A Guide to Managed Services

Realizing the Full Value of Your Information Technology Investment
Investing in Managed Services

Yields Improved Customer Experiences

You may not think of there being a direct correlation between the efficiencies and effectiveness of your technology services and your customers’ overall experiences but consider the contrary.

If your Information Technology (IT) services are not functioning optimally, how does that impact the up-time, efficiency and delivery of every other business units in your organization?

IT is the backbone of your business that allows everyone else to focus on doing their jobs, so your customers’ experiences are pervasively positive. When IT is humming with optimal productivity, your customers get the very best of your business.

Investing in Managed Services to extend the overall capacity and value of your technology investment not only reduces overall costs but can directly impact the ability of your organization to deliver, and therefore, improve your customer experience—which results in higher retention rates and revenues. When deciding if, when, and how to invest in Managed Services, consider the ultimate ROI of retaining highly valued customers, as well as the multi-faceted benefits of extending your technology capabilities.

Breaking Down WHY

Whether you are considering partnering with a Managed Services provider in the areas of security, cloud, infrastructure, voice and collaboration, end-user computing, and/or service management, you won’t enter into the relationship passively. It’s both an investment of dollars and resources to turn over some or all of your IT management and operations to an outside provider.
WHAT PROMPTS YOU TO EXPLORE A MANAGED SERVICES PARTNERSHIP?

- Perhaps you have just undergone a merger or consolidation and inherited new systems but not the right staff.
- Or, maybe you experienced a major downtime event and realize the importance of having true, around-the-clock expertise.
- Is your organization growing and you want a graceful way to accommodate the growth without the risk of hiring too fast?
- Have you invested in technology that your current staff lacks the expertise to manage optimally?
- Are you shopping for an alternative Managed Services provider?
- Are you consumed with operational activities that don't allow your skilled staff the time to focus on strategic initiatives?

The managed services market is expected to grow from USD 180.5 billion in 2018 to USD 282.0 billion by 2023, at a CAGR of 9.3% during the forecast period.

-DAILYHOSTNEWS.COM

Whatever drives your consideration of Managed Services, you’re not alone in making the decision to expand your IT capacity and expertise. The vast majority of enterprise organizations invest in Managed Services, and they do so for a variety of reasons—most of which fall under the umbrella of reducing costs and increasing efficiencies.

SOME OF THE MOST COMMON BUSINESS GOALS TO ENGAGE MANAGED SERVICES INCLUDE:

- An overall reduction of the total cost of ownership (TCO) of their technology (inclusive of operations, staffing, tools, etc.).
- Freeing up internal resources to focus on key projects and strategic initiatives.
- Acquiring the right resources and skills to keep up with new technologies.
- Improved productivity that outsourcing (especially the management of complex solutions) can provide.
- Flexibility that Managed Services affords so that they can adapt to changing market trends rapidly.
Stop managing their IT infrastructure in a reactive, break-fix manner.
Consolidate their outsourcing and have a single point of contact for all projects.
Reduce stress by knowing that they have reliable resources in place around-the-clock to manage their entire environment.

In addition to these operational reasons for investing in Managed Services, let’s not forget that all of these reasons have the dual outcome of optimizing IT’s overall functionality, which contributes to the overall well-being of your entire organization. Employees across business units who have positive experiences with the technologies they use are better equipped to do their jobs and contribute to the delivery of **positive customer experiences.**

### Knowing WHEN

Figuring out when to integrate Managed Services into your organization can be confusing. You may have a variety of data that indicates that you need the services but have equal levels of concern about the potential disruptions that accompany the investment. Before you sign a contract with a Managed Services provider, consider assessing the maturity of your IT management processes.

### ASSESSING YOUR IT MANAGEMENT PROCESSES

In any of these stages, Managed Services can contribute to the strategic growth of your IT organization, and ultimately partner with you to build your team into a value-added function within the business.

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- **CHAOTIC**
  - *It’s an inconvenience*
  - Are you fixing problems but not solving them?

- **REACTIVE**
  - *It’s doing the bare minimum*
  - Are you fighting fires on a transactional basis but have no availability or capacity to be proactive?

- **PROACTIVE**
  - *It works okay*
  - Are you beginning to be proactive by monitoring your team’s performance and analyzing trends to become more efficient?

- **SERVICE**
  - *It enables the business*
  - Are you truly enabling your business and adding value?
TIMING DRIVES DEMAND AND DEMAND DRIVES TIMING

You’ll know you’re ready to incorporate Managed Services into your business when not doing so is causing deterioration that makes you less competitive in your market. When determining ideal timing, consider how the current state and maturity of your IT team (people, processes and technology) is impacting the ability of the rest of your organization to do their jobs. If IT is impeding the ability of other teams to create and deliver ideal customer experiences, then timing becomes mission-critical.

WHAT DOES A PARTNERSHIP WITH MANAGED SERVICES LOOK LIKE?

Think of Managed Services providers as partners in the “RUN” part of your IT machine. While your organization continues to identify strategic initiatives that require IT enablement, your Managed Services partners are working to keep things running smoothly. Ideally, those partners are constantly managing, assessing, remediating and providing overall peace-of-mind.

- **Managing** – Your Managed Services team is responsible for keeping things going-all the time-24/7.
- **Assessing** – Your Managed Services team must have a continuous eye on potential risks and opportunities.
- **Remediating** – Your Managed Services team applies tested solutions to mitigate risks.

Knowing WHO

WHO WILL BE YOUR MANAGED SERVICES PARTNER?

As you evaluate Managed Services providers (MSP), you’ll want to begin by assessing how comprehensively aligned they are with the Information Technology Infrastructure Library (ITIL) functions and process framework. The ITIL framework defines the overall structure and skill requirements of an IT organization and a set of standard operational management procedures and practices aligned with managing and operating an associated infrastructure. The operational procedures and practices are supplier-independent and apply to all aspects within your technology infrastructure.
MORE ABOUT ITIL

ITIL’s service value system (SVS) provides an operating model for the creation, delivery, and continual improvement of services, and is built around four dimensions:

1. Organizations and People
2. Information and Technology
3. Partners and Suppliers
4. Value Streams and Processes

When vetting MSPs to partner with, take time to examine their overall alignment with ITIL standards, as this will provide a baseline for assessing their competencies and commitment to operational excellence.

KEY QUESTIONS TO EXPLORE IN THE VETTING PROCESS

Comprehensive consideration of Managed Services providers will incorporate an assessment of how they are structured to deliver successfully. This kind of integrated partnership requires the right people, processes and technology.

PEOPLE

- Who serves as your advocate in the relationship?
- How are the operations staffed and monitored?
- What qualifications and experience do the designated resources have?

TECHNOLOGY

- What types of compliance certifications do they have?
- How secure are their facilities and operations?
- How do they connect with your environment?
- How do they ensure business continuity?
- What are their key tools?

PROCESS

- What are their service attributes (i.e., real-time monitoring, situational awareness, global support, etc.)?
- How do they phase their deployment? Do they have a defined approach to onboarding, stabilization, and continuous improvement?
- Have they defined their key service deliverables (i.e., daily operational tasks, configurations, system maintenance, specific tasks, etc.)?
Knowing HOW

Once you’ve made the decision to move forward with establishing a Managed Services partnership, the real work begins. Knowing your business goals before you start the process is essential to landing in the right relationship. Just as you will have a litany of questions for potential providers, they, too, should have questions for you.

Whether you utilize an RFP process or interview select partners, know the reasons you want to build a team, what problems you want to solve, and the overall business outcomes you are looking to achieve. Think both short-term and long-term. Perhaps your short-term goal is to stem the bleeding and cut the chaos. Your long-term goals should be visionary. Imagine an environment where your IT team adds specific and real business value to your organization. What can you accomplish with fully integrated and staffed IT organization? How will this machine become a strategic center for your business?

As you explore partnerships with Managed Services providers, keep your goals top of mind. Their answers to your questions should reflect that they understand your goals and have a defined value offering that will help you attain them. Consider their proposals through the lens of your goals.

“The customer isn’t just buying technology, they’re buying the operation of technology. They’re not just buying a solution, they’re buying ‘peace of mind,’ and as such, they need assurance that their MSP understands their business, not just their tech.” – TSIA.COM

SERVICE LEVELS

Once you select a provider to partner with, they will present Service Levels. This is the key to accountability. Demand that the Service Levels be both flexible and specific, as well as clearly aligned with your business needs and goals. They should incorporate a full description of the services, as well as details about availability, procedural approaches, consequences and exemptions.

Your Managed Services provider will be held to the Service Level, so you both are invested in making certain that it accurately reflects the work to be done and how the work will contribute to your stated goals.
DON’T DELAY. BE AGILE.

In a perfect world, both you and your Managed Services partner are equally eager to get things started. If all the contractual details are in place, don’t let minor obstacles get in the way of kicking off the relationship. The sooner your team becomes integrated, the sooner you will begin to reap the benefits of the partnership.

From the onset of the partnership, think “continuous improvement” and evaluate the effectiveness of the relationship on an ongoing basis. You and your Managed Services provider both want maximum value from the investment. Their goal is to help you reach your goals. Continuous and agile assessment of the relationship should, ideally, involve mini audits or reviews so that any potential derailing can be mitigated.

Business goals and requirements change. If you incorporate Managed Services into your organization, be prepared to be agile. As true partners, they too are invested in helping you reach your business goals. This means that they are capable of reprioritizing and aligning resources appropriately. Just as your own team is not something you “set and forget,” your Managed Services partners thrive on continuous feedback so that they can always be providing real value to your organization.

REMEMBER THAT YOU ARE THE CUSTOMER

While an ideal engagement with a Managed Services provider should feel like a partnership, it’s still a customer-vendor relationship at the end of the day. Customers own the keys to the relationship. Even if your Managed Services partner is meeting all of your requirements, your overall experience is the ultimate determination of the quality of the engagement.

▷ Do you and your internal team perceive that your Managed Services partners know your environment?
▷ Are they easy to work with?
▷ Are they helping your business thrive and grow?
▷ Is their presence enhancing your business’ ability to deliver a superior experience to your customers?

If your experience with a Managed Services provider is not positive, don’t discount the value of all providers. You may just be in a bad relationship. Remember the reasons that you invested to begin with and take time to assess the reasons the experience isn’t working. Only once you’ve determined the root causes for your dissatisfaction can you begin formulating a plan for partnering with another provider or restructuring your internal team.
About AHEAD

AHEAD builds platforms for digital business. By weaving together advances in cloud infrastructure, automation and analytics, and software delivery, we help enterprises deliver on the promise of digital transformation.

To learn more about our approach to enterprise digital transformation, send a note to contact@ahead.com

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