

MANAGED IT SERVICES BUYERS GUIDE

MANAGED IT SERVICES EXPLAINED!

Achieve **PEACE OF MIND**
for Your Business

Learn the Benefits of Managed IT

Keep Your Business
Healthy with Maximize
Productivity, Predictable
Budgeting and more!

How Much Should Managed IT Cost?

We Cover the 6 IT Managed Service
PRICING MODELS



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A Comprehensive Managed IT Services Buyers Guide

It seems like each and every day, there are new players popping up in the MSP space. This makes it difficult and daunting for the average business owner to find and hire the right MSP to meet their unique, ever-evolving needs. Whether you're looking to augment your internal person or team or you're aiming to outsource all of the management and maintenance of your technology, Integrated365 is here to help you make the best possible choice with our managed IT services buyer's guide.

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Introduction

When it comes to keeping up with today's rapidly changing, competitive environment wherein most businesses are embracing digitization while struggling with industry-specific data security laws, a lot of business owners face challenges in terms of lack of budget or access to qualified technology resources. Even if you hire an internal person or team, they can quickly become overworked - leading to inadequately managed and secured information technology that results in disastrous scenarios, including:

- Excessive downtime resulting in missed deadlines
- Data breaches resulting in hefty recovery costs/lawsuits
- Inability to acquire new customers/keep existing customers satisfied

A managed service provider (MSP) helps support strategic initiatives as they monitor, manage, and maintain the network and all information systems connected to it. For those with internal technology people or teams, an MSP lightens the load - protecting the business against the risks involved with overworked resources.

Why Choose to Hire an MSP?

Outsourcing part or all of the management of your information systems to an MSP gives you the benefit of paying a flat-rate monthly fee for access to an entire team of experienced technicians with varying skill-sets. Although an in-house person or team is fantastic, they're only able to offer so much in terms of expertise, availability, and skill-sets. An MSP, on the other hand, is able to be available to you around-the-clock and fill in the gaps as needed.

So how do you choose the right MSP for your unique requirements? It's all about doing your due diligence, which means understanding exactly what's included in managed IT services, what the benefits are, what the challenges are, and overall, having an in-depth knowledge about the buying process.



What Are Managed IT Services?

In the simplest terms, managed IT services encompass all of the solutions and support necessary to keep your information technology running smoothly. Essentially, you're able to outsource all of the functions required to an outsourced IT company, also known as a managed services provider, who assumes responsibility for your environment. You pay a flat-rate monthly fee to offload the monitoring, management, and maintenance of your infrastructure - improving day-to-day operations with a proactive approach.

What Makes Managed IT Services a More Proactive Approach Than Break/Fix?

Instead of calling in a technician when something breaks, you're able to rest assured knowing your MSP is taking proactive care of your information technology. This means they're monitoring around-the-clock for issues, keeping technology up-to-date with the latest patches, and keeping end-points secure against hackers. The way an MSP

approaches the monitoring, management, and maintenance of your environment is proactive by nature, which minimizes the risk of downtime and/or constant technology issues occurring.

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Even those who have an internal person or team find this proactive approach beneficial as they're able to offload the "heavy lifting" and use their internal person or team as needed instead of paying for them full-time. Alternatively, they can use their internal person or team for more strategic initiatives, such as embracing digital transformation, while the MSP handles the bulk of the day-to-day work.





A Look at the History of Managed IT Services...

In the past, break/fix was the only option for businesses struggling with technology implementation and/or troubleshooting. In the 1990s, application service providers started offering remote support as an option. They offered remote monitoring and management of networks and services, and as technology grew, the subscription model known as managed IT services came to light. Nowadays, MSPs are able to handle:

1. Mobile device management
2. Remote firewall administration
3. Managed print services
4. Managed security
5. And much more

Businesses no longer need to wait until something breaks to call somebody in to fix it. Instead, they can rely on an MSP that keeps issues at bay. In the long-run, they spend a lot less on technology because they're able to stay ahead of the game with minimal downtime, fewer wasted payroll dollars, and less expenses associated with recovering damaged or outdated equipment.

Although we'll go into more detail on the separate components of managed IT services, here's a quick overview of what's typically included:

1. Help desk services
2. Cybersecurity
3. Around-the-clock monitoring
4. Ongoing maintenance
5. Data backup and disaster recovery
6. Support for compliance efforts

What Are the Separate Components of Managed IT Services?

When you make the switch to managed IT services, you're making an investment into the efficiency of your business. After all, an MSP takes responsibility for the ongoing monitoring, maintenance, and management of your information technology to keep you running at all times. They ensure your technology acts as a strong foundation for your day-to-day operations - allowing you to communicate with customers, keep track of data, and overall, do more with less.

Before we look at the separate components of managed IT services, it's important to understand the three primary physical components an MSP will focus on managing for you. This includes:

- **1. Platforms:** This is the environment in which all of your computer programs run on, such as an operated system.
- **2. Infrastructure:** This includes all of the physical elements that make up your environment, including computers, switches, routers, etc.
- **3. Software:** This includes any and all software, such as computer programs, online documentation, databases, etc.

Although most MSPs tend to offer similar services, they differ in the way they provide those services - from the level of expertise to the speed of response. Let's take a look at the specific components you'll find in most standard managed IT services plans:

- **Around-the-clock monitoring:** An MSP will use a remote monitoring tool, known as an RMM, that keeps an eye out for any sort of performance, health or security issues that may impact you or lead to downtime. The remote monitoring tool will alert them immediately so they can resolve the issues as soon as possible.
- **Data backup and disaster recovery:** An MSP will provide data backup and disaster recovery planning wherein they keep your data and applications backed up onsite and in the cloud to ensure recoverability in the event of an outage that would otherwise damage or disrupt your access.
- **Help desk support:** An MSP will provide help desk support wherein they have a team of experienced technicians and/or engineers on hand - available to assist with any questions, challenges or troubleshooting remotely or onsite as needed. They will give you an idea of their hours, availability, and response time upon meeting.
- **Ongoing maintenance:** An MSP will take care of the ongoing maintenance necessary to keep your systems safe and reliable, including security patches, bug fixes, updates, and more. They will ensure you have an idea of when technology is coming to its end-of-life date as well.
- **Cybersecurity:** An MSP will provide a comprehensive suite of cybersecurity tools and processes that enable you to secure all end-points against hackers. This reduces the risk of sensitive data being lost and/or stolen - resulting in a costly data breach. They should also provide cybersecurity awareness training to your staff.
- **Cloud solutions:** An MSP will be able to provide cloud consulting and/or solutions to help you select the right cloud services for your unique needs, whether it's a public cloud, private cloud or hybrid cloud. They will work with you to migrate over to the cloud as needed.





What Are the Benefits of Managed IT Services?

Naturally, any investment you make should be beneficial to your organization in more ways than one. As the demand for managed IT services continues to rise, many business owners are left wondering “what’s the hype about?” An MSP delivers many benefits to their clients - allowing them to better leverage technology for greater operational efficiency while cutting down on unexpected costs associated with the traditional break/fix method of managing information systems. Here are some of the main benefits:

1. Access to the latest technology

Many business owners struggle with keeping up with the ever-evolving technology landscape, and in most cases, it’s hard to sort through which innovative forms of hardware and software are worth investing in and which aren’t. An MSP handles this for you - keeping ahead of new technologies to help you take advantage of

various security products, mobility solutions, analytics tools, and more. Plus, they make sure you’re not running any sort of outdated equipment, such as unsupported operating systems, to keep you current at all times.

2. Minimal unexpected costs associated with repair, downtime or troubleshooting

One of the biggest challenges associated with the traditional break/fix method of managing information systems is unexpected costs in terms of repairing equipment, dealing with downtime or troubleshooting the same problems over and over again. There’s simply no preventative maintenance or technology roadmap in place to prevent these sorts of challenges. An MPS minimizes unexpected costs as you’re paying them a flat-rate monthly fee to act in a proactive nature.

3. Effective data backup and disaster recovery planning

This is one of the most commonly overlooked benefits of a managed IT services plan. You're able to rest assured knowing you have an effective data backup and disaster recovery plan in place that incorporates onsite backups within an appliance, as well as offsite backups to the cloud - meaning recovery is possible even if a disaster destroys on-premises equipment. Prior to working with an MSP, many businesses rely on tape backups that are typically hard to recover from. An MSP will create a comprehensive plan that outlines exactly what to do in the event of data loss and/or an outage.

4. Protection against a myriad of cyberthreats

While the point above is commonly overlooked, this tends to be one of the most well-known benefits of a managed IT services plan. You're able to have peace of mind knowing an MSP knows what they're doing when it comes to cybersecurity. They will have a multi-layered solution that incorporates a range of cybersecurity technologies, and in many cases, they'll train your staff on cybersecurity awareness to ensure you're prepared to defend against any sort of threat. Their multi-layered solution should include:

- Firewalls
- Anti-virus software
- Anti-spam software
- Intrusion detection software
- Web content filtering
- Multi-factor authentication
- Encryption
- And more

5. A cohesive environment free of configuration issues

In many cases, handling information technology on your own leads to a confusing, misconfigured environment wherein products and/or tools don't work well with one another at all times. An MSP knows what they're doing when it comes to addressing your infrastructure. They'll ensure your hardware and software are properly configured to work well together - creating a cohesive environment that's well-managed and maintained. They will handle the security requirements necessary to safeguard each and every device and/or end-point on the network.



What Are the Primary Challenges of Managed IT Services?

MSPs strive to keep your information systems running smoothly to ensure the highest possible level of operational efficiency, however, choosing to leverage managed IT services can come with challenges, especially if you choose the wrong MSP. Although the managed IT services model, in theory, is incredibly sound, not all MSPs operate the same. Some MSPs may lack the expertise, breadth of services or skill-sets to adequately meet your unique requirements. This is where it's vital to understand the potential challenges you may face and speak with your chosen MSP beforehand to ensure they're not going to arise. Here are the primary challenges we've seen:

1. A lack of experience with the cloud

Nowadays, most technology innovation is centered around the cloud - a technology that enables the on-demand availability of computer system resources, including computing power and data storage. Essentially, data centers host all of the hardware and software and users are able to access them via any device, from any location. The cloud is rapidly replacing traditional, on-premises technology, and if an MSP doesn't have experience with the cloud, they'll quickly become irrelevant as your business requires more and more cloud-based services.

2. A contract that's confusing and unclear

This is one of the most common challenges we hear from business owners who want to invest in managed IT services. They find an MSP, everything

seems great, and then the contract is far too confusing and unclear. In the end, they feel like they're going to end up paying much more than they want to because the pricing and/or stipulations aren't clear in the proposed contract. Whenever you're looking to work with an MSP, make sure you're reading through the contract to look for any hidden fees and/or clauses that concern you.

3. A lack of personable service

When you're choosing an MSP, you're looking for a strategic partner that will work closely with you. Naturally, it's frustrating when you find an MSP with the experience, breadth of services, and skill-sets you're looking for but they don't seem to be personable. This is key to a long-term relationship, so don't settle for an MSP that treats you like "yet another customer." Instead, wait for the MSP that makes you feel like a valued client of theirs. It'll make a world of difference throughout the duration of your relationship.

4. A dissatisfaction amongst internal technology staff members

If you have an internal technology person or team, they may or may not be thrilled with your decision to outsource part of the responsibility of managing your information systems. However, as long as you communicate with them and remind them that the purpose of outsourcing to an MSP is to lighten their workload, this is a challenge that should be easily smoothed over. Make sure you're there to address any questions or concerns they may have and ensure they provide the information your new MSP needs.





Will Managed IT Services Work If I Have an Internal Person or Team?

Ideally, an MSP will act as your trusted advisor and an extension of your organization - not a replacement for your internal person or team. Although in many cases, internal people or teams may feel threatened with an outside third-party coming in and handling some aspects of their responsibilities, as long as you reassure them, managed IT services will work perfectly for you. They're meant to support your staff, whether they're technical or not, in helping you achieve your operational goals and objectives. Essentially, they will augment your existing technology person or team's work if they are:

1. Experiencing challenges keeping up with a heavy workload
2. Going away on vacation and on leave of some sort
3. Lacking specific skill-sets or experience with certain technologies

4. Working hard on an upcoming project that's taking up a lot of manpower

How do you know augmenting your internal person or team is a good idea? Here's a few signs:

1. They're very knowledgeable when it comes to cybersecurity, but they haven't had time to train your staff members.
2. They're keeping up with the day-to-day tasks, such as monitoring and maintenance, but haven't had time to start strategic initiatives.
3. They're struggling to stay ahead of support tickets from your staff members due to other priorities.

An MSP will work alongside your internal person or team to make sure they have the resources, availability, and expertise they need to succeed.



How Much Should Managed IT Services Cost?

Information technology spending is continuously rising around the world as businesses leverage technology more and more, but how much **SHOULD** you spend when you're opting for managed IT services? While it's bound to be more cost-efficient than break/fix support in the long-run, what is a fair price to spend each month? An MSP helps you do the following for a flat-rate monthly fee:

- Safeguard against cyber threats
- Integrate different applications/devices/platforms
- Modernize outdated hardware and software
- Manage complex information systems and/or networks
- Use and manage large volumes of data
- And much, much more

They provide a range of service and support to achieve what's listed above, and as you know, it's a flat-rate monthly fee. But keep in mind, that flat-rate monthly fee is entirely dependent on various factors, including the complexity of your network, industry-specific compliance requirements, the number of users and/or devices, and more. You may pay per-device or per-user, depending on the MSP's pricing model.

A good ballpark figure is roughly \$75 - 300 per user, per month. If you're charged per device, the amount should still roughly equal around this range. You should be paying on the lower end for partially managed IT services or on the higher end for fully managed IT services as outlined below:

1. Partially managed IT services refers to deferring some tasks, such as server management and ongoing maintenance, to an MSP while taking care of other tasks on your own.

2. Fully managed IT services refers to having an MSP take over absolutely everything so you can focus all of your time and resources on core competencies, including generating revenue or developing products.

If you're receiving a quote for well above this ballpark figure, ask them what they're doing differently to negate the price difference.



What Items Must Be Covered in a Managed IT Services Agreement?

MSPs tend to vary in the agreements they provide. Why? Because every MSP does things a little differently. So what should you look for in an agreement? We always recommend reviewing any documents within your business with your legal team and/or attorney, however, here's what you should expect in an agreement:

1. Definition of services

Each service should be broken down and outlined in detail so you know exactly what you're getting. You should expect to see all of the services you've discussed with your MSP, such as remote monitoring, regular maintenance, cybersecurity, data backup and disaster recovery, etc.

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2. Terms

Make sure the terms of the agreement are agreeable to you before signing. If the agreement states that you must stay with the MSP for a year or pay out the contract, it's important to be aware ahead of time.

3. Coverage hours

This refers to the hours of remote or onsite support coverage available to you. In many cases, MSPs will offer support from 9am - 5pm with emergency support available after-hours if necessary. Ask about any fees and/or limitations in terms of emergency support.

4. Minimum standards

This should outline the minimum acceptable standards required in regards to the delivery of services, which should cover patch and update levels, equipment and hardware states, application and their versions, etc.

5. Fees

They should outline the fee for services rendered, as well as the schedule you're expected to follow for payment. If there are any late charges or taxes to be collected, they should be outlined in this section.

6. Response/resolution

The expected response time, as well as the expected resolution time, should be outlined in your agreement, especially if this is something you've agreed upon already. They may also outline their own internal problem categorization process so you know what to expect.

7. Exclusions

If anything in particular isn't covered, the exclusions section of the agreement should outline each and every service and/or device that won't be delivered or managed for you. This is important as it helps avoid hidden fees.

8. Cybersecurity

Lastly, many MSPs are covering cybersecurity within their agreements because threats are evolving at a rapid rate, and most businesses want to know exactly what they're doing to keep them safe. This should cover:

- Firewall settings
- Service delivery specifications
- Measure used
- Awareness training schedule



10 Questions to Ask Before Signing a Contract with an MSP

Now that you have an idea of what an agreement looks like, it's important to make sure you're asking the right questions prior to signing a contract. This is especially true if you're signing a contract that requires you to be with the MSP for a full-year or risk paying out the agreement to end it. This is common practice and it's perfectly fine, as long as your relationship is positive and beneficial for you. Here are 10 questions we recommend asking before you sign a contract:

1. What other organizations in my industry have you worked with?

This is especially true if you're operating in a highly complex, regulated industry, such as healthcare, finance or something similar. You should make sure you have an idea of their experience in your industry prior to signing a contract.

2. Do you have any references I can speak to?

Similar to the first question, references can give you an idea about their experience with other businesses. If they have references in your industry, that's even better. Make sure you contact their references to ask about:

- Their response times
- Their resolution times
- Their level of expertise
- Their ability to be personable

Feel free to ask their references for an example of where the MSP went above and beyond for them. This gives you insight into the level of partnership you can expect.

3. What metrics do you use to assess the performance of my equipment?

A lot of what an MSP does is intangible, unless they're able to produce metrics that show you the performance of your equipment in terms of health, speed, and reliability. They should be able

to produce detailed reports to show you exactly what they're doing.

4. Will I need to purchase additional hardware prior to starting managed IT services?

You may be expected to purchase additional hardware, especially if your environment is currently outdated and unable to be supported. Make sure you know whether or not you'll need to purchase hardware or if it'll be included in your agreement.

5. How do you handle cybersecurity?

Cybercrime is becoming more sophisticated and coordinated each and every day. You should be well aware of how your MSP will be handling cybersecurity for you, including what solutions they'll implement, any awareness training they'll provide, and how they stay ahead of threats themselves. You should feel confident in their ability to protect:

- Personally identifiable information
- Protected health information
- Intellectual property
- Personal information

6. How can my data be retrieved in the event that I need to terminate the contract?

If you decide you need to terminate your contract, you will need to retrieve all of your data and current, up-to-date documentation of your network. Make sure you're well aware of how this process works.

7. What methods can be used to contact your help desk support team?

Technology is never foolproof, and in some cases, you will need to contact your MSP's help desk support team for assistance. Whether it's a major outage or a simple password issue, make sure they tell you exactly how to contact them, such as:

- Email
- Phone
- Web portal
- Text

8. Will you help us create a technology strategy?

Nowadays, technology is more than a necessity, it's a strategic business enabler that allows you to improve the way you operate. They should help you create a technology strategy that aligns your environment with your organizational objectives. This may include:

- Reports sent to you on a weekly, monthly or quarterly basis
- Ongoing meetings to discuss goals, challenges, etc.
- A detailed technology roadmap that outlines various initiatives

9. How do you keep your technicians up-to-date and knowledgeable?

Unfortunately, the information technology industry has no set standards in regards to training and/or certifications, which leads to many MSPs popping up with no experience. It's important to clarify exactly how your MSP keeps their technicians up-to-date and knowledgeable in terms of technologies, threats, industry-specific regulations, etc.

10. Will you let me know ahead of time of any planned downtime?

If an MSP will be performing maintenance that results in downtime, it's important to know ahead of time. Ask them about their process for alerting you of any expected, planned downtime you may experience. They should have a schedule outlined for you so you're prepared ahead of time.

Developing a Business Case for Managed IT Services

Many companies are moving toward managed IT services rather than hiring in-house or relying on break/fix support. But what's the business case for managed IT services? Surely, there must be a strong business case considering the trend of outsourcing is more prevalent than ever before. Any investment you make should have a business case behind it. But before you can develop a business case, you need to define what your current pain points are, such as:

- Risk mitigation
- Cost savings
- Quality of talent
- Accessibility of data
- Process efficiency

Once you have an idea of your pain points, you can build a business case to present to the rest of your management team for buy-in on your decision to opt for managed IT services. Here are some solid examples to include in your business case:



1. Greater cost savings

An MSP strives to justify their existence with an unsurpassed level of uptime, reliability, and security. They proactively work to prevent unexpected, costly surprises that lead to downtime. After all, emergencies cost them money to send out technicians. It's in their best interest to keep your technology functioning optimally. This often leads to greater cost savings as opposed to working with an internal person or break/fix company that makes more money when your technology isn't working well.

2. Reliable onboarding and offboarding

Rather than spending hours, or worse, days looking for high quality talent to assist you, then going through the cumbersome process of training and/or certifying and managing that talent, an MSP has a well-established onboarding and offboard process that ensures all of your information, systems, and documentation is taken care of and handled appropriately. They also ensure only the right people with authorization have access to any confidential information that needs to be involved in the onboarding and offboarding process.

3. Greater expertise for industry-specific compliance

If you're operating in a highly regulated industry, such as healthcare or finance, you need to ensure you're complying with all of the relevant laws, as well as any applicable state laws regarding data privacy. An MSP that has experience in your industry is able to take this off your plate - helping you ensure you have the right technical, physical, and administrative safeguards in place, as well as the proper processes and procedures, to ensure compliance. This means you will pass an audit with flying colors.

Although this is only a few of the examples that can be included in your business case, there are MANY reasons why an organization might outsource to an MSP for the purpose of alleviating pain points.

Final Considerations...

Technology should be used to help you increase productivity, improve the value you provide your customers, and of course, minimize the cost of doing business. Essentially, technology should help you do more with less. If that's not the case, it's time to find an MSP who can help you leverage technology to the fullest extent. We hope our buyer's guide gave you the essential information you need to make an informed choice.





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