



# UNIT - 2

## MANAGING AND OPTIMIZING TECHNICAL TRAINING AND BUDGETS

### Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Make your workplace a technology-friendly place
- ✓ Make the most of computers, telephones, instant messaging, e-mail, contact management applications, and scheduling software

## Unit 2

# Managing and Optimizing Technical Training and Budgets

### Types of Training

No matter what technological upgrade or purchase you invest in, it is crucial that staff receive training. Here are some of the common types of training.

#### Self-Led

This can include reading books or articles.

#### Instructor-Led

This is the typical type of training, where an instructor teaches students. Students typically have materials to follow along with.

#### Computer-Based (E-Learning)

Electronic training is becoming more popular. Students use a computer program or interface to learn about a topic. This interface may allow them to read material, watch videos, or take tests.

#### Training Tips

Here are some tips to make the most of training.

- ✓ Similar to purchasing software, you'll want to do a needs assessment. What do employees want to learn about? What do they need to learn about? There's no point training an administrative assistant how to create complex databases if it's not part of his job.
- ✓ Make sure the trainer has experience with technical training and with the software in question.
- ✓ If you're outsourcing training, make sure you get at least three references.
- ✓ Review the training material that will be used before training takes place.
- ✓ Make sure staff will be getting training for the proper software version.
- ✓ Time training right. Start training staff before they start using the software. And, try to train everyone at once to save on training costs.
- ✓ Management should take part in the training too.
- ✓ Encourage staff to continue learning after training is over.
- ✓ Office Online (<http://office.microsoft.com/training>) offers a fantastic wealth of articles, demos, walkthroughs, and short courses for Microsoft Office products.
- ✓ In most applications, you'll see a Help menu at the top. If not, try pressing F1.
- ✓ Training on operating systems can also be useful.

## Setting an IT Budget

**Budget Basics**

Some managers are responsible for deciding how much their department can and will spend on technology. Often, managers put down guesstimated amounts, only to find that they’ve actually underestimated costs, and they quickly run out of funds.

There are a few basic steps to setting your IT budget.

**Step One: Preparing a Draft**

First, pull out your budget from last year. If you didn’t do a budget, try to make a list of the IT expenses that were incurred. Second, determine what expenses will reoccur and what will not. (For example, if you had to pay an outside company to do yearly maintenance, that expense will likely recur. If you had a special project to install flash card readers in all the computers, that expense will not recur.) Third, determine what projects will be coming up that may require extra expense (say, two employees will be joining the team and will need new equipment).

Item	Budget
Software upgrades	\$125,000
New staff setup	\$250,000
Training	\$300,000
<b>Total</b>	<b>\$675,000.00</b>

In this case, we’re assuming that we have an IT team to help us with the work, so we have not included the cost of their time. This policy will differ between companies. This budget is also drastically oversimplified.

Costs you will want to think about include:

- ✓ Staff time to learn new software programs or attend training classes
- ✓ Costs to back up hardware and software
- ✓ Monthly updates to anti-virus software
- ✓ Security patches
- ✓ Creating and updating an operations manual
- ✓ Network connectivity costs such as an ISP for Internet connection, and routers and cables for internal networking
- ✓ Application service provider costs such as secure servers for credit card donations, or e-mail list services
- ✓ Technical support
- ✓ Hardware and software replacement

**Step Two: Looking at Reality**

Now that we’ve got a draft budget, let’s try to make it as realistic as possible. For our sample budget, we’ve listed software upgrades as the first item. We’ll want to make a list of what software will need to be upgraded and how much each item will cost.

Item	Item	Amount	Number Required	Budget
<b>Software Upgrades</b>	Office Plus annual fee	\$599	10 users	\$5,990
	New Office Plus edition	\$5,999	10 users	\$59,990
	New Windows editions	\$7,999	10 users	\$79,990
			<b>TOTAL</b>	<b>\$145,970</b>
<b>New Staff Setup</b>	New computers	\$5,500	2 new staff	\$11,000
	Software licenses	\$19,000	2 new staff	\$38,000
	New tablets	\$2,500	2 new staff	\$5000
	New smartphones	\$100	2 new staff	\$200
	Training for new staff	\$100,000	2 new staff	\$200,000
			<b>TOTAL</b>	<b>\$254,200</b>
<b>Training</b>	Lost time	\$1,000 per student per session	4 training sessions with ten users each	\$40,000
	Materials	\$5,000 per student per session	4 training sessions with ten users each	\$200,000
	Instructor cost	\$5,000	4 training sessions	\$20,000
			<b>TOTAL</b>	<b>\$260,000</b>
			<b>GRAND TOTAL</b>	<b>\$660,170</b>

**Step Three: Finalizing the Budget**

Now that we know what we want, we need to adjust for what we’re actually getting from the company. We also need an emergency fund of at least \$50,000 to account for unexpected expenses (trust me, they’ll happen!). So, let’s say that we’re only getting \$600,000 for our technology budget. We need to

shave off approximately \$60,000 from our draft budget to get there, and \$50,000 more if we want an emergency fund. Don't go about this randomly. Carefully look at the budget and decide where you can cut and where you can't. For example, if we reduce training to three sessions, we save \$65,000.

Item	Item	Amount	Number Required	Budget
<b>Software Upgrades</b>	Office Plus annual fee	\$599	10 users	\$5,990
	New Office Plus edition	\$5,999	10 users	\$59,990
	New Windows editions	\$7,999	10 users	\$79,990
			<b>TOTAL</b>	<b>\$145,970</b>
<b>New Staff Setup</b>	New computers	\$5,500	2 new staff	\$11,000
	Software licenses	\$19,000	2 new staff	\$38,000
	New tablets	\$2,500	2 new staff	\$5000
	New smartphones	\$100	2 new staff	\$200
	Training for new staff	\$100,000	2 new staff	\$200,000
			<b>TOTAL</b>	<b>\$254,200</b>
<b>Training</b>	Lost time	\$1,000 per student per session	3 training sessions with ten users each	\$30,000
	Materials	\$5,000 per student per session	3 training sessions with ten users each	\$150,000
	Instructor cost	\$5,000	3 training sessions	\$15,000
			<b>TOTAL</b>	<b>\$195,000</b>
			<b>GRAND TOTAL</b>	<b>\$595,170</b>

Note: Training is often the first thing to be cut when it comes to budget time. You cannot afford to skimp on training for new software!

You may also want to look at alternatives or research discounts. For our example, let's say that we've found a 20% off coupon for Windows if you buy a license for 10 or more users. That saves us over

\$15,000 right there! And, let's say our trainers have developed an online course for new staff, reducing training costs by 25%.

Item	Item	Amount	Number Required	Budget
<b>Software Upgrades</b>	Office Plus annual fee	\$599	10 users	\$5,990
	New Office Plus edition	\$5,999	10 users	\$59,990
	New Windows editions	\$6399.20	10 users	\$63,992
			<b>TOTAL</b>	<b>\$129,972</b>
<b>New Staff Setup</b>	New computers	\$5,500	2 new staff	\$11,000
	Software licenses	\$19,000	2 new staff	\$38,000
	New tablets	\$2,500	2 new staff	\$5000
	New smartphones	\$100	2 new staff	\$200
	Training for new staff	\$75,000	2 new staff	\$150,000
			<b>TOTAL</b>	<b>\$204,200</b>
<b>Training</b>	Lost time	\$1,000 per student per session	3 training sessions with ten users each	\$30,000
	Materials	\$5,000 per student per session	3 training sessions with ten users each	\$150,000
	Instructor cost	\$5,000	3 training sessions	\$15,000
			<b>TOTAL</b>	<b>\$195,000</b>
		<b>GRAND TOTAL</b>	<b>\$529,172</b>	

We now have achieved our budget, plus an emergency fund of approximately \$70,000. It won't always be this easy, but just make sure your estimations are realistic and doable!

### The Shrinking Budget

### Case Study

Your department has always been the top technology dog. Every year staff got the newest software and gadgets and training to go with it. Each employee also had a discretionary fund to use as they wanted. The company also covered the costs of IT staff and connections. Oddly enough, you always ran out of money before the end of the year.

**Task**

Unfortunately, this year the profits of the company have taken a serious drop and your technology budget has been drastically reduced to \$175,000. (The company will still cover infrastructure costs.) As manager it is your job to allocate the available funds and develop a budget to provide the best resources you can. Be creative and invent solutions!

Item	Last Year's Budget	Your Budget
Discretionary Fund (\$5,000 x 10 employees)	\$50,000	
Hardware and Gadgets (\$25,000 x 10 employees)	\$250,000	
Software Upgrades	\$48,000	
New Software	\$250,000	
Training	\$250,000	
Emergency Technical Support	\$100,000	
<b>Grand Total</b>	<b>\$948,000.00</b>	

## Security and Privacy

### An Employee's Rights

**What expectation to privacy does an employee have in the workplace?**

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Not only does a domain help the administrator control the state of the connected computers, it can make administrative tasks (such as installing new software) easier.

### **About Restricting Internet Access**

The Internet can be a great resource, but it can also be a great time waster. Many employers today are looking for ways to control their employees' access to the Internet.

There are a few ways to restrict Internet access. The least invasive is to have employees sign a policy stating what they will and will not use the Internet for. This typically relies on the honor system. You can also block particular websites either via a domain or via software installed on the individual computer. (This is usually most effective when done via a domain, as it reduces the risk of the user tampering with the application.) Another option is to install Internet time management software, where the user has an allotted period of time to spend on the Internet as they please.

The most restrictive option, of course, is to block all Internet access except for sites hosted on the local network. Remember that the more restrictive you get, the more employees are likely to resent you and the system administrator.

### **Further Reading:**