Outsourced IT

How SMBs can improve IT effectiveness while lowering costs

"Business owners who outsource IT support generally enjoy stable systems, lower maintenance costs, more uptime, and less worry."

The relationship between small and medium-sized businesses (SMBs) and Information Technology (IT) can often be described as a "love/hate" relationship. You absolutely rely on technology to help your business run efficiently, but IT is most likely not one of your core competencies – and just keeping your systems running can be a major undertaking that distracts you from business-building activities.

Some SMBs rely on an in-house IT staff for technical support, but this is not always all it's cracked up to be. An in-house IT staff is generally only available for IT support during working hours – but what do you do when they're sick, on vacation, or busy in a meeting? In-house staff also add high fixed costs to your payroll, and their experience is limited to what they have learned working for you and their last one or two employers. This gives them a very narrow perspective on overall industry trends and the "ins and outs" of available technologies. And since IT is not your core competency, you may have limited insight into how well the IT staff is performing.

For these reasons, many savvy SMBs are choosing to outsource IT maintenance and support to an expert third-party provider. Outsourcing gives SMBs easy access to high-caliber IT support they would not be able to afford in-house. Business owners who outsource IT support generally enjoy stable systems, lower maintenance costs, more uptime, and less worry.

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At Synaptic, we believe in using CRM, Cloud Services and other innovative business solutions to help you achieve your goals and get on a path to greater success. We believe that superior selling requires a careful fusion of art and science, and it is upon this philosophy that we structure our approach. Whether it is in our process-oriented work around metrics, systems, and procedures or our application of artistic flair to people, culture, and strengths, Synaptic's mission is to help you develop and maintain the right people, processes and technologies to reach new goals and establish a culture where extraordinary performance is an ordinary occurrence.

The strategic advantages of outsourcing vs. full-time staff

In a very small business, it's pretty obvious that hiring a full-time IT person, let alone a full staff, is not a viable option. But hiring full time IT resources may not be the ideal choice for larger businesses either. To illustrate this point, let's take a look at the costs and benefits of hiring one full-time IT staffer compared to contracting with an outsourced IT provider.

IT Support Option	Full time IT staff member	Outsourced IT Provider
Approximate Cost	$5000/month Salary + benefits	$5000/month Managed services contract
Available Resources	1 person	A team of experts with various backgrounds and experience
Scalability Options	None	Excellent
Technical Capabilities	Strong: ▪ PC support ▪ Network and server administration ▪ Patches and upgrades Some experience: ▪ Data backup ▪ Business continuity planning ▪ Security protocols ▪ Product selection and procurement ▪ Project management ▪ Licensing Limited experience: ▪ Infrastructure design and implementation ▪ Network design and implementation ▪ Telephony and VoIP ▪ Industry trends and best practices ▪ Strategic business use of technology	Strong: ▪ PC support ▪ Network and server administration ▪ Patches and upgrades ▪ Data backup ▪ Business continuity planning ▪ Security protocols ▪ Product selection and procurement ▪ Project management ▪ Licensing ▪ Infrastructure design and implementation ▪ Network design and imple mentation ▪ Telephony and VoIP ▪ Strategic business use of technology ▪ Industry trends and best practices ▪ PLUS • 24/7 system monitoring and support • remote, overnight patches and upgrades

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IT Support Option	Full time IT staff member	Outsourced IT Provider
Availability	▪ 40 hours a week, usually only during normal business hours. Unavailable during sick / personal days, holidays, and vacations. ▪ Overtime is extra	▪ 24 / 7 / 365 service ▪ Fixed fee, no overtime

As you can see, outsourced services generally cost less than maintaining an in-house IT staff – and the technical expertise, availability, and scalability is far superior.

Consider a hybrid solution

Even if you have an in-house IT solution that works for you, you might benefit from adding an outsourced solution to supplement your existing support. The advantages of a hybrid scenario include:

- adding a new level of expertise and experience
- economically extending service hours
- covering staff shortages
- handling special projects
- freeing up your in-house team to focus on tasks more essential to core operations.

Finding an IT company that fits your needs

Once you've made the decision to outsource, it's time to select a provider – and you will have plenty of options. New IT providers crop up at a dizzying pace, but they're certainly not all equal – or even competent. Anyone who has a history of troubleshooting their friends' computer woes can start up an IT support company, but that doesn't mean they have the breadth of knowledge and experience you need to effectively manage your entire IT environment.

So how can you find an IT company that is right for you and your business? Before signing any contracts, make sure you grill potential providers on these two critical points:

"...A business-savvy provider who gets to know your business is much more likely to point out technologies that can provide you with cost savings and enhanced efficiency."

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1. **Find out how they view technology in relation to your business.** The most common shortcoming for an outsourced IT provider is not technical expertise – it's business acumen. Ask potential providers how they will manage or recommend technology in light of your specific business goals, and what strategic approach they take to technology as a business tool. Ask for specific examples of how they have merged the two in the past. A business-savvy provider who gets to know your business is much more likely to point out technologies that can provide you with cost savings and enhanced efficiency.

2. **Explore their communication and management philosophies.** Do they have a set communication process? Are they prepared to adjust services and projects in light of feedback from your team? Will they proactively manage their relationship with you, conducting periodic reviews of your technology and recommending improvements and upgrades? Or are they going to sit back and wait for you to come to them?

   A truly effective IT Company will do more than just fix what's broken. You want a service that understands your business and goals and will proactively help you reach them. Investigating these two areas carefully will help you select a provider who will be an asset to your business for many years.

Happily ever after

Outsourcing IT support can be a win/win for many SMBs. If the relationship is entered into carefully, an outsourced provider can offer far superior technical expertise and 24/7 availability at approximately the same cost as (or even less than) full-time resources – without the overhead, HR paperwork, sick days, or overtime. The right provider will show you ways to use technology to lower costs and increase productivity for greater payback on your IT investments.

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