# wanstor

# A Buyers Guide to IT Managed Services

White Paper

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# Introduction

**The IT landscape is changing at pace and organisations need partners who'll align with their business objectives, enable their employees to achieve more, and deliver significant ROI.**

It's no different when purchasing Managed IT Services.

Purchasing Managed IT Services can be a complex decision. As IT service providers for over 20 years, we've experienced firsthand a dynamic shift to cloud-based, AI-enabled technologies in the last few years.

This has increased the complexity of the role we play in orchestrating the delivery of these Services – moving far from just being called on to 'fix' a limited number of issues to now helping organisations transform with technology.

Service providers are now changing how they operate. They are either intentionally specialising or unifying services, making evaluating IT managed service providers a complicated and challenging task.

Wanstor have created this buyer's guide to help decision makers get started.

From different kinds of providers to pricing and contracts, there are some key areas that business leaders should look at when deciding whether to use a managed Services provider (MSP) for some or all of their IT needs.

> **With service providers intentionally specialising or unifying services, evaluating providers becomes a complicated and challenging task.**

We cannot claim this guide will answer all of your questions about Managed IT Services, but do hope it provides you a framework for asking some of the right questions in ensuring that you are making the best IT outsourcing decision for your business.

# What are IT Managed Services?

**The term 'Managed Services' seems to be used in describing everything IT now and can cover a vast range of technology services, leading to confusion as to what true IT managed Services actually are.**

As a technology buyer, this may make it difficult for you to understand what a managed Services provider (MSP) does, have an informed conversation with a potential provider, or decide what's best for your business's IT needs.

So let's clarify the definition: what are IT Managed Services?

At Wanstor we define IT Managed Services as the practice of outsourcing key IT functions like IT infrastructure, cyber security, technical support for the staff, communications services, cloud services and more, to a third party provider (known as a managed service provider) who will monitor, fix and update these technologies as a provider–customer relationship based on a transparent contract, with relevant service level agreements (SLAs).

All of this is done to improve end user experience and productivity and create a stable and standardised technology environment.

Managed Service Providers usually manage these Services as part of a contractual agreement over a fixed period.

This Service Level Agreement or SLA usually covers performance expectations and metrics such as 24/7 support, response and resolution times for common issues, as well as steps for remediation and remuneration should something go wrong, or a service not being delivered to a satisfactory standard.

In addition to reporting on technical actions taken to maintain your IT infrastructure, a proactive MSP will report on knowledge that they have acquired from data, traffic patterns and activities, allowing you to make tactical and strategic decisions that can improve business performance.

# Which IT Services do providers offer in a managed format?

**For over 30 years, businesses of all sizes have been turning to MSPs to manage their IT infrastructure and end user computing requirements.**

A typical MSP should have real focus on delivering IT Services, which would typically include the following:

+ IT infrastructure management including networks, hardware maintenance and performance monitoring

+ Cyber security including identity and access management, and patch management

+ Application and asset management including 3rd party management if needed

+ Mobile Device and Asset Management

+ Cloud Services including hosting and back up services

+ IT support services, including helpdesk support and troubleshooting for end users

Most MSPs can deliver these Services. What is usually the differentiator with an MSP, is how well they know your business, with a broad and extensive understanding of IT and how it can help you achieve your business goals.

A good MSP will take the time to interview various business and IT decision makers from the across the business and develop a service design which reflects the goals and ambitions your IT and business teams have.

**The differentiator with a good MSP is just how well they get to know your business.**

Indeed, more often at Wanstor we see the verticalisation of MSPs with deep insights and advice which will help set your business apart from the competition.
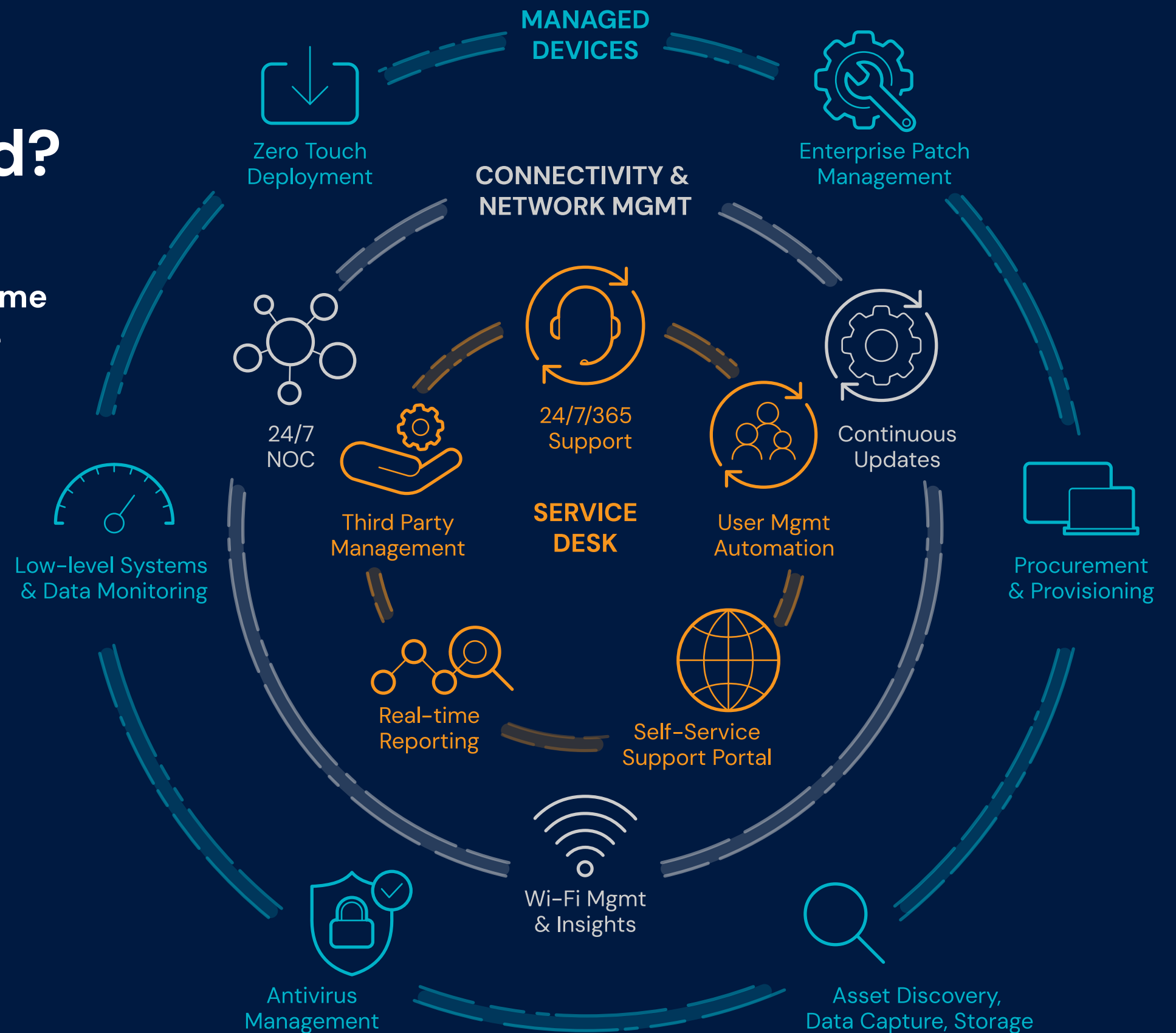
# How are Managed IT Support Services delivered?

Generally, MSPs host operations centres for remote monitoring, contract with a hosting provider, or in some cases take advantage of compute capacity available via the major cloud infrastructure providers such as Amazon and Microsoft.

They often manage not only their customer's on-premises infrastructure but also workloads and applications that exist in the cloud.

They use a variety of tools to access, monitor and manage their customers' IT environments and provide onsite assistance as needed.

Depending on service levels agreed, these resources can be dedicated to a customer or shared with the MSP's other customers.

How are Managed IT Support Services delivered?

MANAGED DEVICES

Zero Touch Deployment

CONNECTIVITY & NETWORK MGMT

Enterprise Patch Management

24/7 NOC

24/7/365 Support

Continuous Updates

Third Party Management

SERVICE DESK

User Mgmt Automation

Low-level Systems & Data Monitoring

Real-time Reporting

Self-Service Support Portal

Procurement & Provisioning

Wi-Fi Mgmt & Insights

Antivirus Management

Asset Discovery, Data Capture, Storage

# So how do you buy IT Managed Services?

**As with other services your business consumes, you pay for Managed Services on a subscription basis, creating an operational expense rather than a capital expense.**

However, it should be noted that it is only the in-life service that is charged as OPEX. There are usually some CAPEX charges associated with the lifetime of a managed Services contract for such items as on-premises infrastructure upgrades and on-site visits.

From experience, Wanstor find that managed service subscription terms vary month-to-month dependent on the amount of support and engineering time required in rectifying outstanding issues.

Once a stable IT infrastructure is in place, the monthly bill should be predictable, and without any nasty surprises.

Usually, the longer the contract with your MSP, the lower the price per month. However, any business should be advised that as the market continues to mature, so should they look to balance length of contract against flexibility of contract – ensuring that they receive the best possible service for their business at the best possible price

The subscription price your business pays for managed services will usually be determined by:

+ **The number or types of services managed**

+ **The number of users or devices**

+ **The type of features delivered**

+ **The types of tools needed to deliver services**

+ **Any fixed engineering time expected as part of the contract**

+ **By answering these questions, your MSP should be able to give you a rough estimate in terms of the price you can expect to pay monthly over an agreed period**

Generally, most businesses sign a three-year contract with their MSP to see how it performs and afford themselves an opportunity to benchmark against the market on a regular basis.
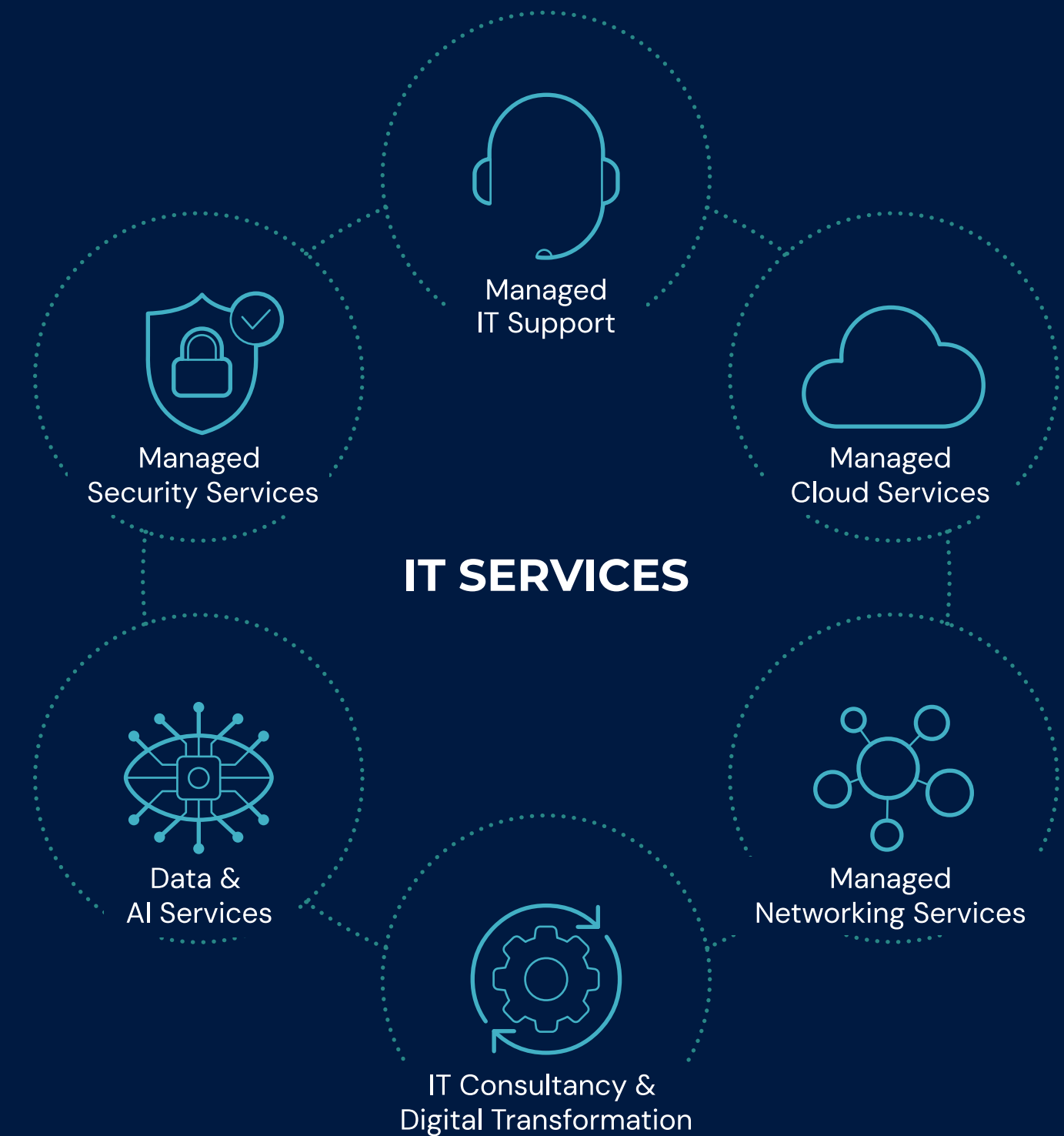
# IT functions: which Managed Services can be delivered through an outsourced model?

**The types of IT Managed Services available on the market today are varied.**

Depending on your business's IT needs, you can choose to outsource a single IT service to a third-party MSP or opt to contract for an integrated suite of Services.

You could choose to work with specialist suppliers of one service or choose a service provider who has a comprehensive offering.

At Wanstor, we offer a range of IT Services which can be taken as individual offerings or as part of a more comprehensive end-to-end IT service, as shown on the next page.



**IT SERVICES**

Managed IT Support

Managed Cloud Services

Managed Networking Services

IT Consultancy & Digital Transformation

Data & AI Services

Managed Security Services

**Key considerations to make before entering into a Managed Service agreement**

Any business investment decision requires weighing up a range of factors, from technology needs, company stakeholder needs to alignment with business objectives, functional requirements, pros and cons of each service provider and total cost of ownership (TCO) for each solution.

As a starting point for evaluating your potential investment in managed Services, we will explore some of the considerations, benefits and challenges that should help inform your decision- making process around what to outsource to an MSP versus what you should keep in-house.

**Benefits of IT Managed Services**

There are many reasons why businesses may decide to outsource some or all IT functions to an outside MSP. Wanstor's extensive experience of providing IT managed Services to a range of customers has found the main drivers range from a desire to streamline IT operations and control costs.

We also believe that outsourcing your IT Services to an MSP allows you to tap into a large pool of specialists and access advanced tooling (i.e. ITSM tools) without the upfront investment.

# Benefits of IT Managed Services

**Cost reduction**
Shared infrastructure costs and senior resources allow MSPs to offer significant cost reductions while having the flexiblity and scalability to scope the size and range of services based on your needs.

**Enhanced efficiency**
They use best practices, standardisation, analytics, and automation to deliver efficient, tight IT controls.

**Increased access to skills**
They handle skills-related risks, taking on the task of attracting, training, and retaining skilled workers.

**Better service levels**
Bound by contractual SLAs, MSPs offer consistent service quality and quick resolution of problems and incidents.

**Improved security and compliance management**
They bring proven processes and infrastructure for optimal IT setup, restoring critical systems and data when needed.

**Access to latest technology and innovation**
MSPs work closely with vendors to access modern technologies, allowing you to leverage IT innovations for your business.

# What are the primary challenges in outsourcing IT services?

**Quite often, the main reason why businesses do not outsource IT is because internal IT staff at a business would look at external IT providers as a potential threat or risk around losing control of technology decisions impacting the business.**

In both cases, they're massively underutilising the opportunity to help technology become an enabler of the business.

This combined with many business leaders being unsure of what the IT function actually does for their business means quite often the perceived 'safe option' is to keep this in-house.

Business leaders may believe that internal IT staff will face concern over their employment should IT services be outsourced to an MSP, but in many cases the reverse will prove to be true.

Internal IT staff are more likely to be able to use their intimate knowledge of the organisation's business objectives to work on strategic projects and leave the routine management of network, devices and help desk to a trusted partner, with agreed SLAs.

They'll also gain access to modern tools and will be able to benefit from lower costs on purchases like cloud services, network connectivity, hardware, user devices and licenses due to economies of scale that the MSP would provide to their large customer base.

**Business leaders may believe that staff face concern over employment with IT services be outsourced to an MSP**

And, while senior business leaders should work to alleviate concerns held by IT staff, there are other challenges that must also be considered before engaging a Managed Services provider.

A good managed IT service partner will take the time to help you understand each challenge and be prepared to discuss these at length, with a relevant plan of action around each challenge to help allay any fears you may have.

## Challenges to integration

We work in a world where an average organisation uses 250+ applications – how well can your msp integrate these into their monitoring and reporting? Can they support them all?

## Unexpected costs

Utility-style billing for managed Services may obscure upfront costs – a possible network assessment charge and infrastructure purchases are prospective transactions to consider as capex investments

## Contract lock-in

If your provider relationship fails without strict terms of disengagement such as a break clause, the contract may have to run its term before ties with your msp can be severed

## Expertise gap

Large tech stacks mean you may need specialist support – check if your msp has credentials for all the solutions and technologies your organisation uses. Are they aligned to the solutions you use?

## Flexibility or control

Do you favour stringent controls & flexibility, or a common set of practices provided by an msp?  Addressing this question will help determine your organisation's readiness for managed Services

## Regulatory requirements

Can your msp support you with compliance requirements? Have they the credibility and certifications to demonstrate compliance?

## Levels of performance

Performance depends entirely on the provider – your requirements, and any threshold on these should be clearly defined and agreed by a prospective service provider within the service level agreement

## Considering security

What is your risk appetite in handing data to third parties? Seek credentials, certification and references around security expertise

## Service level agreements

An SLA is the core of your managed Services contract. Ensure that it covers 24/7 support, data security and privacy guarantees, performance targets & a service cessation mechanism

## Strategic direction

What is your MSP's stance on providing technology roadmaps? Do they keep up with technology trends and provide tailored consultancy? Is this included in the service delivery model?

## Culture match

Do your service provider's values align to your own values – from sustainability to social impact, can they further your objectives with tech?

What are the primary challenges in outsourcing IT Services?

# Wanstor's top 10 factors driving Managed Services adoption

**01**

Improve IT infrastructure maturity and security

**02**

Proactive monitoring and reporting of IT problems tackle root cause and stop them becoming series of minor issues affecting users and IT infrastructure

**03**

Better uptime of IT infrastructure and user devices with early identification of issues via monitoring and management tools

**04**

Gaining access to newer technologies and work practices

**05**

Cost saving over in-house IT by paying only for what you need

**06**

Cost effectiveness of Remote IT over on-site engineers in resolving problems with over 60% of issues solvable for most customers, reducing IT staffing costs

**07**

Peace of mind with an MSP expert in managing risk across IT infrastructure via established disaster recovery planning

**08**

Need for digital transformation using cloud-based applications

**09**

Lack of IT knowledge amongst senior business leaders

**10**

Free internal staff up for strategic work

Wanstor's top 10 factors driving Managed Services adoption

# Developing a business case for IT Managed Services

**As already discussed in this paper, many potential benefits exist for businesses who adopt an IT Managed Services framework.**

As businesses are different, it is extremely difficult to predict what each will need without gaining a deep understanding of individual organisations first.

However, based on our 20+ years' experience in providing IT managed Services, Wanstor's managed Services experts have developed three typical examples where managed Services can prove to be a good fit for business.

**Example 1: Reducing IT complexity**

The rationale behind choosing managed IT Services often boils down to the absence of sufficient skilled internal IT staff.  For businesses with <500 employees, it is common to have a small IT team and rely on staff with some technical skill to handle occasional IT tasks.

However, as companies grows or technological needs become more complex, this makeshift arrangement usually proves unsustainable and using contractors to fill gaps becomes too expensive.

When faced with expanding or increasingly complex IT demands, you might contemplate hiring an extensive in-house IT team which would incur a substantial salary cost and carries the risk of individual employees being overwhelmed by the pace of change.

Alternatively you might consider partnering with a Managed Service Provider (MSP) to manage your IT infrastructure akin to other outsourced Services like cleaning or facilities management.

**This decision should be guided by specific IT requirements, as retaining a dedicated in-house team may be prudent if their contribution justify the outlay.**

However, if your IT needs vary regularly or are generally modest without significant projects on the horizon, opting for an MSP with scalable pricing that reflects your level of technology usage may provide a more budget-friendly solution.

## Example 2: Day-to-day management of IT

One of the main benefits of choosing managed Services is that you can delegate routine IT tasks such as patches, user help desk, adds, moves and changes to a managed Services provider. These activities are essential but not strategic, and they can consume a lot of time and resources for IT teams.

By outsourcing these tasks, you can free up your in-house IT staff to focus on more innovative and valuable projects that drive business growth and digital transformation.

> Routine IT tasks are essential but not strategic, and can take a lot of time and resource away from internal IT teams

This approach can help you deliver both demands on IT Services – one focused on stability, the other on agility. Demand 1 is traditional and sequential, focusing on availability and reliability. Demand 2 is exploratory and nonlinear, emphasising agility and speed.

By onboarding an MSP, you can entrust Demand 1 to an experienced, reliable partner while your in-house IT team concentrate on Demand 2, exploring new opportunities and solutions for your business.

## Example 3: Enabling the cloud and new applications

One big advantage of managed Services is that they can enable you to leverage the cloud and new applications more effectively.
Many businesses are moving to the cloud, but managing multiple cloud environments can be complex and costly.

Some managed Services providers specialise in orchestrating and managing multi-cloud environments, providing you with the best of both worlds: the scalability and efficiency of public cloud and the security and control of private cloud.

Moreover, managed Services providers can offer you more than just cloud infrastructure – they can also support your OS, databases, and any other platform you need for your computing environment.

The notion of '*cloud value*' is enhanced when it leverages the cost-effectiveness of public clouds, as well as the security offered by private clouds.

You might discover your enterprise operates on several clouds, lacking cohesive management – this is where some MSPs excel, as they offer specialized Services to manage and orchestrate complex multi-cloud ecosystems.

It's vital to acknowledge that managed cloud solutions extend beyond mere servers and storage; they encompass operating systems, databases, and all other necessary platforms that underpin your computational framework.

Opting for cloud applications presents a dynamic, scalable solution tailored for long-term IT strategies, enabling remote teams to access data, communicate, and collaborate seamlessly, irrespective of location or device.

We advise our clients to initially trial their cloud investments with a limited user group before committing to comprehensive licensing.

It is not uncommon for companies to purchase an excess of cloud licenses which go unused, leading to financial loss on licenses that could be more effectively allocated within the broader IT infrastructure.

Additionally, cloud software is undergoing a continuous transformation; it evolves through regular updates, patches, and enhanced features, making access to the correct software versions crucial.

Delegating cloud-related tasks to an MSP allows businesses to impose fiscal boundaries while granting staff members entry to proficient IT support via a Help Desk, included within a managed subscription service.

# Questions to ask during the procurement process

**Before moving to a managed Services model, we suggest asking the following questions of both prospective MSPs and internal staff to ensure that this is the right fit for your business.**

**Questions to ask: Developing the service**

+ What metrics assess speed, reliability and overall performance?

+ What is your average network uptime performance?

+ Do you have a list of tiered features and capabilities?

+ Offer on-site or engineering hours built into the contractual fee?

+ Is there flexibility to add or remove service offerings based on my business needs?

+ Are you able to diagnose and remedy service issues by remote without client IT's intervention?

+ Do you offer customised solutions for different businesses in terms of growth plans and achievable goals?

**Questions to ask: Data Management**

+ What methods do you use to protect data?

+ Do you have any ISMS certifications to reassure us?

+ Who owns my data if it is hosted at your facility?

+ What happens to my data if you go out of business, are sold to or merge with another firm?

+ What measures and processes are in place to protect my data against security breaches or data leaks?

+ Who will have access to my data? Will my competitors be able to see it?

+ How are data backups and disaster recovery handled?

+ What redundancy is built into the solution?

+ Do you host multiple customers on the same systems in a multitenant environment or is there exclusivity in-area?

## Questions to ask: Support

+ How is support provided? Do you include channels such as telephone, email, portal access and live chat?

+ What aspects of your support Services are automated?

+ What are the hours of emergency support? Is it available twenty-four hours a day, seven days a week?

+ What are the satisfaction levels with your IT help desk? Do you track metrics like NPS?

+ Can you supply me a reference call from an existing customer so that I may discuss your service levels with them?

+ How are complex issues escalated? What are the first, second, and third-line parameters for escalation?

+ What % of issues are confirmed as resolved on first contact?

+ Do you offer on-site hours as part of the contractual fee?

+ Do you offer traditional break or fix support for hardware, software and other infrastructure?

+ What type of training is provided to ensure my existing IT staff receive insight and knowledge from you as the Service Provider?

+ How do I ensure the return on my investment covering both Support and organisational IT knowledge as well?

## Questions to ask: Capability and Credibility

+ How does your IT service desk and engineering team stay up to date with emerging technology developments and trends?

+ What percentage of your business is dedicated to managed Services versus other business models?

+ Would you classify yourselves as experts in IT Managed Services?

+ How many years have you been providing managed Services offerings?

+ Are IT managed Services strategic to what you do or are they an offering in addition to your product business?

+ Can I meet the team members providing my support? Are they dedicated staff, or ad-hoc? How do you train ad-hoc support?

+ What industry credentials, awards or certifications, does your company, service desk agents and engineers have?

+ What is your level of expertise with the regulatory compliance requirements for my industry?

+ If I am required to provide an audit trail in demonstrating compliance, how will this be handled by yourselves?

+ Can you provide references and direct access to customers that have done and are still doing business with you?

**Questions to ask: Commercial**

+ Does your fee structure cover extra cost management by informing me before additional charges are made?

+ Do you include an assessment of IT infrastructure before providing projected Service fees? If so, is this a separate cost?

+ Is your service level agreement consistent for all customers or is this negotiable?

+ Does contract flexibility include monthly and annual payments with capping on annual rate hikes?

+ Can a break clause be operated should I decide to terminate my contract?

+ How is my data retrieved should my contract be terminated?

+ Do you have case studies or ROI assessments detailing the cost and benefits of your proposed solution, based on the data which I have provided?

+ Can you provide a comparison of costs for your proposed solution from different providers if necessary?

+ Will I need to purchase additional infrastructure in enabling your managed Services for my business?

# Final thoughts

**A strong IT Managed Services strategy allows new or existing IT Managed Services to grow, keeping pace with your users and your business needs.**

Wherever you begin your IT managed Services journey, your providers range of Services must cover your needs for an efficient IT operation in an open, transparent manner.

A managed service provider should work with you in defining a strategy to place your business on the IT maturity curve and define the fit of any IT managed Services to both your existing and future requirements.

We believe a business is stronger with providers they trust, embracing breakthrough productivity and accelerating the creation of value.

# Why Wanstor?

**A Managed IT Service Provider in London, Wanstor brings industry leading expertise and capability.**

Along with meeting criteria in each area of consideration when selecting a managed IT services provider, Wanstor has experience in helping customers manage diverse and often complex IT environments. We have the technology and business knowledge to help you understand and identify your IT and business requirements at every stage in your IT Managed Service journey.

We specialise in each type of delivery model, including managed services, cloud, traditional IT and strategic outsourcing. In other words, we help you realise an integrated multi-sourcing IT strategy. We offer the flexibility to select the degree of support you want for each layer of infrastructure, from basic monitoring and management to designing and delivering a roadmap to digital transformation.

For more information on how Wanstor can help your business and IT department achieve its objectives, just request a call back using our Form at the link below.

**Request a call back**