

WHITE PAPER

The Business Benefits of Managed IT Services



WHAT ARE MANAGED IT SERVICES? WE DEFINE IT AS REMOTE MONITORING AND MANAGEMENT OF IT SYSTEMS AND DEVICES BY A THIRD-PARTY CONTRACTOR. THE MANAGED SERVICE PROVIDER (MSP) WILL MAINTAIN THESE ASSETS FOR YOU, BUT TYPICALLY DOES NOT UPGRADE OR REPLACE THE HARDWARE UNLESS YOU REQUEST IT.



ONE SURVEY FOUND THAT 85% OF IT PROFESSIONALS WOULD RATHER WALK BAREFOOT OVER HOT COALS THAN HAVE TO DEAL WITH A SYSTEM OUTAGE.

INTRODUCTION

Technology evolves at a lightning-fast pace. Think back to twenty years ago, when floppy drives were commonplace and Windows 98 was the killer app. Just ten years ago, the launch of the iPhone revolutionized our concept of mobile devices. Undoubtedly, you are familiar with the hardware and software that's available today — but do you know what technical marvels the future will bring? Keeping up with these constant changes can be challenging and time-consuming.

The good news: There's an easy way to stay ahead of the curve. Managed IT services give you the support you need for your critical IT technology — including workstations, networks, servers, and security — without the cost and hassle of managing everything in-house. It's no wonder that companies of all sizes are putting their trust in this solution. According to industry research, the average business plans to spend 14% of their IT budget on managed services and 43% of businesses are planning to increase their spending on managed IT services.

Although most businesses initially choose managed IT services as a way to drive down the cost of IT support, it doesn't take them long to discover the added benefits of proactively maintaining critical systems and quickly responding to unexpected technical issues. In this guide, we'll provide insights on these benefits and their positive impact on your business.

Proactive maintenance

Too often, IT services are reactive: get the server back online... re-install the software on that laptop...find an urgent email that got lost in the spam quarantine. Many organizations use a break-fix approach and outsource the repair work each time a problem occurs. However, considering that the service company makes money when there are problems with critical IT systems, it's easy to see how this can quickly become a costly endeavor.

When you have a managed IT service, you'll be on the offense rather than on the defense. Your service provider will



HOW MUCH OF YOUR IT BUDGET DOES IT TAKE TO CHANGE A LIGHT BULB? A REPORT FROM IDC FOUND THAT THE AVERAGE BUSINESS SPENDS 70% OF THEIR IT BUDGET TO SIMPLY “KEEP THE LIGHTS ON” AND MAINTAIN THEIR CURRENT SYSTEMS.

proactively update and patch your mission-critical IT systems on a regular basis. Keeping your systems up-to-date in this manner prevents many of the issues that lead to downtime and unexpected repairs. As opposed to those companies who only make money from your problems, the managed service provider stays in business by minimizing those issues and keeping your systems up and running properly.

Leave the upgrades in the very capable hands of your managed IT service provider, and you can focus on your business instead of running around putting out fires.

Improved performance

In today's world, it goes without saying that the success of your business depends upon the performance of your IT systems. If they go down, it could cost your business hundreds or even thousands of dollars for every minute of lost productivity.

Your managed service provider is your ally in the fight against downtime. Because they're proactively monitoring your systems and devices, they'll immediately be alerted to any signs of trouble — in which case they'll notify you and work to resolve the problem before it affects your business. When necessary, your managed service partner can escalate the issue to other vendors and track the process through to resolution. Running a business is stressful enough without having to worry about the health of your IT systems. The proactive approach of a managed service provider will help you to avoid that costly downtime — and if a problem does arise, the MSP will help you to get your business back up and running as quickly as possible.

A custom solution

With managed IT services, one size does not fit all. It's a fully scalable solution that bundles together all of the essential building

blocks of IT system management the way you want them. You could outsource your entire IT function if you want; some companies use an MSP as a “virtual CIO” that manages their entire technology platform. On the other end of the spectrum, you could choose to implement just one or two managed services to supplement your existing IT team's capability.

Additionally, with any managed IT service, you could choose to roll it out to your entire organization or select managed services for just a few key systems. For example, you might decide that you can manage your file server in-house, but you'd like the MSP to manage your application server.

In short: with managed IT services, you never have to buy more than you really need or want.

More predictable IT budget

Are you ready to take the guesswork out of establishing your IT support budget? Some managed IT service providers offer their solutions as a subscription service, with one monthly charge covering a wide range of tasks. Others offer their services with a “pay as you go” pricing model. Either way, there are no surprises that you have to work in to your budget.

When you first sign on for managed IT services, you may have to invest in new devices that will support the processes you're about to add — for example, a network security service could require you to purchase a new firewall. Many providers will also add an initial assessment project to determine the general health and condition of your IT systems, including a detailed inventory of your existing hardware and software. This process may lead to initial recommendations for the MSP to take corrective action and get your systems up to par. These are all non-recurring expenses that you won't have to worry about after your first month's invoice.



YOU'LL BE IN GOOD COMPANY. A SURVEY FROM PWC FOUND THAT 62% OF ORGANIZATIONS ARE USING MANAGED SECURITY SERVICES FOR AT LEAST PART OF THEIR DEFENSE OF CYBERCRIME

Improved network security

It's unfortunate but true: network security threats have become the norm rather than the exception. One survey of IT professionals found that 76% of them had been hit with a cyber attack in the last year, and 62% expect an attack to happen in the coming year. Half of those attacks are "opportunistic," meaning the attacker is taking advantage of a vulnerability in the system.

It may seem like the deck is stacked against you, but rest assured...there is hope. Many MSPs provide firewalls, unified threat management (UTM), and email security services to ensure that all paths into and out of your network are protected. As with other managed IT services, they'll remotely monitor for threats and ensure that your configuration keeps up with known threats. If these services are hosted (in other words, not provided with on-site hardware), you'll gain the added benefit of keeping that unwanted traffic as far away from your business as possible: any threats or attacks will be blocked before they ever reach your corporate network. Even better, you won't waste the Internet bandwidth that these unwelcome invaders would otherwise consume.

As the technology landscape changes, so too do the potential security threats against your business. Your managed IT service provider is ready to help you keep your business safe.

Adding or enhancing an IT team

Businesses of all sizes can benefit from working with an outsourced IT team. Small and mid-sized businesses with no in-house IT staff immediately gain a virtual IT team that's ready to respond to any needs they may have. The business can also take advantage of economies of scale, gaining access to the same IT management tools and certified technicians that a larger organization would have.





A COMPTIA STUDY FOUND THAT, OF BUSINESSES USING MANAGED IT SERVICES TODAY, 68% HAD NO CHANGES TO IT HEADCOUNT: THEY EITHER RETAINED ALL OF THEIR EXISTING IT STAFF, OR THEY HAD NO IT STAFF TO BEGIN WITH.

Speaking of which, larger businesses will also benefit from managed IT services. Existing IT teams are often apprehensive about outsourced services, thinking that they'll be putting their jobs at risk. However, managed IT services don't have to replace IT teams — instead, they ease the pressure on these personnel by enabling them to outsource routine and/or time-consuming tasks such as patching and monitoring. Additionally, the MSP's team of engineers will complement your IT team's experience, particularly when it comes to emerging technologies (such as virtualization and cloud computing) that your in-house staff may not be as well-versed in. At the end of the day, it all leaves your IT team free to focus on projects that are a better use of their time, such as implementing new systems or streamlining existing processes.

FOCUS ON WHAT MATTERS

To stay competitive you need to focus on your core business objectives — generating leads, growing sales, keeping customers happy, and tapping new sources of revenue. With a managed IT service, the management of complex, mission-critical business technology is taken care of for you. It all happens in the background, while your employees use that technology to take up new goals and take down obstacles that stand in their way.

ABOUT THE RESEARCH

The TPx team curated this whitepaper's data from numerous market research reports, vendor whitepapers, and industry publications, including:

CIO.com, "Network Maintenance Myths Busted," March 2015

CompTIA, "Buying Guide for Managed Services," February 2015

"2013 IBM Cyber Security Intelligence Index"

Kaseya, "The Managed Services Market is Evolving - Fast!" January 2017

Markets and Markets, "Managed Services Market worth \$193.34 Billion by 2019," May 2017

"Managed Services Spending On The Rise in 2015," January 2015

Network Computing, "IT Spending", March 9, 2017

ChannelE2E, "Top 10 Managed Service Provider Predictions for 2017", May 2017

MANAGED IT SERVICES ARE
FORECASTED TO GROW
AT OVER 40% PER YEAR...
COMING FROM COMPANIES
OF ALL SIZES AND
INDUSTRIES.



ABOUT TPx

TPx is the premier managed services carrier that delivers comprehensive communications solutions to 75,000 business locations nationwide. Businesses nationwide trust TPx to manage their mission-critical network services. TPx's award-winning, enterprise-grade unified communications, managed IT, and network connectivity services empower companies to unleash productivity by streamlining processes, proactively monitoring systems, and staying current with rapidly-changing technology. TPx backs its services with a zealous commitment to Customer Care, including a network uptime guarantee and 24/7/365 live-answer technical support.

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