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PART I: Getting to Know the IT Landscape
Every organization is faced with a complex question that can change the course of not only its IT infrastructure but also its business – which IT support model is best for our organization, in-house or outsourced?

**WHICH IT SUPPORT MODEL IS BEST FOR OUR ORGANIZATION, IN-HOUSE OR OUTSOURCED?**

If you have researched this question, you may have found confusing and often contradictory information scattered across the Internet. To help you save time and make a more informed decision, we have compiled “The Ultimate Guide to IT Outsourcing” to help you make an informed decision regarding the future of your technology.

In this guide, we provide:

- An understanding of IT and what is considered under the IT “umbrella”
- Insight into the role of IT in business success
- Questions to ask yourself to understand your IT environment and needs
- The pros and cons of in-house and outsourced IT support
- Questions to ask a potential Managed Service Provider (MSP)
- Common types of IT support

**WHAT IS INFORMATION TECHNOLOGY (IT)?**

To answer the “in-house vs. outsourced” question, you first must have a basic understanding of IT and its many components. IT consists of the devices (e.g., servers, computers, firewalls, routers) that allow users and companies to create, store, send, and retrieve information. IT also includes all layers of systems within a company – from operating systems and applications to databases and network connections.

IT doesn't just include physical devices. Software and application management are also included under the IT umbrella. Your payroll may be hosted on a third-party application, your new hire and employee documents may be stored on your organization’s internal collaboration network, and your sales team may access its files via the cloud while on the road. Every employee engages with some aspect of IT on a daily basis, so for the sake of your organization, it’s important that your IT is managed properly and efficiently.
We live in an age where technology is critical to every organization regardless of its size or industry. While some companies thrive on their efficient IT systems, shared data, and analytics, others struggle to adapt to the evolving technology landscape, costing them time and money.

Now more than ever, it is crucial for your organization to determine how to optimize technology to best suit your business needs. When used strategically, the right IT solutions can serve as a competitive advantage for any organization. How?

We’ll use the example of Todd, an Account Executive at a software company. Todd leaves the office the Wednesday before Thanksgiving knowing that he’ll need to put the finishing touches on his proposal before sending it to a prospect who is hinting that they might go with a competitor. On Friday morning, Todd opens his laptop at home and looks for the proposal that he saved to his team’s shared drive. He can’t find it anywhere. Worried he’ll have to start over, Todd calls the help desk. The engineer that picks up Todd’s call on Black Friday has the file restored from the remote managed backup. Todd finalizes the document and sends it to the prospect, who is very impressed with Todd’s quick turnaround.

In this example, we see multiple aspects of IT at work. Todd’s laptop is connected to his cloud-based shared, which allows him to access documents from his home. He called his vendor’s 24x7 support line, so the holiday did not prolong the incident until Monday, and they quickly retrieved the file from managed backups. He was able to send the document quicker than his competitor.

Harnessing so many technologies to align with your organization’s business goals can feel overwhelming; the landscape changes constantly, and the words “digital transformation” are thrown around as though it’s as easy as flipping a switch. With a team of highly-specialized IT engineers, it is possible to build the ideal IT environment for your organization.

Many companies that recognize the importance of having a carefully curated suite of IT services face the decision to either maintain an internal IT department or outsource those needs. While both options have unique benefits and pain points, your organization must ensure the outcome serves as an asset for employees, clients, and stakeholders.
Prior to deciding which IT solution is a better fit for your organization, you must first understand your IT needs, so we provide these questions to ask yourself:

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
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<tbody>
<tr>
<td><strong>How many employees do I have?</strong></td>
<td>Companies with 1,000 or fewer employees gain the most value from outsourcing their IT to an MSP. Much of the value behind outsourcing IT comes with scale of economy - the cost of the MSP’s expertise is shared amongst its client-base.</td>
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<tr>
<td><strong>How large is my IT budget?</strong></td>
<td>Access to an in-house IT staff can be phenomenal, but it comes with a price that reflects the luxury. Hiring a respected, reliable, and experienced full-time IT professional is expensive, and there are more costs to consider than salary alone. You also need to consider IT training and certifications, which are expensive and take away time from your IT staff.</td>
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<td><strong>Do I use any proprietary software?</strong></td>
<td>If your company uses a proprietary software program essential to your organization, we recommend having someone in the office who knows the nuances of that program. An MSP usually has ways to deal with these situations but does not have the same expertise as an in-house IT person.</td>
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<tr>
<td><strong>How important is 24x7 support access?</strong></td>
<td>When a critical IT failure or incident occurs, you want to ensure your organization is covered. Hiring an in-house department that is available overnight, on holidays, and during weekends is both hard to organize and costly. A good MSP already has a U.S.-based service desk open 24x7 to handle these situations.</td>
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<tr>
<td><strong>Does your company handle or store any sensitive data?</strong></td>
<td>If your organization stores sensitive personal data (e.g., social security numbers, health records) we recommend taking proactive and preventative measures to protect those assets. These can include training employees, maintaining anti-virus, and conducting regular security assessments. An MSP with a dedicated security department has the expertise required to provide your organization with the steps you can take to ensure your data is safe.</td>
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| **What is your company’s growth trajectory?**                            | Many growing companies face similar technical challenges as they grow, including:  
  - A lack of easily scalable technology (e.g., servers)  
  - Limited budget to hire and retain technical talent  
  - Dependence on arduous and manual technical processes  
A good MSP can alleviate these challenges by implementing best practices and managing your technology so you can focus on maintaining a positive growth trajectory. |
It’s important to keep in mind the future of your organization, both in terms of infrastructure and internal resources, when choosing how to manage your internal IT support. Many industries are going through a “digital transformation” – improving procedures that were once manual to include new online or cloud-based applications for common business practices. Is your organization adapting and automating successfully, or is it lacking a skilled IT expert to stay ahead of the competition?

If your organization is already using technology to its maximum potential, your in-house staff is effectively working for you. However, if you know your organization needs to start taking advantage of new technologies and your IT staff is too busy helping employees, it might be time to outsource.
PART 2: Choosing Your IT Support Strategy
IN-HOUSE vs. OUTSOURCED IT SUPPORT

It is often easier to have someone provide nearly instantaneous desk-side support, and keeping IT support in-house has its benefits, but it also has its downsides.

Convenience:
In-house engineers are available when you need them, which is extremely convenient. They work closely with employees across the entire company and can provide quick and personalized support.

Response time:
Having a team in-house can guarantee a quick response time to physical problems (e.g., jammed printer, faulty monitor, cabling).

Intimate knowledge:
In-house engineers only work on your environment, so they have an in-depth understanding of your infrastructure and know how to resolve common issues quickly.

Luxury:
Having a reliable and experienced IT professional onsite can be expensive to maintain. Costs to consider include:
- Salary and benefits
- Ongoing training (e.g., exams and certifications)
- Capital expenses to provide them the necessary equipment and tools

Working time:
IT is a 24x7 responsibility. Having staff work after hours, weekends, holidays can cause burnouts and a work/life imbalance for employees. And, what happens when they get sick or go on vacation?

Limited knowledge:
Even after certifications and classes, one engineer will not know everything there is to know about technology; in-house technical staff often lacks the expertise that comes with having access to a deep pool of experts.

Pros

Cons

42% of IT professionals leave their job within two years.

Recruiting and hiring these same IT professionals cost an organization 10% of that position’s annual salary.

Mature organizations that have a good idea of the frequency and types of IT problems that arise daily can forecast the problems an in-house technician may face. For this reason, in-house IT support is sometimes a better option for mature businesses with over 1,000 employees and a larger IT budget. However, if your organization is growing, outsourcing is often a better solution.

<table>
<thead>
<tr>
<th>Labor Category</th>
<th>Base Salary</th>
<th>Plus Taxes, Benefits &amp; Other Overhead</th>
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<tbody>
<tr>
<td>Help Desk Engineer</td>
<td>$41,615</td>
<td>$52,019 - $58,261</td>
</tr>
<tr>
<td>Network Administrator</td>
<td>$63,520</td>
<td>$79,400 - $88,928</td>
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OUTSOURCED IT SUPPORT PROS AND CONS

When deciding to outsource your IT support, you will have to engage with an MSP. These are companies that specialize in taking care of all or parts of other companies’ IT support. MSPs can range from small mom-and-pop shops to large corporations with hundreds or thousands of employees.

At first, IT support needs were basic, but as technology evolved, so did support requirements. MSPs came about to offer companies a way to outsource their technology needs by providing them “break/fix” support, meaning support was entirely reactive. Although it was a start, this method often resulted in significant downtime.

Supplemental technologies soon started appearing that allowed for more proactive IT management, and thus, MSPs were able to provide more proactive services (e.g., monitoring, scripting, patch management), which allowed companies to be more productive because their IT was more reliable.

Today, mature MSPs offer truly outsourced IT departments customized for individual company needs. A virtual CIO (vCIO) will look for inefficiencies in your organization’s systems and create a roadmap for digital transformation. A Security Operations Center (SOC) team will monitor your network 24x7 from malicious attackers. An automation team will push updates and complete patching on all employee computers overnight so that productivity is not lost during the workday. A help desk center will have engineers waiting to take your call at any time, so that sales proposal gets finished before the midnight deadline.

Maintaining the infrastructure is a lot of work, but a Managed Service Provider can shoulder much of the responsibility.

Here are some things to consider if you choose to outsource your IT needs:

**Pros**

- **Cost-effective:** Generally, outsourcing is cheaper than maintaining a staff in-house. Employee expenses are spread across the MSPs client-base.
- **Availability:** Many MSPs provide 24x7 IT support, so you don’t have to wait until the next business day to get the help you need. They also provide defined Service Level Agreements (SLAs) to demonstrate and define key support metrics.
- **Expertise:** MSPs provide customers access to a deep pool of experts with a range of industry experience, and often have multiple years’ experience supporting many technologies in a variety of industries.
- **Offshore:** Many large providers outsource some of their operations offshore. If domestic support is important to your organization, ask potential providers if their business functions are delivered domestically.
- **Personability:** Although they may provide great customer service, IT providers don’t have a constant physical presence in your office, which naturally may cause a different dynamic in the partnership.

**Cons**

- **Indirect Control:** The point of outsourcing is to let the provider worry about your IT, but some organizations have difficulty abdicating that responsibility.
If you’re still not convinced, many MSPs are a “one-stop-shop” for your IT needs. They offer an array of services – not just IT management – to cover all IT needs, including project management, telephony, and security. Here is additional information regarding the value of outsourcing to a Managed Service Provider.

If you decide your organization would benefit from proactive IT services, MSPs offer a wide array of services. Every organization’s needs are different, but we suggest that your plan includes at least some level of support of the following four areas:

- Strategic Consulting and Cloud Services
- Infrastructure Management
- End-User Support Response
- IT Security

If you have decided that in-house IT support is the best approach for your company, great! We are happy that our guide helped you come to that conclusion, and we wish you all the best in your business endeavors. However, if you think that outsourcing some or all of your organization’s IT support is the best approach, continue reading to discover more advice that will help you choose the right long-term MSP.
PART 3: Selecting Your MSP and IT Support Plan
### QUESTIONS TO ASK YOUR POTENTIAL MSP

Some MSPs' business models are streamlined, easy to use, and provide users tremendous value, while others seem to cause more problems than they resolve. So, it’s important to understand your IT and business goals and ask potential MSPs the right questions to make sure your goals align.

<table>
<thead>
<tr>
<th><strong>What kind of availability do you offer?</strong></th>
<th><strong>Are you backed by credentials that demonstrate your capabilities?</strong></th>
<th><strong>Do you provide reporting?</strong></th>
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<tr>
<td>When determining what kind of availability your organization needs, think about your office locations (e.g., multiple time zones), working hours, and the cost of potential downtime. If your MSP doesn't staff a 24x7 help desk, issues may only be resolved during their business hours.</td>
<td>There are third parties that audit MSPs to validate their service offerings, and they look deeply into policies and procedures, security, data integrity, confidentiality, and financial stability. Your MSP should provide details regarding their certifications.</td>
<td>You can't manage what you can't measure, so it's important to partner with an MSP that provides regular reporting regarding the services it provides. It increases transparency into service delivery and will ultimately make your environment more efficient.</td>
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<tr>
<th><strong>What are your on-site and remote capabilities?</strong></th>
<th><strong>What are your resolution metrics and service level agreements?</strong></th>
<th><strong>Do you offer domestic services and is your help desk located in the US?</strong></th>
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</table>
| Finding an MSP that can serve all your office locations, remote employees, and data centers is crucial. Find an MSP that has the capability to manage all your IT needs and the ability to scale with your organization as it grows. | What is the average time to ticket resolution?  
What does the escalation process look like?  
User downtime costs your organization money, so determining a realistic and ideal service level agreement (SLA) can help you pick a provider that has the right processes in place to meet your business needs. | Many MSPs are not entirely domestic – many outsource a portion of their services offshore to lower costs. Selecting a U.S.-based provider avoids the potential for language barriers that could lead to longer resolution times. |

<table>
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<tr>
<th><strong>What kind of services do you offer?</strong></th>
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<tr>
<td>MSPs vary in both size and service offerings. Selecting a smaller, local company can be a good idea if quick onsite support is important and your organization’s IT needs are simple. If you're looking for an MSP that can serve all your needs, you might need to look for a larger company with presence in your area. We recommend finding a company with years’ of experience and a solid track record of success. You want a company that is large enough to possess the individual departments that specialize in different technologies and services (e.g., security, automation, cloud, project delivery) and has a vast network of partners across the country, but is still small enough to give your organization the personalized attention it deserves.</td>
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WHAT HAPPENS NEXT?

Prior to developing a solution, your MSP will want to understand the current state of your organization's IT. That insight comes from a combination of investigative question, including: what does your infrastructure look like? How many endpoints do you have in your network?

Sometimes, the MSP will run non-intrusive software in your environment that collects data and performs a high-level risk assessment of systems, servers, networking infrastructure, endpoint security, and databases to help develop a greater understanding of your systems. The final report can be used as a mutual document that helps the MSP determine which services are ideal for your specific environment.

**Types of Business Support**

Outsourced business-grade IT support can be characterized primarily in two ways: proactive and reactive. The reactive model is intuitive – you wait for something to break before it gets fixed – and has been around since the beginning of the managed technology era. Since you only pay when you call tech support, it seems like the most affordable option. This option is fantastic if your organization's IT runs smoothly. However, if an issue arises, it can be very expensive to fix, not to mention the cost of lost productivity and downtime.

Conversely, proactive support is designed to stop problems before they occur. MSPs deliver regular maintenance on your network, ensure hardware is under warranty, and optimize applications for maximum efficiency. However, this solution is often costlier but significantly reduces the risk of downtime.

Think about the two differing models this way: car owners have the option to bring their car in every 5,000 miles to get the oil and filter changed and perform a scheduled service or push the car to its limits and hope for the best. The first option is proactive and prevents engine issues down the road, while the latter is reactive and relies heavily on "break/fix." While more affordable in the short term, the "break/fix" model is risky and could ultimately render the entire car useless.
If your goal is to have a stable environment running at optimal speeds, then these all-inclusive plans are ideal. Uptime SLAs are often defined in contracts, which incentives the MSP to regularly “change the oil” so that you experience maximum business up time. In a “break/fix” model, an MSP is not accountable if something repeatedly breaks. It is often hard for a non-technical person to judge if an IT professional is treating them fairly, so an all-inclusive plan naturally removes these risks because support is paid for monthly and not by the number of hours spent resolving issues.

A good MSP is also interested in your business practices, so they can develop a solution that aligns with those practices. In the old days, an attorney might send you documents by mail or using a fax machine. Today, clients expect digitally scanned files that can easily be downloaded. You expect your bank to show you yesterday’s deposit online, which you submitted through your mobile phone app by taking a picture of the check. Your customers probably want to see their historical purchases and have the ability to check in with you online anytime. You need an IT provider with experience and expertise to guide your business through the changing technological landscape, not just keep the lights on.

As you can tell, we are confident that proactive support is the better solution for most organizations. But does it ever pay to be reactive? Smaller companies that use technology as a supplemental tool can benefit from reactive support – for example, a plumbing company with a small back office whose operations are primarily in customers’ houses. A “pay-as-you-go” solution might make more sense in situations when the technology is simple, budget is small, and environment rarely changes.

However, technology-savvy organizations will feel the impact of an email or server outage soon after it occurs, and a long-lasting outage can have a seriously devastating impact. What would be the impact of a three-day long email outage in your organization?

All MSPs and IT support companies offer parts of these services. Great MSPs offer full packages that bundle these services together for a discounted price. Having all these features ensures your organization is set up for success while you gain peace of mind knowing you are protected from service outages and cyber threats.
Outsourcing to an MSP ensures that your IT infrastructure allows your employees to be as efficient as possible, your clients to have a good experience, and your stakeholders to see the value in their IT investments. Whether you have a pre-existing team and are only looking for after-hours support or your only IT engineer just submitted their resignation, an MSP can take the reins to allow you to focus on your primary business objectives.

Choosing the right IT partner can feel daunting, but by using the information we provided throughout this document, we hope you can come to a clear conclusion as to the right solution for your organization.

To summarize, remember the following prior to deciding the future of your IT support:

1. Know your company’s IT needs, budget, expectations, and future goals so you can determine what service model is best for your company: in-house or outsourced.

2. Know what questions to ask a potential MSP and what characteristics/capabilities you require.

3. Understand the differences among the service plans the MSP provides, and choose one that provides the best value based on your business goals.