

THE MANAGER'S GUIDE TO RUNNING A COMPANY WEBSITE

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OVERVIEW

This white paper will review the short history of websites and will discuss how some companies have fallen into a "knowledge void" regarding how to continue managing their websites. Topics such as changes in software, Internet servers, and the required skill levels will reveal where the actual costs exist today. Finally, outsourcing comparisons with internal costs will demonstrate how a manager needs to blend both elements to succeed at website management.

TOPICS

Content management, webmaster skill, website cost containment, in-house webmasters, outsourcing web content, web writers, database driven websites. The early days of the Internet spawned the term "Webmaster." While this title seems to indicate a mastery of the web, in just ten short years since the term was developed, it is clearly a misnomer.

Requiring a technical programmer has become a thing of the past. In the early days, a webmaster spent most of his time writing HTML code. Today, almost no programming is required to create a polished website. In fact, the technology available today makes most early websites look like child's play, as no coding was required. Today, the reality is that webmasters and content developers spend the vast majority of their time in design, layout and content development (including copy writing).

Where website maintenance is concerned, the skill-set needed is clearly no longer in the technical domain. While technical skills are necessary at the web-server level, the relative cost of this portion of maintenance is now less than one-percent.

Most managers are busy running their operations, and although they have become proficient web users, they have not been exposed to the complexities of solid website management. The clear importance of the Internet to commerce, education, communication and leisure is no longer seriously debated.

Unlike most operational costs, few managers really understand the

ABOUT THE AUTHOR

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As an early adopter of the Internet, he has worked with clients to develop websites since the mid-1990's.



Mr. Burgess has written over one hundred articles on business strategy, marketing, and technology.

He started RedFusion Media™ in 1998, with wife, Molly, and son, Jon. He began the company to provide solutions to businesses who desired to use the Internet in an instrumental role of their marketing strategies.

RedFusion Media currently manages over 200 websites for municipalities, non-profits, mid-sized companies and agencies.

The company is the leading web maintenance company in the regional market of Inland Southern California.

needs and costs of managing a website. Becoming familiar with these costs is critical, as budgets of websites will continue to rise due to the broad range of business and marketing functions that consumers now demand.

The counter-balancing benefit is that many of these functions can become more efficient by using the Internet, creating a positive cost-benefit. Cost-conscious managers will invest more into their websites. Over time, this will create efficiencies in business. However, the overall trend will shift to website and Internet applications, taking a larger percentage of a company's budget.

For these reasons, managers must strive to really understand the required skills, and how to optimally use these appropriate skills, in order to keep pace with competitors. This white paper explores a realistic view of what it now takes to maintain websites, the skills required, and the subsequent costs incurred in the process of hiring or outsourcing to qualified personnel, in order to accomplish one's website objectives.

To briefly recount the development of what has been called web design, the term "web design"—what a webmaster actually does—is dramatically different now, compared with the early days of the Internet (many observers mark this date noting the Internet's advent as being 1995).

The Internet we know today came into existence when the World Wide Web (www) was created as a subset of the Internet. This is why so many websites have a www preceding their domain name. Today, few domains still require this prefix, and the "www" is now used less often.

The difference between the www and the original Internet was the HTML coding language. HTML stands for Hyper Text Markup Language. This programming language was a brilliant way to format text and images in color, in a way that required very little memory, so that it could be transmitted over slow telephone data lines. Using HTML in the

Are you being held hostage by an over-tasked IT department, or by a webmaster who keeps you in the dark with his high-tech mysteries?

Even if your situation is not as dire as either of these scenarios, understanding website management, in an economic environment where websites are gaining success and increasing in importance, can save you both headaches and dollars.

early days was actually programming. This is a dull but precise task of placing text and boxes (with images) at a specific location on the page. Every tab, line break, font, headline, etc. had to be written in programming language. This is the environment in which the word webmaster was developed.

Following page layout and publishing software development, several innovative companies immediately realized that this laborious and precise task was taking too long and could be done more easily by using a graphical interface—using a mouse to move an image and allowing the program to write the underlying code.

While early users were captivated by the online access of formatted text documents, the design and layout was just awful. This fact was clearly understood by the Adobe and Macromedia, who have always had a design orientation.

These and other companies developed software, making layout relatively easy and fast, compared with programming. Quite literally, HTML programming became obsolete for most design. (It is still useful to understand basic HTML for professional web maintenance, but manual changes represent a small percentage of today's industry.) With good web development software available, web design

quickly became the domain of graphic artists.

Most programmers then struggled to understand the designer mind, and rarely do programmers and designers have the same skills' set. Today, these skills' sets overlap only minimally, but each should understand the value of the other.

Managers must understand this difference, as well. Macromedia has moved on to sophisticated applications that create code, which only a top-notch software engineer can understand, let alone write. FLASH, Macromedia's brilliant animation software, is the world standard; it is creating capabilities for designers that rival television.

In 1987, early in the game for desktop publishing, computer nerds learned how to use the formatting of the old word processors. Designers quickly took over the leadership—they understood the visual dialog that a wonderful layout produces. Today, most experienced computer users can easily use Microsoft's program, Publisher.

However, for higher-end publications, professional graphic designers are still used; not for their application competence, but because they are designers who have mastered the tool. Having a grand piano does not make one a concert pianist, design is no less the case for publishing or websites.

This is what has happened in the website industry. Many businesses have someone who can manipulate a web design program. This is no different than making everyone who can type on a word processor into a writer! Having a technical person design a website does not mean a business will be well-served.

This brings us to the threshold of website maintenance, where technology has empowered those skilled in other crafts such as writing and design. Software developers have handed the user wonderful tools—applications that write HTML (such as Front Page and Macromedia. This new relationship is taking a small part of what was the IT domain, empowering the manager to manage the website

to the benefit of the organization. This is better illustrated by a discussion the skills' sets necessary for today's typical website.

SKILLS

To understand who should be contributing to the website, it is necessary to know how much of each skill set must contribute to the total. The specialized tasks are listed below for the basic site, which does not include online applications.

This does not include online applications, where it may be necessary to have an in-house server. A complete evaluation for most organizations indicates that serving a website from an in-house server is many times more expensive than a professional hosting company can provide. Outsourcing is also clearly better on up-time and security for all but the largest websites with data applications.

From this illustration, it is obvious that the total cost of maintaining a website is heavily dependent on how content is created. For a site that might cost \$1500 for the semi-technical support, the internal content creation might cost an additional \$4000 or more, depending on the internal company salaries. The pronounced issues are that developing content generally requires knowledge of the subject, as well as basic writing skills – while the technical skills needed are extremely minimal.

TECHNICAL COSTS

Technical duties can vary widely in an organization. Generally allocated to the mission critical applications for day-to-day operations, they are expensive, and usually in short supply. The technical issues of today's websites are largely outsourced to large and highly efficient companies called server warehouses. These facilities are far more secure, and staffed by high-level technicians focused on Internet servers, only.

The cost for hosting an average large website is literally in the few-dollars-per-day category (a fee that could be used by internal technicians in about

five minutes!) When organizations attempt to serve general websites in-house, they spend hundreds of times the necessary costs.

Today, most professional web-techs can post websites and manage the servers on which they work. To correct problems, they simply report issues to the high-level technicians in their server facility. Small and medium-sized companies (having small websites of less than 1000 pages) get hijacked by IT folks who want to “play” with web technology. Websites are anything but toys. For some industries, they are becoming a major part of corporate and brand communications, a job traditionally left to marketing, not technical personnel.

Outsourcing updates to web professions who repeatedly perform the same tasks, is usually more cost-effective, even if they charge up to \$150/hour, when compared to in-house IT personnel, who are permanently on the payroll at around \$40/hour. The total technical cost is just 1.5% to 2% of the website's cost. It is illogical to have a technical person produce writing, content flows, and design. Even when competent in these non-technical skills, they are too expensive – especially when mission-critical issues usually place web updates at the bottom of the task priority list (at least once the novelty has worn off).

Web specific skills such as architecture and SEO (search engine optimization) navigation are very economical to the overall site costs. These elements are critical to the overall success of the site. Since they change rapidly, only those who work full time in this field, with broad exposure to the industry, can maintain the website's search skill and speed.

Another specific skill is design. While web professionals (who have mastered the technical aspects of web applications) can be directed where to place an object, only those who are blessed with an eye for design can design. Few talented technicians rarely become talented designers. While some of the basic aspects of design can be learned, experience indicates that without natural design talent it

is difficult to maintain economically viable production speed. A production designer is not only gifted with designing talent, he or she is fast and understands enough technical aspects to accomplish the design in a cost-efficient manner.

Many larger companies have design types who can direct a web tech. While these designers make large contributions to the visual results, they are unfamiliar with what cannot be seen. Not all designers are technically oriented. This can cause misunderstandings and miscommunications.

Web design and maintenance is expensive, whether conducted in-house or outsourced. Best practices in this area are to have internal designers consult with an outside web professional.

Good web designers will desire guidance and support in understanding the company's branding, identity, and target markets. Great web content companies will have an experienced marketing professional on staff to coordinate with the company's marketing executive.

CONTENT

Content is the critical issue; it is core of telling your company's story. In general, this very important aspect of the website usually stays in-house. Good web companies will be open and collaborate with in-house personnel by discussing issues of web writing, SEO, and keyword usage (which have become critical since Google arrived on the scene).

The cost of producing an advertisement's content is still a small part of the laborious task of collecting the information and images, then writing the words that tell the story. Several categories of content exist, which makes the cost difficult to estimate.

General “billboard” information such as *About Us*, *Products*, *Services*, *Contact Information*, and *Events*, is straight forward and easy to provide. However writing a “sell” should have the marketing person's input; technical information may need an engi-

neer, and so on. Therefore, the cost to create good content can skyrocket.

Much of this information should already be prepared in some form, so the investment in content development is finished. After the basic marketing content is developed, the words can simply be repurposed to another media.

This new media can tell the story in every possible way except face-to-face. Adding illustrations, voice tracks, music, animations, interactive applications, and movies may assist the content. These areas still require competent designers who possess technical skills. While the cost of some of these options is still relatively high, the communication value they can achieve with most audiences is superior in quality.

Ads, demonstrations, and other FLASH features are rarely effective when done by hobbyists or employees who like to play with technology. In each case, the issue is not the technology, but the communication that is important.

Most amateurs are easily identified by pros and viewers alike by how they over-do blinking text, or make a FLASH introduction too long. Today, few professional sites open with FLASH, as it does not impress the user who does not want to wait for the download to take place every time they log-on.

On the other hand, by placing these tools on appropriate pages, to illustrate a point or to demonstrate a capability, is a technique viewers welcome. FLASH can be expensive, but as professionals become more skilled, the time required to do complex things is dropping, making some FLASH elements very economical, compared with the communication value.

INSOURCING VERSUS OUTSOURCING

Companies have many talented people. By examining the costs of each skill required, it becomes apparent that it is best to outsource certain skills, while some (notably content creation) must have

strong internal involvement. Few web companies have the expertise to assist with primary content development.

However the technical, web design, and content maintenance aspects make up only 12% to 15% of the cost of a website, and probably just 8% to 10% of the time required. Most companies can easily see this is valuable. But some companies, believing they have large enough websites, conclude that they can afford professional web staff also.

Sometimes this is the case, but the break-even point to support a web staff can be much more expensive than expected. The reason for this is that to in-source, each skill must be provided by someone. Even intelligent IT people need to spend valuable time learning or remembering skills they require only a few times per year. In-house employees are not free. There is a cost incurred for any time spent on a project. Web designers are less expensive than IT people, but the average web designer's total compensation is still over \$40,000.

While perhaps half the salary of a technical person, a productive web professional can maintain dozens of large websites, each possessing a hundred pages or more. Even a part-time webmaster should be able to post 100 new pages per month and maintain another 1000 pages on an average website. Clearly, outsourcing general website needs is the most cost-effective route.

A frequent error by non-profits is to allow volunteers to maintain their website. Too often, these volunteers are hobbyists, who use unorthodox methods, making websites hard to take over by another. They become overwhelmed by the potential demands of the organization.

On the other hand, having volunteers work on content, and outsourcing the critical maintenance issues, creates better websites at a lower cost. Many non-profits can tell horror stories about losing their domain or a volunteer webmaster missing in action. In these cases, the entire cost of the development is lost; a poor use of donor funds.

ONLINE APPLICATIONS

The cost structure changes dramatically when an online application is developed or a database is used as the back-end of a website. Both approaches are highly technical and require a manager's careful study.

DATABASES

Many database applications were introduced several years ago to handle very large websites where hundreds of new pages were added monthly, or even daily. The large scale of these huge websites (10,000 pages or more of information), caused programmers to realize that with a user interface they would no longer need to have a webmaster to flow design or post all content.

Naturally, when webmasters were making \$50,000 to \$80,000 and in short supply, this was very reasonable. If several salaries can be eliminated from the web staff, the high cost of database design would quickly be recovered.

Since then, three things have changed: First, web applications have made programming HTML unnecessary, and the number of webmasters has soared.

Then, Google showed up. Google could not read most database pages, so no one could find them in a search. Major database applications have been stunted since Google came on the scene. AOL has spent over \$100 million to "make sure the search engines could see its pages."

As for smaller sites, the original technical-web programmers continued to keep up with the state-of-the-art, database serving to websites. The dream and promise of these expensive (generally five to fifteen times more expensive) database sites was that "anyone" could post a story or update a page. Unknowingly, managers compared what they thought was "free" to web rates of \$50 to \$100 per hour. They expected trouble-free applications, and that their employees would take to the web like

ducks-to-water.

Neither has happened. Changes to a database design are expensive (remember, this is programming). Programmers could build a basic site, but changes and enhancements are what has got them into trouble. Many small web programming companies simply abandoned sites, leaving the owners with no way to fix or update their website.

Many sites did work, but the employees were afraid to post to the Internet. They were self-conscious about their writing, and criticized by the publicity and marketing people. When workers did post content, the control of the message was lost and internal tension resulted. This circumstance bred a brand new level of content management software.

This new generation of content management software is complex and very expensive, with many programs starting at over \$100,000. Yet, the software only does what every PR firm, advertising agency, and in-house writer does.

This software "manages" new content in two ways. First, it keeps track of time-sensitive information and acts on it; second, it makes sure one or two supervisors or editors approve new content before it is posted.

Flow charts illustrating how content-management software packages work would more than fill this page. Yet, people can simply manage the same process. As a manager, you obviously need a huge website to justify this kind of expense.

In our experience, most medium and smaller businesses have not built a work-flow chart of their current operations, let alone thought through how to manage content online. Most readers will not need to entertain such investments. This is because many creative new "applets" are being created that can be added to your existing HTML site. These applets include shopping carts (and credit card clearing), calendars, calculators, online surveys, and various data gathering programs.

Many of these more complex tools, such as shopping carts, operate on the vendor's server for all their customers. Your webmaster simply coordinates with the vendor and then links to the entry page for the add-on application.

Many of these tools have a low monthly cost for the service. If you need to supply customer information, many accounting and production software packages are building the web interfaces for your existing applications. Since they are familiar with the software, industry and the Internet, they simply provide links to the web design company.

You rely on existing support for this new feature on your website. You may find a website company to do this work, it is almost certain that your IT company or the software maker will not be able to do what the web content company does. It is not a wise use of resources to put a communication device in the hands of IT people of any variety.

Many of the established webmasters of the 1990's, who love program coding, can build small, custom, one-purpose applications that can be added to the server. These are useful for gathering data that needs to be downloaded and imported into another desktop application.

The advantage is the simplicity of the program, and lower cost. A simple type of application may be from \$800 to a few thousand dollars. Each of these functions can be independently evaluated, to determine break-even or return on investment of known administrative functions.

Bolting onto other applications and services is a cost-effective way to provide functionality, or the appearance of technology that might be needed in some markets to compete favorably. Problems that arise do not take down the entire site, and keeping expensive programmers on retainer is unnecessary.

Know who you are dealing with. While most strictly HTML sites are very portable, applets and tools may not be. Selection of a professional website mainte-

nance company will reduce the chances of abandonment. Individual "webmasters" and very small companies tend to have an abundance of technical types moving through the industry. They take the opportunity to build the website, but do not really have an interest in maintaining the site.

Most companies that have had a website for over five years can attest to this trend. Organizations which are serious about their websites will recognize that the low-priced, small web development company may be run by a good designer, but can lack a sustainable business model.

All small start-up companies have a high failure rate for their first five years. Web design companies probably fall into a higher range than that. Look carefully for a company that has been in business for over five years. Then, ask how many people and what skills are represented by their staff. Also ask who their major partners are, and what skills they bring to the total package. If they list programming skills first (such as Java or a database programming such as Pearl) use extra caution – they may be more interested in fun projects rather than keeping your needs as their first priority.

MANAGEMENT

Each website should have a key inside person who will be responsible for keeping the site current, relevant, and growing. This person needs to be a champion of the Internet, and have the ability to coordinate and motivate others to provide your site's content.

Since the first and foremost use of a website is for communication and marketing, this person may be the top marketing person in the company. Nonetheless, many will ultimately need to contribute technical, sales, procedural, or product information.

If left to write and post this information on their own, experience indicates that most will perform poorly. Website management is often perceived as being an additional burden, or "not my job."

As a result, successful website projects are almost always driven by top management, who understand how the website will ultimately interface with multiple functions in the organization.

Outsourcing all “technical” aspects of web management can dramatically ease the tension of teamwork on your website. In this case, using a firm that quickly and cost-effectively posts content, boosts morale and increases the creativity of your best people. When the friction of managing a site is removed, friendly competition may even develop between departments.

From a management perspective, if you have in-house resources to handle the company’s website, the above experience is valuable to prevent turf wars between the technically oriented, and those who are less technical (often represented by those at management level). Let professionals assist your decisions on how to build and add to the site. This keeps you and your staff focused on your business, much the way your CPA supports your accounting staff.

For companies having dozens of contributors or departments, website management should ideally be structured and overseen in a way that parallels the business order of the organization. The top executive and marketing person should approve the overall design and navigation. Primarily, a website is a communication media.

The marketing person should authorize changes to this structure in the absence of the company’s president. The department head should sign-off on text and images that fit into the page design. Any alterations to the “look and feel” within a page or departmental section need a compelling reason for change, as this can break the consistency of the site’s design, reflecting on branding and overall image. These are the kinds of expertise a professional web design and content maintenance company can offer. In addition, you can ask them to police the design’s integrity across the site.

One of the long-term effects of many contributors is what we call “design decay.” This is a slow decay of the original design specifications of the site; fonts, logos, design elements, and general style.

Professional designers immediately notice this decay; many others subliminally “see” the decay, but cannot discern why it is wrong until the whole site lacks the original integrity that it initially contained. Regarding over all aesthetics, if your firm has good designers, rely on them. They have a natural eye for such things.

Very few companies have “talented” people capable of making these decisions. While companies do have many talented people, those people do not have vast experience or the production quality that professional designers possess. Generally, these talented people only have more talent than you do—almost never more than the designer has.

Remember, the overall design of the site is not for you or your employees; it is for your customers.

Understanding your customer requires a careful understanding the customer’s demographics and psychographics. If you can find an outsourcing web company with a marketing emphasis, you will get more value in the design. Focus your employee’s talent on writing, images, and concepts. Then let the pros turn them into good communication.

SUMMARY

The importance of good websites will only increase over time. Good websites require a serious look at what you do, and an explanation of how and why you do it. Websites must be current, and they should have new content continually added, so they are SEO friendly. *(For more on SEO see the RedFusion MediaTM white paper on this issue).*

Companies on a budget should start now to build the site they want to have in two or three years. Even an unlimited budget requires thoughtful consideration, by many of your best people, of the message, so it still takes time.

If you plan to get outside help to take advantage of the benefit of outsourcing, start looking now for a company you can hire as your strategic partner for the long-haul. They can help you with the next step of organization and navigation.

Do not make the common mistake of attempting to plan the site by committee. A good web company can literally shorten the process by months. It is not unusual for larger organizations to spend over a year in committee meetings, only to discover that they were working with old concepts and/or technology.

One of the most amazing and cost-effective aspect of any site (when it is designed correctly) is the actual flexibility of a website.

Flexibility allows additions and changes as they are occur. A website is the antithesis of a glossy corporate brochure, so be careful not to treat your website as if it is a publication that is final and complete, once it has gone to print.

Websites are living, breathing testimonies to your product - they are not static marketing tools or one-time promo materials. Their inherently flexible nature provides versatility that makes them valuable communication and marketing tools.

Get your people working on what they do well, and hire those who do can do the rest. You will be ahead in both money and time. ●