



The Need For A Branch Office IT Strategy

A solid Branch Office IT strategy can help ensure you have enough resources, deployed correctly, to keep up with the expansion of remote sites and to save you money

IT continues to make strides in streamlining and centralizing corporate systems and services: reducing server sprawl within the corporate data center, rapidly deploying new revenue-generating applications, and ensuring compliance with regulatory mandates.

Unfortunately, the same cannot be said for an enterprise's remote sites and branch offices. Lacking a comprehensive strategy for supporting these important pieces of your distributed enterprise, you risk service disruptions and downtime at key points of customer contact, be it an off-site call center or retail location. That's not a recipe for success given consumers' Internet-age expectations of getting what they want when they want it. Equally important, a lack of restrictions on remote personnel may enable them to bypass corporate IT policies, jeopardizing your compliance efforts.

Foregoing a branch office IT strategy may cost your company millions of dollars a year. The average site visit costs between \$500 and \$1,000 and on average IT staff visit off-site locations four times a year. That adds up quickly for large organizations, negating gains made in the data center.

Almost 75 percent of Fortune 1000 companies don't have a branch office IT strategy or cost-benefit analysis for supporting remote workers, according to Nemertes Research. But widespread trends including mergers and acquisitions, the steady uptick in the number of retail, hospitality and banking sites, the growth of the mobile and telecommuting workforce and even globalization are creating a widely dispersed workforce. Nemertes Research finds that 90 percent of employees today work away from the corporate headquarters, and branch offices are growing at a 6.5 percent annual rate.

The numbers and trends are not encouraging. Given today's pervasive "do



What's Your Challenge?

Every vertical industry is dealing with its own challenges when it comes to supporting their branch office IT infrastructure. Out-of-band solutions help businesses secure data, simplify management, continue production, and grow revenue.

According to Infonetics 2005 data, branch office downtime and degradation cost financial services companies \$56 million in lost revenue and \$165 million in lost productivity; for manufacturing, that was \$80 million and \$74 million, respectively.

The consolidation in the banking industry has resulted in financial services organizations having to cope with a variety of systems at their acquired properties' branch offices. At the same time, the finance industry is facing strong regulatory pressures to ensure the privacy of customer data and transactions.

Support challenges on the manufacturing front are only going to increase as manufacturers build new facilities in lower-cost labor markets overseas. Server-based systems are often responsible for monitoring critical production processes, so IT staff at HQ must be able to remotely monitor and address problems.

For the retail industry, failures of POS servers—especially during the busy holiday season—represent huge risks to the industry, which reports average lost revenue of \$18 million due to network degradation and downtime, according to the Infonetics figures.

more with less" attitude toward IT, it's not surprising that most organizations don't track overall network performance closely enough to understand the impact of degradation and downtime at branch offices. Average lost revenue from network downtime and degradation ranges from \$14 million to \$80 million and average lost productivity costs a company anywhere from \$20 million to over \$150 million, according to Infonetics. And the trend to downsizing IT further complicates the picture: Without the tools to more efficiently respond to requests from remote sites, IT staff reductions are going to have a severe impact on service levels across the distributed enterprise.

A business also has to consider whether its approach to branch office IT issues is compromising its security, particularly as that relates to compliance efforts. While there are technology-enabled checks and balances to support system security, it's also critical to ensure the physical security of computer equipment. Likely your data center at HQ is secured with access cards or biometric ID devices, but that's not the case in many branch offices. That leaves the door open for remote personnel—often not even IT personnel—to try to resolve problems on their own, with all the potential that presents for undocumented changes. "The whole concept of having a physically closed room where equipment resides and no one can access it is very critical," says Jeffrey Nudler, senior analyst at IT research firm Enterprise Management Associates. "Having no access to a physical space forces people to abide by certain corporate policies."

Given the recent spotlight on data center infrastructure issues,

it's understandable that organizations are only now thinking about solving their branch/remote office infrastructure problems. A change is in order, particularly given the high business stakes and the increasing IT complexity at branch and remote locations due to heterogeneous hardware, software and networking technology. This leads to a proliferation of management applications and consoles. Without a strategy for centralized control, your ability to share information among systems will be restricted. Management becomes haphazard and costly.

Some companies believe they're covered with software-only solutions such as remote control applications or Microsoft Terminal Services. But these are useless for resolving off-site problems if a system's operating system, application stack, or network is not working.

An effective branch office strategy requires gaining insight into your remote infrastructure, and then deploying the right technology to best support it. One of those technologies is "Out-of-band" solutions, which make it possible for internal or outsourced IT to cost-effectively monitor, manage, and service off-site operations.

Out-of-Band Management solutions provide centralized control and repair of local and remote IT infrastructure, even when connectivity is lost or devices are down.

Arriving at an effective branch/remote office IT strategy requires:

- Performing an inventory of branch office infrastructure, and a survey of how IT resources are supporting it, including costs
- Creating top-level buy-in by presenting a clear picture of the risks and costs of a 'catch-as-catch-can' approach
- Streamlining assets at distributed enterprise locations
- Putting in place IT management systems and tools that will enable remote management to minimize visits to off-site locations and provide centralized control.

To learn more about Avocent's branch solutions and to download a white paper on how to begin planning your branch office strategy, please visit www.avocent.com/CIOmagazine

"The fundamental notion EMA is advocating is that in order to be able to manage equipment in this new world we are building, which has branch offices and remote locations, there must be collaboration between out-of-band and in-band," says Nudler.

Many vendors are attempting to help companies improve their distributed infrastructures with out-of-band management solutions. But only Avocent offers an incredible breadth of functionality—appliances with KVM (Keyboard, Video, Mouse control) over IP and serial technology, combined with power control—across a common software platform.

Avocent's branch appliances make it easy to remotely troubleshoot, reboot or even power-cycle servers or serial-based network devices. Using the DSView management software to monitor devices from a single console simplifies the management infrastructure. Being able to view information about a problem from multiple sources speeds up IT's ability to bring systems back online quickly.

These capabilities are critical for supporting today's widely distributed enterprise, and will prepare your business for the even more complex environment of the future. Voice- and video-over-IP, wireless applications, and new Web services will continue to dramatically change both the workplace environment and the customer experience. Now's the time to make sure you put in place a distributed enterprise strategy that will scale to meet the challenges that coming. ■