# Reducing The Costs and Complexity of IT With a Managed Services Provider



#### The Technology Pains of Small Business

Small business owners are faced with quite the dilemma these days. While a reliable and secure network is a critical component to success, business owners are also being forced to scale back on costs and overhead as a means of basic survival in today's economy.

Having a fully staffed IT department simply isn't a viable option for a majority of small business owners. Many small businesses either have one full-time employee devoted to IT services or none at all. Both scenarios are recipes for disaster in an increasingly complex high-tech society.

One IT person, even a very small team, will likely be overworked and burdened by too many responsibilities. This can make a company's business infrastructure increasingly vulnerable to breakdown, not from technology, but from human error.

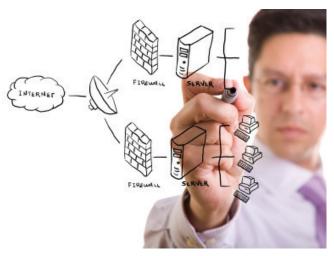
A recent study conducted by Gartner projected that through 2015, people - not technology, will be responsible for up to 80% of technology failure. This number coincides with findings reported in the *IT Process Institute's Visible Ops Handbook* stating that 80% of unexpected outages are due to poorly planned changes implemented by administrators and developers.

The forecast is even stormier for businesses with absolutely no IT support on payroll. These business owners have subscribed to the break/fix model of technology management. While this model can sometimes be out of necessity due to budget restraints, it can also stem from a state of ignorance or denial that their business is truly susceptible to technology failure. The overall health and profitability of their business is directly affected by the performance, reliability and security of its technology systems.

With the break/fix model, there is absolutely no proactive monitoring or management of their network. The only emergency plan for data loss or downtime is to call upon an IT specialist in an emergency 9-1-1 situation.

On average, these IT consultants charge \$100 an hour. This doesn't even factor in trip fees, surcharges, and standard repair costs in the range of \$500 to \$1000, or the costs of hardware and software upgrades. This method also results in more downtime, lost productivity, lost revenue, and a loss in overall customer satisfaction. Major network repairs require a minimum of 8-24 hours on average and most on-call IT consultants cannot get on site for up to 24-48 hours.

One has to also wonder if these consultants truly have the business owners' best interest in mind? After all, they make their money when technology breaks down. Are they truly motivated to keep a client's network running optimally and efficiently?



The Concept of Managed Services

Managed Services Providers - or MSPs - are often recommended as a cost-effective IT solution for small businesses. For a minimal monthly fee, MSPs provide a reasonably priced solution to the complex technology pains of small businesses. Sometimes an MSP will enter the picture to support an overworked IT support person or staff. They can also assume complete responsibility of all IT and network operations if need be.

MSPs can decrease the overall IT support costs by as much as 30% to 50%. Rather than stressing about technology, business owners can instead get back to focusing on growing their business. All while enjoying the benefit of a team of highly-trained IT experts boosting their network's reliability and performance.



The Benefits of a Managed Services Provider

Freed Up Resources and a Renewed **Emphasis on Core Business** - Most pricey repairs and recovery costs are the result of a lack of consistent monitoring and maintenance. While these activities are absolutely critical to day-to-day business operations, they are also repetitive, monotonous and "a time kill" for any IT support on payroll. Both business owners and internal IT staff would much rather focus on revenue enhancing tasks like product development or the creation of cutting-edge applications/services. This is one reason routine monitoring and maintenance tasks are often neglected by an internal IT person or team, which always proves to be detrimental much later.

Often misportrayed as a "threat" to an internal IT person or staff, MSPs can instead alleviate internal staff of mundane network operations maintenance, repetitious monitoring of server and storage infrastructure, and day-to-day operations and help desk duties.

- A True Partner Sharing Risks And Responsibilities Earlier we alluded to a mistrust of IT consultants who profit from your technological misery. In comparison, thegoalofanMSPistodeliveroncontracted services, measure, report, analyze and optimize IT service operations, and truly become an irreplaceable catalyst for business growth. MSPs not only assume leadership roles, they mitigate risks, enhance efficiency and change the culture by introducing internal IT operations to new technologies and processes.
- Access to Expertise, Best Practices and World Class Tools and Technologies MSPs has worked with a variety of businesses and organizations. Since each client presents a completely unique set of business and technology needs, there isn't a "one-size-fits-all" method to what they do. That said, they've likely seen it all, and the benefit of an experienced MSP

undoubtedly adds value to your business. MSPs can keep your business relevant and on track with continually evolving technology, support, and productivity demands. Let's face it – no small or medium-sized business can afford to fall behind with technology trends in today's business world.

■ The Benefit of a Full - Time Fully Staffed IT Department at a Fraction of the Cost - Most small business owners live and die by proactive management. They just haven't had the budget, resources or access to on-demand expertise to be proactive with information technology

management. An MSP gives business owners and overwhelmed internal IT staff affordable computer and server support, remote monitoring of critical network components like servers and firewalls, data backup and disaster recovery, network security. software custom solutions, and technology evaluation and planning. Freeing them from expensive computer problems, security threats like spyware and spam, and the repercussions of prolonged downtime. All without being "nickel-and-dimed" by on-call IT firms.