

Top 10 Good Reasons to Think About Outsourcing IT

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Most business leaders today understand that office technologies (like email, web sites and e-newsletters) are critically important to everyday business operations. More technology-centric businesses employ their own technical staff to build, deploy and support software that is a unique part of their business.

Regardless of your level of IT sophistication, the management and support of business infrastructure (servers, network, workstations, firewalls, laptops, mobile devices, and office applications) is likely not, and should not be, a core competency.

Here are 10 good reasons to think about outsourcing this part of your business.

1. Technology infrastructure management is not a core competency of your company. You may be great at helping your clients with their go to market strategy, provide them with a wide variety of legal services or even manufacture airplane parts for them. Since planning for and analyzing how best to support your IT infrastructure and managing the people who provide that support is not what generates revenue for you, you should consider outsourcing those functions. If you already outsource them, you should make certain that you are using service that matches your business needs. Outsourcing is a management tool which can lead to clearer, more effective focus on meeting customers, needs. Several of the 'How' type issues may be siphoning off huge amounts of management time and attention. Too often, the resolution of these issues are stuck in middle management 'decision gridlock.' This creates financial and opportunity costs that affect the organization's future.
2. You can save 20-30% on overall costs to support your IT infrastructure. Most companies are not accounting for all the costs associated with employing good technical resources and tools to support their infrastructure. The cost of internal IT staff includes salaries, vacation, sick time, software for help desk management, upkeep on technical training and certifications, and general business overheads – not to mention the cost of employee turnover. These costs also do not include hiring specialized IT resources when more complex issues arise – a service usually provided as part of an overall service agreement with an IT outsourcing company.
3. Experienced IT services companies provide you with the control over the work that gets done so you always know what you're paying for. The best IT outsourcing companies provide you with the right kind of tools so you can monitor work being done real-time. This gives you

visibility into how infrastructure support work is being assigned and completed and how satisfied your systems users are with the service they are receiving.

4. You can supplement employed technical staff to improve overall performance and efficiencies. A fixed schedule maintenance and support agreement that covers specified areas of technical support can be an important part of a proactive approach to supporting your IT infrastructure. This can ensure that the basics are getting covered while internal staff focus on new demands.

5. Your organization has limits on the resources available to it. The constant challenge is to ensure that its limited resources are expended in the most valuable areas. Outsourcing permits you to redirect your resources from non-core activities toward activities which have the greater return in serving the customer. The resources redirected through the outsourcing of the Information Technology management are people resources. You can redirect these people, or at least the staff slots they represent, onto greater value adding-activities. People whose energies are currently focused internally can now be focused externally--on your customers.

6. Your business might be growing or changing and your existing IT resources may not be adequate to keep up. If your IT support is having trouble keeping up with the pace of change they often are not fulfilling requests on time or are 'learning on the job' to try to support your business – it's time for a change.

7. Your business has a frequent need for specialized technical expertise so you hire them as needed. If you find yourself needing to bring in technical expertise on a regular basis this might be a signal that your existing IT resources are not adequate. You might be able to contract with an IT service company on a fixed-fee arrangement to handle your specialized needs and reduce spikes in expenses due to hiring a specialist. An outsourced provider's capabilities include industry expertise gained through working with many clients facing similar challenges. This expertise may be translated in skills, processes, or technologies uniquely capable of meeting your needs.

8. You are experiencing more systems outages or down-time than you would like. This may be an indication there is no one monitoring your machines to warn you before outages occur. The best IT outsourcing companies have monitoring options for a fixed monthly fee that helps you be more proactive about system stability to reduce outages.

9. You are looking for more ways to make your business competitive and feel your existing IT resources 'just don't get it'. Sometimes the best hired technical resources are exceptional at fixing problems with technology, but don't seem to understand where you are trying to take your business. Improper IT planning for changes in business strategies can lead to more costly IT problems. Chasing the latest technology, without a good business reason for the upgrade, can be a significant cost to your organization.

10. To save money you have given the responsibility to manage the IT resources to an executive who has other responsibilities. Sometimes a Controller or a person with additional responsibilities is handed the task of managing the IT infrastructure. Companies think they are saving money by having one person play dual roles.

In reality performance in both job functions suffers because more time is spent on problems the area that person is weakest – productivity goes down. Hiring an outsourced IT professional improves productivity because qualified resources can focus on what they do best.

There are three fundamental areas of infrastructure support that you should consider outsourcing if you don't already.

- IT Planning and Project Management
- End-User Support Desk and Maintenance
- Systems Monitoring and Configuration (includes patches, asset management and security).