



# How to Choose a Managed Service Provider: Expert Advice from Top Business Leaders



Managed IT, Security, & Cloud Services

You're looking at outsourcing part or all your IT to a third-party firm.

Smart move.

After all, your IT staff are likely stretched to their limits, and outsourcing seems like a viable way to improve your IT services while managing costs.

But now you face the massive challenge of choosing a Managed Service Provider (MSP) who will deliver the expertise you need to keep up. And that challenge brings with it some tough questions:

- + What should you outsource, exactly?
- + How should you evaluate and select the right MSP?
- + What does a successful partnership look like, anyway?

The good news is we've gathered input from business leaders who have figured out the answers to these tough questions. We talked to CEOs, CFOs, COOs, and CIOs who have discovered the right balance between focusing on the fundamentals and enabling their teams to spend more time on strategic initiatives that deliver real business value. In this guide, we'll share their solutions to today's IT challenges, how they decided what to outsource vs. keep in-house, and how they've transformed their internal IT teams from cost-centers to innovators.

We hope you'll find insights in what worked for them to apply to your own business.

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# What Areas of IT Should Small-to-Mid-Size Companies Outsource?

What IT functions should rapidly growing businesses consider outsourcing? “Everything,” says Kirk McLaren, CEO of [Foresight CFO](#) and a financial management lecturer for graduate studies at Georgetown University.

“Companies who are technology enabled have a competitive advantage,” says McLaren. “But it’s getting more complicated, and the rate of change is accelerating, with networking, cloud, cybersecurity, BYOD, artificial intelligence, and Internet of Things. The range of expertise needed to stay on top of technology enablement is incomprehensible for most business owners and CIOs.

When it comes to outsourcing IT, McLaren says you must put all your options on the table. “There’s no way a company of 200 employees or smaller is going to develop subject-matter expertise in the full range of technology enablement they need,” he points out.



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## Start by outsourcing commodity IT functions

One of the biggest challenges organizations with smaller IT staffs face is finding time to focus on IT initiatives while working to keep systems and operations running. That's why you should consider outsourcing commodity IT functions so IT management can focus on delivering greater strategic value to your business.

"Patching, help desk, and even things like cloud-based Software as a Service (SaaS) and Infrastructure as a Service (IaaS) are good candidates for outsourcing to a managed service," says Brian Shea, Chief Information Officer, MBX Medical Billing Experts. "Once those workloads are shifted from your internal IT, you can start focusing on more strategic initiatives."

## Then outsource in-house infrastructure

"Our IT team has been putting out fires for years—now I'm taking away the kindling," says Brett Carr, CIO, Hertzbach & Company. Carr has dedicated himself to streamlining IT infrastructure through a strategy of application outsourcing. "Outsource everything that relies on in-house infrastructure," he says.

If you are a mid-size firm, you'll still need in-house people for day-to-day problems that need immediate correction. But your goal is to get all your platforms outside your office so that you're not housing anything on a server. You want someone else managing the server, somebody who has high-grade security and redundancy built in.

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## Eventually focus on specialized IT requirements

Once you have outsourced basic IT functions, turn your attention to specialized IT requirements, such as security, wide area networking, application development, or whatever else is important to your business.

“You can focus on the strategic things in a more project-based way, where you can work with your MSP to advance those projects,” explains Shea. “Now we can do things like true Business Impact Analysis of core business applications and systems that we could never do before, when we were caught in the weeds of day-to-day operations and maintenance.”

### Top Reasons Companies Outsource IT to Managed Service Providers

We asked top business leaders why they outsource IT to third-party providers. Here's what they say.

“Our IT systems are getting too complex to manage internally” 44%

“We need greater technical expertise” 42%

“We want to focus resources on our core operations” 42%

“We must reduce our cost of internal IT support” 37%

“We need to reduce costs” 26%

“We need to improve quality” 21%



# What Criteria Should You Use To Evaluate and Select an MSP?

In your search for an MSP, you will eventually create a shortlist of candidates. Here are the nine criteria you should use to evaluate and select the MSP that best meets your needs, according to today's top CIOs who have gone through this exercise.

## Criteria 1: Response

Choose an MSP that not only includes their response time in their Service Level Agreement, but also guarantees that time. This response time states how quickly the MSP will take to respond to a technical issue that you raise via phone, email, chat, or other method.

Telephone response times are sometimes measured in number of rings. Email response times are typically measured in minutes or hours.

A [response time guarantee](#) describes the remedies the MSP offers if their response times fall outside of the agreed-upon response time.

## Criteria 2: Availability

You need an MSP that is working when you are working – and – when you are not working. In today's competitive business environment, you need an MSP that offers support 24 hours a day, 7 days a week, 365 days a year.

## Criteria 3: References

Part of your due diligence in choosing an MSP is checking their customer references. This is your opportunity to talk to businesses who may have similar challenges and goals as your business. It's your chance to ask them about their experience with the MSP vendor you are considering.

Just remember that any customers the vendor offers as references will be satisfied customers. So be sure to ask questions that elicit both positive and negative feedback. If you learn something troubling, dig deeper with the vendor.

Here are some probing questions to ask:

1. Share an incident in which the MSP did not meet your expectations. How did they rectify the situation?
2. How well has your MSP remained within the contracted budget and timeline?
3. What is one thing you wish you'd known before hiring this vendor?
4. How well has the MSP met your expectations and requirements?

## Criteria 4: Scalability

Can the MSP scale with your business? In other words, do they have the staff, IT infrastructure and processes in place to grow as you grow? For example, do they already have the staff needed to handle your anticipated increase in data traffic, IT help desk calls, server capacity or storage? If your business is growing, beware of the super small MSP that has limited staff and that will become overwhelmed with your demands.

## Criteria 5: Pricing

No two Service Level Agreements look the same. What some MSPs consider standard and include in their pricing, other MSPs charge extra for. So, when comparing multiple MSP vendors, make sure you compare pricing apples for apples.

Then there's the matter of pricing flexibility. Some MSPs are rigid in their pricing. What you see is what you get—and what you pay for. Ideally, you want your MSP to offer flexibility when it comes to fees. So, look for a vendor who is willing to customize their service offerings to meet your current situation and goals, as well as the plans you have for the future.

## Criteria 6: Onboarding

Onboarding is one of the most important steps in making sure your partnership gets off to a winning start. But Managed Service Providers onboard clients in different ways. So, ask potential MSPs about their onboarding process. Here are some things to review with all candidates on your short-list:

- + Ask to see their onboarding roadmap
- + Invite them to describe their onboarding process
- + Ask them how they will communicate (and how often)
- + Ask them how they will set expectations for success
- + Invite them to describe how they will facilitate provisioning
- + Ask them to describe their training process for your staff
- + Ask them about their plan to go live

## Criteria 7: Expertise

Managed Service Providers comes in every flavor. Some are generalists, working with any business of any size in any industry. Others specialize. In your search, look for MSPs who have demonstrated domain knowledge, expertise and experience working with companies like yours.

“Outsource IT needs that require specialized knowledge and attention,” says Stephanie Jones, COO, Alpha Diagnostics. “Other services that can be purchased cost-effectively from a massively scaled vendor—such as cloud data storage—are also good candidates for outsourcing.”

Consider these areas of expertise:

- + **Tech stack:** They have expertise provisioning and managing technology that matches yours
- + **Staff:** Their IT staff have the credentials and technical knowledge you require
- + **Track record:** They have an excellent record with satisfied customers similar to your business
- + **Breadth:** The provider has a wide range of talent with the specialized skills you need

## Criteria 8: On-site Support

Just because you are outsourcing your IT doesn't mean you won't need some help in-house from time to time. If your business is typical, there will be unique circumstances in which you need your MSP to send an IT staffer to your location for a few days, weeks or months. These times include ad hoc needs, emergencies, and situations that require scheduled visits.

Yes, most [managed IT services](#) are conducted remotely, but there are times when you will need on-site support. Make sure that your MSP has a plan that offers on-premise support at your facility.

## Criteria 9: Size

Whoever it was who said, “If it ain't broke, don't fix it” had clearly never hired an MSP. That's because some small MSP firms only offer “break-fix” support. They only help you when something breaks. Otherwise, you never hear from them. But you need better service than that.

You need an MSP that is large enough to offer ongoing strategic support, preventive maintenance, workstation management, anti-virus updates, security patching, 24/7 help desk, procurement services and plenty more.

# What Makes a Successful Partnership with an MSP?

If you think you're going to outsource your IT and that the relationship will manage itself, you're mistaken. Someone needs to pay attention to the relationship. Here's what a successful partnership with a Managed Service Provider looks like.

## 1. Teamwork, transparency, trust

A good service-provider relationship for a small to mid-size company is one that has a partnership quality to it. "The MSP leverages its resources to bring additional value when fulfilling your IT requirements," says Mark Drever President & CEO, Xcelerate Solutions.

"When the relationship works, clients benefit from their service provider's mature infrastructure and extensibility," says Drever. "These benefits extend beyond just being able to scale or deliver true 24/7 services, if that is what your business requires. It might also be more efficient procurement of PCs or being able to get better warranty terms."



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Then there's the matter of transparency. When choosing a service provider, work with someone who is transparent about their strengths and weaknesses. Look for transparency in what they manage themselves and what they farm out. Also look for transparency in their pricing, their terms and conditions, their track record with meeting response times and any number of other areas of their business that are important to you.

Finally, look for trust. Having a relationship you can trust is the most important part of choosing a Managed Service Provider. That feeling of trust must begin the moment you have your first contact with the vendor. It should continue and grow during initial discovery calls, vendor capabilities presentations, proposal reviews, negotiations and then into your relationship.

With every interaction you have with your MSP, you must feel that you can trust them to put your best interests first. You must know that they have your back, and that your success is their priority.

## 2. Hire a full-time IT manager to manage the relationship



If you're a mid-size company, consider hiring a full-time, in-house technology manager to oversee everything from developing the technology road map to working with your MSP for IT fulfillment. Outsourcing allows you to spend your IT resources more cost-effectively, but the contracted services still need to align properly with your business's needs. (If your company is smaller, you may not need an in-house IT manager.)

One of the greatest benefits for a growing business is having infrastructure that is always ready as the company grows. "If you're working with a truly strategic provider, then you build based on what you need tomorrow," he explains. "That way you avoid hitting the wall. And hitting that wall is painful for a business. It impacts sales. You make errors with customers. Delivery slows. With the right service provider, you can build more easily based on what you need tomorrow, not just what you need today."

## 3. Get C-suite buy-in

Everyone in your C-suite needs to be onboard with your company decision to hire a Managed Service Provider. That's because your IT department is going to go from being an expense to being responsible for generating revenue and ROI. And that requires achieving C-suite alignment around the importance of IT needs and resources.



# Getting the Right MSP For Your Needs

Outsourcing some or all of your IT to a Managed Service Provider is a smart move. You reduce your costs, improve security, gain access to world-class expertise without adding to your headcount, deliver better service, scale your IT operations more rapidly and improve your business continuity.

Finding and hiring the best MSP for your business may seem daunting, but it's really just a matter of asking the right questions. Fortunately, other business leaders have gone before you, and shown the way. Follow their advice and you'll be on your way to hiring an MSP that simplifies your IT operations, reduces your costs, and helps you improve business performance.

**Ready to Get Started with Managed IT Services and Support?**

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## **About Ntiva**

Ntiva is an IT services provider that provides businesses with advanced technology expertise and support, including managed IT services, strategic consulting, cloud services, cyber-security and telecom solutions. We have a team of world-class talent that genuinely cares about the relationships we build, and who understands that response and precision are keys to a successful partnership. Our goal is to not only help you streamline your technology costs, but to show you how to leverage these investments to improve business performance.