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## SMALL & MEDIUM BUSINESS TECHNOLOGY ALLIANCE

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#### SMBTANEWS...

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August 3, 2006

#### **Time is Money For Small Businesses, New Technology May Offer Bottom-Line Savings**

#### **SMBTA: Understanding Technology 'Best Practices' Enable Small Businesses to Reap Big Rewards**

With as many as 150 million PCs older than four years still in use worldwide, it's time for small businesses (SBs) to consider refreshing essential technology tools, advised the Small Medium Business Technology Alliance (SMBTA), a national alliance established to help the nation's 25 million SBs understand how technology can further growth.

"We believe the latest innovations in technology provide an excellent opportunity for business owners to differentiate themselves from the competition. SBs, who are at the forefront of adopting new technologies from computers to wireless, can improve efficiency, reduce business costs and utilize technology to provide world class customer service," said Chuck Sharp, President, SMBTA. "Smart small business decision makers are utilizing new PCs that allow them to integrate voice and data, improve data and network security, and develop and implement industry applications as a strategic IT

advantage that solves crucial business problems.”

### **Replacing Aging PCs A High Priority**

According to SMBTA, there are three important reasons why SBs should replace aging computers and related equipment – security, maintenance / support costs and employee / business productivity.

Security is a top concern of all businesses and older computers are a potential security risk due to their aging operating system software. Older operating systems are not supported by the manufacturer and don't receive security patches, which can leave security holes in a company's IT environment, exposing an SB to unnecessary data and legal risk. SBs with inadequate PC security or with PCs that cannot appropriately manage security patches run the risk of losing business and government contracts. Additionally, older PCs may not have the performance needed to adequately run virus software, impacting both security and productivity.

### **Old PCs May Cost More Than New Ones**

Small businesses can use PC technology to enhance competitiveness and growth by enabling more efficient customer service, business processes and employee response times. Older PCs negatively impact productivity and can have higher support and maintenance costs when compared to newer technology. Industry analysts estimate that support expenses for desktops that are less than three years old cost approximately \$200 per PC, per year, whereas desktops that are three-to-four years old cost more than twice that amount.

In addition to choosing a three-year PC lifecycle, SBs should consider standardizing their installed base so there are fewer configurations to manage which can reduce overall costs. Wipro Nervewire, a consultant for IT solutions and services, conducted a study of PC infrastructure complexity within large companies and found that they could average \$270 in savings per PC, per year by reducing the number of PC

configurations. SMBTA believes that the conclusions are applicable to SBs.

### **Old PCs Slow Down Employees**

Industry analysts estimate that almost half of all productivity gains in the past decade depended on IT investments. SMBTA's Sharp pointed out SB employees do their best work when provided with powerful, feature-rich PCs that aid productivity and allow them stay connected and work from anywhere in the world.

“SBs can create a highly mobile, flexible work environment and show a rapid return on investment from different technologies such as combining wirelessly-enabled notebooks such as those equipped with Intel Centrino Duo Mobile Technology, wireless LANs and voice over Internet protocol,” Sharp said.

### **Refresh Tips For SBs**

Members of SMBTA offered “Best Practices” to SB decision makers on adopting new computer technologies:

- **Invest in a higher mobile mix to increase productivity.** Mobile, or wireless, computing is a strong business differentiator. SBs should initially consider adopting wireless notebooks for one third to one half of their employees, particularly when refreshing their older PCs. The recent reduction in the price of notebook computers offsets the slightly higher total cost of ownership of a notebook computer compared to a desktop PC is quickly paid back when notebook users extend their work by only a few hours each week.

Mobile technology users report they look for the following qualities in their notebook PCs: high performance, long battery life, integrated wireless LAN capability, and thinner/lighter form factors.

- **Consider installing a wireless local area network (LAN).** Growing, changing SBs can eliminate the additional costs of running cables throughout the office to every PC. The cost of rearranging workspaces with cabling can increase costs from 40-60 percent, as well as reduce employee productivity. Using a wireless

network costs a fraction of a wired infrastructure and allows employees to work from their desk, a conference room or the café.

- **Purchase PCs with “transparent security.”** New PCs should have enough performance to allow future software security to be loaded providing personal firewalls, advanced virus protection and other features. Newer PCs also have recent operating systems which are supported from a security perspective by the manufacturer.
- **Buy “performance.”** Performance PCs enable greater employee and business productivity. SB employees will be more responsive to customers and changing business conditions when their PCs have sufficient performance to multitask and stay connected anytime, anywhere.
- **Replace desktop PCs every three years, laptops after two years.**
- **Write off your equipment.** Small businesses can write off on new equipment purchases, take a tax break now and invest in new technologies. By so doing, SBs can use new equipment—from PCs to printers—to perform critical marketing functions in house, such as producing professional-quality sales collateral, building a convincing Web presence or having the ability to respond to customer needs from any location and time zone.
- **Take advantage of manufacturers promotions.** Small businesses should investigate and capitalize on special promotional offers from manufacturers and/or resellers. For instance, Intel is offering small business travelers who purchase an Intel Centrino Duo mobile technology notebook computer a free “Relax Pack” valued at \$400. See [www.intel.com/go/relax](http://www.intel.com/go/relax) for all the program details, including service availability. (Additional promotions can be found at [www.hp.com/sbso](http://www.hp.com/sbso) or [www.smbta.com](http://www.smbta.com) ).

SMBTA’s Web site ([www.smbta.com](http://www.smbta.com) ) is an excellent source of business advice promotions and helpful information for small business decision makers.

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**About SMBTA and ASBTA:**

SMBTA is a national organization dedicated to serving and educating small businesses regarding technology. American Small Business Travelers Alliance is focused on helping businesses better utilize travel. If you're a small business owner and want to learn more or become a member for free, visit our sites – [www.asbta.com](http://www.asbta.com) and [www.smbta.com](http://www.smbta.com). Members of the media can receive a free copy of survey results by contacting ASBTA by phone at 469-648-0190 or email at [surveys@asbta.com](mailto:surveys@asbta.com).