able to capitalize on an existing investment, but having an expert move you to new technology reduces the risk of it being installed incorrectly.

There you have it, four ways to be money smart. And unlike a diet, you didn't need to give up anything. All gain, no pain.