

Improving your business performance with outsourced IT

Outsourcing has become a fairly common element in business processes today. What started off as a means to cut business costs and take advantage of cheaper resources based offshore has now become an essential part of running a business today. Its definition doesn't necessarily include offshore outsourcing. Outsourcing today simply involves using external entities to handle specific, specialized business functions so that organizations can focus on their core competencies. Outsourcing HR, real estate portfolio management, tax audits, etc is fairly common nowadays. This whitepaper discusses another function which, when outsourced, can bring greater efficiency and effectiveness to your business's overall functioning--IT.

IT is one of the core functions of any business. There's no aspect of a business that is untouched by IT. Outsourcing IT is a big decision and it is not surprising that many organizations choose to manage their IT in-house rather than relying on outsourcing. However, outsourcing your IT to a managed service provider offers numerous benefits.

Expertise

The first and foremost benefit of outsourcing your IT to a reputed MSP is the expertise they bring into the process of managing your IT infrastructure. As we discussed before, outsourcing is all about leveraging the expertise of another organization that specializes in something that is not your core competency. Managed service providers are experts in IT and will be able to manage your IT infrastructure more efficiently. Sure, you could hire IT experts and make them a part of your in-house IT team, but that would be expensive. Additionally, your in-house IT experts, no matter how experienced, don't get the industry exposure and diverse hands-on experience of a managed services team that works to oversee and maintain multiple clients across various industries. In short, the expertise that a managed service provider brings to the table is unmatched.

Focus on IT strategy in-house, not routine stuff

Having an MSP onboard gives your IT team a break from the routine activities of patching, security updates, regular data backup/cleanup etc. These activities, though mundane, are indispensable and have to be done consistently. But, they can be time-consuming and distract your IT team from focusing on more important activities such as new software research, purchase, or implementation. Plus, activities such as patching, license renewal and security updates are very important and usually time sensitive. This means, an overworked IT team is likely to miss deadlines, resulting in serious consequences. So it is better to offload that responsibility to an experienced MSP who can get this done behind the scenes while your IT team focuses on other aspects of IT within your organization.

Cost benefits

Having an MSP manage your IT infrastructure completely offers tremendous cost savings vis-a-vis having an in-house IT team. When you have FT IT professionals on your payroll, you incur many other HR and training-related costs that come with employing full-time staff. These may include 401(k) expenses, health insurance, paid time-off, etc., which can be avoided by outsourcing your IT process to an MSP. Inhouse staff needs ongoing management, something many business owners aren't equipped to do.

Another way in which outsourcing your IT helps is by keeping your IT budget within predetermined limits. When you have a service level agreement with a managed service provider, they take care of your IT requirements at a service charge you both have agreed upon. This saves you money, especially in case of unforeseen IT emergencies. Like many SMBs, you may deploy the firefighting approach to technology, where you reach out to an IT specialist only in the event of an emergency that your in-house IT team can't handle. This means incurring significant upcharges for emergency services. Working with an MSP under a service level agreement, you get the budgeting certainty of knowing what your IT expenses will likely be.

Scaling up or down

Relying on a managed service provider for your IT needs allows you the freedom to scale your IT infrastructure up or down depending on your business needs. For example, during the busy seasons you can ramp up your IT infrastructure and perhaps even scale down during the slower times--all without worrying about the need to hire new IT employees and consequently having to let them go during down times. This is particularly true for businesses such as CPA firms or retail that have busy and slack seasons.

Availability

Depending on your service level agreement with the MSP, you get access to an IT team 24/7 when you bring a managed service provider on board. With your in-house IT team there will be days when some of them may be on a vacation or an unexpected day off. You also probably cannot justify 24/7 internal IT support, even though your IT needs to run 24/7. All of these challenges can

be avoided by signing up with an MSP, who will have a team that's available when you need them, irrespective of what time or day of the week it is.

Agility

Having an MSP onboard helps make your business more agile and responsive to emergencies. For example, the COVID-19 pandemic brought about a world of change in how businesses operated. With lockdowns and shelter-in-place orders, WFH became the only option for many businesses. Organizations that had MSP partners were able to transition more quickly and do so smoothly, as MSPs were experts in enabling the remote workspace from the IT perspective.

Overall, when you have an MSP on your side, they will help you stay ahead of the curve. Irrespective of whether you have IT staff in-house or not, your managed services provider can add a lot of value to you on the IT front.

For more information please contact,

Dale Roberts | Principal | Centarus

Phone: (415) 671-7560 | Email: dale@centarus.co

