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Bi-Monthly Newsletter for Positive Support Review's Clients and Subscribers

Disaster Recovery for the Home Computer

Many ignore a major business interuption risk -- loss of the home and laptop computer

In November the firestorms raged through the mountains that surround Los Angeles. As the people who live and

work in the Santa Monica mountains tried to save some of their more important items, PCs and other computers got the short end of the stick. It is difficult to imagine how people with no back up or recovery plans are going to fair.

One of my neighbors just recently converted

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his architectural firm's DEC computers to a client server based LAN. As the fire raged down the mountain, he put what he could in his fire safe and then, with his staff, ran for his life.

It took less than thirty minutes for the fire to engulf his office building in the mountains. His was not an unusual occurrence. Over 1,000 homes had the same happen to them. These were homes and offices of many writers, business executives and entrepreneurs. Many of these people based their livelihoods on systems that burned up in the fires. In addition, tax returns, family histories, term papers, investment portfolios, and various other computer based information sources were lost.

Given this situation, not many of these people or the companies that they worked for, had a disaster recovery plan in place for each of these computer centers. Remember, it is not unusual for a typical PC system of today to equal both the processing and storage capacity of all the

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1994 - a Vacation Compared to 1993

1993 will go down as one of the worst years for business in the last two decades

Looking back over our forecast for last year at this time, I can safely say that our accuracy was

100%. Not bad, for a fourth year running to be right on. With that note let us look into the future again.

One of the primary drivers will be the economy and what our noble leaders in Washington are going to do for us. It is real clear that the opportunities for all of us in the next year (continued on page 3)

MIS Salaries Stay Flat -- Again !!!

Executives find that along with reduced head counts salaries stagnate.

In PSR's recently completed MIS compensation study for medium and large MIS organizations, for the second year in a row, salaries for MIS executives have stayed flat. This, added to the fact that head counts for many organizations continue to fall, is not a good sign.

One major change is the flattening of the compensation for the top MIS positions. Compensation stayed at \$280,000 for top executives; in addition, the number of positions at that level continues to decrease.

To order the study or get a copy of a press release with a summary of our findings please contact Dwight Zinn at extension 170.

Disaster Recovery for the Home Computer

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computers that NASA had to launch the first rocket to the moon. In the case of my neighbor with the architectural firm, he had a backup that was three months old and all the files that he placed in his fire rated safe did not burn -- they did not burn, they MELTED.

Add on to this the fact that most of these systems were covered by homeowners policies that have a \$10,000 limit on computer equipment. How are all of these people going to recover what they had? They can not. What I learned in the fire was that nothing can be done as the fire crests the hill. Everything that you need to do must be done before the fires.

Disaster recovery plans must be created and tested by home users of computers. That plan must contain enough contingencies so you can start over right away. If you or any of the people that work for you have PCs or systems that they have in their homes or cars, special precautions need to be taken.

There are four major components of any plan. First, ensure that an environment can be created to provide the ability to operate in a period of significant disruption of service. Second, make sure plans are created by people who understand the needs of the applications. Third, test the plans to see the applications will work. Last, have an independent party review the adequacy and completeness of the plan. During the course of that process at least do the following.

Review insurance coverage

Is the loss covered by the individual's homeowner's policy or the corporate insurance policy? Once this is determined, see if the coverage is sufficient to fix or replace the equipment, software and data.

With the advance of CD-ROM based software and reference data, the replacement is not as easy as copying a few files. In addition, as people begin to enhance their home systems with custom hardware from direct mail and computer superstores it is a must to know if those components are covered and if so to what extent.

Have a backup plan in place

It is one thing to have a backup of files, it is quite another to see that the backups work. One of my neighbors had all the backups he would ever need. What he did not have was the following:

- ☑ Off-site storage
- Backup diskettes with the operating system and restore program

Documentation of the existing computer configuration

Each of these is a must. Without this the disaster recovery plan will not work.

Test recovery plan -- offsite

Assume that everything that can go wrong will go wrong. Test the plan at least semiannually off-site to make sure that all of the components of the plan are working. This will include all facets of the application including:

- ☑ Data All of the data necessary to successfully complete the process. This should include any reference files that may be updated by vendors or your company.
- Hardware All components need to be tested for critical applications. What works on one PC will not necessarily work on another.
- Software Vendors are great in changing formats and requirements as new versions are released. In addition it is not unusual for file formats from a corporate data base to be modified.
- **E** Supporting materials Passwords, supporting files and supplies may be required. For example special forms or paper may be needed for a particular application. Even more serious are encrypting devices for security.

	FR	Storage		
Type of file	Frequency			
THE				
Support Files	Monthly or When Major Change Occurs	On-Site Current Off-Site Older		
Critical Data Files	Each Operating Cycle	On-Site & Off-Site Current Off-Site Older		
Application Files	Monthly or When Major Change Occurs	On-Site Current Off-Site Older		
Operating System Files	Monthly or When Major Change Occurs	On-Site Current Off-Site Older		
Critical Data Files	Each Operating Cycle	On-Site Current Off-Site Older		
Development Files	Monthly or When Major Change Occurs	On-Site Current Off-Site Older		

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1994 - a Vacation Compared to 1993

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will be to adapt to the new down-sized environment and to see if we can move into areas where there will be limited growth.

Even with that, this year should be much easier for all of us than last year. There will be many more opportunities for experimentation and growth now that the massive bloodletting has stopped.

"Health Care Bill" will create opportunities for the health care and financial services industries

We feel all of the uncertainty, with the direction of the economy and national health care, is going to make the business environment more complex. Some significant opportunities will appear. For example, there will be a rapid growth in the number of facilities that are able to provide care. Systems and infrastructures will be needed by all of them. Some form of a national program will be passed and the only thing that is certain is that there will be opportunities to profit in whatever is passed.

The Information Highway will be "pork belly" way

With so many politicians talking about the Information Highway there is no way that anything meaningful will be done except that a lot of money will be spent talking about it this year. Remember the collider project in Texas. That is the same way that this highway will go. The best hope for this will be the move by Prodigy to connect to Internet and make what is there more available to the general public.

Look for the current administration to make a lot of out of the nothing they will do. They will need a campaign issue which will defuse all of the negatives that they have caused over the last twelve months.

Apple will resurge -- if it learns how to deal with Newton

With Scully gone, Apple may have a chance to create a new market. It has already lost the PC market. It needs to establish a strong foothold in the workstation of the future. That is the next generation of Newton with built in communication, voice mail, E-mail, basic word processing and spreadsheet capabilities. All of this for a list price's of less than \$500.

If Apple does not do it then one of the several competitors will do it. Perhaps even AT&T, if it can get its act together.

Voice mail and E-mail will be linked this year

The riskiest prediction that I will make this year is this one. However this is the one that will make the next year a great one for technology. At least one vendor will introduce a system that will tie a Unix based voice mail system with a multimedia based E-mail system. This will be a system that will allow users to attach voice and data and forward it across the network of the future.

The driver of this technology will not be an industry giant but rather a small firm that will be in the need of much capitalization. There will be money to be made.

CASE and maybe re-engineering will die a graceful death this year

With the continued advance of new tools the need for CASE will be eliminated. This will mean that some companies will be left holding a very large investment that will have to be viewed as a sunk cost. In times like these, you do not want to be the last one on the block. Re-engineering will continue to be a buzz word but ultimately firms will be looking to find ways to get thing done more quickly.

Once an approach is talked about as the solution of the all management problems, its time has passed. So go CASE and re-engineering.



1994 Salary Survey

- · Defines compensation for Information Systems professionals
- Ranks IS professionals in other similar organizations
- Encompasses most Information Systems positions for large (over \$500MM in annual revenue)and medium (\$50MM to \$500MM)
- Cost is \$395.00 which includes IS Position Descriptions HandiGuide® volume 1

PSR Reviews - Vol. IV No. 1 ISBN 1-881218-14-7



Forecast of the National Information Systems Market

Economy is starting to move up - markets and interest rates spur growth - maybe there is enough to jump start us.

by M. Victor Janulaitis

Over the last few weeks a number of natural disasters have pumped a lot of money into the West coast economy. Strange as it may seem, the fires, floods and other disastrous events have spurred consumer demand.

On the West coast there has been a loss of over 750 homes whose individual values were over \$450,000 plus \$375,000 in contents. That concentrated total loss was over \$610,000,000. Add to this the additional 1,000 homes with losses averaging \$100,000 the total loss is well in excess of \$1 billion dollars. Most of the money has been paid out by insurance companies already. These losses, for the most part, were for high income families that plan on rebuilding -- and rebuilding quickly.

The insurance industry has paid up quickly and reconstruction has started. In order to get the cash the insurance companies have reduced their positions in the bond markets - dampening inflationary pressures - and this has increased the velocity of money on the West coast.

The payments are net additions to the money supply of the state. This injection may be enough to offset the tax



Published by:

M. Victor Janulaitis

increases imposed by the new administration. Add to this the velocity of money that will result from the refitting of the homes and businesses lost with new appliances, fixtures and personal items. What was a disaster for many may be the thing that will spur the economy to growth. It is hard to believe that an arsonist will help to get us out of the doldrums that "Billy Boy" and his administration have put us in.

On the East coast, given that they can agree on the election of the new governor in New Jersey, competition in the tri-state area will be stirred by the proposed tax decreases. Historically, New York has promised all sorts of tax incentives to get people to stay. If New Jersey gives business and high income individuals tax incentives, New York will have to follow. Over the long term this will push the economy in the Northeast out of the doldrums.

Comdex showed some new technologies that will spur the industry to move into new fields. Given the focus on productivity and the elimination of technology monopolies that the new advances are driving -- things are now looking better than they have in the last several quarters. Some of the same factors will help to drive business to reinvest. New advances in application generators and data base management tools will foster the advance of new applications that will generate real dollars to the bottom line.

The NAFTA decision by congress is still a great unknown. Will this mean more jobs or less. Only time will tell. The area that is of more interest is what will happen with the trade deficit with Japan. Pressures will be expanded to help spur our exports to Japan. With the sale of our agricultural products there due to the bad harvest in Japan questions will come to a head in the next few months as to why Japan is such a sacred cow.

What all of this means is that job uncertainties will increase. At the same time opportunities will be present for those who want to take some risks. Now would be a good time to position yourself on the West coast and Northeast. That does not mean that jobs are there today -- rather the opportunities will be there soon.

This is rather a contrarian view, but one that I think will hold.

lie

Location	Prospects Short Term	Prospects Long Term
Northeast	Good to Poor	Good
Mid-Atlantic	Good to Poor	Good
Southeast	Poor	Poor to Good
South	Good	Good to Fair
Midwest	Very Good	Very Good
Southwest	Very Good	Good to Very Good
West	Good	Good
acific Northwest	Good	Good
Best Location	Southwest	West

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