

Title:

IT Spending: Putting a Budget Surplus to Good Use

Word Count:

318

Summary:

IT spending has to be done cautiously, even in a "use it or lose it" situation. Be prepared to act as your clients' voice of reason in IT spending.

Keywords:

IT spending, IT-spending

Article Body:

If you sell to government, non-profit or educational accounts, your firm may be accustomed to managing this next challenge. But, if sales to small businesses are your bread and butter, you may not as tuned into the "use it or lose it" purchasing philosophy in IT spending.

For example, if you're the science department chairperson for a local school district, and you have a \$500,000 budget this year for computer products, you "need" to spend it.

IT Spending: Use It or Lose It

If you don't spend the money, any funds left over will not carry forward to next year. And, the board of education probably will believe your department no longer needs the full annual \$500,000 budget for computer products. Your department's allocation likely will be reduced going forward.

So there's a year-end rush to deplete the technology budget account; regardless of whether the timing is right for getting the best purchase value or controlling computer support costs.

Small Businesses Often Fall Into The Same IT Spending Trip

Just because a client is having a "great" year, quarter or month, your client shouldn't rush out to buy every PC gadget and gizmo he or she has ever dreamed of having or heard someone gushing about.

As your clients' virtual CIO, when appropriate, you need to act as their IT

"grown-up" (be a little more sensitive in how you assume this role though) and remind them of the priorities spelled out in their annual technology plan.

Make Sure Your Clients' Plan Includes IT Spending

You have a written IT project plan for your clients, right? If not, a detailed project plan not only keeps your clients' IT spending priorities straight, a project plan assures your company a steady stream of recurring consulting revenue throughout the year.

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