

# The Understated Value of a Managed Service Provider

Why Organizations are  
Turning to Managed Services  
Provides for IT Support in  
Record Numbers.



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# The Understated Value of a Managed Service Provider

## Why Organizations are Turning to Managed Services Provides for IT support in Record Numbers.

For most IT organizations over the last decade, the solution to a problem has been to add something new. If you're approaching a problem of responsiveness; add new servers. A question of scale? Expand your cloud. Do your customers want new features? Buy a new application. The solution is always more. What if we've reached the point where more accomplishes less?

According to research from IBM, [85 percent of companies now operate multiple clouds](#) – but only 41 percent have tools that can holistically manage those clouds. On average, every office computer has over [\\$250 worth of unused software](#) on it and [30% of all servers sit idle](#) because they're not running any workloads, so they represent a massive drain on power and budget.

These inefficiencies represent a steady hindrance to your organization. They're an obstacle to communication, they're a cost to your bottom line, and they can even prevent future growth and innovation.

Are you stuck in this trap?



# End-of-Life Hardware Isn't a Hypothetical

Let's start here. With the constant innovation and change in the hardware and software world, what you're using today will change greatly over the next five years. *Steer clear of the number one challenge we see driving our customers to adopt an MSP support system: End-of-life technology and the sheer cost of maintenance.*

We're here to tell you that the decision between end-of-life maintenance costs or technology upgrade investments are real, and happen all the time. This is not an abstract dilemma. As we publish this article, both Windows 7 and Windows Server 2008 are less than six months away from their official end-of-life dates. After January 2020, Microsoft will no longer offer security updates for new vulnerabilities found on these platforms. Fewer and fewer applications will run natively on these systems, and new versions of old applications will steadily phase them out as well.

Right now, [almost 32 percent of all endpoints run Windows 7](#). There are 24 million servers – [60 percent of the install base](#) – still running Windows Server 2008. In a short amount of time, all of these operators will have a difficult choice to make. Every server operator and software company will have to



repeat this process again and again as the bell curve tolls.

So how do you avoid repeating the cycle? New technology on new technology becomes old equipment on end-of-life equipment.

Don't go it alone. Bring your technology needs to a partner who understands technology, thrives on innovation, and holds themselves to a higher standard of performance than yourselves. The lesson from these examples is that while you're trying to orchestrate information technology for an entire enterprise, the tactical tasks take a back seat. Day-to-day operations subsume the importance of long-term planning – always.

## **Bring Functions Under a Single Partner Like an MSP**

The solution, as we see it, is to centralize some of these day-to-day and long-term IT functions underneath a single Managed Services Provider (MSP).

By centralizing many IT functions under a single vendor – from technology planning, to support, to some aspects of development – our clients accomplish a seamless digital transformation. While your technology provider or MSP takes care of mundane and routine tasks, your internal team can be more strategic with their initiatives. In the end, instead of only having more technology to manage, you get a transformed technology base that is ready to confront your ever changing technology roadmap.

# 3 Reasons to Consider Outsourcing to a Managed Service Provider

Many people worry that using an MSP means cutting existing IT staff loose. After all, MSPs take over much of what IT teams believe to be their core job functions – patching, technology purchases and implementation, information security, IT monitoring and management, and so on. Besides, it seems logical to conclude that spending more money on an MSP means spending less money on internal IT personnel.



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Studies show you'll generate operational savings of **at least 50%** when you outsource IT tasks to a Managed Service Provider

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Here's the thing: patching, purchasing, implementing, and security shouldn't be core IT functions. Security is a specialization – you need skills and training to do it right. On-boarding new staff and implementing new equipment are labor-intensive – performing these

tasks is a waste of time for highly-trained personnel, and we wouldn't recommend this as a best practice for the way that IT should be managed.

Think of the investment in MSPs as a cost savings mechanism. In other words, when you spend money to work with a reputable MSP, studies show you'll generate operational savings of at least 50 percent, and you'll increase efficiency by up to 60 percent – all without laying off a single worker.

Get these additional benefits with a Managed Service Provider:

1. **Depth of Knowledge:** MSPs often have first access to manufacturer training and have spent the up-front time to learn the implementation procedures. The extensive education is worth the investment for the MSP since they will be involved in projects for multiple customers over the lifespan of the product. The result is that your staff can be freed up from the numerous hours it would have required to complete the project. MSPs, already knowledgeable of the process, will be able to complete the tasks in a fraction of the time.

2. **Prior Experience:** MSPs consistent exposure allows them to be pre-emptive regarding common pitfalls and manufacturer bugs. Rather than having your company experience degraded performance following a cut-over because of a common issue, MSPs will have a higher probability of mitigating the risk during the planning phase because of prior engagements. This experience will shorten your project plan, free up your internal resources, and save you from potentially costly downtime. Fantastic! Dare we say; a win, win.
3. **Capability:** Understandably, the techie (if the shoe fits) inside of you still yearns to understand the new technology which is now running your organization. You have the staff to handle your day-to-day operations, and now they need to know how to support the new product(s). The right MSP should include training with all major projects to ensure your staff has the required hands-on experience before project closeout. This knowledge transfer allows the MSP to pass on relevant information giving your team the chance to pick the brains of experienced engineers.

Don't have the staff in house to support this new initiative, don't worry. Keep your MSP on the project and add these new devices or software to the agreement you've already got in place. Here is where you'll see the value of your MSP genuinely shine. They can support new projects upfront and post-implementation to keep your investment sound and successful.



# Who Benefit Mosts from Outsourcing to a MSP?

## Small Business

Typically, smaller businesses tend to have limited IT staff members who need to focus on completing strategic objectives. We see small businesses benefit greatly from offloading weekly maintenance tasks as well as projects that require special skills you don't have in house or have a frequent need for.

## Large Enterprise

Remote managed services are an ideal fit for this segment, particularly around network monitoring, availability, and remote remediation. These environments typically require complete 24x7 availability and quick response for incident management. Individual staffing levels and skill-sets will demand different levels of service; however, round-the-clock network monitoring and remediation to supplement internal availability and skills is a value-add in this case.

## College Campus or School District

Remote managed services is the strong candidate in this space as education clients must typically mix and match the levels of remediation and support procured, to address their needs while meeting their budget restraints.



# Finding the Right Managed Service Provider for Your Business

Finding a technology partner you trust can help supplement your staff through different projects and initiatives by aligning the right skill sets for the job. For example, [a good MSP](#) will have a history of similar, successful projects behind them and will have the added benefit of preparing for potential pitfalls.

Today, outsourcing to a Managed Service Provider is commonplace, and the stigma has worn away, which is good news for the C-suite. Historically, the term outsourcing has been referred to as the "[bogeyman of the '90s](#)," synonymous with off-shoring and, often, job cuts. This was the cue for your trusted IT team to refresh their resume and distance themselves from your corporate initiatives. In most cases, that feeling of "replacement" is no longer, if anything, we see IT teams embrace managed services giving them the ability for some added support, and the comfort level to tackle projects within their purview. Fundamentally, an outsourced IT model (which can include managed, cloud, or hosted delivery options) is a smart way for SMBs to expand their technical footprint and compete with larger enterprises for a fraction of the cost and responsibility.



At one time, the perception of outsourcing was that it was only for people with a lot of money and little patience; people who wanted to get more done at the lowest price point. Today, nearly every industry and business size outsource one or more functions to an outside expert that specializes in the respective role.

Specifically, outsourcing IT functions through managed services, has become the great enabler, helping businesses do more with less, level the playing field amongst their competition, and gain access to the latest and greatest tools and technologies available.

The most significant benefits we hear our clients affirm outside the apparent access to more considerable technical skills is the ability to reallocate budgets. Often CapEx dollars will convert to OpEx dollars for outsourced products (i.e., SaaS, NaaS, etc.) and services. IT team assignments will usually follow the transformation with new responsibilities.



## Take the First Step in Your Managed Service Selection.

IT and business management teams need to assess their technical requirements to determine what can be fulfilled entirely internally, and at an affordable cost. Adopting this strategy will enable businesses to be more competitive by capitalizing on their internal strengths and entrusting routine IT tasks to be maintained by an experienced partner.

If you're a small business, selecting an MSP may be a valuable component of your ability to scale your operations. If you only have a small internal IT team to start with, then working with an MSP has the potential to more than double your capabilities.

Therefore, when you select an MSP, you shouldn't ask yourself how much of your workload an MSP will be able to replace. For a small business, nearly every MSP will be able to augment 100 percent of the job function that the IT department is currently performing – but with that said, not every MSP is going to be a right fit for a small business.

What you're looking at is a Goldilocks problem in many respects. If you choose an MSP that's too small, then they won't have enough resources to support you. If you go with an MSP that's too large, you might find that your priorities are ignored (while most of that MSP's resources will go towards assisting enterprise

clients.) If you find an MSP that's the right size, however, with owners and technicians that you trust, then you'll find a partner in growth. Your chosen MSP will be able to help you achieve tactical and strategic priorities that let you find more customers and increase your revenue – with your MSP eventually adding capabilities and personnel to further those increases.



# Ready to Reevaluate Your Technology Strategy?

## Schedule a strategy review with R2.

We'll have an old fashion conversation about everything from technology to operations and the team you need to get your business running better.

If you're ready to take you business to the next level, it's time to partner with a team of technologist that are simply, *well*, better.

**You Deserve Better.**

[Schedule My Strategy Review](#)

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# About R2 Unified Technologies

Headquartered in Boca Raton, Florida, R2 Unified Technologies is the team organizations turn to when they demand better technology services. From data, security, and cloud solutions to professional and fully managed services; we approach IT differently.

R2 is an extraordinary team of technologists with a genuine approach to delivering tailored solutions with precision execution. We will do right by you. With every integration, with every interaction, Always. Because with R2, your experience is *Simply Better*.

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