

FROM THE EDITOR | JOHN DIX

The multifaceted budget process

With the bulk of the IT budgets in place for 2013, it is a good time to reflect on how the budget process has morphed over the years to accommodate shifts in technology and evolving corporate demands and priorities.

It has been decades since IT could hole up in its glass castle and dictate how and when IT dollars would be spent on what, but every passing year increases the pressure on IT to accommodate more voices in the process.

That isn't to say the fundamentals have faded away. It still starts with trying to figure out how much money to allocate to operations vs. investing in techs that will drive growth or transform the business (the oft-cited run/grow/transform buckets). It is just that the process has to be so much more collaborative now that technology is more accessible and people across the organization see the potential to use it to further their corporate goals.

So, besides the usual pitches from line-of-business folks, you now have to deal with everything from HR wanting to explore techs designed to facilitate team-building to marketing hounding you about tools and strategies for how to get more out of social media.

Of course some budget process change has been driven by corporate edict, such as demands to get smarter about energy consumption. Since the facilities group still often pays the IT power bills, that has meant synching up with them to figure out where the money is going and developing strategies to review IT purchase decisions with an eye on increasing efficiency.

And then there are the budget demands driven by the exploding BYOD movement. Employees are clamoring to use their new smartphones and tablets to access corporate resources and many department heads are anxious to leverage that enthusiasm, meaning calls are coming in from across the organization to explore what needs to be done to make that happen.

But perhaps the most profound change involving the budget process is the emergence of cloud computing. Business units, departments and even individual employees are exploring use of various cloud services, sometimes without the knowledge or consent of IT. Simply trying to outlaw the practice isn't an adequate strategy. As one IT leader said privately, "People can and will work around us if they feel IT is not on their side, doesn't understand, or is unresponsive or ineffective."

That means IT has to proactively engage parties interested in assessing cloud options, adding still more voices and options to the already complex IT budget process.

Where's the good news in all of this? IT is growing ever more important to the organization, and you're still in the catbird seat.



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