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The Complete Guide  
to Picking the Right IT  
Service Provider for  
Your Business

# What can IT do for your business?

If you're reading this guide, you're likely considering making a big leap for your business and developing a relationship with an IT partner. This move can be exciting but overwhelming, which is why we put together this guide to cover many of the basic questions you might have.

Before you start looking for an IT partner, though, it's important to understand just what IT is and what it can do for your business.

You likely know IT departments as the go-to team for troubleshooting and help desk situations. While that's accurate, IT teams also handle a wide variety of tech-related tasks that support the business and organization.





## IT Departments Typically:

- **Manage** hardware, software, operating systems, internet applications, and the overall IT infrastructure, meaning how everything is connected and works together to support your business. This also includes managing the lifespan of the components that make up the infrastructure and developing plans for maintenance, replacement, and additions.
- **Stay up-to-date** on new technologies to assess what the business may want or need to implement in the future.
- **Analyze and strategize** to make sure IT continues to support the business efficiently and effectively.
- **Manage** the IT budget
- **Execute** major IT projects, like system changes, to minimize downtime and the impact to workflows, productivity, and the overall business.
- **Manage** the business website
- **Make sure** IT is compliant with all required regulations
- **Oversee** cybersecurity, including access management, active monitoring for cyberattacks, and response to threats.





In an increasingly data-driven world, the IT department is also frequently interwoven with data management, including data storage, backup, accessibility, and more.

Through the years, new technologies and hybrid and remote employee models have made traditional IT departments more obsolete. Businesses with a few hundred employees or less are finding it easier than ever to manage without an IT team. If employees are mostly remote, expansive hardware solutions are no longer needed in the office. Cloud computing solutions are also frequently easier to manage.

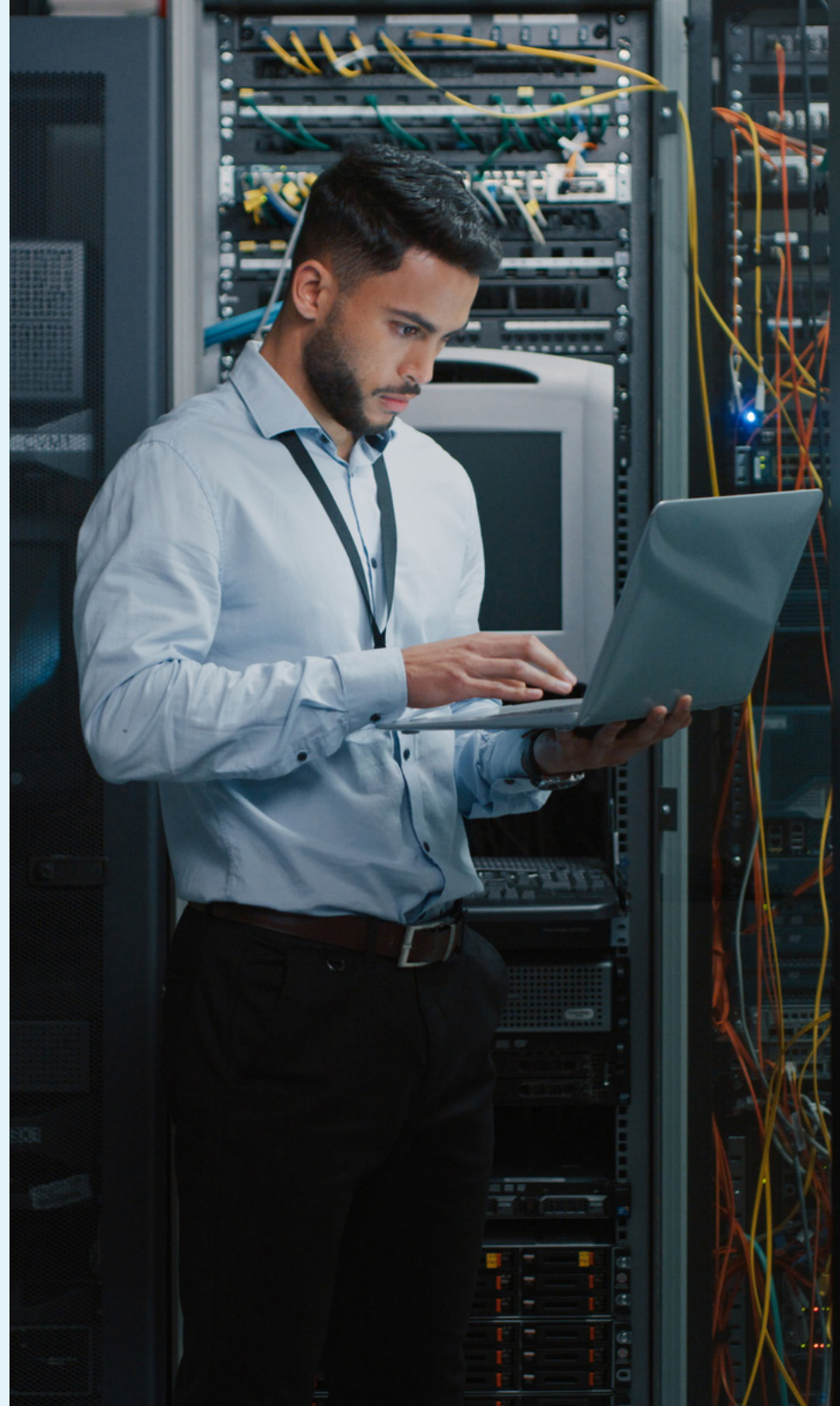
But while many businesses are getting away with having no IT department, there's still a lot to manage—which is probably why you're considering an IT partner to help.





# Understanding IT service options

Now that you understand more about what IT encompasses and how it can help your business, it's time to dig into the types of IT services.



## Break/Fix IT Services

Break/fix IT companies operate on a case-by-base basis. Just as the name implies, if something breaks, they provide service to either fix or replace, charging for that service at that time. This is a reactive model of service. Break/fix solutions can be nice on paper because you're only paying for a repair. However, this leaves a big question mark of when those expenses will pop up.

## Supplemental IT Services

Supplemental IT services augment your current IT team. This might be during a busy season, during an overhaul of your software and hardware upgrades, or to help solve a specialized issue. The members of an in-house IT team might wonder if their jobs are on the line when the company permanently outsources certain IT services, but supplemental IT members simply add to the team temporarily.

## Outsourced IT Services

IT partners that provide Outsourced IT Services are known as managed service providers, or MSPs. They

typically partner with clients remotely (although there may be times when an MSP accesses a company's physical location) and handle the business's IT for them.

MSPs are capable of handling a variety of IT needs from security and network organization to data backup and retrieval, much of which has been made possible by modern cloud solutions. Outsourced managed IT services can also be invaluable in finding the best hardware and software solutions for businesses like yours, and they may even offer savings on those products.

MSPs provide a proactive service approach, meaning they fix things when broken, but they also provide ongoing service to monitor and maintain good IT health. Problems can often be minimized before they reach a breaking point. They operate with a long-term perspective.

While a business can choose to go with any type of IT service, an MSP is especially a great fit for smaller to medium-sized businesses looking to excel at their IT without having to hire a staff.



## 9 Pros of Working with an MSP

- Predictable monthly spend
- Development of an IT strategy
- Access to a wide range of expertise
- Proactive monitoring to minimize downtime
- Time saved troubleshooting technology
- Continual cybersecurity protection
- Access to the newest hardware at low monthly prices
- Competitive or exclusive pricing with vendors
- Support for popular technologies like Office 365



## Understanding the cost

The cost of managed IT services is dependent on several factors, such as location, provider, technology involved and your unique business. However, a few basics can guide you on determining how much it would cost you. Here are some of the most common pricing models to keep in mind.





## Per-User Pricing

Some managed IT service providers base their service costs on the number of users being cared for and monitored. A user is defined as anyone in your company who uses the technology and would require IT support. This typically ranges from \$100-\$250 per person per month.

## Per-Device Pricing

Pricing per device essentially charges you based on the number of devices utilizing the technology. This includes all of the devices you would want to use, such as phones, tablets, laptops, PCs and Macs. Per-device pricing with mid-range services could cost you between \$120-\$500 per server, or between \$30-\$120 per workstation.



## Approaches and Processes

Most businesses have similar technology needs. But it's important to make sure your service provider doesn't use a one-size-fits-all approach to IT. A provider who comes in and tells you what you need without fully understanding your business is likely more interested in cookie cutter solutions.

Look for an IT company that prioritizes a consultative approach. This means they're invested in exploring what's most important to you—from business goals to current IT pain points—and crafting a solution that makes sense for your needs.

Another factor that determines the cost of managed IT services is the service levels. There are three main tiers of services levels:

### Basic IT Services

- Entry-level IT management services
- Lower up-front costs
- Providers act as a base-level security team, monitoring and notifying you in case of any incidents
- Often insufficient for growing businesses
- Can come with high variable costs as you seek to expand your infrastructure or enhance your security
- Not designed to provide long-term strategic solutions according to specific needs

### Mid-Range IT Services

- Offers several more services than basic managed services
- Provider will keep track of your systems with services, such as IT design, planning, strategy, on-site and remote support, system backups and disaster recovery

- Still don't generally provide advanced cybersecurity services, such as penetration testing, Dark Web scanning, access control and authorization or compliance security solutions
- Often priced using the per-user or per-device method, but some providers may price based on solutions offered
- More expensive initially, but the long-term benefits save you by rolling several services into your flat-rate package

### High-Level IT Services

- Specific to companies that need a comprehensive range of managed services
- Typically involves infrastructure management, support services, advanced cybersecurity, cloud migration, management and risk mitigation
- Could cost anywhere from \$300 per user per month or higher, depending on the range of services needed and their complexity



## Navigating the SLA

Once you move forward with outsourced IT services, you'll need to familiarize yourself with a service-level agreement, or SLA. These agreements play an essential role in most vendor contracts, and IT is no exception.





## What is a Service-Level Agreement?

A service-level agreement lays out the specific expectations a customer has when outsourcing IT services. Without an SLA in place, you open yourself up to incidental or deliberate misinterpretations by the vendor. In the short-term, this can result in frustration. In the long-term it can severely harm your business's IT performance.

Most IT vendors will have a standard SLA, which can provide a good starting point for negotiation. However, it's ideal that your SLA is reviewed and modified by your own legal counsel to ensure the SLA is equally fair to both parties.



## What to Include in an SLA

You'll need to make sure that your SLA includes:

- A thorough description of all services and the service level
- Metrics to measure how well services are being delivered. Metrics need to be carefully chosen to ensure neither party is unfairly penalized or rewarded due to actions by the other party. For example, if the customer doesn't provide necessary information in a timely manner to help the vendor remedy a problem, the vendor should not be penalized if the customer's lack of response causes additional downtime.

Common metrics to track performance include service availability, security, and business results. The best metrics reward the right behavior, represent aspects within the service provider's control, and are easily monitored over time.

- Duties of each party
- Penalties to mediate issues and breaches of the agreement. Uptime is a common metric used in SLAs and reduced cost is a common penalty for not meeting such metrics. Oftentimes, reduced cost penalties are set up on a sliding scale, meaning the customer's price is reduced by a percentage based on the severity of the breach. For instance, exceeding the downtime cap by one minute might result in a 0.5% price cut, while exceeding the downtime cap by ten minutes might result in a 5% price cut.
- Proper protocol for modifying services, adding new metrics, and removing existing metrics



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## How can we help?

Chances are you still have questions about IT for your unique business, and we're here to help!

AxiaTP is dedicated to helping your company effectively and efficiently reach its goals through IT. **Take the first step to a winning IT strategy; book a free consultation with our team.**

Let's Talk

