Understanding Your IT Infrastructure Needs

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The goal of this e-book is to guide you through the steps necessary to quickly assess your company's business objectives and application requirements to expertly source cost-effective, best-in-class IT infrastructure services that keep you ahead of the competition.

OUTLINE

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1 INTRODUCTION

The rapid pace of innovation and ease of scalability present today's businesses with historic levels of challenge and opportunity. To remain relevant to your customers and partners in the modern marketplace, companies must be agile and embrace change. IT groups are under pressure to keep pace with these constantly shifting business needs and deliver new technologies faster than ever before. The focus for many IT departments has moved to delivering overall strategy, innovation, and value to the business.

This e-book will enable IT buyers to quickly grasp the different components of their business and guide them through the process of procuring IT infrastructure services that best fit current and future business needs.

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2 THE PROCESS

These steps will help to expedite the sourcing process and ensure you end up with the right services to meet your business and technical requirements.

CONDUCTING ASSESSMENTS

The first step of understanding your IT infrastructure needs is to properly assess all areas in your business both in terms of where you are now, and where you plan to be in the next 1-5 years.

ANALYZE

After completing the assessments, use the data gathered to begin eliminating options and come up with potential technology solution(s) that will meet your business and technology needs.

EVALUATE/SOURCE OPTIONS

After determining your potential solution(s), you are ready to evaluate and source service provider options. This includes understanding all costs associated with each solution, vetting potential vendors, and negotiating the best price and contract terms.

DEPLOY/EXECUTE

Implementations are never perfect. It's critical to have a well-thought-out strategy and detailed plan to ensure the smoothest possible transition with the least number of pain points and business impacts.

3 BUSINESS ASSESSMENT

A business assessment of your company's initiatives, goals, and growth plans is a critical first step in the process.

What are the company-wide initiatives over the next 1-5 years?

Having a comprehensive view of your company's business initiatives is very important as the infrastructure you source needs to support the achievement of these goals. If your company is looking to improve its market position, it is likely your infrastructure will need to be updated and deployed accordingly.

What are the departmental goals?

The IT department needs to support other departments' goals, it's important to be aware of their initiatives and technology requirements. More than ever, the IT department should be a solution center for all other departments and help them to improve their business results. Make sure to set expectations upfront and be realistic with your own departmental goal setting.

Expanding into new markets or business segments?

If your company has plans for growth into new markets or business segments, you will need scalable, geo-capable, rapidly-deployable, infrastructure services. Consider what technology changes will need to happen to meet your business goals. Does this financially make sense for your company? Take into consideration any tax benefits of doing business in certain states or countries when deciding where to set up offices or deploy data center space. Network connectivity in certain areas of the world (and the US) can be very expensive, be aware of low benchmark pricing in that area before signing a long-term lease.

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Are there any acquisitions planned over the next 2-3 years?

When acquiring other companies, you can end up with legacy equipment, antiquated systems and ineffective IT services – do your due diligence when researching acquisition targets. Take their systems into consideration when purchasing new IT services to ensure you are using the most effective technology for each aspect of the business.

Will there be new products introduced over the next 2-3 years?

New products often lead to the need for an infrastructure upgrade. Make sure you work with all involved departments to fully understand their product roadmaps. This will help you to determine the best solutions to support their goals, at the most cost-effective prices to maximize added revenue.

What purchasing model is better for your company at this point in time—CapEx or OpEx?

Traditionally, technology investments were sourced capital expenses to take advantage of amortization and depreciation of those investments over time. There's a growing argument that operating expenses have distinct advantages over the traditional way of purchasing, especially when you take into consideration the rapid advances in technology, less predictable IT needs, and the pay-per-use model. Depending on the cycle of your company, the OpEx model may or may not make sense at this time. The bottom line is always the focal point of any company; weigh your options and do what makes sense for your company's financial focus.

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4 APPLICATION ASSESSMENT

During this phase you need to look at your current infrastructure, and applications to determine if there are gaps to address.

Are there reasons to move specific applications or data sets to the cloud?

Having the flexibility to provision on-demand can help to save money and increase time to market for particular applications and locations.

Who are your end users and what are their needs moving forward? Are you able to support any device, at any time?

It's important to stay ahead of the curve when it comes to meeting the needs of your end users. Competition is fierce, you don't want to lose market share to tech savvy competitors.

Is your current IT infrastructure able to support the growth pattern of your company?

If your company is growing at a steady pace, you need to plan accordingly. There are too many companies that get stuck in an overpriced, outdated solution that no longer fits their needs.

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Are you planning on a hardware refresh in the next 1-3 years?

The life-cycle of your equipment needs to be part or your TCO analysis when looking at what solution makes the most financial sense for your company.

Do you have any legacy applications that need to stay on hardware? Do you have any “bursty” applications?

Take into consideration what the most cost-effective platform is for each application. You could end up consuming a lot of resources trying to “force” applications into a solution that ultimately doesn’t work.

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5 INFRASTRUCTURE ASSESSMENT

Do you have any compliance concerns?

When engaging with 3rd-party vendors, use a risk analysis checklist so you fully understand what security controls they are responsible for, and which you are responsible for.

Do you have a tested disaster recovery plan in place?

You need to decide how important down time is to your company. It's one thing to say you have a disaster recovery plan and another to know that your plan works effectively when it's really needed.

How much of your infrastructure do you feel comfortable managing internally?

It's increasingly more expensive to hire top notch engineering or security resources needed for developing and implementing key strategies. Using managed services from a service provider is becoming a norm for companies of all sizes. Consider using a 3rd-party expert where it makes sense to get the most bang for your buck with your IT resources.

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Do you need all locations to talk to each other? How is each location getting access to the Internet?

Keep this in mind as you scale your network, solutions can get costly as your company grows or expands to new regions. Consider new technologies like SD-WAN as an alternative to traditional MPLS.

Do you plan on opening or acquiring offices in remote locations?

Do an initial discovery exercise to get an estimate of your connectivity costs before signing the lease for new office space. Your Internet solution can become very costly if construction is required, which could make that inexpensive building lease much less optimal.

How are you managing security and network firewalls? Are your applications latency dependent?

Consider the most effective design/delivery method for your network and security services. While you may normally purchase hardware, it may be more cost-efficient to let a vendor manage your network and security.

Do you know when your existing contracts expire and if they have an auto-renew clause?

It can be challenging to keep track of your contracts, especially as you grow, add new services and locations. The last thing you want to do is to get stuck in a contract for services that no longer meet your business needs.

6 EVALUATE/SOURCE OPTIONS

After completing your assessments, you are ready to evaluate and source the top options for your IT services in the geography where they are required. Below are basic considerations for your procurement process.

Are you knowledgeable of the low-price benchmarks for specific products/services in each geographic area?

Knowing the low-price benchmark for desired services and geographic locations will help you to develop a more realistic budget and plan.

What are all the factors that come into play when calculating the TCO for your solution?

The goal shouldn't be to get the cheapest solution, but rather the best solution for you at the lowest price. It's about making smart decisions based on your strategic goals, daily operational costs, direct and indirect costs – hardware, software, systems management, support and services.

Are you familiar with who the best vendors are in each market?

Knowing the "sweet spot" of each vendor makes the vetting process much easier and quicker, and ensures you are getting best-in-class services for each solution type. Everyone knows the 800 lb. gorilla in the space, but often it's the less known vendors that provide the best customer support and offer services using the latest technology which lead to higher optimization of your solution and lower prices.

Do you have the time and resources to negotiate for the best pricing and contract terms with each vendor?

Time is money. Know how to quickly get to a win/win solution for all parties when negotiating pricing, SLAs and contract terms.

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7 DEPLOY/EXECUTE

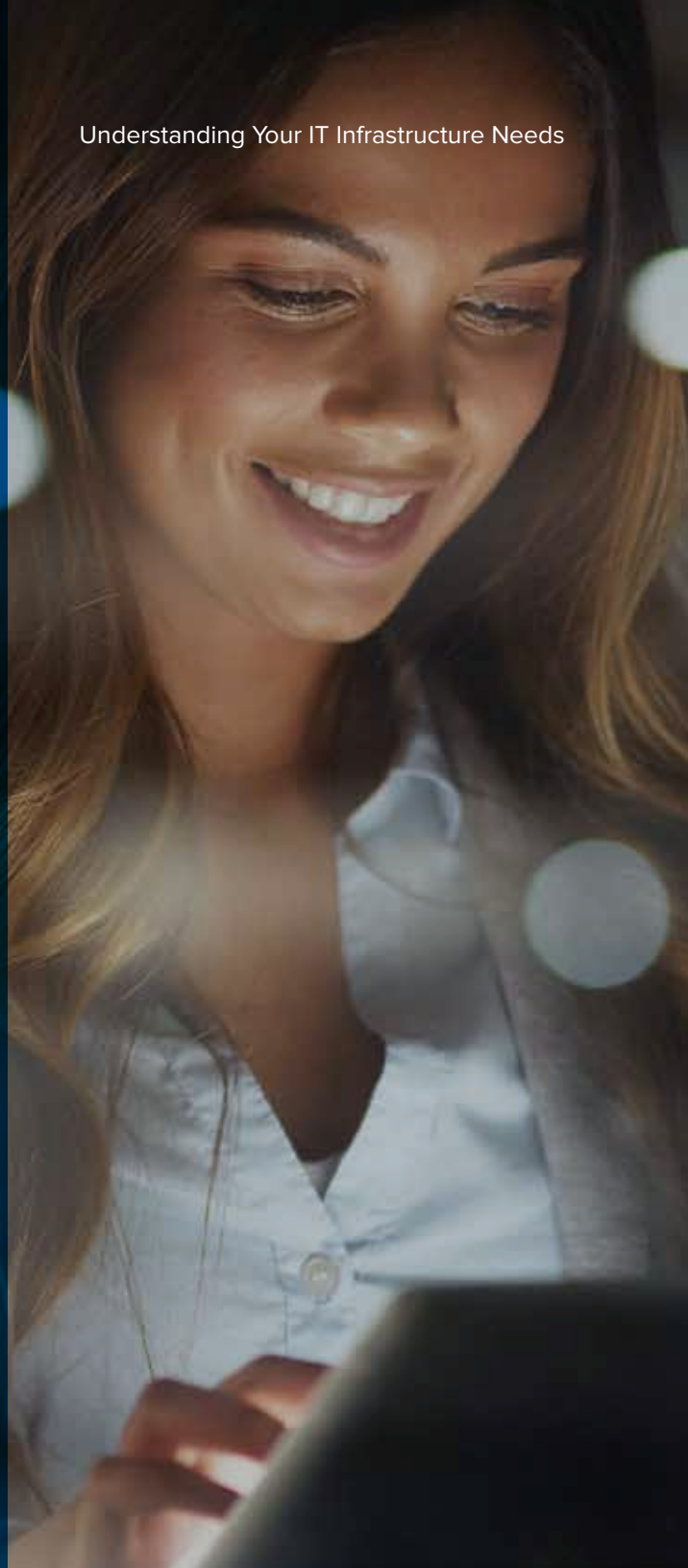
A well-thought-out plan of execution will ensure a smooth transition and reduce implementation headaches.

Here are a few considerations for your plan:

- Get buy-in from your team and other stakeholders and set realistic timelines
- Redline and execute selected vendor contracts
- Order needed hardware and/or software
- Coordinate a migration schedule with your vendors and internal team
- Test and test again

5 important steps for successfully implementing a new technology:

1. **Set SMART goals**
   Determine the most critical steps, what action to take during each step, the rationale for each step and a method for determining that the step has been successfully implemented.
2. **Establish milestones and deploy in phases**
   The successful completion of each stage represents a milestone. Deploying in stages can ease the transition, and allow you to tweak issues on a small scale.



3. Train employees on the new technology

If your employees don't understand how to use the technology in a manner that benefits them, this will derail the success of deployment. Prepare them for any challenges and focus the training on how it will benefit them.

4. Provide ongoing support

Nothing is unbreakable – talk about new challenges, troubleshooting tactics, and additional training needed.

5. Be willing to bring in a technology partner if needed

No matter how well you plan the implementation of a new technology you may need to bring in a trusted partner to help. There are times it makes sense to utilize an outside expert to help with planning, or training. Do your research ahead of time.

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8 DRIVERS OF COMPLEXITY

The more complex your infrastructure, the more time and resources you will need to invest to thoroughly vet the marketplace and ensure you are getting the right solution at the best price and with the lowest amount of risk.

Number of locations and vendors

The more locations you have, the more likely it is that you need to manage multiple vendors and services. Managing your infrastructure spend, performance, and contracts for these services is time consuming. As your company grows, frequently, your IT staff doesn't always reflect that growth. Also, it's challenging to keep up on low-price benchmarks for all services, in each geographic region/location.

International Sites

If your company has international locations, IT infrastructure sourcing becomes far more complicated. Knowledge of local tax laws, business practices, and the best vendors in that market is critical. Particularly since it is likely you will not have local IT support personnel.

Number of applications that need to be supported

As your applications grow, the solutions needed to support them get more complex. You may need hybrid/customized solutions to effectively manage all your systems and applications. In some scenarios a managed service offering may speed deployment or address resource constraints.

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Compliance requirements

The amount of data you need to manage keeps growing, compliance regulations are constantly changing or being updated, and cyberthreats are always evolving. You need to know if your data and systems are secure, what your vendors are doing to prevent breaches, and where their responsibility ends and yours begins. Make sure you are using the right tools and vendors to manage your compliance requirements.

Application resilience and performance

It's important to evaluate the financial impact and risk of reputation damage for application downtime. Set an appropriate recovery time objective (RTO) for each application. Then determine the best service delivery method as well as the cost for each.

Customer contractual obligations

Most MSAs and SLAs are written to the advantage of the service provider. It's important to know what to look out for when redlining contracts. The more vendors you work with the more daunting this task can be.

9 WHY USE AN IT SERVICES BROKER

As an IT executive, it's your responsibility fully understand your company's initiatives, budget, current, and future infrastructure needs to make smart buying decisions. Many organizations are building their business process around the capabilities of a technology platform which needs to be flexible, cost-conscious, and ever-evolving. The worst thing you could do is to get trapped into a multi-year contract for an expensive solution that doesn't meet the needs of your company after a few months.

Outsourcing IT infrastructure is a complex process – using an IT services broker to source, negotiate, and manage services saves you valuable time and money. A broker works as your advocate to get better results, vendors, and service solutions that meet your company's business and technical needs.

10 INFRASTRUCTURE QUIZ

Answer the following infrastructure questions:

1. Number of locations
a. 1
b. 2-5
c. 6-10
d. 10+

2. Number of service providers
a. 1
b. 2-5
c. 6-10
d. 10+

3. Number of international locations
a. 0
b. 1-2
c. 3-10
d. 10+

4. Number of applications supported
a. 1-5
b. 6-10
c. 11 -20
d. 20+

5. Compliance requirements
a. None
b. SSAE18/SOC2/ISO 27001
c. PCI/HIPAA
d. FedRamp/FISMA
e. GDPR/CCPA

6. Total monthly spend for Infrastructure services (all locations)
a. $0-$4,999
b. $5,000 -$24,999
c. $25,000 - $99,999
d. $100,000 +

Calculate Assessment Total

a = 0 points
b = 1 point
c = 2 points
d = 3 points

0 - 2 points
Fairly simple IT infrastructure

3 - 6 points
Multiple sites, vendors, and applications - a broker can assist

7 - 12 points
Complex infrastructure requirements - broker assistance will be helpful to drive results

13 + points
Global and/or nationwide deployments with complicated application and compliance requirements – a knowledgeable broker should be a part of your procurement strategy

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EXPERIENCE THE DIFFERENCE. WORK WITH AN ADVOCATE.

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