KASEYA

IT OPERATIONS

BENCHMARK SURVEY 2017

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Introduction

Welcome to the third annual Kaseya IT Operations Benchmark Survey Report. Earlier this year, we surveyed over 900 small and midsize companies throughout the world. Respondents came from more than 50 industries and 20 countries.

Not surprisingly, responsibilities that fall under IT are wide and varied. Everything from project management, to cloud infrastructure operations to mobile device management and more comes under the purview of IT. IT groups are tasked with maintaining existing infrastructure; performing upgrades and expansion; sustaining high levels of service availability and aiding users; providing technology advice and support for new business requirements; configuring and managing new applications; training new users; liaising with technology partners and suppliers – and that's just the start.

The Kaseya IT Operations Benchmark Survey was designed to find out how IT groups at small and midsize businesses (SMBs) — which we define as organizations with up to 5,000 employees — are faring as IT management demands grow in number and complexity as well as to learn from the most mature and successful ones.

Narrowing our scope as such enables us to better evaluate trends in resource allocation, planning, and operation challenges these IT groups face. These trends and issues are markedly different from those of IT groups at Global 2000 enterprises.

The underlying goal is to discover how IT groups at these companies are faring as IT management demands grow in number and complexity every day – and to learn from the most mature and successful ones. So, in addition to presenting the key findings of this year's survey results, like in our 2016 report, we will review the Kaseya IT Management Maturity Model, which is the basis for much of the analysis.

Finally, this report includes the best next steps for companies along the IT Management Maturity continuum to increase the efficiency and effectiveness of their IT Operations teams and processes.

The best next steps for companies along the IT Management Maturity continuum to increase the efficiency and effectiveness of their IT Operations teams and processes.

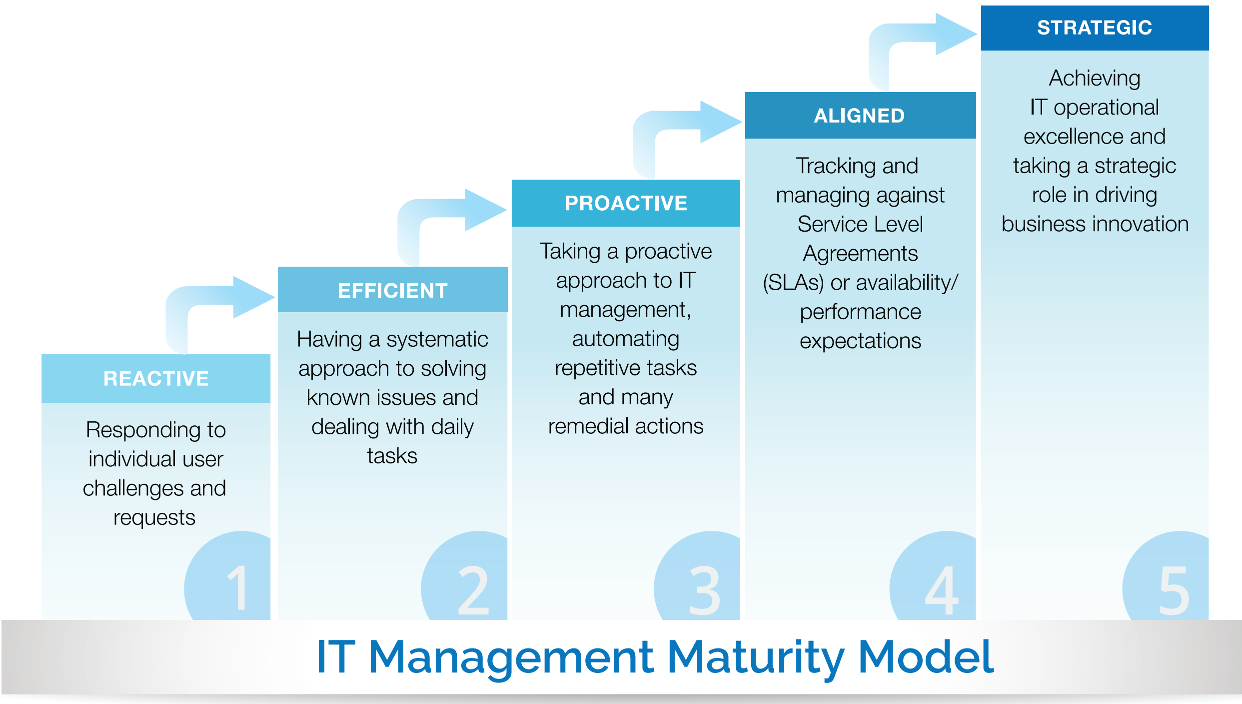
IT Management Maturity Model

Before we dive into the results, some clarification of terms is needed. For purposes of this report, IT Management Maturity is defined as:

> *People, technology, and processes within IT that deliver and maintain IT services*

Maturity Levels measure how well the IT management function supports the IT needs of your business — from systems and service readiness, to technology choices (e.g., cloud services), to responsiveness, strategic alignment, and business enablement. Progressing through the maturity model leads to a more-capable IT organization, one better equipped to accomplish its mission and goals and to help drive business success.

Kaseya developed the IT Management Maturity Model specifically for SMBs because no such models were available for organizations of this size. Previous IT maturity models were relevant only for much larger enterprises. This model, based on insights and feedback from midsize customers, consists of five levels:



To learn more about Kaseya's IT Management Maturity Model and obtain deeper insight into each of its five levels, please read IT Management Maturity: Business Growth Enabler.

Noteworthy Insights

The varied backgrounds of our survey respondents resulted in an equally varied set of responses. Here are the top five insights.

1 IT groups gravitating toward both ends of the maturity spectrum.

Based on the survey responses, 83 percent of respondents classify their IT organization as being at one of the first three levels on the IT Management Maturity Model, namely Reactive, Efficient, or Proactive.

In general, there have been small shifts throughout the Maturity Model spectrum. There was an increase of 3 percent in respondents that identify as Aligned or Strategic, bringing it to a total of 17 percent of companies. While a 3 percent increase over 2016 is hardly noteworthy, the 14 percent of companies that identified as Aligned or Strategic in 2016 represented a 3 percent increase over the prior year. This indicates a steady, growing trend toward maturation.

At the opposite end are companies that identify as Reactive. The number of companies that identify as Reactive increased by only 1 percent to 36 percent in 2017. Reactive companies are those that primarily focus on internal IT challenges vs. challenges faced by the business or the business' customers. Reactive companies tend to spend a good deal of time on day-to-day tasks that have more manual labor involved than is ideal. Consequently, IT is perceived as a utility these businesses where the primary concern is to minimize costs while maintaining a functional IT infrastructure to support employees.

2 Companies of any size can achieve the highest levels of IT maturity.

Our survey found a number of things to be universal. Top IT priorities for 2017 were fairly consistent among all maturity levels. Completing projects on time and reducing IT costs took top spots and were present in all four categories, and delivering higher service levels/IT service availability was also a universal top priority.

Top challenges were also consistent across the board: legacy systems that hamper innovation, privacy and security, IT management and maintenance costs, and data management.

Thus, it was not surprising to find that company size alone did not determine IT management maturity state.

While smaller companies are far more likely to take a Reactive approach to IT — and indeed, 41 percent of respondents with 101 to 500 employees identified as Reactive — the larger the company, the more likely they are to be either Aligned/Strategic or Reactive. There is little middle ground among larger companies.

When it came to being Aligned/Strategic, those with 3,001 to 5,000 employees led the pack, with 30 percent of companies identifying as such. At the same time, however, another 30 percent described themselves as Reactive. Likewise, among companies with more than 5,000 employees, 27 percent identified as Aligned/Strategic and 26 percent as Reactive.

Companies with 3,000 or fewer employees saw a more even distribution in maturity, with the most companies that take a Proactive approach among those with 501 to 3,000 employees.

Thus, although size may have an impact, if you are a company with, say 1,500 employees, and you are constantly fighting fires and have no time to get to more strategic projects, you can't reflexively blame the size of your company for this situation.

3 The more Aligned and Strategic the company, the more highly regarded the CIO and IT department.

There's no arguing that the 21st Century CIO is more highly regarded than his or her 20th Century counterpart. Technology is a vital component of any business, and the CIO's role is about more than just ensuring the servers are up. The majority of respondents held the CIO in high regard, with 81 percent of Aligned/Strategic companies indicating that the head of the IT department influences C-level decision-making within the company. In contrast, only 76 percent of Reactive companies believe IT has that level of influence.

This divergence is also evident when it comes to anticipated status and responsibilities of the IT department and CIO for the coming year. Nearly 20 percent of Aligned/Strategic companies said they anticipate their organization being an information technology broker for the company's business units and functions with responsibility for services procurement and technology while third-party service providers actually maintain the infrastructure. Less than 10 percent of Reactive companies said they believe that will be the case.

In addition, nearly one-quarter of Aligned/Strategic companies anticipate the CIO and IT department will be tasked with being the primary decision maker and resources for all information technology decisions and support, whether internally developed or externally sourced, in contrast with 16 percent of Reactive companies.

4 Metrics matter, but not as much as you think.

Measuring IT performance is challenging, especially when IT is responsible for maintaining a complex infrastructure and a host of different applications and devices. However, those organizations that do leverage metrics for benchmarking and service optimization operate at higher maturity levels.

Forty-six percent of companies at the Aligned/Strategic maturity level have formal service-level agreements (SLAs) in place that are mandatory guidelines. In comparison, only 21 percent of all respondents have SLAs in place, and less than 10 percent of Reactive companies have SLAs.

This trend continues when comparing companies that measure Mean Time to Recover (MTTR). Nearly 60 percent of the companies at the Aligned/Strategic level measure MTTR, but only 34 percent of all respondents and 22 percent of Reactive companies do so.

It bears mentioning, however, that there was no appreciable difference in the number of outages lasting longer than five minutes for organizations with MTTR measurement metrics vs. those without.

5 Cloud and hybrid environments are increasing, and leading vendors are starting to emerge among cloud providers.

Responses to our 2017 survey indicated strong intent to move to cloud services, particularly among Aligned/Strategic companies. While interest in cloud services remains strong, cloud services adoption remained similar to 2016 levels, with one-quarter to one-third of Aligned/Strategic companies turning to cloud hosting services for private cloud; cloud application user, access and content management; cloud services (e.g., IaaS, PaaS, and SaaS); and cloud service monitoring, while significantly fewer Reactive companies do.

However, unlike in 2016, in looking forward 12 months, the positions did not reverse, and a far greater percentage of Aligned/Strategic companies compared to Reactive companies are looking to the cloud.

While many companies have yet to turn to the cloud, market leaders are clearly emerging. Microsoft is by far the vendor of choice, with Office 365 being most popular, and Amazon right behind. Google, VMware, Oracle, Salesforce and IBM are also popular, but none gathering as many respondents.

Recommendations and Next Steps

Most IT organizations at SMBs struggle to meet their goals and objectives largely because of resource constraints. They can never find enough free time or limit unplanned interruptions to turn their attention to more strategic projects that will support their company's overall growth goals. Instead, they are stuck in a cycle of repetitive manual updates and stressful reactive firefighting.

In contrast, organizations that have reached the higher levels of IT management maturity by automating mundane activities, standardizing and streamlining processes, and leveraging cloud services have the time to focus on IT projects that drive business results and end-user satisfaction.

But no matter where you fall within the IT Management Maturity model, there is always room for improvement. These six steps will have the biggest impact on improving your IT operations' performance and maturity:

1. Don't get left behind. Start today.

It's never too late – and no IT group is ever too small – to take control of its IT processes.

Developing a highly mature, highly respected IT group is not a function of company size, IT group size, or industry. IT infrastructure complexity is not going away. Demands on your IT group are only going to increase. You must take control, manage the complexity, and minimize its impact on IT and company productivity. Look for IT management and security tools that allow you to view, monitor, and manage your entire IT environment holistically.

2. Automate everything.

Wherever possible, automate. Policy-based automation improves staff efficiency.

Discovery, audit, software deployments (including third-party software), patches, antivirus updates, backup, and more, can all be automated based on defined policies that make sense for your company and your IT organization.

Automation can be like a Super Power, making everything simpler and easier. Look for solutions that go beyond simple remediation to make sure that standard operating procedures and policies are routinely enforced, remediation and all access and alterations are recorded, and reports and dashboards are up to date and in real time.

3. Always keep improving.

It's important to prioritize and manage with intention to get your IT group out of the fire-fighting purgatory that most IT groups experience. One of the major differences between the Aligned/Strategic group and the Reactive group is their consistently higher usage rates of a wide variety of strategies and tactics to optimize IT efficiency and effectiveness. In general, the more mature cohort used a greater number of unique tactics than the Reactive cohort. Since over one-third of respondents self-identify as part of a Reactive IT group, this means many IT groups must look hard at their current processes and methodically identify areas for improvement.

Think you've done all you can? Review the list – and add one more tactic to your game plan.

4. Metrics are important, but will they continue to drive success?

Do high-maturity IT organizations become that way because they track and measure their performance? Or does tracking and measuring performance help IT organizations evolve their IT maturity level? We can't definitively answer that chicken vs. egg question. Like automation, tracking and measuring is no longer a luxury for "someday." As Yogi Berra sagely said, "If you don't know where you are going, you might not get there."

5. Cloud services are going mainstream – but make sure you can manage them.

Mature IT groups understand that the cloud is a strategic enabler, allowing them to offload routine, repetitive tasks, scale at will, and focus their efforts on innovative IT projects to improve the customer and end-user experience.

It seems that all IT groups recognize this fact and are considering a wide range of outsourced cloud services. However, you need to make sure you have the tools to actively monitor and manage these cloud services to ensure they are delivering the higher service performance that you anticipate.

6. What's next? Device performance baselining and predictive analytics.

Some tactics, such as backup and antivirus, are used universally by companies across the IT Maturity continuum.

Organizations looking to leapfrog into the higher ranks of IT Maturity must look beyond these tools. Consider device performance baselining and predictive analytics. These tactics aren't as common as others by a large margin – but the Aligned/Strategic companies use device performance baselining and predictive analytics with far greater frequency than Reactive companies. Technologies and solutions are available that are surprisingly affordable that deliver these high-leverage capabilities.

83%

83 percent of IT groups in SMBs are still in the early stages of IT management maturity and focus on day-to-day IT management tasks that are often time-consuming and manual

Conclusion

According to the 2017 Kaseya IT Operations Benchmark survey findings, 83 percent of IT groups in SMBs are still in the early stages of IT management maturity and focus on day-to-day IT management tasks that are often time-consuming and manual. The remaining 17 percent have achieved higher levels of maturity and are reaping benefits in important ways for their businesses.

We hope that this whitepaper, with its five key insights and six recommendations as well as the detailed survey results that follow, offers useful insight on how you can drive the effectiveness of both IT and the business using your current IT resources.

For more information on the IT Maturity Model referenced in this paper, refer to Benchmarking Your IT Management Maturity.

Survey Results

The survey results are described in the following sections:

A
Survey Methodology

B
Respondent and Company Demographics

C
IT Management Maturity Levels

D
IT Management Maturity Advantages

E
Strategies and Tactics for Improved IT Management Maturity

A Survey Methodology

Kaseya conducted the IT Operations Benchmark Survey using a structured questionnaire during Q1 2017.

All participants were asked if they were primarily employed in an IT operational role with some responsibility for IT infrastructure or IT services deployment, operation, management, or support. Only responses from those who answered in the affirmative were included in the survey results. Fifteen percent of the final respondents identified their primary responsibility as "all of IT." In total, valid responses were received from 922 IT professionals.

The main focus of the survey was IT operations (individuals and groups) at small and midsize companies (which we define as organizations with up to 5,000 employees). Only companies in this range where included in the survey results.

Survey respondents were asked which of the IT Management Maturity level descriptions most closely matched their organization's IT management capabilities:

Reactive

Responding to individual user challenges and requests

Efficient

Having a systematic approach to solving known issues and dealing with daily tasks

Proactive

Taking a proactive approach to IT management, automating repetitive tasks and many remedial actions

Aligned

Tracking and managing against service-level agreements (SLAs) or availability/performance expectations

Strategic

Achieving IT operational excellence and taking a strategic role in driving business innovation

The results were then analyzed to determine the key differences between IT organizations at each level.

Over 83 percent of the respondents reported that their organization's IT management maturity corresponded with levels one, two or three – Reactive, Efficient, and Proactive, respectively. The results for respondents who selected levels four and five – Aligned and Strategic – were subsequently combined to provide a more succinct comparison between those IT organizations.

B Respondent and Company Demographics

This section contains respondent and company profile information. The percentages quoted represent the proportion of responses in each category.

1. What is your job title?

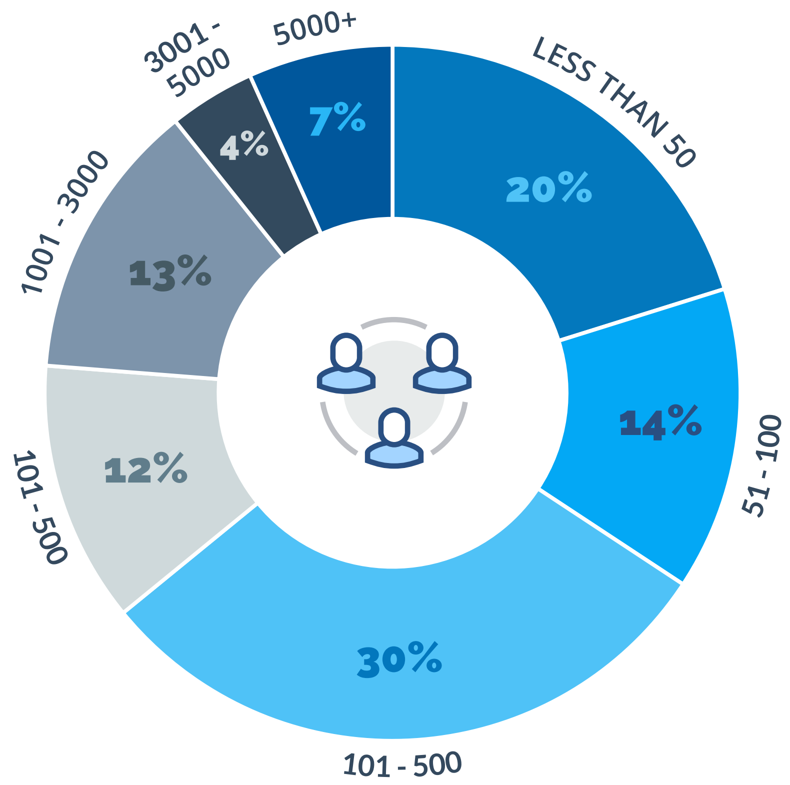
TITLE	RESPONSE PERCENT
IT Manager/Supervisor	31%
System Admin	21%
Director IT	19%
Principal or Owner, VP, or C-level Exec	11%
Other	8%
Network Engineering /NOC Manager	6%
Project Manager	4%

2. What are your primary areas of responsibility?

PRIMARY AREA OF RESPONSIBILITY	RESPONSE PERCENT (ALL RESPONDENTS)	RESPONSE PERCENT (DIRECTOR LEVEL AND ABOVE)
All IT operations	15%	25%
Project management	8%	11%
Cloud infrastructure operations	5%	8%
Mobile device management	7%	8%
Database administration	5%	7%
Data center operations	6%	7%
Employee IT support/helpdesk	10%	10%
Network operations	9%	10%
Third-party service management	6%	8%
IT security	10%	11%
Server operations	10%	10%
Endpoint management	7%	8%
Other	1%	1%

3. What is the total number of employees in your company?

(Response percent for each employee size range)



4. In which country is your corporate headquarters located?

COUNTRY	RESPONSE PERCENT
United States	61%
Australia	10%
United Kingdom	9%
Other (please specify)	8%
Canada	6%
New Zealand	2%
Germany	1%
Belgium	1%
France	1%
Sweden	1%
Ireland	1%

5. With which industry does your company most closely associate?

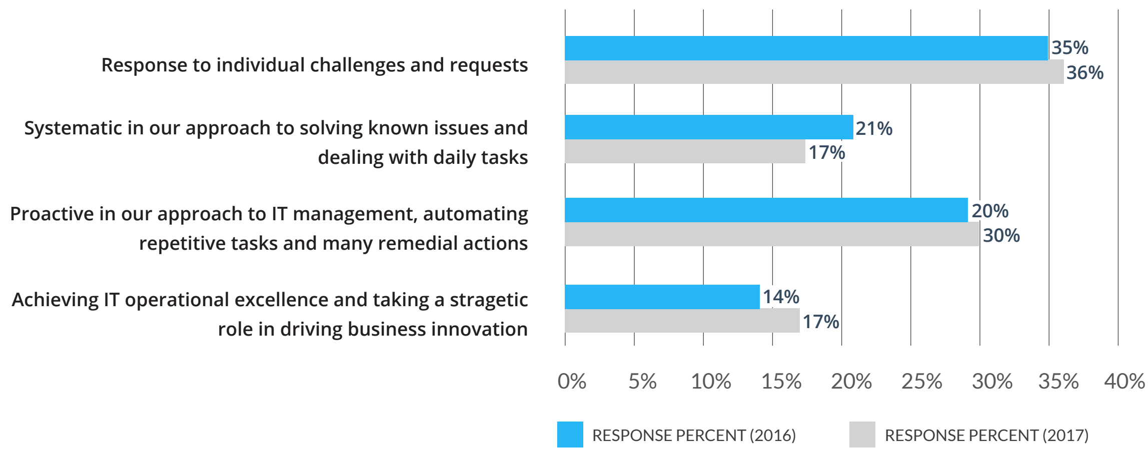
INDUSTRY	RESPONSE PERCENT
Education	13%
Technology - Other	13%
Manufacturing	11%
Healthcare	10%
Professional Services	10%
Government/Public Sector	9%
Financial Services	7%
Non-Profit	4%
Retail	4%
Software	3%
Transportation	3%
Hospitality	2%
Energy & Utilities	2%
Entertainment	1%
Other	10%

C IT Management Maturity Levels

This section shows the percentage distribution of respondent companies across four IT management maturity levels – Reactive, Efficient, Proactive, and Aligned/Strategic. As noted above, the Aligned and Strategic level results were combined to better highlight the contrast between the majority of companies' IT functions, which are focused primarily on IT operational issues, vs. the remainder, which are focused more on customer satisfaction and other business issues.

6. Which of the following descriptions most closely matches your organization's IT management capabilities?

a. Percentage of IT organizations by IT management maturity level.



b. Distribution of respondents' companies by IT management maturity level and size.

(Response rate by No. of employees)

EMPLOYEE SIZE OF COMPANY	ALIGNED/STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE
Less than 50	13%	34%	15%	38%
51 to 100	14%	30%	16%	40%
101 to 500	14%	28%	16%	41%
501 to 1000	18%	35%	15%	32%
1001 to 3000	20%	35%	20%	25%
3001 to 5000	30%	14%	27%	30%
More than 5000	27%	24%	23%	26%

7. What are the top priorities for your company's IT organization in 2017?

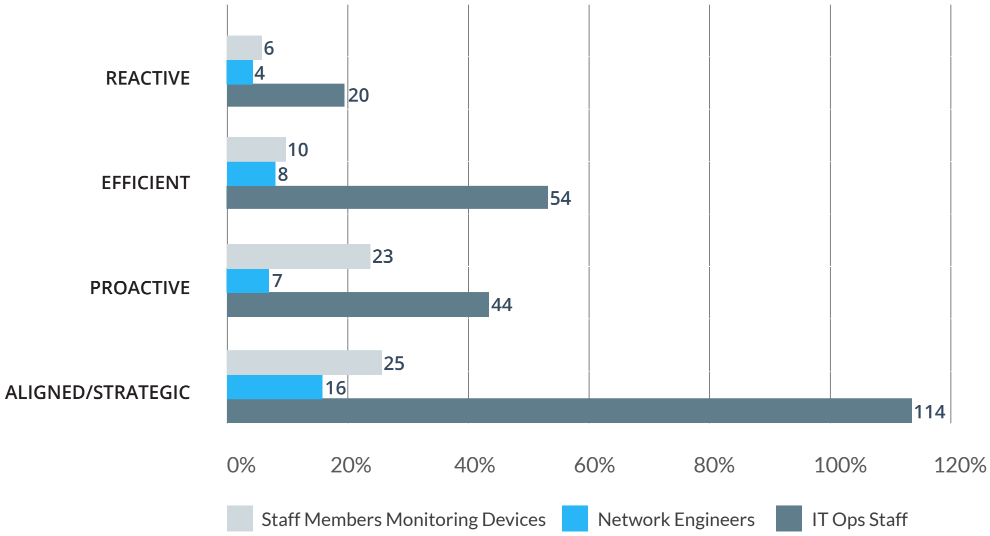
ALIGNED/STRATEGIC LEVEL 2017 IT PRIORITIES	RESPONSE PERCENT
Completing IT projects on time	33%
Reducing IT costs	31%
Delivering higher service levels/IT service availability	25%
Improving your company's customer experience	25%
Increasing the level of IT automation	22%

PROACTIVE LEVEL 2017 IT PRIORITIES	RESPONSE PERCENT
Reducing IT costs	29%
Increasing the level of IT automation	29%
Delivering higher service levels/IT service availability	27%
Improving company employee productivity	24%
Completing IT projects on time	23%

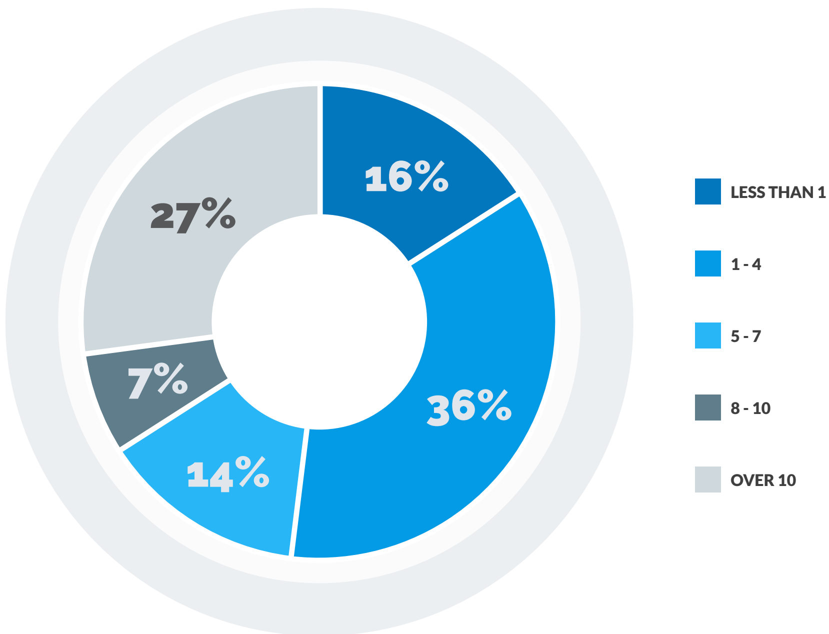
EFFICIENT LEVEL 2017 IT PRIORITIES	RESPONSE PERCENT
Reducing IT costs	30%
Completing IT projects on time	27%
Improving your company's customer experience	27%
Delivering higher service levels/IT service availability	20%
Improving security overall	21%

REACTIVE LEVEL 2017 IT PRIORITIES	RESPONSE PERCENT
Completing IT projects on time	33%
Reducing IT costs	32%
Increasing the level of IT automation	27%
Delivering higher service levels/IT service availability	25%
Improving your company's customer experience	25%

8. How many IT Ops, Monitoring, and Network Engineering staff members does your company employ? *(Response average across each maturity level)*

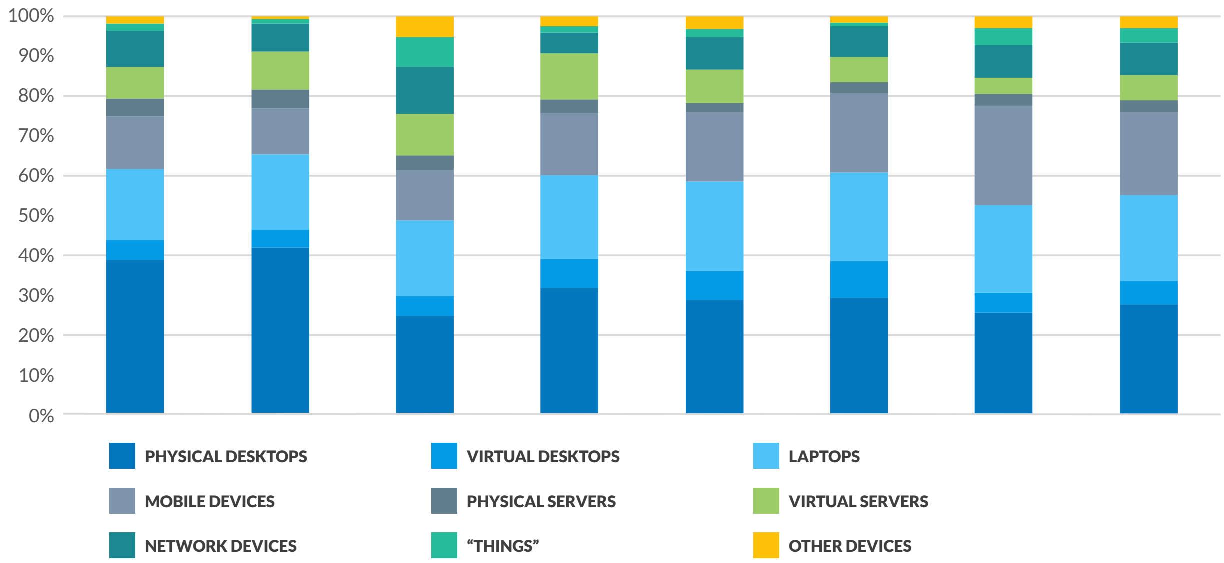


a. What is the average number of trouble tickets per end user (employee) per month generated by your company?



b. How many devices does your IT department actively manage?

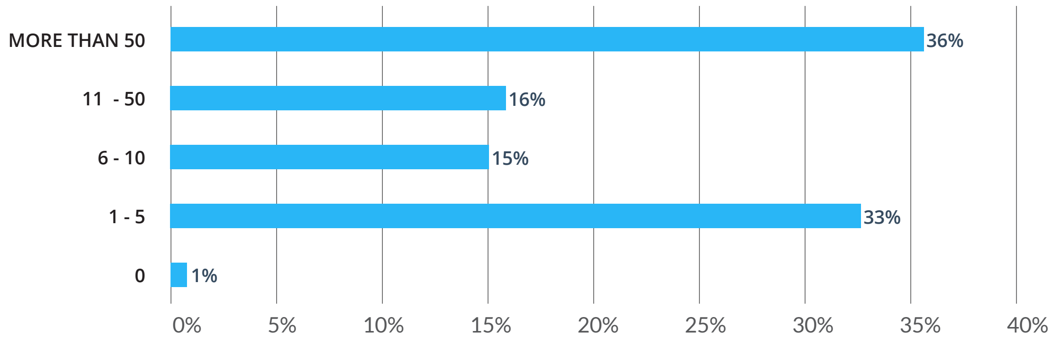
(Percentage of endpoints broken down by company size)



c. What is the average number of managed devices per technician in your company?

AVG. NO. OF MANAGED DEVICES	LESS THAN 100	101 TO 500	501 TO 1000	1001 TO 3000	MORE THAN 3000
Response percentage	43.5%	46.1%	7.2%	2.0%	1.3%

d. What is the average number of virtual services contained within each physical server/ hypervisor in your organization?



D IT Management Maturity Advantages

This section highlights the benefits that are achieved by IT organizations as their level of IT management maturity increases.

9. What is the title of the person responsible for making the major IT decisions within your company? *(Response percent across each maturity level)*

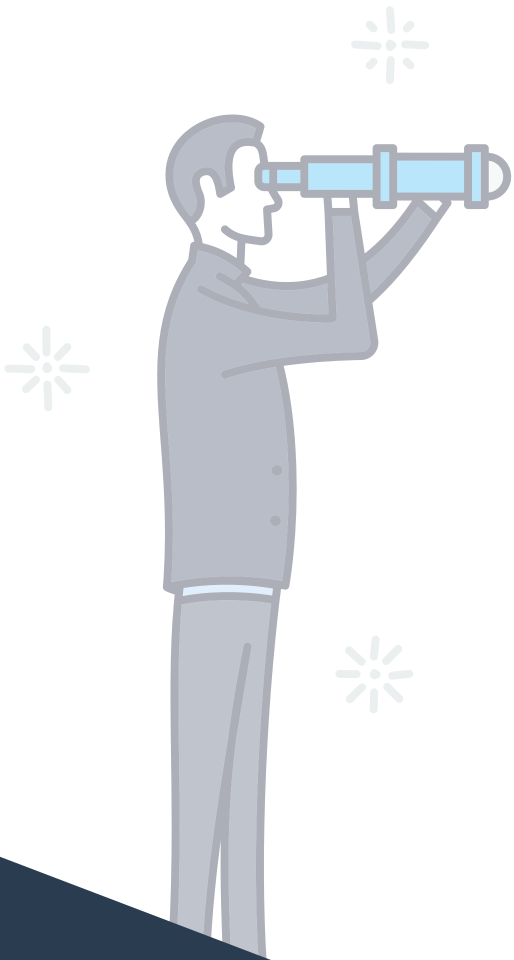
IT MATURITY	CEO/CFO	CIO/VP	DIRECTOR	MANAGER/ SUPERVISOR	SYSTEM ADMIN	OTHER
Aligned/Strategic	12%	45%	23%	12%	3%	5%
Proactive	13%	27%	32%	18%	2%	7%
Efficient	15%	27%	28%	23%	2%	4%
Reactive	13%	24%	28%	19%	6%	9%
All Respondents	13%	29%	29%	18%	4%	7%

10. What degree of influence does the head of the IT department have on C-level decision-making within your company? *(Response percent across each maturity level)*

IT MATURITY	NO OR MINIMAL INFLUENCE	LITTLE INFLUENCE	SOME INFLUENCE	A FAIR AMOUNT OF INFLUENCE	A GREAT DEAL OF INFLUENCE
Aligned/Strategic	3%	3%	14%	38%	43%
Proactive	1%	5%	11%	41%	42%
Efficient	3%	4%	20%	41%	32%
Reactive	2%	4%	17%	35%	41%
All Respondents	2%	4%	15%	39%	40%

11. Looking ahead to 2018, what do you expect to be the status and responsibilities of the IT department and CIO within your company? *(Response percent across each maturity level)*

STATUS AND RESPONSIBILITY	ALIGNED/ STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE	ALL RESPONDENTS
The primary decision maker and resources for all information technology decisions and support whether internally developed or externally sourced	22%	20%	19%	16%	19%
An information technology broker for the company's business units and functions with responsibility for services procurement and technology standards for information management and security – third-party service providers will maintain the infrastructure	18%	9%	8%	6%	9%
Responsible for maintaining legacy infrastructure and endpoint devices, information management and security – other departments will make their own application and services purchase decisions	9%	7%	3%	2%	5%
The same as today	50%	63%	69%	75%	66%
Other	1%	2%	1%	1%	1%



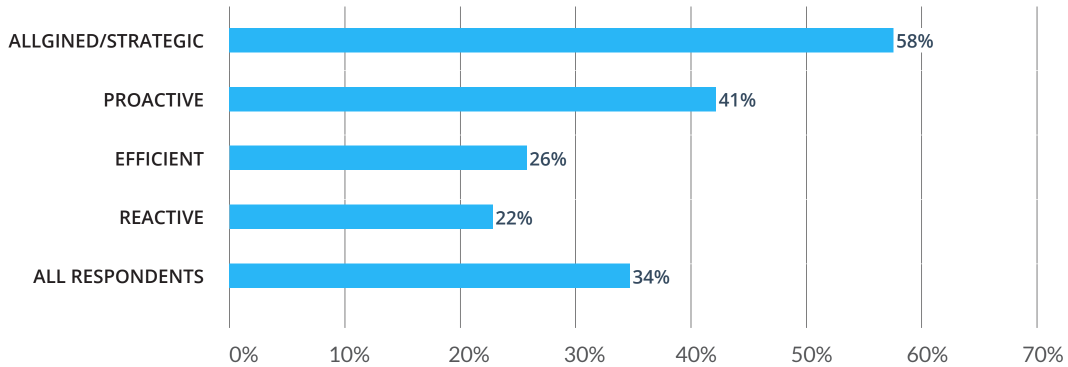
E Strategies and Tactics for Improved IT Management Maturity

This section contains details of specific IT management strategies and tactics used by IT Operations teams at all levels of IT Management Maturity and highlights the largest differences that occur as teams move along the path to higher levels of maturity.

12. Does your IT department have formal service-level agreements (SLAs) covering the availability and performance of IT services? *(Response percent within each maturity level)*

SLA USAGE	ALIGNED/ STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE	ALL RESPONDENTS
Yes, we are required to report on and achieve our SLAs	46%	24%	15%	9%	21%
Yes, but they are more of a guideline than a requirement	34%	34%	35%	30%	33%
No, we do not have formal SLAs	14%	28%	38%	49%	35%
No, but we are in the process of creating them	5%	14%	13%	12%	11%

13. Does your IT department measure mean time to recovery (MTTR) metrics for problem management? *(Graph indicates the percentage that answered "yes" within each maturity level)*



14. How many unplanned IT network outages lasting longer than five minutes has your team had to contend with in the past year? *(Response percent across each maturity level)*

NO. UNPLANNED OUTAGES	ALIGNED/ STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE	ALL RESPONDENTS
0	16%	17%	13%	21%	17%
1	31%	25%	21%	22%	24%
2-4	36%	46%	43%	39%	41%
5-8	11%	7%	13%	8%	9%
9 or more	6%	6%	10%	9%	8%

15. What are the biggest challenges you face in your job role?

(Response percent of top-five answers among all respondents)

CHALLENGE	RESPONSE PERCENT
Staffing and employee management	16%
Time Constraints	13%
Budget/Cost Constraints	12%
Growth/adapting to change/keeping current organizationally and personally	9%
Security and Compliance	8%

16. What do you see as the top technology challenges your IT department faces in 2017?

(Response percent within each maturity level)

TECHNOLOGY CHALLENGES	ALIGNED/ STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE	ALL RESPONDENTS
Legacy systems hampering growth and innovation	40%	41%	46%	47%	44%
Maintaining privacy and security data	40%	41%	37%	41%	40%
IT management/maintenance costs	39%	36%	44%	42%	40%
Growing need for data/storage management	39%	36%	35%	37%	37%
Capacity and speed of network infrastructure	33%	37%	33%	31%	34%
Issues with predicting IT costs	29%	31%	30%	27%	29%
Downtime and service outages	22%	17%	30%	23%	22%
My organization is currently not facing any IT challenges	16%	8%	6%	9%	9%

17. Which of the following services does your company currently outsource?

(Response percent across each maturity level)

FUNCTION	ALIGNED/ STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE	ALL RESPONDENTS
Backup and recovery	32%	33%	36%	33%	33%
Server support	28%	31%	32%	29%	30%
Network and connectivity support	30%	28%	31%	27%	29%
Desktop security services (e.g. antivirus, anti-malware or spam filtering)	33%	27%	30%	27%	28%
Patching and updates	29%	27%	25%	24%	26%
Desktop support	29%	27%	25%	24%	26%
Help desk	31%	26%	25%	23%	26%
Disaster recovery	31%	26%	26%	23%	25%
Remote infrastructure and desktop monitoring	29%	27%	25%	20%	24%
Application management and support	26%	25%	22%	22%	24%
Hosting services (private cloud)	29%	21%	25%	22%	23%
Cloud application user/access/content management	25%	23%	22%	17%	21%
Data center operations	26%	18%	22%	19%	20%
Cloud services (IaaS, PaaS, SaaS)	24%	20%	25%	16%	20%
Database administration	28%	17%	18%	18%	20%
Unified voice	23%	21%	17%	17%	19%
Device audit and discovery	27%	19%	19%	16%	19%
Application performance monitoring	26%	19%	14%	15%	18%
IT service level monitoring	24%	19%	15%	14%	17%
Web/e-commerce/CMS	19%	15%	22%	16%	17%
Mobile device and BYOD management	24%	16%	15%	14%	16%
Cloud service monitoring	24%	14%	16%	14%	16%
Identity and access management security	21%	16%	17%	13%	16%
Virtual desktop services	21%	13%	15%	13%	14%

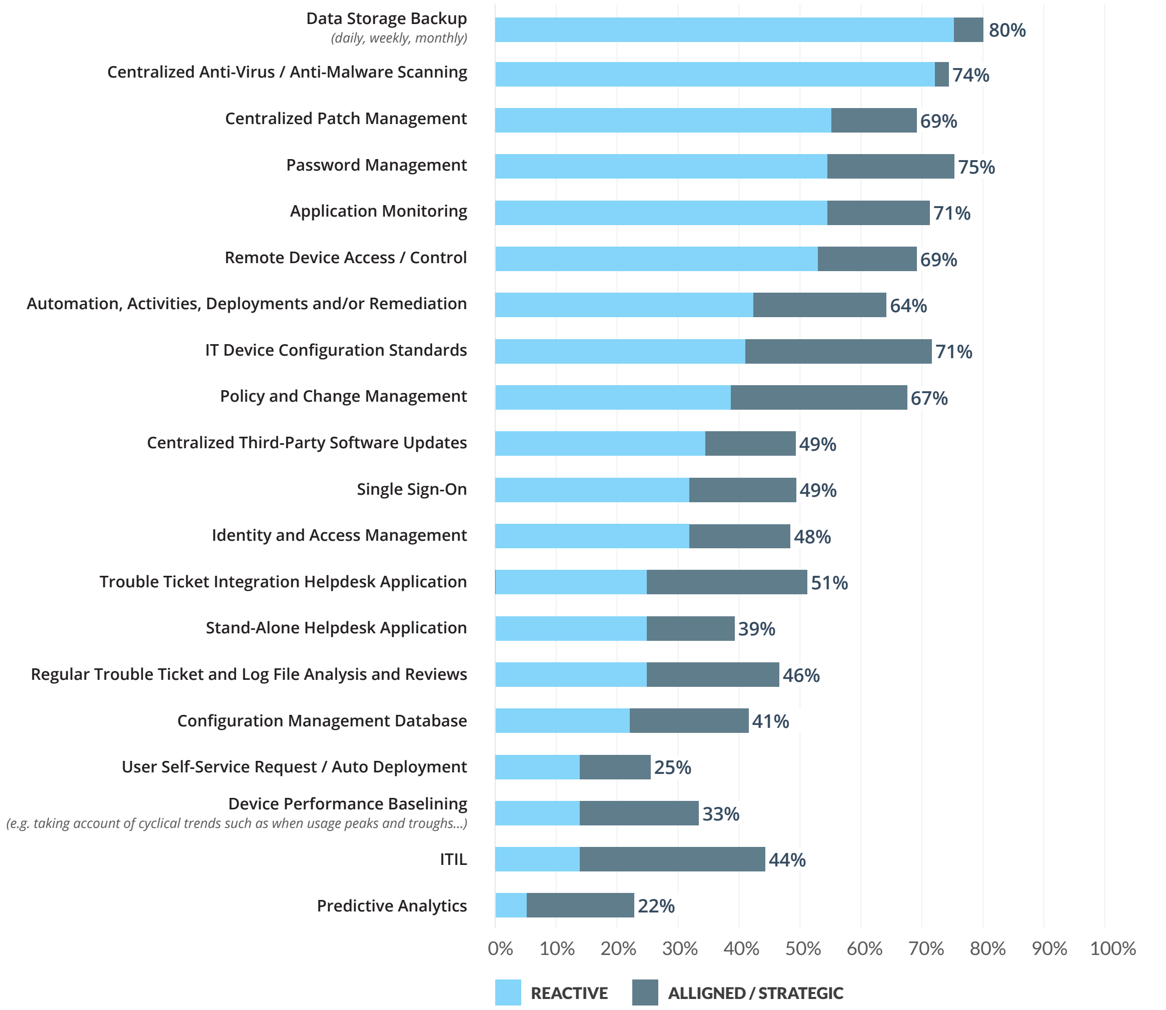
18. Which of the following services does your company currently outsource or is considering outsourcing in the next 12 months? *(Response percent across each maturity level)*

FUNCTION	ALIGNED/ STRATEGIC	PROACTIVE	EFFICIENT	REACTIVE	ALL RESPONDENTS
Backup and recovery	46%	45%	49%	46%	46%
Disaster recovery	44%	42%	43%	39%	42%
Server support	42%	40%	39%	12%	40%
Cloud services (IaaS, PaaS, SaaS)	50%	38%	44%	35%	40%
Cloud application user/access/content management	45%	41%	41%	35%	39%
Hosting services (private cloud)	49%	35%	39%	37%	39%
Desktop security services (e.g. antivirus, anti-malware or spam filtering)	43%	38%	39%	37%	39%
Network and connectivity support	42%	37%	40%	38%	39%
Remote infrastructure and desktop monitoring	40%	38%	33%	33%	36%
Patching & updates	41%	34%	32%	35%	35%
Cloud service monitoring	43%	35%	33%	31%	34%
Help desk	38%	35%	33%	33%	34%
Unified voice	41%	35%	34%	31%	34%
Application management and support	37%	35%	32%	33%	34%
Desktop support	37%	35%	32%	32%	34%
Data center operations	36%	32%	33%	11%	32%
Database administration	41%	29%	32%	29%	31%
Device audit and discovery	37%	32%	28%	29%	31%
Mobile device and BYOD management	35%	31%	31%	29%	31%
Application performance monitoring	37%	31%	28%	28%	30%
Web/e-commerce/CMS	37%	26%	33%	26%	29%
IT service level monitoring	36%	30%	27%	26%	29%
Identity and access management security	35%	31%	25%	23%	28%
Virtual desktop services	36%	25%	25%	25%	27%

19. Which of the following tactics and strategies do you currently employ to help optimize IT efficiency and effectiveness in your organization? *(Response percent among all respondents)*

STRATEGY OR TACTIC	RESPONSE PERCENT
Data storage backup (daily, weekly, monthly)	80%
Centralized antivirus/anti-malware scanning	77%
Centralized patch management	65%
Password management	64%
Remote device access/control	62%
Automation – activities, deployments and/or remediation	56%
Policy and change management	53%
IT device and configuration standards	52%
Centralized third-party software updates	43%
Identity and access management	41%
Single sign-on	38%
Trouble ticket integrated help desk application	37%
Regular trouble ticket and log file analysis and reviews	35%
Stand-alone help desk application	32%
Configuration management database	28%
ITIL	22%
Device performance baselining (e.g. taking account of cyclical trends such as when usage peaks and troughs occur and what those levels are)	20%
User self-service request/auto deployment	19%
Predictive analytics	10%

20. Which of the following tactics and strategies do you currently employ to help optimize IT efficiency and effectiveness in your organization? *(Response percent among respondents that identified as Aligned/Strategic vs. Reactive)*



ABOUT KASEYA

Kaseya is the leading provider of cloud-based IT management software. Kaseya solutions allow Managed Service Providers (MSPs) and IT organizations to efficiently manage IT in order to drive IT service and business success. Offered as both an industry-leading cloud solution and on-premise software, Kaseya solutions empower MSPs and mid-sized enterprises to command all of IT centrally, manage remote anddistributed environments with ease, and automate across IT management functions. Kaseya solutions are in use by more than 10,000 customers worldwide in a wide variety of industries, including retail, manufacturing, healthcare, education, government, media, technology, finance, and more.Kaseya is privately held with a presence in over 20 countries. To learn more, please visit www.kaseya.com