



THE I.T. MONEY PIT

**5 IT traps that waste thousands—and how
Milwaukee Area Business Owners can avoid
them**

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After 15 years of doing IT assessments for small and midsize businesses around Milwaukee, I've noticed a pattern. Companies are pouring hundreds of thousands into IT and still fighting the same battles.

There's the constant downtime that kills productivity. Systems that never seem to work the way they should. Security gaps big enough to keep you up at night.

That's why I put this report together. It shows you the five biggest money pits we see over and over again. We identify places where businesses are wasting money on old, unnecessary, or risky IT. And more importantly, it gives you practical steps you can take right now to fix it.

Provided By: PC LAN Services

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About The Author



Rexx Igunbor is the Senior Vice President of Business Development at PC LAN Services, Inc. and a veteran IT specialist with more than 25 years of experience helping businesses turn technology from a headache into a growth driver.

At PC LAN, Rexx leads business growth and strategy, working closely with clients and industry partners to deliver IT solutions that are practical, secure, and built to scale. His deep technical background as a network engineer, combined with a knack for understanding how businesses actually run, allows him to design systems that keep operations smooth and teams productive.

Rexx's passion for IT comes from growing up in a family business, where he saw firsthand how confusing and costly technology could hold a business back. Determined to change that, he studied IT and finance at the University of Illinois Urbana-Champaign and went on to lead technology for several organizations before founding PC LAN Services in 2005.

From the start, Rexx built PC LAN on a simple principle: technology should never be a barrier to growth. Instead, it should be a tool that helps businesses thrive. Today, PC LAN Services takes the complexity and fear out of IT, so business owners can focus on what really matters—serving clients, supporting staff, staying online, and protecting the bottom line.

The I.T. Money Pit:

5 Ways Businesses Waste Money On I.T.

Even in the best of times, no business wants to have money secretly “leaking” out of their organization due to waste, poor management and a lack of planning.

But when it comes to I.T., most CEOs don't even know what they're spending money on, much less if they're making smart investments to minimize cost and waste. It's the proverbial “money pit,” a “black hole” of cost that they are unable to accurately assess.



It's like paying for an all-you-can-eat buffet and only getting breadsticks. Plenty of volume, but not the value. Businesses are often in the same situation with I.T. – **they are spending thousands of dollars, but are still not getting the speed, performance, security and productivity they need.**

As Andy Grove, former CEO of Intel, said, “Only the paranoid survive.” In our experience, most CEOs are **not paranoid enough when it comes to loss prevention and I.T. waste.** That's why we wrote this report.

My team and I have found wasted dollars in dysfunctional I.T., SaaS bloat, unnecessary software, productivity-killing systems and underappreciated cyber risk – even in generally well-run companies led by respected executives.

In fact, there has yet to be a client we've helped in the 15+ years we've been providing I.T. support and services that has not produced at savings in one area. Not one.

As you read this report, know that this IS very likely going on in your organization. As you go through this, know that what follows are only five of the most common areas where we see waste occurring. When we do a deeper analysis, we often find several other areas that need attention. Please take a look at everything below and know there IS a different path you can take – and one you should look into sooner rather than later.

#1: “Maverick” Spending, No Strategy And Undisciplined Planning

Many companies we’ve audited have a mishmash of patchwork technology pieced together like an old Frankenstein monster lumbering along. Nothing makes sense, nothing works as efficiently as it should, and the entire I.T. system is awash in inefficiencies, duplicate and redundant resources and outdated technologies – all adding up to thousands of dollars wasted, unnecessarily, that could be put to better use in the business OR simply added to bottom-line profitability.

Do you have a veritable technology “junk drawer” full of equipment, wires and software that nobody can identify or explain and that does nothing but suck up space and precious resources?

In our audits of I.T. environments, we almost always uncover multiple servers, switches and other devices – all of which they are paying to support and back up – that could easily be consolidated and upgraded to deliver faster performance, more reliability and more security.

Over time, different cooks in the kitchen have added pieces and patched problems with Band-Aid after Band-Aid instead of strategically designing the whole to maximize productivity and lower the total cost of ownership by using more up-to-date (and lower-cost) cloud technologies.

In fact, most of the C-suite executives we’ve interviewed do not know what they even have and are paying for. I.T. is a giant black hole of spend that nobody can justify. That’s why the first step in understanding how to lower your overall I.T. costs and get a far better ROI is to conduct a deep audit of your entire environment to look for:

- Redundant machines, servers and devices.
- Duplicate SaaS applications your company is paying for (see “SaaS Bloat”).
- Out-of-date software that’s putting your organization at risk for a cyber-attack.
- Old servers that could be consolidated and moved to the cloud for greater speed and availability, easier access and team collaboration and productivity.
- Backup systems you’re paying for that are unreliable and inconsistent.
- Legacy machines running on outdated operating systems. That CNC or PLC might still run, but the unsupported OS it’s tied to is a security hole you could drive a forklift through.
- Isolated production networks. If your shop floor equipment isn’t integrated with the rest of your IT, you’re missing efficiency and oversight — and probably paying extra for manual workarounds.
- Old licensing tied to equipment you no longer use. Many manufacturers keep paying for CAD/CAM or ERP modules that no one has touched in years.
- Data silos between ERP, MES, and accounting systems. If you’re still double-entering data from the shop floor to the office, you’re burning time (and payroll).
- Unsupported industrial controllers. These often slip past IT audits because they’re “plant floor” not “office” — but one outdated controller can be the weak link for the whole operation.

At PC LAN Services, we avoid this by digging deep into your entire environment — line by line, license by license, machine by machine — so nothing slips through the cracks. We flag the waste, cut the dead weight, and make sure every dollar you spend on IT actually moves your business forward. We treat your money as if it was our own.

#2: SaaS Bloat

In the era of cloud- and subscription-based everything, it's easy for small and midsize businesses to accumulate software-as-a-service (SaaS) subscriptions without a clear inventory or strategy.

Employees often purchase tools independently and outside of the I.T. budget (also known as “shadow I.T.”) to get their job done. Because these subscriptions are in small amounts, and because most companies don't routinely audit these purchases, most companies are unnecessarily spending thousands of dollars in duplicate and unnecessary SaaS applications.

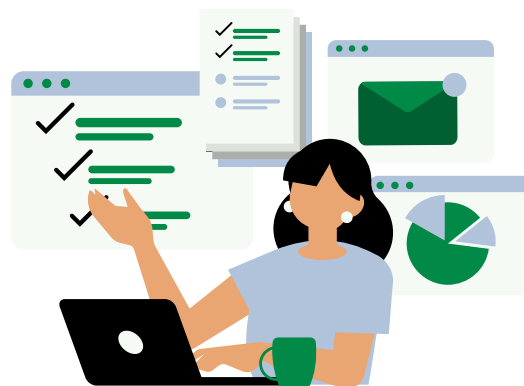
Here are some stats that speak to this point:

- A 2023 Productiv SaaS Trends report found that the average midsize company uses 254 SaaS apps, **yet only 45% of those licenses are actively used.**
- According to Gartner, organizations overspend on SaaS by at least 30% due to poor management of licenses and subscriptions.
- Flexera's 2023 State Of ITAM Report states that 49% of companies identify “identifying unused or underused software” as a top cost-optimization priority.

Let's say your business uses 100 SaaS apps at an average of \$25/month per user, and only half are actively used. That's \$1,250/month (\$15,000/year) in waste for a 10-person team – and that's being conservative.

We also routinely find:

- Businesses are paying for full-feature enterprise plans when a basic tier would suffice.
- Companies fail to revoke and/or cancel licenses after employees leave or when the licenses are no longer needed.
- Employees have multiple software tools that do the same thing (e.g., three project management platforms, two virtual meeting and communication tools, multiple CRM systems, etc.).



Part of our service for clients is to conduct a quarterly audit of all SaaS subscriptions as part of our quarterly Technology Business Reviews to determine if they are still needed or can be consolidated, downgraded or simply eliminated, which saves thousands of dollars and closes another door a hacker can crawl through to gain access to your network.

Left unchecked, SaaS bloat silently drains your I.T. budget and wastes money that could be going directly to your bottom line. Trimming even 10% to 20% of this waste can free up thousands for higher-payoff investments.

As part of onboarding, we run a full audit of your systems to cut out the bloat, trim unnecessary costs, and make sure every tool you're paying for is actually pulling its weight.



#3: Grossly Inadequate Data Compliance And Cybersecurity Protections

While you might not think of spending money on cybersecurity as a “cost savings,” you would do a complete 180 if you ever experienced the massive expenses associated with a ransomware attack or breach.

When A Cyber-Attack Happens, The Losses Stack Up And Multiply While Sales Tank.

Right away, there’s an instant loss of productivity. At best, you’re crippled. In the worst cases, you’re completely shut down, unable to transact, unable to deliver the promised products and services to clients and unable to operate. In other cases, thousands if not millions of dollars are drained directly from your accounts without any chance of recovery.

Then you have the loss of critical data, reputational damage, potential lawsuits and government fines. **The epicenter of this disaster lands DIRECTLY on YOUR desk for YOU to deal with** – a problem that WILL significantly undo your best-laid plans for growth and progress.

Yet, despite this, we have found that companies we’ve audited are GROSSLY unprepared and unprotected from a ransomware attack or other major cybersecurity event EVEN THOUGH they have invested heavily in I.T. staff and resources. Before we showed them irrefutable evidence of these inadequacies, the CEO was convinced that “I.T. has it handled.” A ticking time bomb they didn’t know was “live” under their seat.

Let me also point out that many insurance companies now require you to have a robust cybersecurity plan and protocols in place in order for you to be insurable. And with new data-protection laws being introduced and implemented on both a federal and state level, you may have clients coming to you to demand you show proof of adequate cyberprotections or they will be unable to do business with you. Do you really want to wait until you have the proverbial “gun to the head” need to get this enacted?

We review your cyber insurance requirements and make sure our IT solutions line up, so you're covered, compliant, and confident if you ever need to file a claim.

#4: Chronic I.T. Problems, System Failures And Slow Response To Problems

As the saying goes, “Overhead walks on two legs.” Any leader knows that unproductive, distracted workers not only kill profitability but increase the chances of mistakes, missed deadlines, sloppy work and low morale. A frustrated team is not a productive one.

Yet We Find That Most CEOs Don't Realize Just How Often Their Employees Are Being Interrupted And Distracted Due To Recurring I.T. Failures Because It's “Hidden” From Them.

After our audit, many CEOs are shocked to discover their employees are dealing with chronic I.T. problems that are constantly getting in the way of serving clients, closing sales and doing their job, forcing them to stop what they are doing, redoing the work they just spent hours doing or possibly NOT doing what they are supposed to do.

Just one hour of this a day adds up when multiplied over an entire year and your entire workforce. That's why our approach is built around eliminating those “repeat” issues before they drain productivity. Our help desk is friendly and efficient, with an average response time of just 15 minutes during business hours. But more importantly, we focus on fixing problems correctly the first time so you don't find yourself dealing with the same issue again and again. In fact, most issues can be solved remotely without waiting for an on-site visit, which means your employees get back to work faster. Our ultimate goal? That you rarely have to use our help desk at all, because your technology is running smoothly in the background—exactly the way it should.

In the majority of the situations where this is happening, I.T. is being outsourced to an organization that is not as responsive as they should be and has not been strategic or proactive in upgrading systems to avoid these costs.

To make matters worse, many support tickets are submitted by employees into a “black hole” without a guarantee of resolution or response time – so they’re left waiting for HOURS, unable to work, simply because their outsourced I.T. company is not getting back to them quickly.

Problems occur again and again, and frustrated employees end up finding a work-around or attempt to fix it themselves because it’s less frustrating than sitting on their hands waiting for a tech to call them back and fix the problem.

All the while, the company is paying their outsourced I.T. company to resolve all of this – but they’re only compounding the problem.

At PC LAN Services, we don’t leave you hanging. Our team responds to support tickets in 15 minutes or less, because when tech goes down, every minute counts. Fast response isn’t just a promise — it’s built into how we work, so your staff can get back to business without the long waits or endless phone tag you may have dealt with elsewhere.

#5: Delaying Necessary Upgrades Until Systems Fail

With inflation and costs on the rise, it’s no surprise CEOs and CFOs try to stretch I.T. systems upgrades until they are absolutely necessary – but there is a false economy in waiting too long.

Older systems not only become slower and less effective, but they also require more maintenance and support, increasing service fees. Old systems can also fail without notice, forcing you to upgrade without proper planning, incurring emergency support costs, data recovery fees and unplanned downtime.

In many cases, data loss can occur if systems fail unexpectedly – and upgrading old legacy systems may require expensive specialists who can migrate the data and functions to a newer system. Then there's the increased risk of a cyber-attack since older systems tend to be less secure and may no longer be supported by the vendor.

We make every recommendation as if we were spending our own money—always laying out the short-term and long-term options so you can choose the path that's best for your business before a costly mistake is made.

Done right, upgrades could have been done in smaller, budgeted increments over time, making it easier on the company from a budgetary perspective and in disruption of productivity.

This is why, at PC LAN Services, we carefully track and document all of the equipment, software, and systems your business owns. This gives you complete visibility into what's actually going on behind the scenes—what's performing well, what truly needs to be upgraded, and when. With this insight, we're able to build out a realistic budget so there are no surprises down the road. Just as importantly, we treat your money the same way we'd treat our own. That means we don't just hand you a single solution—we present both short-term and long-term options, clearly outlining the pros and cons of each. This way, you can make informed decisions with confidence, knowing we're not only thinking about today's needs but also tomorrow's growth. Together, we'll choose the smartest path forward for your business, balancing cost-effectiveness with reliability.

Is Your Current I.T. Company Allowing You To Waste Money, Break The Law And Incur Risk?

Take This Quiz To Find Out

If your current I.T. company does not score a “Yes” on every point, they are NOT adequately protecting and serving you. Don’t let them “convince” you otherwise and DO NOT give them a free pass on any one of these critical points. Remember, it’s YOUR business, income and reputation on the line.

- ☐ **Do they meet with you quarterly to review your current I.T. spend and map out future upgrades so you can appropriately budget for I.T. spend?** Or do they wait until an upgrade is on fire and then send you a big, expensive quote for a critical upgrade you didn’t budget or plan for?
- ☐ **Have they met with you recently – in the last 3 months – to specifically review and discuss what they are doing NOW to protect you from ransomware and the latest cyber-attacks?** This should be a routine report provided with the quarterly strategy meeting mentioned above.
- ☐ **Do they track and report on how many support tickets your team is submitting?** Is it under 10 per month per employee? If it’s higher than that, what are they proposing to eliminate recurring problems your employees are constantly having to deal with?
- ☐ Have they proposed ways to **consolidate and eliminate SaaS bloat** in your organization?
- ☐ **Have they ever asked to see your cyber liability insurance policy?** Have they verified they are doing everything your policy **REQUIRES** to avoid having a claim denied in the event of a cyber-attack?
- ☐ **Do THEY have adequate insurance to cover YOU if they make a mistake and your practice is compromised?** Do you have a copy of THEIR CURRENT policy? Does it specifically cover YOU for losses and damages?
- ☐ **Have you been fully and frankly briefed on what to do IF you get compromised?** Have they provided you with a response plan? If not, WHY?

- ☐ Have they told you if they are outsourcing your support to a third-party organization? **DO YOU KNOW WHO HAS ACCESS TO YOUR I.T. SYSTEMS AND THE DATA IT HOLDS?** If they are outsourcing, have they shown you what security controls they have in place to ensure that a rogue technician, living in another country, would be prevented from using their free and full access to your network to do harm?
- ☐ **Do they have controls in place to force your employees to use strong passwords?** Do they require a PASSWORD management system to prevent employees from using weak passwords? If an employee is fired or quits, do they have a process in place to make sure ALL passwords are changed? Can you see it?
- ☐ **Have they recommended or conducted a comprehensive risk assessment every single year?** By law, you're required to do this, and your I.T. company should be handling the I.T. part of that for you.
- ☐ **Have they implemented web-filtering technology to prevent your employees from going to infected websites or websites you DON'T want them accessing at work?** I know no one in YOUR office would do this, but why risk it?
- ☐ **Have they given you and your employees ANY kind of cybersecurity awareness training?** This is now required by law for many industries and by insurance companies as a condition of receiving coverage.
- ☐ **Have they properly configured your e-mail system to prevent the sending/receiving of confidential or protected data?**
- ☐ **Do they offer, or have they at least talked to you about, dark web/deep web ID monitoring?** There are new tools available that monitor cybercrime websites and data for YOUR specific credentials being sold or traded. Once a leak is detected, this tool notifies you immediately so you can change your password and be on high alert.

Ready For Efficient I.T. Services That Don't Waste Your Money And Put You At Undo Risk?

Because you're a prospective client, I'd like to offer you a **FREE I.T. Systems And Security Assessment** to demonstrate how we could put the ideas in this report to work for you and dramatically improve the value you are getting for your I.T. spend, eliminate waste and reduce your exposure and risk to a devastating cyber-attack.

The next step is simple: Call my office at 414-455-6400 and reference this report to schedule a brief 10- to 15-minute initial consultation.

On this call we can discuss your unique situation and any concerns you have and, of course, answer any questions you have about us. If you feel comfortable moving ahead, we'll schedule a convenient time to conduct our proprietary (and FREE) **I.T. Systems And Security Assessment**.

This Assessment can be conducted with or without your current I.T. company or department knowing (we can give you the full details on our initial call).

At the end of the Assessment, you'll know:

- Where you are overpaying (or getting underserved) for the I.T. services, tools and support you are paying your current I.T. company to deliver.
- Whether or not your company is truly protected from hackers and ransomware, and where you are partially or totally exposed to a devastating, extremely expensive cyber event.
- If your data is actually being backed up in a manner that would allow you to recover it quickly in the event of an emergency or ransomware attack. (Hint: Most backups are NOT.)
- How you could lower the overall costs of I.T. while improving communication, security and performance, as well as the productivity of your employees.

Fresh eyes see things that others cannot – so, at a minimum, our free Assessment is a completely cost- and risk-free way to get a credible third-party validation of the security, stability and efficiency of your I.T. systems.

Sign Up For Your FREE Assessment At Our Website:

www.pclan.com/free-network-assessment

If you prefer, you can also e-mail me at rexx@pclanservices.com or call me direct at 414-455-6400

Please don't be "too busy" and set this aside to deal with it later. If you have even a sneaking suspicion that money is being wasted and you are at risk for a cyber-attack, every minute counts.

Here's What Our Clients Have To Say:



With PC LAN Services I don't have to worry about my computers or my computer network. They took the time to get to know our business and have developed a technology plan that just works. They keep us secure- while most importantly keeping our manufacturing equipment up and running. With PC LAN Services, we have upgraded to VoIP phones and migrated to cloud-based solutions that are secure. PC LAN Services keeps us notified of upcoming upgrades and when they see a problem coming down the pipeline, they already have a solution in place. For a technology partner that truly gets your unique needs as a manufacturer, PC LAN Services is the perfect choice.

-John Neubauer, Neubauer Fabrications



The biggest benefits of having PC LAN Services as my MSP is cost reductions and increased response speed. With PC LAN Services, I receive personalized resolutions of tickets. Jeff and the technicians are familiar with our environment, so we do not have to explain our entire situation and IT infrastructure each time we submit a ticket. If you want a tailored, dedicated, honest approach to your IT needs, then go with PC Lan. If you want to be treated like you are one of hundreds of other clients that they don't have time for – then go with another company.

-Jeanna Buehre, Alternative Utility Services, INC.



Before joining forces with the PC LAN Services team, I was responsible for any IT needs for my growing company. As you can imagine, I'd much rather be focused on my patients and growing my business. PC LAN Services takes care of all my network and security needs and makes it easy with their consistent and reliable service. Their communication and response times are second to none. Anytime we open a new location, PC LAN is there to streamline that acquisition - so that I can hit the ground running. When it comes to choosing a new MSP, there is nothing to fear but fear itself when you go with PC LAN Services.

-Kent Mcloed, Chiropractic Company