

The Challenges of Successful ICT Management

Increasing Complexity and Demand for Improved Financial Return Drive the Need for Managed Services

Contents

Introduction	3
Section 1 :The SME ICT Dilemma	3
Section 2: The Managed Services Value Proposition	4
Section 3: Evaluating Managed Services	6
Section 4: Managed Services Provider Selection	7
Section 5: The Results ?	9
Summary	10

Introduction

Just like their enterprise cousins today's companies, small and medium enterprises (SMEs) and organisations depend on information and communications technology (ICT) to help drive competitive advantage. Whether you're running a small legal firm or a midsize finance company, you know that business performance is increasingly tied to your ability to keep ICT systems operating at peak efficiency.

But for organisations with more modest ICT resource and personnel, IT management and maintenance can be a difficult job to do right. Routine system monitoring and maintenance can eat up time and resources that could be better used to help run the business more efficiently and make it more competitive. And when something does go wrong, it can be a nightmare-employees can't get their jobs done, customers can't get service, orders can't be processed and supplies can't be ordered.

In this paper, we examine the dilemma that businesses and organisations face as reliance on ICT grows, but the associated staffing, budgets and resources can't keep pace.

We discuss why a growing number of companies are turning to managed services providers to help them monitor, manage and maintain their IT environments. Throughout the paper, we discuss the experiences of our specific customers, why they've chosen managed services, and how Blue Saffron Managed Services has helped them dramatically improve their ICT environment.

Managed services let you off load routine, yet vital IT infrastructure monitoring and management functions so you can concentrate on the business. Managed service providers can function as an extension of your business, providing proactive services that help prevent problems before they happen, and fix them quickly and effectively when they do happen-minimizing the impact on business operations.

Section 1: The SME ICT Dilemma

Most organisations understand the value of ICT, and know that the right solutions are critical to streamline operations and processes, improve communication and collaboration, and better serve customers and employees. Especially in tough economic times. SMEs need technology to help compete more effectively against larger enterprises – it is no surprise that most analyst firms forecast that SME adoption of new IT solutions and services is growing at a faster rate than in corresponding larger enterprises.

Many SMEs are challenged by the growing complexity of their IT environment. Even relatively modest businesses may need to manage several desktops and notebooks, handheld devices, servers, a network and applications to successfully transact. However, many small businesses don't have any depth or resource to dedicate solely towards the plethora of ICT maintenance and monitoring tasks in today's modern ICT environment.

ICT complexity grows as the business grows in size - more employees, devices, servers and software solutions to look after. You're also likely to have multiple locations, and have to support users and systems in these locations-adding to management time and hassle. The number of people that work remotely-from telecommuters working at home, to sales and service people working on the road-is growing in businesses of all sizes.

For many SMEs, keeping up with everything that needs to be done-backups, software patches, security-can become problematic. To keep things running smoothly, you need to spend the majority of your time taking care of routine IT monitoring and maintenance, leaving little time for more strategic IT projects to support business initiatives. If you fall behind in these, the odds are you'll face an IT outage or another problem down the line.

"Way too much time was spent managing the server and associated systems infrastructure – our core business is software !!"

- Not For Profit SaaS Systems Vendor



A long time convert was a non-profit organisation Software as a Service (SaaS) vendor who faced this dilemma. Before deploying managed services, they spent 'probably 25% to 35%' of time managing the infrastructure required to deliver their core application. Time has been freed to focus on delivering improvements to the application and just a whole range of other things'.

"If systems go down, or there is an issue with our inbound telephony, it shuts us down ... If we lose a day, productivity is shot.- resilience is vital »

- London based temporary staff recruiter

When things go wrong, it can be a nightmare. The business and almost everyone in it relies on ICT systems to function properly. When a server goes down unexpectedly or a network is unavailable for even a short period of time, it can result in a substantial revenue loss to a business. While it can be hard to quantify, think about the potential loss of productivity, sales and customer satisfaction that can result from having your email system, customer relationship management (CRM) system, financial application or Web site unavailable. The level of risk and the potential business damage increases exponentially the longer these systems are unavailable.

A London based temporary staff recruiter reflects on this, "If a server or inbound telephony goes down, it ruins our day; The company operates as a nationwide recruiter. "When our technology goes down, it shuts us down. It shuts down the

company-our customer interactions are time critical. It's important that we keep the hardware and software operating, identify and prevent problems before they cause serious issues, and fix them in a timely fashion:'

As requirements for more sophisticated applications and infrastructure grow, SMEs also need to support a more complex mix of different operating systems, servers and desktops. More SMEs are also adopting more advanced technologies such as virtualization to help reduce IT costs. Company IT staff can struggle to keep up with the management of these increasingly complex systems, leaving the door open to outages, security threats, data loss and the negative impact that these issues can have on the business.

This was the dilemma that facing the ICT team at a nationwide recruitment process outsourcer leaving them little time to concentrate on supporting the company's growth strategy.

"With all the different operating systems, applications, and hardware, it was very difficult to troubleshoot problems;'.
"We weren't able to monitor the network at a granular level. It was hard to diagnose what was wrong:'

"We looked for an ICT services provider that could take on a broad spectrum of duties but needed to work with a vendor that could work well with our staff"

- Nationwide Recruitment Process Outsourcer

Section 2: The Managed Services Value Proposition

A growing number of SMEs are turning to managed service providers (MSPs) instead of using internal resources. MSPs can provide proactive monitoring, management and maintenance services to help you gain a better return on your technology investments, and free up resources to focus on more strategic priorities.

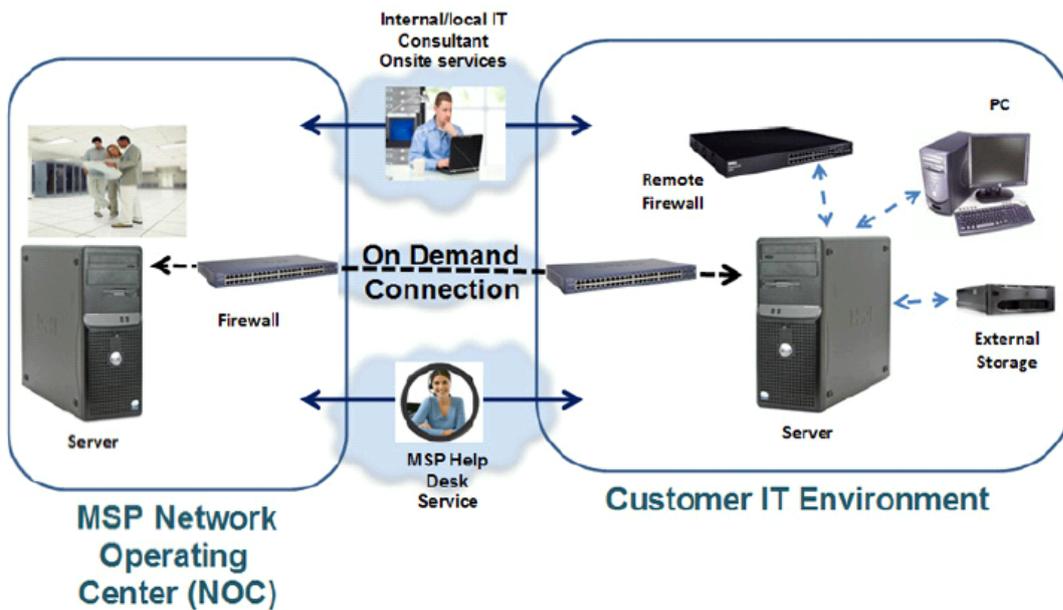
"Blue Saffron are monitoring our ICT infrastructure and have changed the support dynamic from reactive to proactive"

- National Media company

Managed services let you offload specific IT operations to a service provider. MSPs assume ongoing responsibility for monitoring, managing and/or problem resolution for selected IT systems and functions. MSPs usually offer a menu of services such as alerts, security and patch management and backup and recovery for client devices, servers, storage systems, networks and applications.

Managed services supply these services to you remotely from a centralized network operating center (NOC) over the Internet, as shown in **Figure 1**. They often perform an initial assessment of your current IT environment and management requirements to help you decide what services and service levels you need. Some also provide customer support on-site when required.

Figure 1: Managed Services Provide Remote and On-site IT Management Services



Unlike traditional outsourcing situations, where you surrender complete control of your ICT assets, in a managed services arrangement, you decide what you want the service provider to take care of, and what you want to handle. You retain full visibility into the process and management of your systems.

MSPs usually price their services on a subscription basis. Depending on the services they provide, pricing is based on the number of devices, offering different packages at different levels. Basic services often start with a monitoring service, which notifies you of problems, which you resolve on your own. At the upper end of the spectrum, service providers offer fully managed services that cover everything from alerts through problem resolution.

Because managed service providers perform similar services for many customers, they offer economies of scale and skill that most SMEs could not achieve on their own. A trusted managed services provider can act as an extension of your IT department, giving you access to experienced, specialized IT resources to improve service levels and minimize downtime, helping you to:



- Concentrate on running the business, with fewer business interruptions due to IT issues.
- Focus your IT staff on higher value projects that will yield benefits to your business.
- Reduce business risks by avoiding many technology problems in the first place.
- Resolve problems quickly when they do happen.
- Manage IT systems more cost-effectively and predictably.
- Develop a more responsive and proactive service.

" the costs of IT infrastructure downtime are much more significant than you'd initially estimate

Section 3: Evaluating Managed Services

The overall case for managed services seems intuitive. But how do you determine if it's a good fit for your company? And where should you start? You can begin your assessment by evaluating certain key areas, we have highlighted some of the more commonplace in **Figure 2** below.

Considerations	Questions to Ask
Scope of IT infrastructure and business dependency	How many servers, PCs, mobile devices, etc. do you manage today? How many internal and external IT resources are required to support your IT infrastructure? How many users rely on the IT infrastructure and the applications that run on it? How many hours do they use it in an average day?
Time requirements for routine IT infrastructure management	How much time do you and/or your staff spend managing networks, servers and other hardware? How much time do you spend backing up systems?
Time requirements for IT infrastructure problem resolution	How much time do you spend triaging a problem before you can fix it? How long does it take to get problems resolved? When problems occur, how long does it take to failover?
IT infrastructure management capabilities assessment	How well are you able to keep pace with updates, patches and other functions necessary to keep your systems running smoothly and securely? How often does fixing one problem lead to another issue? Are some systems not getting backed up frequently enough? Are you able to spot and fix problems before they happen? If something goes wrong first thing in the morning is someone ready to fix it?
Business impact	How many man-hours and dollars do you spend today in this area? How satisfied you are with the level and quality of support that you have today, relative to the cost of that support? How much downtime do you experience annually, and how does it affect your business? Have you identified gaps, pain points and inefficiencies that potentially jeopardize the business? How much productivity (lost hours) result from downtime, and how much does this cost the business?

Figure 2: Assessing Your Need for Managed Services

If your answers to these questions are similar to the customers we spoke with for this paper, it's likely you've already identified some critical areas that need improvement. While it can be difficult to determine the exact downtime for any given situation, you can approximate length of downtime and the probable business risk and damage with the following calculations:

- The number of users that rely on the application, and the approximate number of hours that they use it in an average day.
- The hourly cost per hour for that group of users.
- The total lost hours of productivity and the direct costs for each downtime period.

" If we are down during peak time- business will flow to our competition'

- Nationwide Recruitment Process Outsourcer

For a nationwide recruitment company, the calculation is straightforward. The company must provide its placement consultants with fast, reliable access to its candidate tracking database, which "manages just about every single thing we do;" "The speed with how everything happens is critical-every minute is critical to our business-we have many employees, so for every minute I'm down, its critical.

Depending on the function, you'll want to factor in other variables as well. For instance, if the server that runs your electronic store goes down, customers can't shop or purchase on your Web site. You will not only to lose sales opportunities at that point in time, but potentially create dissatisfied customers that won't return to your site. As you think about these scenarios, you'll probably realize that the true costs of IT infrastructure downtime are more significant than you had initially estimated.

Section 4: Managed Services Provider Selection

As market demand for managed services grows, many vendors are entering the market, creating a wide choice for SMEs. But not all managed services offerings and providers are created equal. Some don't really scale well for the needs of SMEs. Others may not have the infrastructure to provide 24*7 monitoring, management and maintenance services. They may lack experienced IT staff that can perform swift triage to identify and fix the problem, or be unable to offer on-site service when you need it. Some may not be able to provide a consistent account support team, or be as responsive as you need when a problem arises. There may be hidden costs that you find out about only when you're experiencing downtime.

"We spent considerable time and effort managing multiple third party vendors and systems prior to engagement with Blue Saffron

- Regional Airline Support Operation

The operational support for a regional airline, for example, has always relied on external providers for IT infrastructure management. But in some cases, were "outrageously expensive but they weren't getting the job done. Managing them was challenging – by centralising with Blue

"True 24/7 service means having technicians watching the screens and checking things out around the clock."

- Global Recruitment

Saffron we freed up more time and increased productivity '

Some of the companies that a London headquartered global recruitment company had considered had a lot of experience, but lacked a 24/7 NOC. If they encountered a problem, "Someone would get an email on their smartphone, but there was no one actually sitting in a monitoring center watching the networks for alerts;"

SMEs deserve a managed services solution designed for their specific needs-one that is experienced, proactive, predictable, cost-effective, flexible, and responsive. Some of the key criteria and questions potential managed service providers

need to address are illustrated in **Figure 3** below.

Figure 3: Guidelines for Evaluating Managed Service Providers and Offerings

Key Criteria	Questions for Vendors
Initial assessment and implementation	What is the process to assess and correct the existing environment? Does the vendor have tools and methodology to streamline this? What is done remotely, and what (if anything) is done on-site? How long will it take?
Experience with hardware and software environment	What type of expertise and depth of experience does the vendor have to identify and resolve problems on the critical systems in my environment? Does the vendor have experience managing heterogeneous systems environments? Do they have any experience with business applications?
Flexibility and scalability	Can you buy just the services you want, and add additional ones as needed? Does the vendor have the personnel and infrastructure to easily absorb increased service requirements?
Pricing	What does the pricing cover? What doesn't it cover? Are there different types of subscription plans (for example monthly/annual contracts, premium services)? Do I need to plan for cost overruns if the vendor needs to spend additional time to identify and/or fix a problem?
Reporting and visibility	What kind of visibility do I have into the services provided? What types of reports does the vendor provide? How often? Can the vendor customize the information or frequency of these reports for my needs? How can I be sure they are actually doing what they said they would ?
Account resources and responsiveness	Can the vendor provide me with a consistent team, or is service disjointed? Does the vendor have the personnel and infrastructure to respond to my concerns and keep me informed? Does the vendor provide 4/7 service, 365 days/year? What service and response levels does the vendor guarantee?

With the needs of SMEs in mind, Blue Saffron developed Managed Services for SMEs from the ground up. The service combines the advantages of remote management services with a scalable network operating center and an experienced team of support professionals around the globe (Figure 4). Offered via a subscription-based, proactive 24/7 services model, Blue Saffron Managed Services can lift IT monitoring, maintenance and management burdens off SMEs' shoulders so they can focus on running their businesses.

The service integrates Blue Saffron's data center expertise with an industrial-strength managed services platform, a SaaS desktop management solution, and other Web-based technologies. It offers SMEs a choice of service levels, including alerts, monitoring and management services for a wide range of client, network, servers and applications.

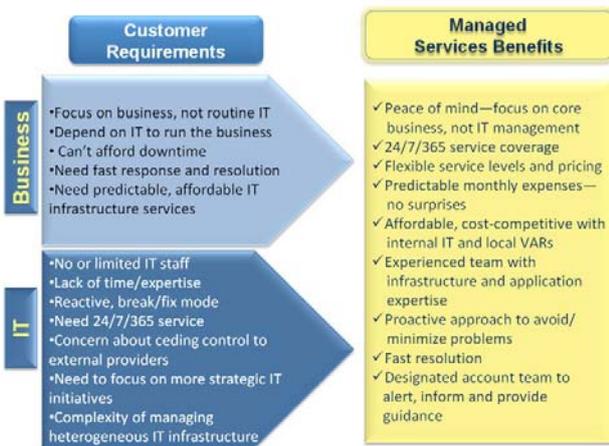
Section 5: The Results ?

Customers are finding that Blue Saffron Managed Services can serve in lieu of or as a cost effective extension of their IT department, providing both the IT and business value that they need (Figure 5). By off-loading day-to-day IT monitoring and management to Blue Saffron, they can save time and money and get a better return on their technology investments. Freed from routine IT monitoring and maintenance, customers can devote more of their time and energy to helping their businesses prosper.

"" Are we saving time? Yes and productivity has definitely gone up. I know the aggravation level has been significantly reduced"

- Nationwide Motor Retailer

Figure 5: Blue Saffron Managed Services and Customer Requirements



Summary

ICT is becoming more complex, and SMEs will continue to become more reliant on ICT-based solutions to compete effectively in today's demanding business climate. As the market evolves, it's crucial to keep your ICT infrastructure up and running. Your business needs to both minimise unnecessary downtime and maximise return on IT investment.

Given limited IT staff and budgets, you need to make wise decisions as to what you can do best yourself, and when experienced, expert third-parties can do a better job. By offloading routine maintenance and IT trouble-shooting solving to a trusted managed services provider, many SMEs can reap more value from their IT investments, and focus on making their businesses more successful.

Blue Saffron has designed its managed services solutions specifically to meet the IT, business and



budgetary requirements of SMEs and other organisations considering selective outplacement of certain It management functions. Blue Saffron Managed Services can provide peace of mind that an ICT infrastructure will be up to the job of supporting the goals of the business, both now and into the future. To learn more, visit www.bluesaffron.com/managedservices.

About Blue Saffron

We are one of the UK's most progressive independent suppliers of essential services to midsize businesses, focused on communications and IT. Whether you are looking for fixed line or mobile telecommunications, internet access, or IT services such as data backup, security, email, or desktop management BlueSaffron can help.

We package, price and bill our services clearly and simply, with a unique commitment to intelligent customer service. Our independence makes sure we are completely impartial and can leverage our stable of world-class suppliers to meet your needs.

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