

## **Choose – and Choose Wisely – the Right MSP for Your SMB**

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End users need a technology partner that provides transparency, enables productivity, delivers value, creates a community of users and takes a holistic and strategic view of their IT environment.



**Kaseya**

There's no doubt that organizations from manufacturing companies to school districts need help navigating complex IT environments. Unfortunately, too many think they can manage IT on their own, relying on inexperienced one- or two-person IT shops to keep up with basic maintenance. The conventional wisdom is that in-house IT is more controllable, reliable and cost efficient.

Managed service providers (MSPs) need to have an opportunity to educate potential customers on why they should look outside the organization for their IT services and support needs, and why outsourced IT systems management and strategic consultancy is their best chance at effectively meeting the IT needs of the business. MSPs need to deliver reliable, consistent services in order to build a trusting relationship and continue to engage with customers.

**This white paper will discuss:**

- The hidden costs of in-house IT organizations
- Why organizations should consider managed services
- What organizations look for in a managed service provider

**The Trappings of In-House IT**

No doubt, there is a certain appeal to running an internal IT organization. A one-person operation or small team of engineers gives companies—especially organizations that are small or growing—control over all aspects of the technology apparatus. Email goes down? Call Fred from down the hall. Capacity needs a boost around the holidays to meet dynamic demand? Have Anna purchase and provision a new server. Just hired a new salesman? Sanjay can get him set up with a laptop, email, user name and password. Having an internal IT team on site gives the impression of constant availability—dedicated employees at management's beck and call, ready to chip in and keep IT systems up and running.

However, there are some hidden drawbacks associated with in-house IT that can cause complexity and cost to skyrocket while inhibiting growth and productivity. A small internal team of IT professionals cannot be experts in everything. There's always going to be something that pops up—an opportunity to deploy a new architecture, an innovative business solution or a new cloud service—that the team has never seen before. The result is a knowledge gap and a lack of high-level strategic planning since many small IT organizations are mostly made up of entry- and mid-level systems administrators and engineers. It's hard to justify hiring a high-level strategic manager—like a CIO or CTO figure—given available resources and priorities.

In addition, a one- or two- person operation can't be always and completely available. People have to sleep and go on vacation. They get sick. An engineer that built your IT environment will eventually move on to bigger challenges. There will come a day when IT is unavailable, impacting productivity and putting the organization at risk.

There's also a hidden cost of internal IT organizations. It's easy to assume that a consistent salary means a predictable budget that remains steady throughout the year, allowing management to know exactly how much it is spending on IT and making it easy to keep costs under control and under budget. But organizations need to look beyond just salary and benefits and consider the cost of overtime, training and on-going education. Certifications, workshops, services and support require additional cost that isn't always accounted for in the initial budget.

Also, small, over-worked teams can't always get to everything, requiring users to make up the maintenance gap, asking untrained employees to take responsibility over IT maintenance. In addition, some organizations have secretaries, general managers or accountants conduct certain IT tasks such as email provisioning, password resets, backups and security checks—productivity that is better spent on core competencies.

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At the same time, poorly designed systems built by inexperienced in-house personnel may not meet the needs of the business and require a costly replacement down the road. The system may also fail at a critical junction—during a product launch or busy time—leaving the company at a major disadvantage when it can least afford it. Can any small business afford to take that risk with something as important to their operations and bottom line as their IT?

## Choosing the Right Managed Service Provider

Having quality, reliable IT systems is mission critical for most organizations. Availability and performance of the systems that run their business systems can mean the difference between turning a profit and going out of business. In a sense, by involving an external provider to be involved with their IT they are choosing a partner that needs to understand their business on a granular, ground-floor level while providing strategic consultancy that helps bring them to the next level. And they only want to do this once, rather than have to fire and rehire months or years down the line.

Organizations should be looking for a partner that:

- **Provides transparency throughout the IT environment and service delivery**
- **Enables productivity for all of the workforce**
- **Delivers value through dynamic and timely service delivery**
- **Can take a big-picture, holistic view of the relationship between IT and the rest of the business**
- **Create a community of users that can share best practices**

### A. Provide Transparency

Customers need visibility into their IT environment just as much as the service provider. Presumably, the MSP is delivering remote management in the background instead of an on-site, visible service delivery model. This is great for efficiency and productivity, but customers still need to know that the MSP is delivering the services they are being paid to deliver. Organizations need to know what is being done in their IT environment, what was done and what needs to be done.

Just like a good mechanic relies on having the best tools, service providers need to deploy powerful IT systems management solutions that give them access into their customers' environments. Both the customer and the MSP need real-time visibility through a central management dashboard that provides both a holistic view of the network and the ability to drill down into individual machines. It needs to show a high-level view of the overall quality of the network and services that are being delivered, but it can't be too technical as to confuse the customer. This allows everyone to see the current status of business systems while providing administrators with the information they need to make decisions in real-time and head off potential problems before they lead to downtime.

The IT systems management solution should also include a powerful, yet intuitive reporting mechanism, allowing for detailed network auditing for long-term planning. The MSP can then plan maintenance and upgrades so it is not a disruption to operations and ensure compliance of internal IT and security policies as well as industry and government regulations. A lack of visibility into systems could put the organization at risk.

Finally, transparency allows the MSP and the customer to develop and monitor mutually-agreeable service level agreements (SLAs) that map to shared goals. The SLAs need to be easily understandable and measurable, and the MSP needs to be held accountable with penalties and triggers built into the contract. A plan also needs to be put into place that allows the MSP to automatically or manually bring the environment back to compliance quickly and efficiently.

### B. Enable Productivity

All too often, organizations wrongly value hours over results when evaluating a service provider, and that's understandable. They simply want to be sure they are getting value for their money. But the reality is that if an MSP is always on site, then something is wrong. The goal of IT shouldn't be

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to bill hours. It should be to meet the needs of the organization in the most non-disruptive manner possible. Organizations shouldn't be looking for firefighters. They need to be looking for problem solvers that avoid fires from breaking out in the first place.

Managed services should be non-disruptive, proactive and enable user productivity. Remote management enables maintenance to be done in the background without users aware. At the same time, a proactive approach ensures systems are available and performing optimally at all times. The result is a productive workforce that has access to the tools and information they need to conduct daily operations and meet the organization's goals.

### **C. Deliver Value**

It's no secret that IT services need to be delivered quickly and reliably, and mechanisms that enable IT efficiencies need to be in place.

It's all about the tools the MSP uses to deliver its services. Does the IT systems management solution enable a proactive strategy and streamline maintenance? Can administrators conduct work as quickly as possible and get systems up and running immediately? You better be sure that customers evaluating MSPs will ask these questions and expect effective, efficient services to be delivered.

At the same time, service providers need to deliver affectivity. Systems need to perform reliably and optimally. MSPs put policies and procedures in place to take care of day-to-day maintenance so they can engage with customers on a personal level and get into the trenches to truly understand how they can improve business operations.

### **D. Be Strategic**

Organizations need someone who can take a strategic view of their IT environment and deliver consultancy that maps to business goals. As we've outlined above, MSPs can fill that role by serving as a CIO/CTO figure. They can also take that a step further and value strategic IT over operational IT. MSPs can do this by making the reactive invisible and the proactive visible.

MSPs can make the reactive invisible to users by automating as much as possible, ensuring that if something breaks there is an automatic response to resolve it as quickly as possible while applying best practices through automation to avoid issues in the first place. MSPs can also create fail-safes that keep activities out of public vision such as escalation, response plans and recovery strategies. MSPs can make the proactive visible by establishing baselines of metrics on operational costs and publish how they are being driven down. They can also create initiatives that create measurable, visible wins for the customer, and tie user productivity measurements and resolution metrics to improve productivity, remembering that it's fine to make soft assumptions on how that translates into business dollars. For example, if IT is able to improve the availability of ecommerce systems, IT can—and should—work out how much that availability means to the business in real money.

This IT service delivery strategy improves the reputation of IT in the eyes of users and management, giving MSPs more leverage to implement a complete and robust IT systems management strategy. Perception is powerful. It's safe to say that you'd rather be judged on your proactive initiatives rather than your reaction to unforeseen events.

### **E. Create a Community**

Smaller organizations should also be looking to join a community. They are essentially choosing a business partner that shares their organization's values. They want an MSP that is trusted within the industry, has success with similar organizations in scope and size and invests in emerging technology and new expertise. Organizations want to know that their MSP is prepared for the future and anything that may be thrown at it.

MSPs can help attract customers by building a dedicated and passionate community of committed customers that pool resources and share best practices. If they are thinking about upgrading to Windows 7 they want to talk to and share experiences with other companies the MSP has already

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helped make the transition. MSPs can be picky about what customers it takes on and brings into the community as needy or uncommitted customers can sap resources. Customers want their MSP to have set standards about what is expected of both the MSP and the customer.

## Conclusion

Relying exclusively on in-house IT often prevents organizations from aligning IT to the needs of the business. Managed service providers can act as dedicated IT experts that are knowledgeable, engaged at all times and cost effective. End users need to choose a partner that can provide transparency throughout the IT environment; enable the productivity of users; deliver value through dynamic and timely service delivery; take a big-picture, holistic view; and create a community of users that share experiences and best practices. The service provider should also use the latest systems and solutions to provide the best, most up-to-date services for their customers.

End users shouldn't look for a service provider that talks in bits and bytes. They should find one that is able to discuss business challenges and solutions. Only then can potential customers truly embrace the managed services business model as the right fit for their organization.

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## About Kaseya

Kaseya is the leading global provider of IT Systems Management software. Kaseya solutions empower virtually everyone — from individual consumers to large corporations and IT service providers — to proactively monitor, manage and control IT assets remotely, easily and efficiently from one integrated Web-based platform.

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