Red River

WHAT BUSINESS BENEFITS CAN YOU EXPECT FROM A MANAGED SERVICE PROVIDER?

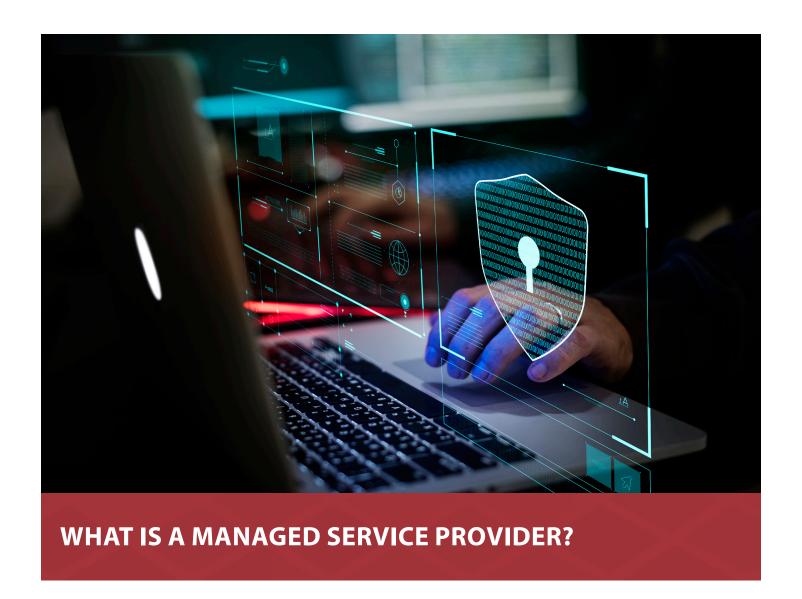"Why should I use a managed service provider?"

As a managed service provider (MSP), this is a question we hear rather often. For many business owners and managers, the benefits of an MSP can be unclear, especially for those who have never worked with one before.

Contracting out your IT work can, at first glance, seem unintuitive: Why pay someone else to do the work you need done when you could hire someone instead? It can seem like an inefficient use of your financial resources without a clear benefit to ROI.

The truth is that when you work with an MSP, your business will see clear, measurable benefits and achieve significant ROI. This is true no matter what size of business you operate; the needs of startups and multinational enterprises are certainly different, but businesses of all sizes and in all industries can realize the many benefits of working with a managed service provider.

In this ebook, we'll look at the multitude of benefits you can expect to see when you hire an MSP, no matter your business.

WHAT IS A MANAGED SERVICE PROVIDER?

Strictly speaking, a managed service provider does not have to be just for IT work! The term historically refers to any contractor to whom a business delegates regular activities, as opposed to hiring and paying them on a task-by-task basis.

A repair technician who you hire to fix a broken printer would not be considered managed services, but if you work with a local repair shop and pay them a (mostly fixed) fee every month to handle all of your physical maintenance tasks around the office, that could be considered a kind of MSP. In other words, it's the difference between calling up a law firm when you have a legal issue and keeping that same firm on retainer.

In the modern business environment, the term "managed service provider" almost always refers to a contractor offering a variety of IT services, whether that's server and network administration, cybersecurity, physical hardware repair, or any number of other offerings.

The specific services that a MSP can bring to your business depend heavily on your business' particular needs, which in turn depend on your business' size and existing resources.

MANAGED SERVICE BENEFITS FOR SMALL BUSINESSES

If your business is a small one, it's highly likely that you may not have a full-time IT team. For many smaller businesses, IT is considered a luxury compared to sales, design, HR, or accounting. At most, a small business may have an "IT guy" whose job is to handle every technological bump or hurdle along the way. It may not even be their full-time job; they may simply be the most technologically skilled employee on the team.

This is ultimately not a sustainable arrangement for a number of reasons. Even a great IT person can only handle so much work and can only be an expert in so many fields. At some point, the needs of your business will exceed what one person can feasibly do, but you may not have the resources to hire more full-time employees.

The answer? Turn to an MSP. For a small business, working with an MSP offers many benefits.

Stability

Small businesses often don't have the resources to absorb losses that larger businesses do. Any service outage can be a huge hit to your bottom line, and the longer your business is out of commission, the worse it could be for you.

MSPs not only mitigate the likelihood of outages and tech failures because they can ensure that things are properly set up in the first place, but their experience and expertise means that they can help resolve issues much more quickly than an overworked single "IT guy" might be able to.
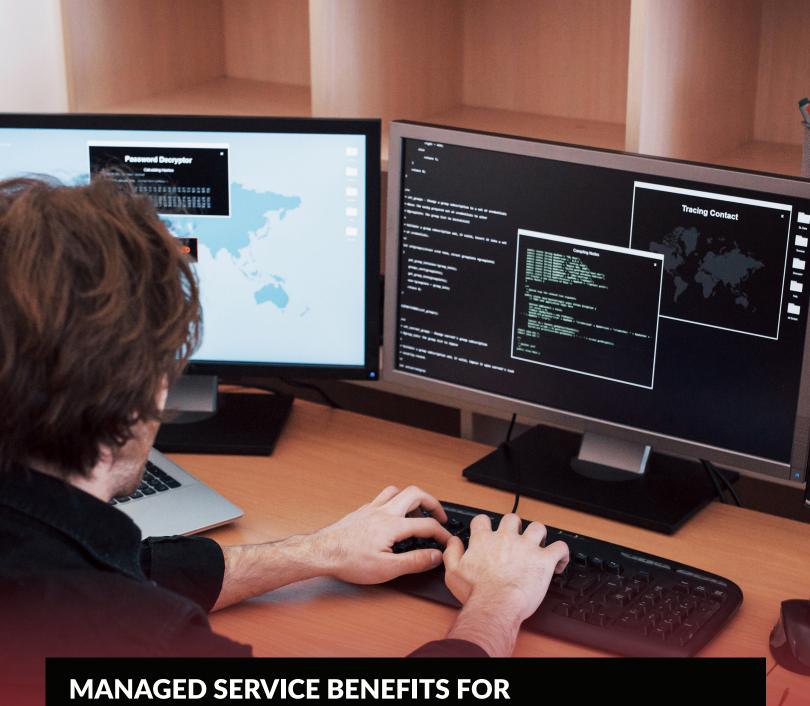
Expertise

What are the best ecommerce platforms for a small ecommerce startup? What cloud services are the most effective at suiting your needs? What's the ideal way to structure on-premise servers, keep them backed up, and ensure your data is safeguarded?

These are all questions that, for a small business, the answers might not be known or immediately obvious. Finding the best fit in terms of IT solutions takes time and experience, which might not be available when you're stretching resources.

Fortunately, an MSP typically has this exact sort of expertise, and will be able to offer recommendations accordingly. Working with a managed service provider gives you access to the knowledge and experience of a full IT team, many of whom will have worked with businesses like yours before.

Connections

If you're like many small businesses, you probably buy much of your IT equipment at regular big-box consumer stores or by shopping online. MSPs, however, often have connections with specialty outlets that can provide hardware, from personal computers to on-premise servers or high-end monitors for designers, all at a cheaper price than major retail stores. Many MSPs can get you better deals than if you were to approach these hardware sellers on your own, even if you did know where to find them.

MANAGED SERVICE BENEFITS FOR MEDIUM-SIZED BUSINESSES

Medium-sized businesses have more resources available to them than their smaller counterparts. At this stage of a business' growth, it typically has a dedicated IT team of several people, who can handle many of the tasks MSPs offer for small businesses like basic hardware setup.

However, with added resources and a larger team comes significantly more complexity -- and more points of potential failure. An IT team can quickly find itself overburdened just trying to keep the lights on; a managed service provider can help.

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Scalability

Mid-sized businesses, in their quest for growth, can occasionally have periods where they need more IT resources, both in terms of manpower and in terms of hardware, than was previously necessary. For instance, a business announcing a new product that it expects to go viral may need additional server hardware -- and additional staff monitoring that hardware -- to ensure that there aren't any outages during the big event.

Imagine if you were trying to do all of this in-house. While an increase in server capacity is certainly doable, particularly if you're using a cloud solution rather than on-prem services, hiring new IT staff for a temporary need is quite a bit of work for not a lot of benefit.

When you work with an MSP, there's no need to spend long hours interviewing and selecting new staff when you know the need for them will be temporary. The MSP already employs plenty of IT technicians! It's a simple matter of them moving their techs onto your project for the duration you need them, and moving them to other projects afterward. A managed service provider can make scalability in terms of manpower much easier than hiring new workers yourself.

Daily Upkeep

Most medium-sized businesses have ambitions of growth, to join the club of large multinational enterprises. It can be difficult for in-house IT teams to plan accordingly for the future if they're largely consumed with keeping the lights on, however.

One of the many functions an MSP can offer is to serve as a help desk, troubleshooting technical issues and performing day-to-day maintenance tasks. MSPs can help make sure all employees and infrastructure is patched and kept up-to-date, as well as handling any questions or problems that workers run into.

This is a very common function for many MSPs and one of the more typical offerings. When your managed service provider handles the work of keeping the lights on, it frees up your in-house IT personnel to look forward and make concrete plans for how your business can grow.

Easier Cloud Transitions

Many medium-sized businesses, as they look to grow and expand, may find that on-premise infrastructure no longer meets their needs, and may look to migrate to a cloud-based service like Microsoft Azure or Amazon Web Services.

Migrating your entire operation from physical on-premise servers to a cloud environment is a daunting task, and it's something where the expertise and experience of an MSP is greatly appreciated.

24/7 Support

While small businesses typically don't do much business with customers or suppliers around the world, medium-sized businesses do occasionally work with vendors, clients, or partners located around the globe.

At this stage of a business' growth, it may become necessary to offer 24/7 support or service due to potential customers being in sometimes distant time zones. However, it may not be feasible for a medium-sized business to hire full-time staff for this purpose; it is much more cost-efficient to outsource this task to your MSP, which already has the manpower for it.

MANAGED SERVICE BENEFITS FOR ENTERPRISES

It can be tempting to think that large multinational corporations don't need to hire MSPs; after all, with the amount of resources available to these companies, which earn hundreds of millions if not billions of dollars every year, certainly they can afford massive in-house IT teams with every possible speciality there is, right? In truth, enterprise MSPs have some of the highest demand in the business.

Niche Expertise

Enterprises often use a variety of software solutions, from CRMs to project management solutions to Infrastructure-as-a-Service like the aforementioned Azure or AWS. Even for large multinational businesses, it doesn't always make sense to hire someone full-time just to be a specialist in HubSpot, SalesForce, or whichever other solutions you're using. An MSP, on the other hand, often employs experts in these solutions for the express purpose of advising their clients. MSPs often bring niche, specialized knowledge and experience to the table that it might not be efficient to have in-house.

Improved Productivity

As with a medium-sized business, all but the very largest of enterprises will have an IT team whose job it is to handle both daily maintenance operations and future-thinking growth. This may result in the IT team having to split its focus, consequently not being as efficient in either of its tasks.

Since an MSP's job is only to deliver value to its client, an MSP help desk can be more productive and more efficient in how it helps put out fires and keep the lights on. This allows the internal IT team to focus on the projects that it wants to be doing, resulting in better productivity on both accounts.

MANAGED SERVICE BENEFITS FOR ALL BUSINESSES

The truth is that an MSP can almost certainly benefit your business, no matter who you are -- or what you do. While we've already outlined some of the specific benefits of a managed service provider for businesses at specific stages of growth, these are some ways in which an MSP can help any business.

Cost-Cutting

MSPs can act not just as administrators or an outsourced help desk, but also as consultants who have worked with businesses of all shapes and sizes. An MSP can provide an honest assessment of your IT infrastructure and health, helping you improve productivity and reducing waste.

Security

Cybersecurity should be a top priority for any business in 2020, and that means getting an expert opinion. Most businesses can't afford to hire full-time cybersecurity personnel, but an MSP can make sure your data is secure, and can provide 24/7 monitoring to immediately identify and address a breach if it ever does occur.

Training and Support

Not only does an MSP offer its own expertise, it can help make your own employees more effective! MSPs can teach your employees everything from cybersecurity best practices to the most effective ways to operate your various SaaS solutions. The result is a compounding effort, where the more you work with an MSP, the more productive and knowledgeable your own employees become.

Continual Improvement

An MSP will free up your business' resources at all levels of growth, letting you focus on the future. This means that your business can continually devote resources -- whether human, financial, or otherwise -- to growth and improving the way you do business. This is invaluable, whether you're an enterprise or a new startup.

If you've been convinced that an MSP can benefit your business, or if you're interested in learning more specifics, contact the experts at Red River today.

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