

The Five Biggest IT Challenges Facing Small Business

Introduction

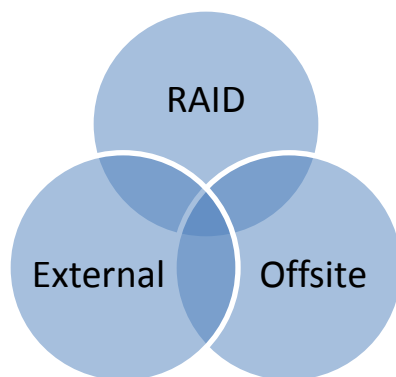
Small businesses create the majority of new jobs and currently employ nearly half of the private sector work force. But while small business-related issues receive scant attention in the media and on the part of government, the challenges being faced by small businesses are greater than ever. Today, technological solutions are more readily available to small businesses to help them keep costs down and improve the bottom line. And small businesses are responding to this availability and taking advantage of new innovations, software-as-a-service, outsourcing and managed services.

“Conventional wisdom once told us that a company with 1,000 employees is more successful than one with just ten employees. Today, that wisdom has been turned on its head and we are seeing small and midsize businesses achieving record growth, and accomplishing more with fewer resources.”

Threat #1: Data Loss

According to Strategic Research Corporation, 70 percent of small firms that experience a major data loss go out of business within a year. In that same survey thirty-seven percent of the respondents admitted to backing up their files less than once per month. Nine percent admitted they have never backed up their files at all.

Equipment theft and loss has become more prevalent as the number of mobile and remote workers has increased. In a recent survey conducted by Insight UK, thirty-four percent of small and mid-size businesses admitted that they have lost a company laptop. And thirty percent of the respondents stated that they have important data contained on the laptop which is not backed up at the office.



And yet despite these alarming statistics, very few small businesses have a formal Data Protection Strategy. An approach focused on redundancy is the key to preventing data loss. By leveraging relatively inexpensive new technologies, small businesses can greatly reduce their exposure to a potentially catastrophic data loss event.

It is also vitally important that the success and failure results of these backups be monitored at all times and are also periodically tested.

Threat #2: Security Vulnerabilities

Protecting one's network today goes far beyond simply installing antivirus software and a firewall. There are many different threat vectors used to compromise organizations. In 2009, nearly half of all respondents to the annual CSI/FBI computer crime and security survey reported virus incidents, while 44 percent reported insider abuse of networks. One in ten reported a domain name system incident, and 27 percent reported detecting at least one targeted attack. And according to research conducted by Cisco Systems, while the number of vulnerabilities and threats remained consistent in 2009 compared to previous years, the exploit and attack threat levels increased by a whopping 57 percent.

In many cases, management may incorrectly see information security as a cost center that can be cut in difficult financial times—only to suffer significant losses as a result. *“When economic circumstances look dire, it is easy to turn security into a checklist item that keeps being pushed back. However the reality is that, in such situations, security should be a primary issue. The likelihood of threats affecting your organization will probably increase and the impact can be more detrimental,”* states Brad Dinerman, the founder of the National Information Security Group.

Focus on PREVENTION

1. Keep PC and Network security up to date
2. Choose secure passwords
3. Educate staff on safe web usage
4. If possible, limit exposure through Content Filtering

One of the biggest trends in small business marketing today is the focus on how to promote your business through social marketing: Twitter, My Space, etc. Unfortunately the risk for exposure to potential threats through these avenues is significant. For the business manager, the challenge is how to harness the benefits of social networks while ensuring their own business networks remain secure.

Threat #3: Downtime

One of the most common causes of network downtime is due to equipment failure. And unfortunately due to the recent economic climate, many small businesses have increased their risk by cutting back on the maintenance of existing systems and by delaying capital expenditures for new equipment. *“Often owners and managers view IT as a nuisance rather than an expense, but the fact is when you go down, you don't make up the time,”* points out small business author Charles L. Nault.

According to a 2010 report by Techaisle, Nearly 40% of the PCs in small businesses are more than 3 years old, and a large percentage of them are running older operating systems such as Windows XP. Additionally, Microsoft has begun the process of discontinuing security updates and support for these older systems.

To help reduce the risk of downtime due to equipment failure, it is important that small business managers implement a routine maintenance schedule. The checklist of items to be addressed should include: health checks and maintenance of hard disks, deployment of critical security updates, deployment of Windows updates, and the monitoring of event logs for errors.

Threat #4: Uncontrolled Operating Expenses

Small businesses today grow strategically not by adding to the personnel roster—but by expanding their spheres of influence through an ever-widening collection of service providers, outsourcing agencies, and specialists that offer detailed knowledge that is often otherwise inaccessible and out of reach to most small business operators.

Effective cost savings can come by way of eliminating inefficiencies through outsourcing some day-to-day functions. We almost take for granted how many aspects of a small business can be outsourced rather than draining internal resources for the same function. Take for example QuickBooks or any other financial management software package. Think back to how the typical small business operated before this type of software became available – how many more man hours were dedicated to accomplishing the same tasks that a single person can do with just a few clicks today.

The same is true for basic Customer Relationship Management (CRM) applications such as Salesforce.com or Netsuite. Small businesses now have the option to use these Software-as-a-Service (SaaS) platforms on a subscription basis as opposed to having to invest in and manage internal systems themselves. In fact, a recent survey by information technology (IT) industry association CompTIA of more than 400 small and mid-sized businesses (SMBs) across the United States found that nearly 30% plan to implement SaaS solutions in 2010. That's up from 22% and 14% respectively in the two prior years.

Threat #5: Productivity Problems

Productivity issues are seldom solved by simply adding bodies to the payroll, and for most small businesses, this isn't even an option. On the contrary, the most productive solution to productivity problems is to add an element of mobility to the workforce. The concept of the "virtual company" has been seen to work well for small business, which with the assistance of collaborative tools, can allow workers to log in from home or on the road; or even to work exclusively from vastly different geographic locations. Improving access is the key to improving productivity.

Voice over IP (VoIP) is an example of one type of technology that can be leveraged to greatly improve a companies' communication system while also streamlining business operations. A VoIP phone system eliminates the dependency on traditional brick-and-mortar office space by tying remote offices, mobile workers, and home-office users into a Unified Messaging system. Each user has a choice of methods to gain access to voicemail, fax, and email communications. And best of all, the flexibility of VoIP allows the entire system to be easily managed from a single web interface.

"Beyond its superior flexibility, VoIP saves businesses money. Depending on the service you choose, you may be able to avoid paying for both broadband and telephone services – or significantly scale back your telephone bills."

Web Filtering is another technology that can be helpful to small businesses by blocking inappropriate or questionable sites. This helps ensure that internet bandwidth is used for business-only activities.

Best Practices for Any Business:

Here is a recommended checklist that any business can use to gain greater control over their IT:



Infinity Technologies and the Small Business Solution

Infinity Technologies is a full-service technology provider that caters to the needs of small and mid-sized businesses in central and northern Virginia. Infinity offers technology solutions to assist businesses in improving the overall efficiency and profitability of their operations. From Needs Assessment and Workflow Design to Hardware Implementation and Help Desk support, Infinity Technologies provides small businesses with an IT resource for every aspect of their business.

Our FrontLine Managed IT service provides you with unlimited support, round-the-clock monitoring, alerting and reporting, and also provides us with the trending data and information we need to help you plan and manage your IT environment. ****Call us today for a free consultation – 540.548.0908 x111.****