



Bringing it all together

# A C-Suite Advisory

## A list of radical actions

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Multinationals are facing daunting challenges in every market. Credit has evaporated, consumer spending has plummeted and vendors cannot deliver.

Many companies are approaching this crisis with a traditional “tightening the belt” mentality: “Let’s cut here, snip there, downsize where we can and bunker in for the long winter.”

A few organisations, though, are acting on the current crisis to increase market share and transform their platforms. A few are sprinting past their competitors during this moment of great dislocation.

How? Here are five tools to change your game in this “nuclear winter”:

### ✓ Throw EVERYTHING LOCAL overboard

Most large companies are saddled with hundreds if not thousands of disparate networks which connect them across globe. Applications abound on these hodgepodge networks like barnacles on a ship.

These networks and applications – ERP, personal productivity, logistics, etc – have been built over decades by shifting teams of personnel.

This DIY approach was the norm for 20th century computing. But times have changed. IT managers dismissed cloud computing a few years ago as not yet enterprise class. Now, an increasing number of multinationals are keying into the transformation of the cloud.

There is an opportunity now to radically convert to the new cloud platform and write down decades of cumbersome applications and networks, a process that takes years in a healthy economy. A piecemeal migration will sap your enterprise’s energy. Rip the bandage off and make the move.

Now is the time to tell investors and analysts that a one-time write-down will make the company much more profitable and agile.

The cloud can provide all of the productivity and enterprise software that is needed. You can port all of your customizations to these platforms as well.

The cloud goes beyond “hosting.” It is a revolutionary means of doing business. Press IT management to rethink how software and solutions are developed and deployed and how the enterprise interacts with your customers.

If your CTO complains that cloud providers do not yet offer service-level agreements (SLA’s) then demand one that does. Cloud providers are seeking enterprise business and understand the rules of the road and existing providers to the enterprise are adopting the cloud as their business model.

Don’t miss the boat and allow yourself to be put off by naysayers. The cloud revolution is here and those who do not capitalise on this opportunity will be at a significant cost disadvantage to their competitors who did.

### ✓ IP and only IP – rip everything else out

Next time you are in the office, take a look at the wires going to your desk. There will be a minimum of two: one for the phone and one for your computer. Two networks drain resources. No doubt there are countless other non-IP networks running amok in your organisation.

Ask your IT team to rip out this legacy and go pure IP. Don’t be discouraged by the argument that you’ll have to spend cash to transform – you won’t. Outsourcing deals can amortise the transformation costs over several years and now is the perfect time to replace the kit and reflect its real market value. You can lower your costs immediately. Make the move while the market is rewarding large-scale transformation.

Think of all of the times when your product teams tell you that “it can’t be done in time” and that “it will take too long to develop the application, and to connect the teams, the customers, etc.” End the excuses by ripping out the legacy.

### ✓ Collaborate remotely

When terrorist attacks put a temporary halt to air travel, there was a surge in the use of communication services such as conference calls, web casts and video. Today’s shrinking T&E budgets are proving as disabling as any act of terrorism.

Collaboration services are now the default for meetings, and travel – across the world or even across town – is the exception to be used to augment, and provide a human context to, the bulk of communications.

Furthermore, with a converged communications network in place, your enterprise is ready to roll out proven 21st century solutions like high quality video and web conferencing to your desk top and outstanding, presence-quality conferencing to your board room. To add a cherry on top, these services can cost less than a phone call.

Use these new tools to get more efficiency from your workforce and to provide a reward to your employees who reduce costs. Instead of all-cash bonuses, use the privilege of working remotely for certain days as a reward. Staff will appreciate the flexibility and the extra time they have at their disposal not having to commute every day.

Companies that have installed these technologies have found that key employees have 40% more time on their hands and that travel budgets have fallen by 60%. The savings in cost and efficiency are significant in a difficult economy and can help improve profitability in better times.

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## ✓ Retain your customers – and slash costs

The number one factor for customer retention is customer service. Forrester Research and others have found that sacrificing customer service in cost-cutting drives generally leads to higher costs later on. Back in 2001, Dell focused on costs and efficiency and sacrificed their hard-won position in the customer service leader board. They are now spending far more in order to regain that position.

If a customer sends an email to the sales office, then a text to the service department, and then calls the help line, does your business have all these feeds connected? We all know customers hate to wait on hold and hate the voice-prompted IVR systems most enterprises use. So why do we keep using them? Why do we keep torturing our customers?

Take a different approach:

- First, develop new FAQ's and self-help online tools so that customers do not even have to pick up a phone. Do you have an FAQ-master on tap?
- Proactively reach out to customers and let them know about common issues other customers are finding and how they are resolving them. Leverage pattern-recognition software to spot trends and inform customers.
- Create an SMS portal enabling customers to request a call back rather than forcing customers to wait in a queue. By having them register their mobile phone to get better service you are now more intimately connected to your customer.

## ✓ Security is sucking up your IT budget – cut it in half – and get better security

Multinationals are spending more and more every year on IT security. Getting these companies what exactly? Randomising secure ID cards that are a pain in the neck to use? Firewalls that prevent the free flow of information and collaboration?

That's productivity?

By moving to the cloud and purging local files, enterprises can avoid more than 90% of security issues. Network servers can run far more powerful and updated protection software without depending on users or IT staff to keep tens of thousands of PC's up to date. Purging data from local computers after use is now possible given increased bandwidth both fixed and wireless.

## ✓ The greatest risk – no action

If you take up just one of these five actions, then you'll save your enterprise money in the near future and put it in better shape for the upturn. Push your firm to leap ahead of your competitors when the economic environment improves. One thing is true about all economic downturns; they always end.

**Can BT help? Sure they can. But whoever you work with, take action now while the window is open for transformation.**

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## About Jack Hidary

Jack D Hidary is recognised as one of the leading entrepreneurs from the finance and technology sectors. He has overseen the rapid growth and subsequent sale of a number of exceptionally successful companies. In addition to his business interests he is an active philanthropist and a persuasive advocate for the use of renewable energy.

Jack co-founded Vista Research which he sold to McGraw-Hill and later co-founded and served as President and CEO of EarthWeb taking the business to a successful IPO. EarthWeb earned the Business Week InfoTech 100 award. He is currently chairman of iAmplify, an online media company he founded.

Committed to community and philanthropic causes, Jack has received several awards as well as being recognised as a Global Leader of Tomorrow at the World Economic Forum, Davos. He is also a member of the Council on Foreign Relations, and a founding member of the Clinton Global Initiative.

Jack is a member of a BT Global Services Advisory Board

## BT Global Services Advisory Boards

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Building on the success of the boards established in the Americas, Asia and Europe, BT Global Services has recently set up Advisory Boards in Germany, France, Spain, Italy and Benelux, as well as sector boards for Health and Marketing.

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