

GRAB OPPORTUNITY

Organizations with forward-looking strategies that align their technology with their business objectives are going to win in the next economy and take market share from their competitors.



It's time to move forward. Even if you were successful before the recession, the answer to your future success is not back there.

The direction business and technology leaders need to look today is into the future. The next economy can be a land grab of market share for those who grab opportunities while their competitors are flipping through the business channels waiting to hear someone tell them the recession is finally over.

THE YELLOW FLAG IS DOWN

Saving money and cutting costs have been the priorities of most organizations for at least the past six months. IT budgets have been cut back, IT staffs have been laid off, and technology projects have been put on hold.

Alert IT leaders have used the recession like a yellow flag in a race to make sure their IT infrastructures were performing as efficiently as possible while the economy forced businesses to circle the track and stay in position. They also knew periods of disruption presented

opportunities for companies to leapfrog larger competitors who may be slower to respond to changes in their markets.

Now IT directors are ready to accelerate. But they know this is not a time to return to "business as usual."

Logicalis President and CEO, Terry Flood, says the customers he is talking to want help developing a revised high-level strategy, they can use to guide their decisions as they steer their organizations toward growth.

The points on the compass to orient a company for growth, Flood says, are customer service and customer improvement. Those organizations that align the entire organization—including IT—with these objectives will leverage growth in their markets by taking market share away from their competition.

GET READY TO GROW

This article is the first in a series of features that take a best practices approach to developing and implementing a successful growth strategy. The series consists of four parts:



Grab Opportunity looks at developing a growth strategy that can be implemented incrementally.



Reach Out looks at technologies that help organizations connect with new customers and engage more closely with existing customers and partners.



Optimize Operations looks at virtualization, automation, and related IT infrastructure technologies.



Win More brings all of the technologies together and shows how organizations can process and perpetuate new business.

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“If you ask a CIO what his job is today,” Flood says, “he’ll tell you it’s to serve the customers of his business better. That’s the new starting point.”

An emphasis on customer service and gaining market share represents an increasingly business-driven role for IT leaders and requires them to more closely align their priorities with the business objectives of their organizations. For many, this means re-evaluating existing IT strategies.

ZERO-BASE PLANNING

Every IT department has ongoing projects with an assortment of pending projects that are being pushed forward by varying degrees of demand.

Logicalis Senior Vice President, Eric Linxweiler, recommends that organizations resist the temptation to start from where they left off now that the economy is improving.

“I would re-evaluate the charter of any project that has been outstanding for more than six months,” Linxweiler says.

“If a project has **been around for awhile**, you may no longer have the same need anymore, or there may be a **better way** to meet it.”

Successfully re-engineering an IT strategy for the future requires a best practices approach that begins with assembling business and technology stakeholders to formulate a comprehensive strategy that establishes clearly defined objectives, evaluates all existing and pending projects, and integrates and aligns them in a coherent process that can proceed incrementally as budgets and resources allow.

A clearly articulated strategy that has buy-in from the appropriate stakeholders ensures that each successive step, however rapidly taken, proceeds in the right direction. Toward that end, Logicalis offers a set of Jump-Start programs in a variety of technology areas that help organizations establish where they are and what they need to do to get to where they want to go. (See “Jump-Starts” for a list of technology areas.)



One step that has been winning approval from hypercritical CFOs is upgrades to the IT infrastructure that show a clear ROI from savings and increased efficiencies. For example, data center optimization, virtualization, application integration, and network infrastructure upgrades all can be justified on the basis of saving money. The same technologies also enhance an organization's ability to respond to changing economic and business climates.

"Virtualization isn't just about consolidation," says Logicalis Virtualization Practice Manager, Jeff Nessen. "It's a foundation for rearchitecting the way you use computing. It saves you money, but it can also help you respond to change, deploy new applications, increase revenue streams, and bring more things that contribute to the company's bottom line online faster."

The time to consider what you need, Linxweiler notes, is before you need it.

"Once you start to grow, you know you will need more storage, so you should be thinking about a **multi-tier archiving strategy**. If you're going to deploy data and applications over the wire, you need to be sure your **network infrastructure** is up to the task."

Forward-looking organizations have been getting their houses in order. For example, Logicalis helped a hospital system upgrade its networking infrastructure in anticipation of implementing a new Electronic Patient Record system. Logicalis also worked with a manufacturer that needed a wireless infrastructure in its plants to increase

JUMP-STARTS

To help organizations get started right with key technology initiatives, Logicalis offers a set of Jump-start programs that evaluate your current situation and help you develop a long-term strategy that you can implement incrementally.

Technology areas included are:

- Application Performance Analysis
- Cloud Computing-Network Readiness
- Unified Computing Design and Implementation
- Master Data Management
- Data Center Assessment
- Disaster Recovery Readiness
- Electronic Health Records
- SharePoint Server
- Multisite Deployments
- Network Strategy
- Wireless Deployment

New Jump-Start programs are being added, so check out www.us.logicalis.com/GROW frequently.

communications and get products to customers faster, and a distributor that needed a customer-facing portal that enables its customers to place orders and launch an invoice through SAP.

DON'T WAIT

As capital budgets were slashed and their staffs were cut back, many IT directors turned to outsourcing all or some of the monitoring and management of their IT infrastructure to save money. Organizations that did outsourcing the right way have been able to not only save money, improve performance, and simplify management, but they have also freed money and resources to focus on business growth initiatives.

"Don't wait until your boss says, 'We decided to outsource IT,'" says Logicalis Vice President

of Solution Sales, Dan Sytsma. "You want to be the one to go to your boss and say, 'I've found a great way to reduce cost. And, by the way, we will be available to focus on other projects that we couldn't touch before.'"

Besides ensuring your data center is optimized, outsourcing has proved to be a good career move for IT leaders. At a recent seminar, a Logicalis client discussed how he had leveraged managed services to focus on a new ERP system and data mining projects that are helping his company grow. "Since then," he says, "I got a promotion, and I'm in the CEO's office on a regular basis. My stature in the organization went way up."

NEW BUSINESS

A good place to look for new business is in the data collected from your existing customers. Logicalis Vice President, Chris Rafter, says business intelligence (BI) can help you define what customer profitability looks like, and you can use that model to fine-tune offerings that attract and retain the most profitable customers.

A recent survey of 2,500 CIOs from 78 countries indicates that a strong majority are looking to BI as a way to improve internal processes and offer them some clarity for the road ahead.

As is true with all sophisticated technologies, BI depends on the interaction of multiple underlying

technologies and requires clearly defined objectives. BI is a process, Rafter emphasizes, not a product. Too often, when IT departments think BI, he says, they immediately start shopping for a tool before they have thought through what it is they want to accomplish.

Portal technology requires a similar approach. Like BI, portal technology requires the active collaboration of IT, business executives, and users. Done strategically, internal portals enable users to share, learn, and do more in less time. Customer-facing portals close the gap between your organization and your customers and effectively act as a barrier to your competitors.

PENT-UP DEMAND

The cutback in capital budgets did not relieve the pent-up demand from employees for technologies that facilitate collaboration and make their jobs easier, more productive, and more satisfying.

BOOSTERS

Five technology initiatives that directly enable growth:

1. Unified Communications
2. Collaboration
3. Portals
4. Application Development
5. Business Intelligence

Look for more on these technologies in the feature **"Reach Out."**



IT departments that focused their attention on implementing a stable and robust network infrastructure are now in the position to realize the benefits of unified communications.

Unified communications promise to supercharge a workforce by facilitating the thousands of daily interactions that doing business requires. Mobility, single-number reach, presence, unified messaging, wireless, virtual call centers, and virtual private networks—these features of unified communications have become the tools of every trade.

Unified communications do more than just enhance communications. Logicalis CFO Greg Baker is able to report a significant rate of return on unified communications within Logicalis. “More efficient communications mean fewer people. Just look at the sales team: Our salespeople are far better connected with their customers and the internal Logicalis resources that support the sales process. As a result, we’ve doubled productivity of our sales team and slashed the time, money, and number of people it takes to help our customers accomplish their goals.”

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Cloud computing is another opportunity for savings, efficiency, and growth. Whether you call it cloud, software-as-a-service (SaaS), or applications and data over the wire, a perfect opportunity to grow is on the horizon as virtualization, managed services, and outsourcing converge to form the next generation of enterprise computing.

TIMING IS STILL EVERYTHING

A polarity shift occurs on Wall Street when the fear of losing money is replaced with greed and the greater fear of missing out on opportunity. Something similar is happening on Main Street as business leaders who have guarded their budgets for the past year are starting to see their competitors invest in growth.

Credit is more available, and at historically low rates. Companies can also conserve cash by leveraging leasing as a method to invest in growth.

Business leaders who wait for their competitors to make the first move run the risk of having to chase after their markets after they have taken off without them. And if their competitors have been virtualizing their IT infrastructure, they’re going to have an extra tough time catching up.

“The balancing act is this: Even if you are in a market that is not taking off just yet—and most are not in hockey stick growth—you still want to build an infrastructure that will support growth when your segment does take off,” Logicalis’ Nessen says. “It’s too late to get started once the growth has begun. The people who have already invested are going to win market share.

“If I’m in a competitive industry, and I’m not investing in the things that will enable me to grow, I’d better be thinking about which one of my competitors I’m going to sell out to.”

ABOUT LOGICALIS

Logicalis is an international provider of integrated information and communications technology (ICT) solutions and services, founded on a superior breadth of knowledge and expertise in communications and collaboration; data center optimization; application development and integration; and outsourcing and managed services.

With its international headquarters in the UK, Logicalis Group employs over 1,600 people worldwide, including highly-trained service specialists who design, specify, deploy, and manage complex ICT infrastructures to meet the needs of over 6,500 corporate and public sector customers. To achieve this, Logicalis maintains strong partnerships with technology leaders such as Cisco, HP, IBM, and Microsoft.

The Logicalis Group has annualized revenues in excess of \$1 billion, from operations in the UK, US, Germany, and Latin America, and is fast establishing itself as one of the leading IT and Communications service providers, specializing in the areas of advanced technologies and services.

The Logicalis Group is a division of Datatec Limited, a \$4.2 billion revenue business listed on the Johannesburg and London AIM Stock Exchanges (LSE/JSE: DTC).

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