

# A Technology Guide for New Businesses

Starting a business is overwhelming. Not only do you need to understand the business you are starting, but you also need to understand accounting, marketing, taxes, technology and much more. We hope this short guide will help you when developing the technology plan for your business.

## Website

For many companies a website is no longer an option, but a necessity. This is because a website can be a powerful tool to market and provide additional information about your business. You can even use the website to collect payments or make sales. Unfortunately, it can cost thousands of dollars to have your website custom designed. But the good news is there are several free solutions that give you a website that is flexible, professional and quick to setup. We recommend checking out Drupal ([www.drupal.org](http://www.drupal.org)), Joomla ([www.joomla.org](http://www.joomla.org)) or Wordpress ([www.wordpress.org](http://www.wordpress.org)).

**Domain name:** A domain name is the internet address for your business. Some examples of well-known domain names are: [google.com](http://google.com), or [irs.gov](http://irs.gov). You will want to pick a domain name that is easy for your customers to remember. Many websites, like [www.networksolutions.com](http://www.networksolutions.com), will let you search for domain name availability. Once you have found a domain name it will usually cost around \$8-15 dollars a year to use it.

**Web hosting:** Now that you have chosen website software and a domain name you will need to decide on a company to host your website. The hosting service stores all the website files and makes them accessible on the Internet. While there are free web hosting companies we recommend paying for this service. The catch with the free offers is that your website will likely be very slow for people trying to access it. Free hosting also generally requires advertisements to be displayed on your website. Many good web hosting companies will host a small website for under \$15 dollars a month.

## Email

When you have a domain name you will want to get one or more email accounts for your business. While many web-hosting companies include email services, but one of the best deals is to use Google's free email service. With Google Applications you can use your own domain name with Google's world-class email and spam filtering software. Best of all, Google offers their email free of charge. If you want additional features Google also offers a premier edition for around \$50 per user, per year.

## Backups

A recent study by Carnegie Mellon University reported that hard-drives were 15 times more likely to fail than their advertised mean-time-to-failure rate. With the amount of data stored electronically, businesses cannot take the chance of their hard drive failing and losing all electronic data. Automated backups are a simple way to ensure you keep a second copy of all your important electronic files. Buying an external hard drive and using free backup software is a simple way to setup automated backups. As your business grows you will want to consider off-site backups, which means you are storing a copy of your data at a location separate from your business. Off-site backups ensure you will still have your electronic data in the event of a disaster (i.e. fire, burglary, etc).

## Software licenses

In 2005 the Business Software Alliance (BSA) reported that nearly 21% of computer software was estimated to be unlicensed. While unlicensed copies of Microsoft Windows or Office are appealing because businesses don't have to pay to use the software, they run the risk of being fined many times more than the cost of the software. In 2007 U.S. businesses paid \$6.5 billion in fees for using unlicensed software. A simple spreadsheet or file folder can be used to track all of your software licenses and prevent your businesses from facing fines in the event of an audit. Another option is to maximize the use of open source software, which does not require software licenses.

## Business specific software

From invoice software, to inventory control programs, to contact management there are thousands of software choices that can help your business. Business software can range from being free to costing thousands of dollars. Many trade-organizations can help you with finding good software that is used in your particular field.

## Open source, an underground movement.

*Why is open source software a good choice for small businesses?* Simply put, open source software is software that can be distributed freely, without software fees. Some well-known examples of open source software are the Linux operating system and Apache web server. While many people don't think they have ever used open source software chances are many of the websites they visit are hosted on open source platforms. In 2007 a Netcraft study showed that an estimated 60% of websites were running Apache, while only 35% of websites used Microsoft software. Open source is also enjoying greater interest within the government. In 2004 the California state performance review said, "The state should more extensively consider use of open source software, which can in many cases provide the same functionality as closed source software at a much lower total cost of ownership." Open source software is a great deal for small businesses because you can find almost any type of software you need for free.