



The Cost-Saving
Benefits of
**Managed
Services**





What are Managed Services, anyway?

Put simply, managed IT services involve outsourcing some or all of your IT needs to a third party to improve operations, augment internal skillsets and reduce costs.

Introduction

Technology evolves at a lightning-fast pace: From floppy disks to the iPhone and the earth-shattering appearance of AI, we've come a long way. But keeping up with constant changes and ever-growing cybersecurity threats is not only challenging, it's time-consuming. And exhausting.

The good news? There's an obvious 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, demand for consultative IT support continues to grow, with one estimate putting SMB spending at \$406 billion per year by 2026. IT systems are increasingly complex, cybersecurity risks are on the rise, and hiring IT talent — especially in cybersecurity — has never been more expensive. Although most businesses initially choose managed IT services as a way to expand their internal IT capacity or address specific pain points, it doesn't take them long to discover the many benefits of managed services, including decreasing expense — and not just IT expenses.

In this guide, we'll cover key benefits of utilizing a managed services provider (MSP) to save on costs.



74%
of businesses say technology is a primary factor in reaching business objectives.

Reduce Repairs with 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. And that gets expensive.

Managed IT providers take an offensive strategy rather than a defensive one. Your service provider will proactively update and patch your mission-critical IT systems on a regular basis, keeping your systems up-to-date and preventing many of the issues that lead to downtime and unexpected repairs.

In contrast to companies who only make money from IT fires, a managed service provider stays in business by detecting issues *before* they become emergencies and keeping your systems running optimally. Leave the upgrades in the very capable hands of your managed IT service provider, and you'll reap two financial benefits:

1 You can go back to focusing on business growth and mission-critical initiatives.

2 Your costs will diminish with a predictable IT spend focused on keeping your systems healthy instead of constantly repairing them.

Limit Costly Downtime

The success of your business depends largely on the performance of your IT systems – that’s no secret. Downtime is expensive, with recent studies showing it has grown to roughly \$9,000 per minute on average.

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 get your business back up and running as quickly as possible.



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Only Pay for What You Need

With managed IT services, one size does not fit all. It’s a fully scalable solution that bundles together all 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 capabilities.

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.

Predictable Lower IT Budget

Take the guesswork out of your IT budget: Many managed IT service providers offer their solutions as a subscription service, with one monthly charge covering a wide range of tasks. Others have a “pay as you go” pricing model. Either way, the right MSP will ensure there are no surprises that you have to work into your budget.

Consolidating to one technology provider can also help streamline accounting and reduce time spent managing invoices from different vendors. 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. Regardless of initial costs, an MSP you can trust will transition your IT budget from uncertain to predictable.



Decreased Risk of Costly Cyberattacks

It's no secret that cyber threats are constantly on the rise, with cyberattacks increasing globally by 38 percent between 2021 and 2022. Bad actors continue to develop new and more cunning ways to attack businesses, with phishing becoming the most common form of cybercrime — an estimated 3.4 billion spam emails are sent every day, and more than 48 percent of all emails sent in 2022 were spam. The risk of data breaches, malware, and ransomware attacks is especially high for industries like healthcare, local government, education, and financial services, which are often particularly lucrative to hackers.

50%. The odds of a company experiencing a breach within a calendar year — the same as a coin flip.

Many MSPs provide a range of cybersecurity services including security consulting and planning, firewalls, user security training, email security services, assessments and more to ensure that all paths in 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 keep your business safe.



Augment your IT team for less

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 and the same tools, expertise, and experience that a larger organization would have. But larger corporations can benefit from outsourcing, too.

Internal IT teams may feel apprehensive about outsourcing, concerned 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 internal teams by enabling them to outsource routine or time-consuming tasks like patching and monitoring.

One global survey of IT decision makers found that 68% of organizations identified staffing related issues as the #1 threat to achieving their objectives.

MSPs also offer a wide range of skillsets to complement those you already have and offer a much more affordable alternative to adding to your headcount. They'll eat the cost of training and certifications and don't require you to spend on recruitment, salaries, benefits, or retention – all costly for IT staff. At the end of the day, your IT team is free to focus on business-critical projects that impact strategy and the bottom line instead of tedious tasks.

Focus on what matters

To grow, 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 complex task of overseeing mission-critical business technology is taken care of for you. It all happens in the background, while your employees use that technology to take on new goals and take down obstacles.

Start your IT cost-savings journey.

Get in touch to learn more.

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About TPX

TPx is a nationwide managed service provider helping organizations navigate the growing IT complexity. Founded in 1998, TPx offers comprehensive managed IT services including internet, networks, cybersecurity, and cloud communications. With a focus on service, TPx is dedicated to the success of its customers by making IT easy with solutions that address today's evolving technology challenges. For more information, visit www.tpx.com.

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