

Information Technology

Fads Aren't Fab

Like other industries, and society in general, the Information Technology industry has seen its share of fads. Technology fads, management fads – companies spend money, don't see immediate results, and resolve never to chase a fad – until the next fad.

In these columns, I've focused on the important things (I call them "eternal truths") and stayed away from technology fads. It probably makes for less interesting columns, but I hope more valuable to you.

An "eternal truth" that I've often touched on explicitly or implicitly is the concept of "the total cost of computing". The principle is simple: what are the total costs of your information technology – hardware, software, support, services, training? What's the cost impact of downtime, when people aren't productive because of a failure or because they're trying to get something to work (often called "playing with the computer")? Try to estimate all these costs.

Next, look at the "total benefits of computing". This may be difficult to quantify, but a rough estimate is OK. What's important is the cost/benefit ratio. How does this ratio compare to other investments you make? If it's lower, you may be spending too much money, experiencing too much lost productivity, or not getting enough benefits.

In most organizations, the answers to the questions above will vary by functional area. Are there areas where the return on the information technology investment is low? If so, why? Are there business processes that are inadequately supported by technology? Are tools inadequate, or have people not been trained to use the tools? Perhaps the tools require drastic changes to business processes. (This doomed a number of ambitious ERP (Enterprise Resource Planning) projects over the last few years.)

Even a quick-and-dirty analysis may uncover areas where the total cost of computing is too high and/or areas that are underserved. Try it. The results may surprise you.

This column by Denis Williamson of MacLamor Computer Consulting aims to help readers maximize the value of information technology. You can reach Denis at 845-357-1877 or denis@maclamor.com