The New Worry-free IT for Small Business

Managed Services/Technology as a Service - Paving the Road to Small Business Success

Imagine not having to invest thousands of dollars into replacing aging computer hardware or calling a service technician in a panic because your server is down while your employees sit idle or having to dump large chunks of money at the most inopportune times because some computer disaster occurred. If these thoughts appeal to you then you completely grasp the benefits of managed IT services or in its expanded version; technology-as-a-service.

Many small business owners struggle with technology in their business for a number of reasons. For one, they don't have an IT department at their disposal. As a result they often make bad technology decisions based on trying to put out a fire or address some particular need without really understanding the overall investment or the having the technical acumen to properly set up a computer network. Another problem is that most small businesses employ an ad-hoc approach to technology. There is often very little planning beyond the immediate needs or perceived problems and no real big-picture understanding of how to use technology for business process improvement. This often leads to an unstable environment made up of the wrong purchase decisions on software and quickly depreciating hardware. The situation is worsened by a lack of management methodology and best practices in place to keep the network standardized and running properly.

Not including project time and new installations, the prevailing model of providing IT services that has been the staple for many years is waiting until something breaks and then calling your local computer consultant or company to come and fix it. Of course, in this model (aptly named break/fix), the IT company gets rewarded when things break and the small business suffers thanks to unplanned downtime and expenditures. Networks and technology systems are strung together with baling wire and duct tape. Security and data protection fall through the cracks. Problems are remediated when they become catastrophic events that result in downtime and lost productivity. The result of this ad-hoc, "break/fix" method of technology management is frustration for business owners, staff and customers along with higher than necessary costs for businesses.

The other less than appealing piece to this picture is that small and medium sized businesses invest thousands of dollars in hardware that is obsolete within two to three years and holds almost know resale value. All of this is very difficult on SMBs, both in terms of financial management and in frustration of having to deal with network and systems that don't work right. No wonder so many small to medium sized business owners list technology as one of their top three frustrations in running their business. The good news is that there is a better way.

What most small business owners want is not to have to think about their technology infrastructure or to have to put on the IT service hat (or assign it to some unqualified person in their organization). They just want it to work so they can go about the business of managing their business. Reactive service has been the industry standard for a long time and the price of admission for IT service "professionals" has been much too low. Small businesses often fall victim to the Joe-out-of-my-garage" computer guy and there is no real accountability in the system and no incentive for efficiency in technology management. For too long businesses too small to have their own IT staffs have paid the price.

Now, what has emerged is a different way of doing IT; a "managed service" model which emphasizes proactive monitoring, remote remediation, automated scripting for proactive maintenance and fixed monthly fees. Along with this much more efficient model comes IT service providers focused on technology planning, implementing best practices and making sure their client's networks run as smoothly as possible. Why? Because the model rewards them for doing so. If your technology service partner is paid a fixed monthly fee to keep your network running right, the incentive is there for them to PREVENT problems from occurring because the less time they have to spend on site or remediating issues, the more they benefit… and the more the business benefits. It is a win-win situation.

Sure managed services or (at least lip services) have been around in abbreviated variations for some time. Computer companies provide "proactive maintenance" to the effect of sending a technician onsite once a month to clean temp files, defrag hard drives and blow the dust out of the crevices. However, this really is not "proactive" enough. It does not offer the tools or systems to manage and monitor servers, workstations and network systems in a meaningful way with mechanisms for immediate problem remediation and data gathering for real technology planning. True "managed services" involves careful technology planning, specialized software that runs on the network to monitor and manage each device by an IT services company. It also involves a fixed monthly fee with some service level guarantees and may include help desk support and even some onsite time as needed. While the assumption may be a service like this is more costly, in fact outsourcing IT with managed services can save SMBs, 20 – 40% in technology costs, reduce downtime and finally provide a network that is standardized and operated properly by a trained IT professional.

OLD – BREAK/FIX	NEW - MANAGED IT SERVICES
Wait for something to break – putting out fires	Better service
Avoidable downtime not prevented	More uptime
Reactive vs. Proactive	Proactive vs. reactive
Higher IT costs and downtime	Fixed and Lowed IT costs and less downtime
IT company benefits when something breaks	Increase IT company accountability
Frustration/lost productivity due to downtime	Increase staff utilization
Small problems are not remediated immediately	Increase network's performance
Must wait for technician to get onsite	Increase responsiveness with remote tools
Technology costs fluctuate month to month	Remote monitoring and immediate remediation

Beyond this approach is the evolution of something even more interesting; technology-as-a-service. What does that mean? The concept here is taking managed services one step further and wrapping hardware and software into this fixed, monthly fee which also might include hosted software solutions in the mix. Now you have technology systems that function like a utility. Business owners can truly fix the cost of their technology, systems can be refreshed on regular cycles and SMBs do not have to invest large chunks of money into quickly depreciating hardware or soon-to-be outdated software. Finally, technology expenses can be planned for accurately managed correctly and provide optimal benefit to small businesses…without the ever present frustrations, unplanned expenses and mistaken purchases that too often prevail in the current model.

The Launch Pad

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The Launch Pad shares insight through research studies, white papers, newsletter articles and most importantly feedback from our clients to help small businesses and organizations succeed with technology and on the web. Our team has been helping businesses and organizations develop cost effective technology solutions aimed at growing small business since 1992 expanding our capabilities and services with the growth of the web to include managed hosting, website design and development and domain registration.

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