



Executive Brief:
The Business Case for
IT Managed Services



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IT Managed Services and Business Performance

Managed information technology (IT) services has become an increasingly popular and preferred method for running and maintaining IT systems. IT managed services enables and supports what is common to all businesses - the need to increase business revenues, performance, profitability, and competitiveness. Rather than providing IT services themselves, many organizations, large and small, have found that outsourcing their IT provides a slew of benefits including:

- The ability to focus on core business competencies versus IT.
- Reduce business risks.
- Reduce costs.
- Increase business continuity and productivity.
- Provide access to new technologies and IT expertise.
- Help respond to changing business conditions.
- Provide a competitive advantage.

IT and Competitive Advantage

In essence all companies compete in a global marketplace. Most companies have some level of web presence providing access to a variety of markets and customers. While providing tremendous opportunities it also provides a highly competitive environment where customers can easily investigate other competitors with a simple click of the mouse.

In order to compete, organizations are required to move faster, offer new products and capabilities, deliver operational efficiencies, and meet or exceed customer expectations. Meeting these challenges requires companies to leverage IT for internal and external business operations. To compete at the most basic level, companies require a reliable and secure IT infrastructure that enables employee productivity and protects the digital assets of the business. Successful organizations however, view IT as a strategic asset to increase innovation, services, and quality while lowering costs.

Bridging the Gap

Many companies are finding it takes an ongoing investment of time and money in their IT infrastructure and people to keep up with the challenges of a global marketplace and digital economy. While IT plays an important role, many companies are ill equipped or would rather spend their time focusing on their core competencies such as product innovation, business development, and customer service.

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Managed services bridges the gap by providing companies access to leading technology, resources, and expertise without requiring huge capital expenditures or ongoing investments in technology. More importantly they allow companies to focus on their business and use their resources for higher priorities.

How to Decide if IT Outsourcing is Right for You

When considering whether to outsource your IT services and functions there are two sets of questions that need to be answered:

1. Is IT a critical need of your business? Does it provide a competitive advantage or does it put your business at risk?
2. What is your organization's competency in delivering IT services and support? Is it a core competency or is it a drain on your resources?

Is IT Critical to Your Business?

We live in a digital world where the speed of business and client expectations necessitate organizations to deliver information and services in real-time. How well does your IT system help you meet the demands of your customers? Does it provide you with a competitive advantage? Does it provide the ability to streamline your operations and lower costs?

What are the major risks to your business? What would happen if your IT systems were unavailable for an hour? A day? A week? What would happen if your customer data were lost or stolen? How quickly can your business operation be up and running after a natural or man-made disaster.

The decision to outsource your IT functions must involve a close look as to how much risk your company is willing to bear and what opportunities are being missed to be more competitive and productive.

What is your company's competency in delivering the IT Function?

The decision to outsource your IT function must also be based on whether it makes sense to provide IT capabilities from internal resources or an outside party. The key advantage to an outsourced IT managed solution is the ability to focus on your core competencies; therefore the first question to ask is, "Is IT a core competency of our company?" Is your IT department focused on bettering the business and serving customers or are they spread across multiple functions? Is your company restricted by your IT department's limitations? How well positioned is your IT staff in keeping up with the latest trends and tools?

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Anything that takes you away from your business and customers is considered negative overhead. How many people and hours does it take your organization to keep your systems running? What happens when there is a problem? How much productivity is lost? Is your IT department a department of one or two individuals? What would happen if one of them left your organization?

Numerous organizations are experiencing the benefits that IT managed services provide in increasing business revenues, performance, profitability, and competitiveness. The answers to some of the questions raised in this paper can provide you with a better understanding of the true value of IT managed services and whether your business is suitable for this type of solution. In today's competitive environment, the companies that focus and excel at what they do best are well positioned for success. IT managed services can be the formula to achieve and maintain focus in driving business performance.

About ORBIT Systems

ORBIT Systems is an IT Managed Service Provider (MSP), providing complete IT outsourcing to small and mid-size companies in the Twin Cities seven county metro area. By combining world-class IT systems and award winning customer service, ORBIT makes it easy for companies to do what they do best – focus and grow their business. ORBIT's OfficeReady® solutions offer a line of software and services designed to include everything an office needs to work efficiently, right from the start.

To find out how your company can make your IT investments a strategic asset, contact an ORBIT representative at (877)-4LAUNCH. Or check out our website at orbits.net.

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