

Reducing Costs Leveraging Technology

Presentation to Archdiocese of Detroit
Parish Business Managers
October 26, 2010

Scott Simpson
Vector Associates, LLC



Topics to be covered

- Cost Reduction - Start with the Basics
- Manage Existing Technology
- Planning Technology Upgrades
- Preparing for the Future



COST REDUCTION



Start with the Basics

- Savings are there to be found in everyday operations . . . if you get into the details, are creative, and persistent
- Start by asking the right questions:
 - “Where are we spending our money?”
 - “Are we spending \$\$ based on today’s needs?”
 - “Are there things we could do differently that would save us \$\$?”
 - “Are we getting competitive value for what we are spending?”
 - “Are there new suppliers or providers we should consider?”
 - “What are others doing . . . how can we learn from them?”

Footnotes:

1. Technology has revolutionized every industry and business. Make sure you are taking advantage of the opportunities!
2. Don't be afraid to ask for price reductions. Many providers are willing to reduce their prices to keep your business.



Opportunities

- Review/rebid contracted and purchased services
 - Janitorial, maintenance, and IT services
 - Other contract and purchased services
 - Leased equipment
 - Utilities – Gas, Electricity, Telephone, Waste Removal, Internet, Other
 - Financial and other services – Bank versus credit union

What are some of your success stories?



Opportunities

- Find hidden opportunities in operating expenses
 - Physical Plant, Facilities and Equipment – Energy inefficient, poorly maintained, under-utilized
 - Heating & cooling systems; major appliances
 - Faxes, copiers and other office equipment
 - PCs, monitors and printers
 - Lighting
 - Consumables
 - Office and general use
 - Wait for technology . . . it is coming!



MANAGE EXISTING TECHNOLOGY



Manage Existing Technology

- Plan based on useful equipment life
 - PCs and Laptops – Three to five years;
 - Servers – Five years
 - CRT Monitors – Get rid of them!
 - LCD Monitors – Three to five (?) years
 - Printers – Three to five years (let's talk about inkjets!)
- Avoid holding onto obsolete equipment “just in case”



Manage Existing Technology

- Factor in the operating costs (including the network)
 - Initial setup and training
 - Software costs
 - Maintenance
 - Consumables (paper, inkjet cartridges, toner)
 - Energy costs
 - Disposal fees



Manage Existing Technology

- Recognize and prepare for the unexpected
 - Sudden equipment failure
 - Extended equipment downtime
 - Protecting your most important asset, your data
 - The threat of security breaches
- Understand the risks of older, legacy software



TECHNOLOGY UPGRADES



Planning Technology Upgrades

- Start by developing a technology strategy and implementation plan
- Key characteristics:
 - Defined goals/objectives
 - Considers both short and long term needs
 - Based on a “rolling plan”, three years is recommended
 - Builds in flexibility to meet changing needs
 - Anticipates and takes advantage of technology advances



Planning Technology Upgrades

Steps to implement a successful technology upgrade:

1. Form a steering committee that involves users and other key stakeholders
2. Start from the end and work backwards – What are you trying to accomplish?
3. View technology as a means not an end
4. Look for technology “pull” from users
5. Assess user skills, capabilities and readiness to assimilate and apply technology
6. Identify “early adopters” to work with and to pilot new concepts



Planning Technology Upgrades

7. Tackle the process in manageable steps – avoid being overwhelmed
8. Plan for training and ongoing user support
9. Understand the role of sales professionals
10. Take advantage of REMC pricing . . . but recognize you can frequently do better with online vendors
11. Beware the risk of the “well intended” donations
12. Buy “smart”, not necessarily on the leading edge
13. Consider hiring an independent advisor to help guide you (I know someone!)



PREPARING FOR THE FUTURE



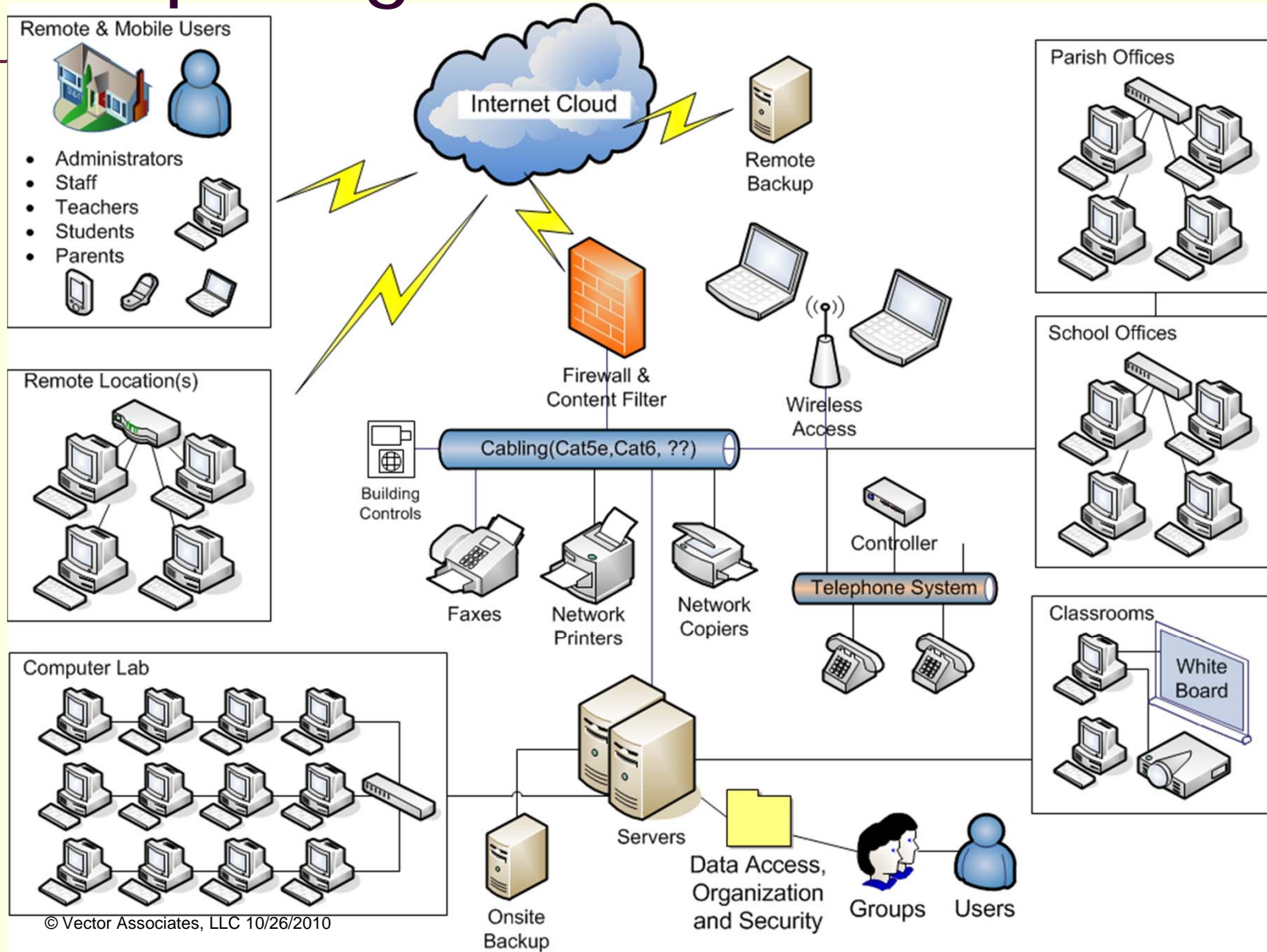
Preparing for the Future

**Brace yourself it's time to look into
the future!**

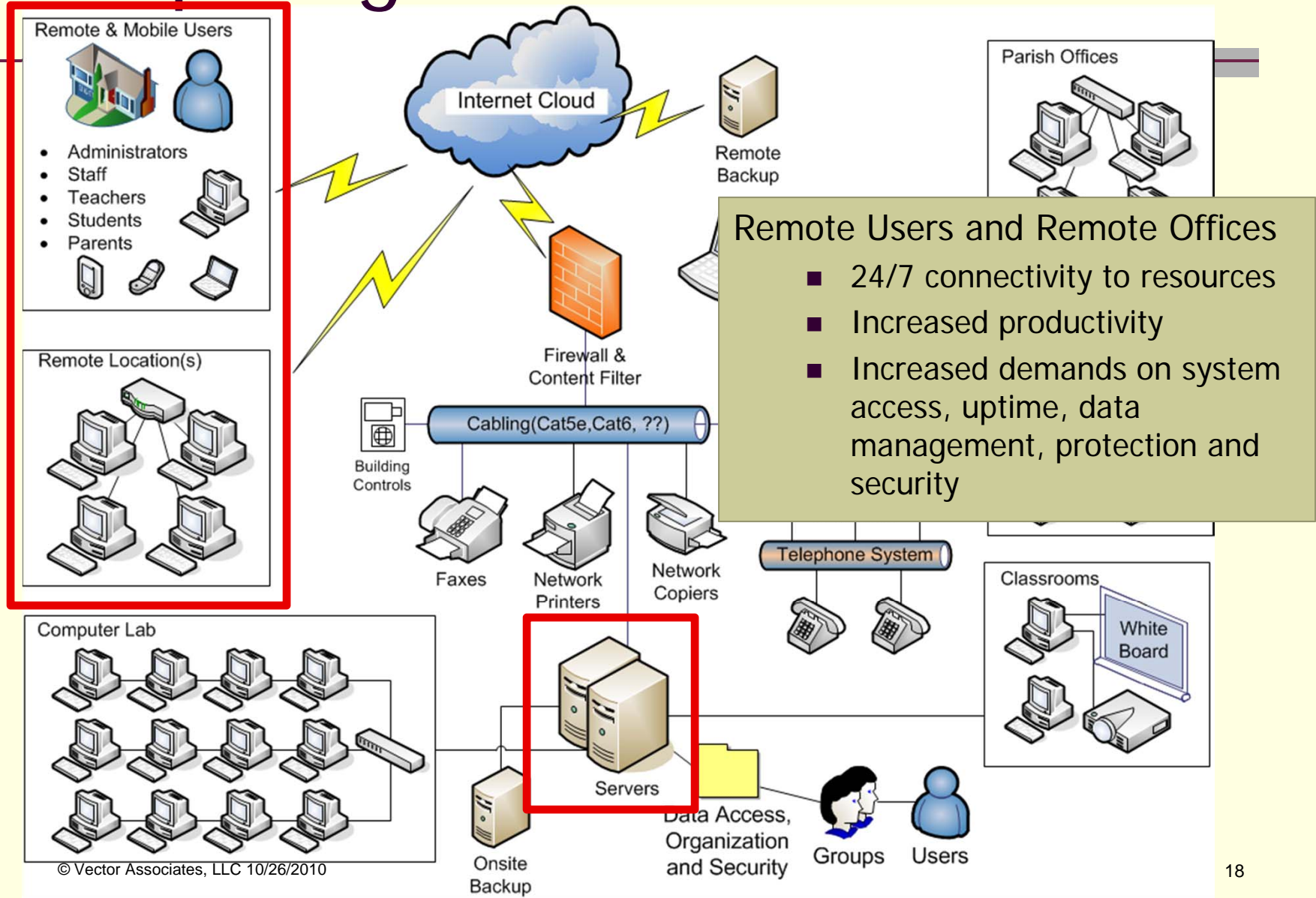
**Technology is impacting how parishes
operate today and tomorrow**



Preparing for the Future



Preparing for the Future



Remote Users and Remote Offices

- 24/7 connectivity to resources
- Increased productivity
- Increased demands on system access, uptime, data management, protection and security



Preparing for the Future

Remote & Mobile Users



- Administrators
- Staff
- Teachers



Internet Cloud



Remote Backup

Internal users sharing a wide range of data

- Increased productivity
- Increased demands on system uptime, data management, access control and security

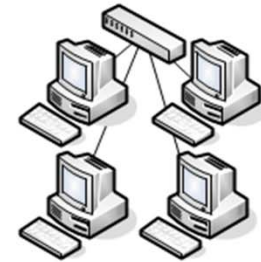
Wall & Port Filter

Cat6, ??

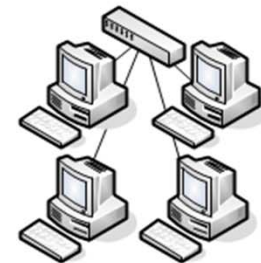


Wireless Access

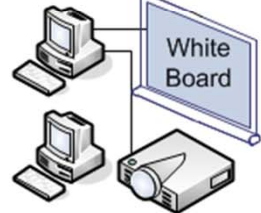
Parish Offices



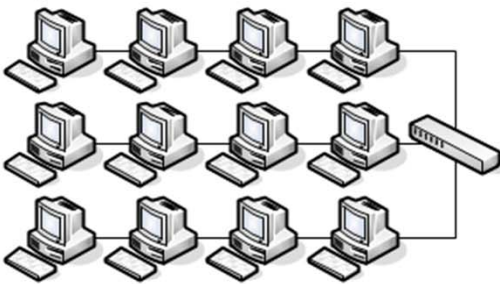
School Offices



Classrooms



Computer Lab

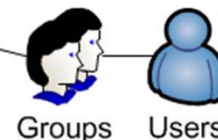


© Vector Associates, LLC 10/26/2010



Servers

Data Access, Organization and Security



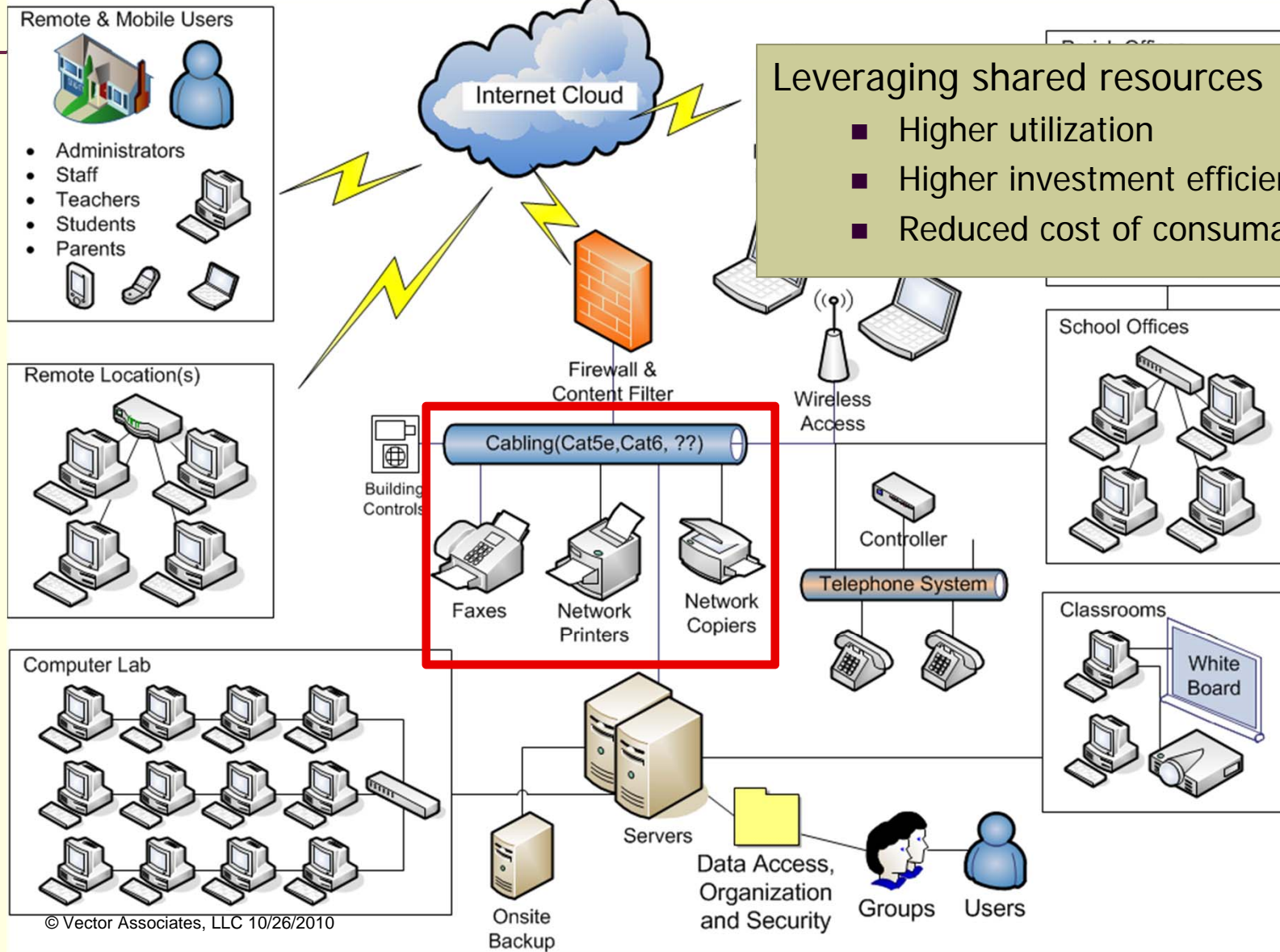
Groups

Users

Onsite Backup



Preparing for the Future

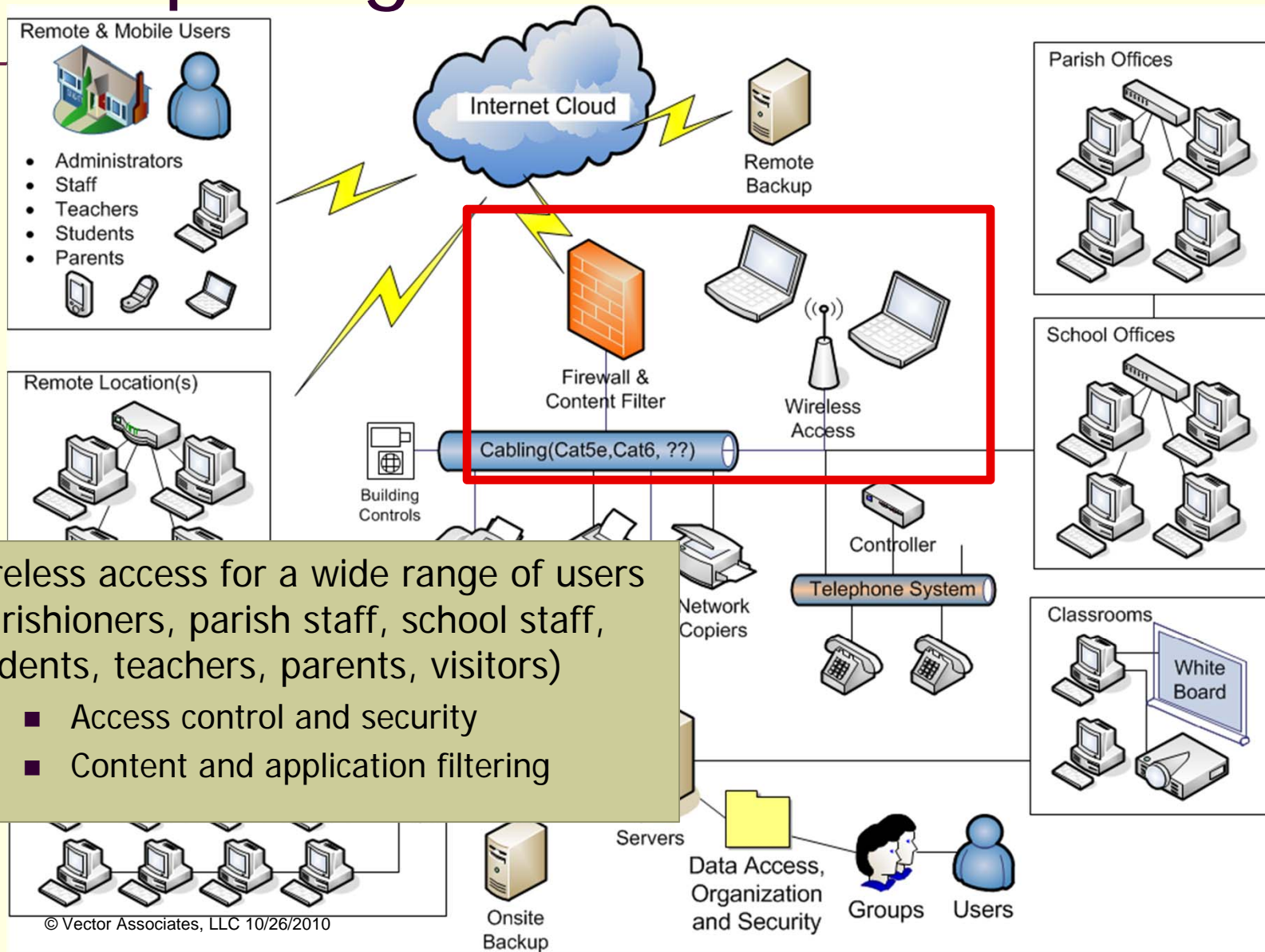


Leveraging shared resources

- Higher utilization
- Higher investment efficiency
- Reduced cost of consumables




Preparing for the Future



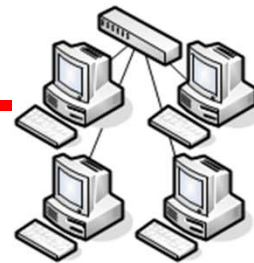
Preparing for the Future

Remote & Mobile Users

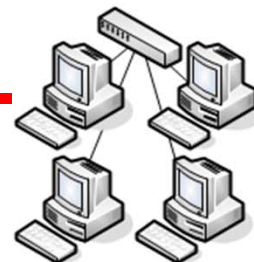


- Administrators
- Staff
- Teachers
- Students
- Parents

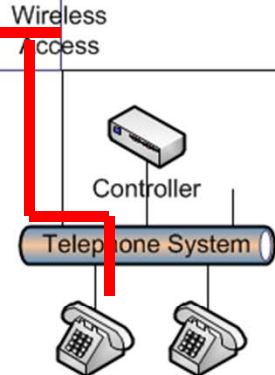
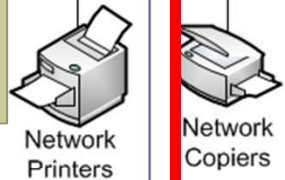
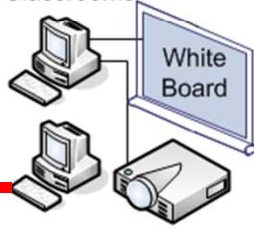
Parish Offices



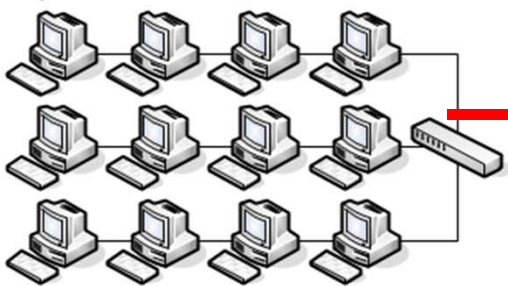
School Offices



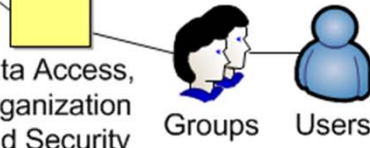
Classrooms



Computer Lab



Data Access, Organization and Security



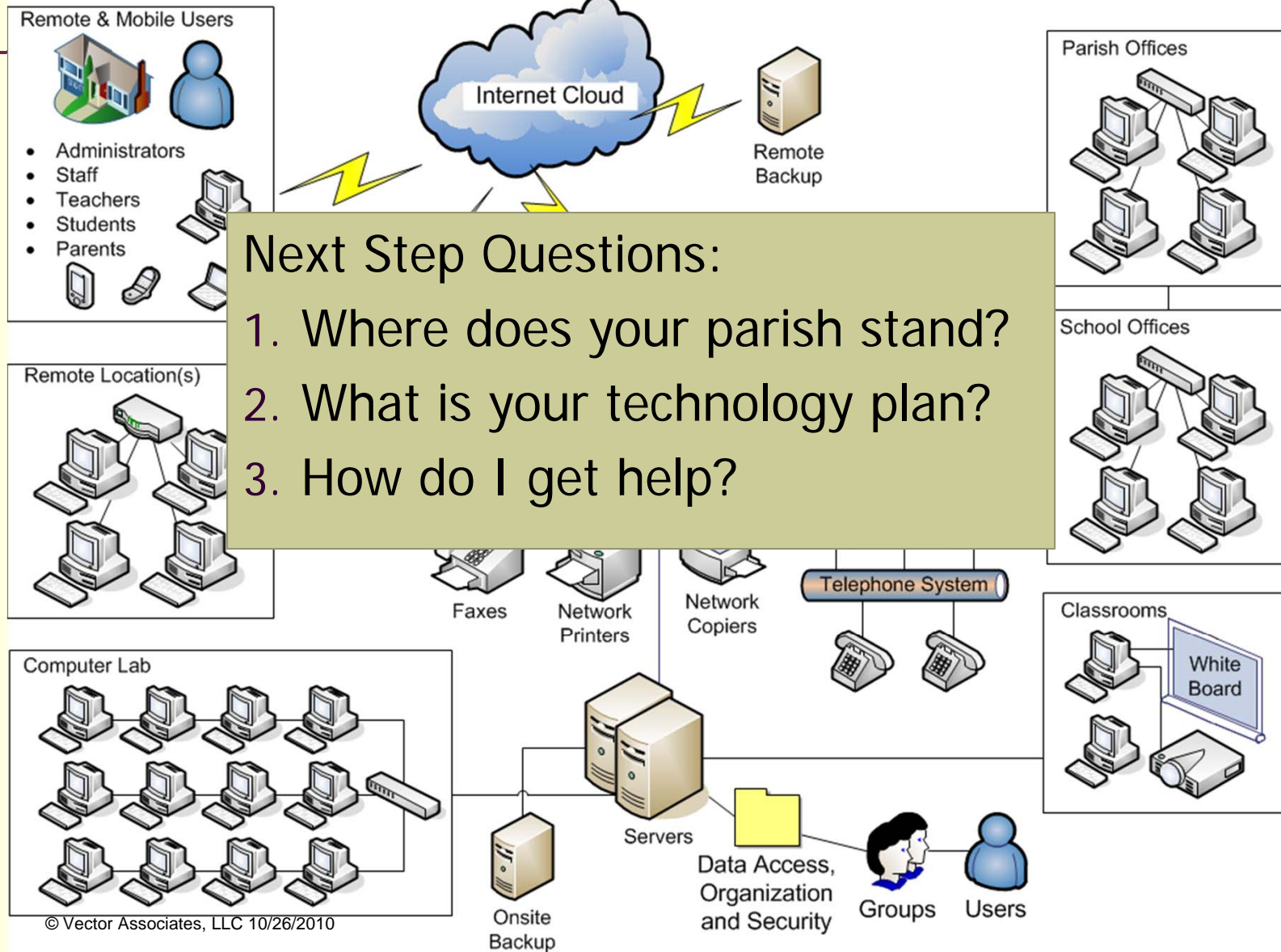
Groups Users

Multi-use networks (Computers, telephone, building operating systems)

- Bandwidth requirements
- Fault tolerance
- Uptime management
- Failure diagnosis



Preparing for the Future



A Trusted Partner and Advisor



By telephone: Office: 248 862-7220
By e-mail: scott.simpson@vector-associates.com
On the internet: www.vector-associates.com



Q & A

