



# What do Business and IT Leaders need to know about IT Managed Services?

A Wanstor Guide

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# Contents

- + INTRODUCTION
- + EVERYONE SAYS THERE IS A PROBLEM WITH IT
- + FINDING THE RIGHT TALENT, THE RISING TECHNOLOGY TIDE AND A SHIFT IN USERS EXPECTATIONS
- + DEALING WITH MARKET TRENDS AND OTHER FORCES
- + ARE OUTSOURCED IT MANAGED SERVICES THE ANSWER?
- + WANSTOR MANAGED SERVICES
- + QUESTIONS TO ASK

# Introduction

Wanstor's IT Managed Services can help organisations of all sizes to realize significant reductions in IT expenditure by managing new technology adoption and changes in IT infrastructure for them.

This paper will explain how we help our customers achieve these savings through IT Managed Services, and why you should partner with Wanstor in order to achieve your IT and business objectives.

Most businesses still struggle with two major IT-related issues, often at odds with each other - keeping their IT infrastructure operating at optimum levels of performance, whilst managing the costs associated with this.

The operational demands of day-to-day IT management, strategic pressures applied by emerging technologies, and the ever-increasing demands of the user on IT mean that many IT and business leaders find themselves beset by a perfect storm of expectations. Most businesses spend a significant amount of time and money in trying to balance these opposing forces.

In simple terms, a business really does have only two choices when it comes to IT services:

**Managed In-House :** Maintain the IT infrastructure internally with a go-it-alone approach and DIY model. This is the traditional route taken by most businesses, and usually presents significant issues from both a financial and operational perspective.

**Outsourced to third party providers :** What the IT industry refers to as managed services providers (MSP), whose value-add is to assume control over IT operations for their commercial and enterprise customers, lending their technological expertise and processes to businesses that require said know-how. More often than not, as they are specialists in these areas, MSPs are able to provide superior levels of service, personnel and tools in comparison to internal IT teams.

Each of the choices noted above present factors affecting their viability, ranging from visibility and control to financial considerations and the resourcing of personnel. In most cases, businesses decide on their preferred IT delivery model without developing a full understanding of the ramifications surrounding this critical choice.

Business and IT leaders should always keep in mind that the IT service delivery model they choose will impact organisational success - both now and into the future.

In this whitepaper, we explore the technical environment, various MSP challenges and ever-present problems faced by businesses as they decide which IT delivery model is right for them.

By analysing market trends and other forces affecting IT infrastructure, Wanstor wants to create an understanding that professional managed services are not a simple proposition of outsourcing tasks.

Instead, we believe that organisations are turning to IT managed services as a strategic decision, which complements the core business and refocuses IT employee efforts where they really belong.

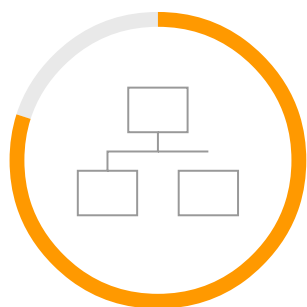


# Everyone says there is a problem with IT

Your business, like all others, is focused on delivering a profitable service to its customers. It brings in revenue which is offset by the cost of doing business - overheads in personnel, capital expenditures (CapEx) used in acquiring necessary assets for core business functions, operational expenditures (OpEx) required for actual operation of a business and other costs associated with attracting customers. Equally, reducing these costs affects financial performance of a business - with IT departments becoming one of the largest expenditures required for effective management.

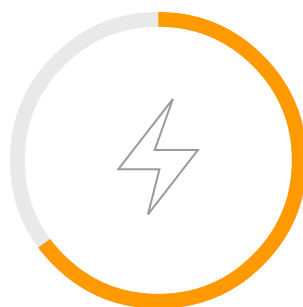
Additionally, maintaining security and stability alongside user productivity within the IT infrastructure is no longer a nice-to-have - it is a must-have. Provide the right business services, and IT becomes a real differentiator and competitive advantage; Get it wrong, and the business gives up its competitive advantage, leaving itself open to a poor experience for both users and customers alike.

## In-House IT Issues



Network outages due to unauthorised IT changes

**± 80%**



Budget spent on existing daily operations by IT Departments

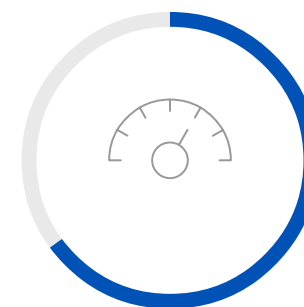
**65%**

## Managed Services can:




Reduce recurring in-house IT costs by up to

**40%**



Increase IT process efficiencies by up to

**50%**



At Wanstor, we believe that IT Directors and business leaders need to face the facts of this matter: sacrificing the quality and dependability of IT services to save money is false economy. By sacrificing the quality of IT services provided to the business, worker productivity is limited - sometimes severely - leading in turn to stalled revenue growth.

At Wanstor we have seen clear correlations from a variety of businesses we have interacted with, between a reduction in IT service budgets year on year and business performance. This means there has to be another way to balancing business IT needs vs performance vs expenditure. At Wanstor we believe that way is for businesses to outsource parts or even their whole IT function to a specialist MSP who can deliver relevant IT services to businesses for a fraction of the cost incurred by employing an internal IT services team.

**By working with the right MSP and employing the right blend of people, processes and tools offered by professionally executed managed services, businesses can take advantage of powerful new technologies and remain focused on what they do best.**

EVERYONE SAYS THERE IS A PROBLEM WITH IT

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# Finding the right talent, the rising technology tide, and a shift in users expectations

Even if your business decides to make a healthy investment in IT expenditure so as to secure and maintain assets, you face another, more daunting problem - finding IT personnel who will ensure that your IT services both function correctly and are available to users.

At the present time, there is a significant shortage of skills in the IT marketplace. Too many businesses are vying for too few experienced technology professionals - and the best don't come cheap. Another drain on the bottom line is recruiting, hiring and training these much needed IT professionals - then retaining them over the long term. Let's assume that your business has met this challenge - you're making the right budgetary calls and securing the right IT talent for your internal IT teams. Then, you hit the next obstacle.

IT technologies are changing more rapidly than ever before; this change is only forecast to accelerate over the next ten years. Powerful and highly efficient emerging technologies across the spectrum - from networking and wireless devices, application services, virtualization, mobility and digitalisation - hit the market every day.

Your workers now use multiple devices, each one offering an array of applications and services soon to be indispensable. These users operate their own devices as well as yours, and in more locations than ever before. Work has become something that you do, rather than somewhere that you go.

Additionally, as technology becomes more and more prevalent and immerses itself within the lives of your users, these users bring greater expectations of IT into the workplace - leading to issues such as network latency as users want access to voice and video on a number of different devices, poor application performance as users do not update versions or patch in a timely manner and problems with remote access.

The point here is that there has been a paradigm shift within the industry; no longer will users accept the constraints placed upon them by IT, and no longer is IT in complete control of the technological estate operating within your business.



Instead, end users are now drafting the technology roadmap in your business. They have evolving expectations and greater familiarity with IT than ever before. The reality is that as technology has exploded to become the norm in most people's lives, IT support has not kept pace with changing demands - leaving many businesses struggling to provide the assistance that users both need and expect on a daily basis.

Finally, your business has to deal with the intangibles of this IT struggle - including the perception of your IT choices, what these choices convey to your partners, your customers and the general public; apparent market reaction to reducing personnel and outsourcing IT functions; and the risk of catastrophic events such as hostile hacks, data breaches, and widespread outages.

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FINDING THE RIGHT TALENT



# Dealing with market trends and other forces

The challenges raised in this document can be linked to larger market trends that businesses cannot simply ignore in the hope that they will disappear. A key realisation needs to be that whilst IT has, historically, been the gatekeeper and custodian of IT spend and technology implementation, this is no longer necessarily the case.

Many businesses have removed the constraints from individual lines of business (LOBs) and their component business units (BUs), allowing them to make decisions about technology adoption and implementation.

This decision-making power is accompanied by associated budgets for individual IT spend - the movement of budgetary spend to LOBs and BUs has helped to offset an oft-perceived time lag of centralised internal IT teams in keeping pace with emerging technologies that are crucial to core focus at a business unit level.

While this IT empowerment for LOBs and BUs helps to create more agile adoption of technology, it is in essence creating many small self-sufficient 'companies' within a larger one. It also creates greater exposure as non-IT staff find themselves in charge of decisions governing technology.

Additionally, the need for access to data and services by knowledge workers in any place, at any time, and from any device, has launched other market trends such as cloud and digitalisation. Although cloud computing has existed for over ten years, it still means different things to different people in different businesses.

At its core, cloud represents the redeployment of data and application services necessary to an enterprise and its workers - from centralised IT assets managed on-premises, to decentralised assets located off-premises (perhaps not even maintained by central IT or the organisation itself).

For many businesses, moving corporate data and services to the cloud means greater accessibility for the right people (and, potentially, the wrong people).

While cloud services can seriously reduce IT expenditure, they can also increase security and compliance headaches, leaving IT directors feeling a significant loss of control over their data.

Additionally, a lot is being made of the 'digital workplace' - a simple concept that has been significantly overhyped by many people in the IT industry.

The digital workplace converts paper to digital files, using an ever-widening pool of digital file types and formats (including voice, video and collaborative technologies). It embraces mobility and data access and transfer through mobile apps and cloud based software services.

This new workplace is having a tremendous impact on worker efficiency, reducing operational expenditures and the running of core business functions.

It does, however, challenge internal IT departments in attempting to keep up with the rapid pace of change; something that they often simply can not do. But an inability to cope with this evolution is not an option for internal IT services teams. Businesses need these digital technologies in order to remain competitive, safe, secure, and compliant - both internally and from a regulatory perspective.

Finally, there is your core business. It's the reason that your organisation exists, and the only thing that ensures its continued existence. Your human resources capital must remain largely focused on the core business, the products and the services that you bring to market in order to secure revenue and increase your market share.

If workers do not remain focused on the core business or if IT constrains these individuals, a fairly immediate and negative impact on revenue generation and profitable outcomes from your business transactions occurs.

Ultimately, you need your knowledge workers to be concerning themselves with your core business - not your IT infrastructure.

# Are outsourced IT Managed Services the answer?

In previous sections, we have identified and discussed several challenges facing businesses and IT departments today. As noted earlier in this paper, there is another way for businesses to manage IT. That way is through an IT Managed Service Provider (MSP).

IT managed service offerings can help in tackling all of the IT issues we have identified, as well as assisting businesses in striking the right balance between IT operations and expenditures. But what exactly are IT managed services, and how do they help?

IT managed services include an array of IT functions that are undertaken by expert third parties for the business. Providers of managed services lend critical technology personnel and IT services to a particular business in order to help it manage IT infrastructure, along with network and application services that are made available to users.

IT managed services can help deploy, activate, monitor, and troubleshoot all core IT offerings and devices that enable your workers to access and utilise both data and application services.

IT managed services supplement and in some cases replace internal IT personnel by monitoring devices, responding to incidents, detecting and resolving problems, proactively refining and optimising the infrastructure and reporting on all of these activities so that the business maintains sight of IT issues and can exercise some form of control over them.

In some cases, IT managed service providers are used by businesses as a mechanism allowing for downsizing and the outsourcing of internal functions. These providers may or may not have expertise in various areas of technology and with certain vendor devices, and they may or may not see all the different layers of the IT infrastructure as an interconnected whole. They may just provide base-level monitoring of status activity on your devices, or they may build a holistic strategy and partnership with your business, becoming a vital and productive offshoot of your in-house workforce.

IT managed service providers (and the quality and effectiveness of their services) come in a range of shapes and sizes. If your business resembles most others, it is evaluating the IT terrain in trying to decide whether to incorporate managed services as part or all of the total IT solution.



From Wanstor's 15 years' experience of providing IT Managed Services to over 100+ companies across the UK, we have been able to demonstrate that when properly executed, managed services for IT can reduce in-house IT costs by upwards of 30% whilst simultaneously facilitating a 50% to 60% increase in IT efficiencies.

This means reducing your CapEx and OpEx while enabling your users to take advantage of the emerging technologies we've discussed in this paper.

As well as significant cost savings, outsourcing IT services to an MSP means IT and business leaders are able to focus on core business, whilst the managed services provider focuses on IT needs and maintaining operational stability for your workers.

At Wanstor, we firmly believe that outsourced IT managed services are not just an outsourcing play, but rather the provision of a set of skills, people and processes enabling your business to focus on its core objectives and growth strategy.



# Wanstor Managed Services

As we have discussed earlier, your IT technology infrastructure (network, data centre, applications, devices, security and collaborative technologies) is probably fairly complex and is becoming more so as you migrate your business and processes to the cloud, whilst considering new ways of using technology.

As traditional networking converges with emerging technologies such as cloud-based services (computing, applications and data availability), along with mobility, collaboration and digitalization, the mix of devices and technologies within your infrastructure is both diverse and evolving rapidly.

Allowing users access to the full power of an optimised IT environment will mean ensuring full availability for your workers' needs.

This takes time, talent and procedural know-how. Wanstor's IT Managed Service offerings bring all this and more to your business for networking, collaboration, data centre, device, cloud, security and end user support needs.

We pride ourselves on the fact that our IT Managed Service offerings display the following characteristics:

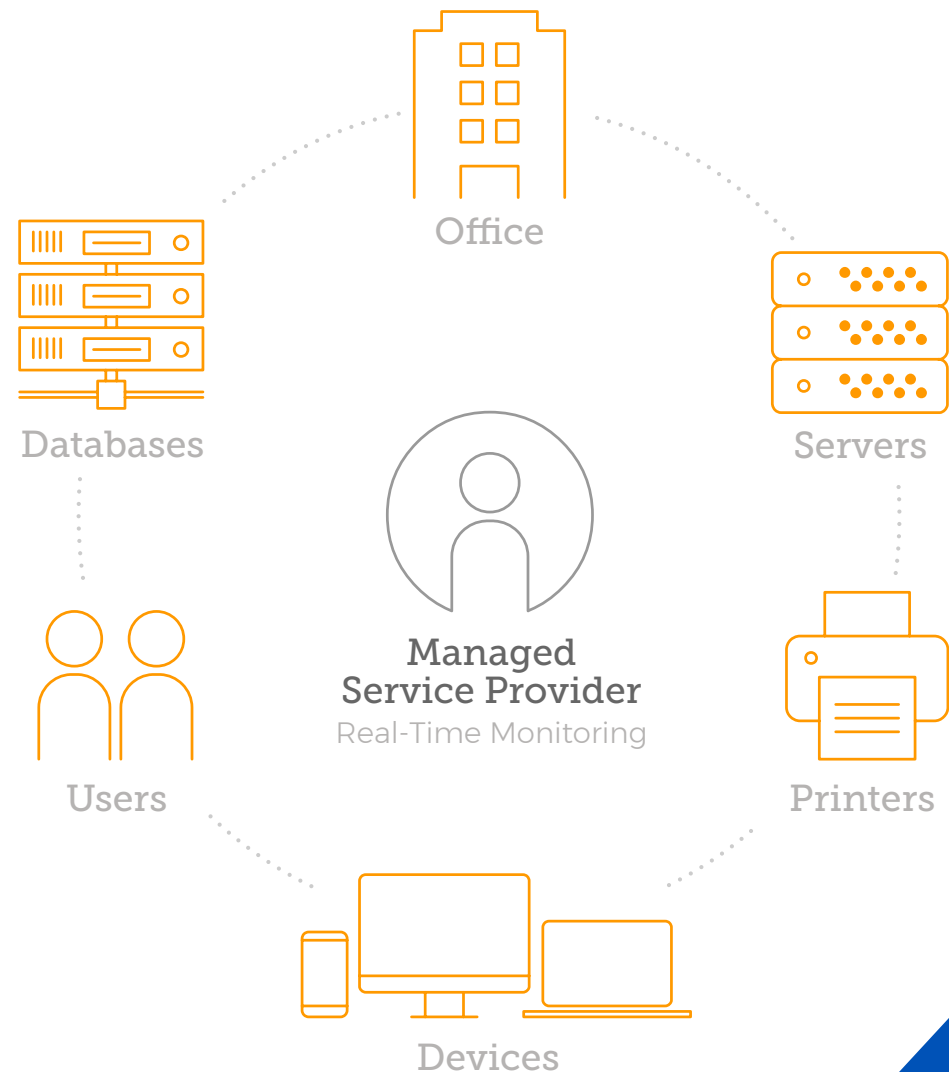
- + End-to-end technology coverage that encompasses key technological components of the network, data centre and collaboration environment, including real focus on information security and service assurance
- + ITIL-based strategy, design and delivery methodologies that ensure a smooth transition into the managed services model and enable a productive partnership for the entire lifecycle of an engagement
- + Clearly defined deliverables packaged into multiple tiers, depending on the level of 'touch' required - Foundation services for basic operations, Standard services for increased visibility and operational analyses, and Comprehensive services for the highest level of service assurance, including IT optimisation, analytics, and proactive assessment and change management
- + Delivery and execution excellence - we are obsessed by IT and how it enables businesses to succeed. We never take our eyes off of your IT infrastructure, and concentrate on doing the right thing for your business 24 / 7, 365 days of the year.

- + An industrialised IT services delivery model able to combine managed services for networking, collaboration, data centre, and security offerings. Whatever your business needs from an IT operations perspective, we can provide it - allowing you to concentrate on delivering business results rather than worrying about IT.

At Wanstor, we are firm believers that any business wanting to reduce in-house CapEx and OpEx whilst continuing to both maintain and grow their IT infrastructure must have three core elements in place - the right people, the right processes and the right tools.

Wanstor's IT Managed Service teams and the methodology behind our Service offerings are built around this outlook.

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# Questions to ask

In this white paper, we have given a brief overview of what is happening within the IT world and why your business needs an experienced MSP.

From Wanstor's extensive IT managed services experience, we recommend that businesses ask the following questions before making an informed decision about whether or not IT Managed Services are the right choice for them.

## **Does your business need IT Managed Services?**

Your IT infrastructure needs 24 x 7 x 365 monitoring, management, and optimization support - and this has to be undertaken by somebody. Your choices, though, are limited to three models: In-House, Co-Sourced or Outsourced.

You may for example choose an in-house IT management strategy, but this carries associated pitfalls - especially in the ever-changing IT marketplace. Can you afford the ongoing expense of recruiting, hiring, supporting and (re)training teams of IT professionals? In-house IT means responsibility for overhead expenses as well as the supervisory headache of managing and coordinating your team - assuming you find those professionals with the technological experience that your infrastructure demands.

Additionally, with the explosion of emerging technologies relevant to your business that require both implementation and maintenance, can you really expect to go it alone?

## **What returns can you expect?**

The research is quite clear - relying on managed IT services over in-house operations will assist most businesses in reducing the burdens of CapEx and OpEx.

As stated earlier, these reductions in expenditure can exceed thirty percent. The efficiencies are equally as significant: quicker adoption of new technologies that can enable your core business, increased uptime and infrastructural efficiencies, and a much higher level of user satisfaction.

At Wanstor, we have found when IT managed services are implemented in partnership with a leading managed services provider, the benefits far outweigh the costs.



## What is your desired outcome for IT - both now and in future?

If you are considering IT managed services, what are your reasons for doing so? Are you focused solely on reduction in expenditure, or are you trying to achieve something else? Wanstor's IT Managed Services teams are structured around a methodology of combining the best people, processes and tools in order to achieve IT success. We believe in developing a relationship with customers that extends beyond representing '*just another supplier*' to one where a partnership is formed and strengthens over time.

For all of the managed services that we provide to our customers, we see them as more than just an alleviation of expense and concerns surrounding IT. We believe you may wish to achieve a more specific business-oriented outcome - one that allows your professionals to do what they do best, concentrating on helping your core business to succeed.

Wanstor's IT services are focused on a single outcome - helping you achieve business success. For more information about Wanstor's IT Managed Services visit us at [www.wanstor.com](http://www.wanstor.com) or contact us at [info@wanstor.com](mailto:info@wanstor.com).

