Valley Expetec

The Essential Guide to Co-Managed IT



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Make Informed Decisions for Your Company IT Strategy

Technology is an integral part of every business today. As your enterprise grows, your IT needs also increase in volume and complexity. Often, rapid growth is too much for a company's internal IT team to handle, or the requirements might extend beyond the scope of the in-house IT experts. In such cases, co-managed IT is the most viable solution

What This Guide Contains

This guide will walk you through everything you need to know about co-managed IT. The information here will enable you to make the right decisions for your company's IT strategy. It is fairly long and detailed, so you probably won't finish it in one sitting. For your convenience, however, we have organized it into separate sections based on questions that business owners typically ask when inquiring about co-managed IT. Those sections are:

- What is co-managed IT, and how does it work?
- How is it different from managed IT services?
- What are the advantages of choosing co-managed IT?
- What are the drawbacks?
- How do you tell if co-managed IT is the right choice for your organization?
- What are the kinds of businesses that most benefit from co-managed IT?
- How can you select the right co-managed IT partner



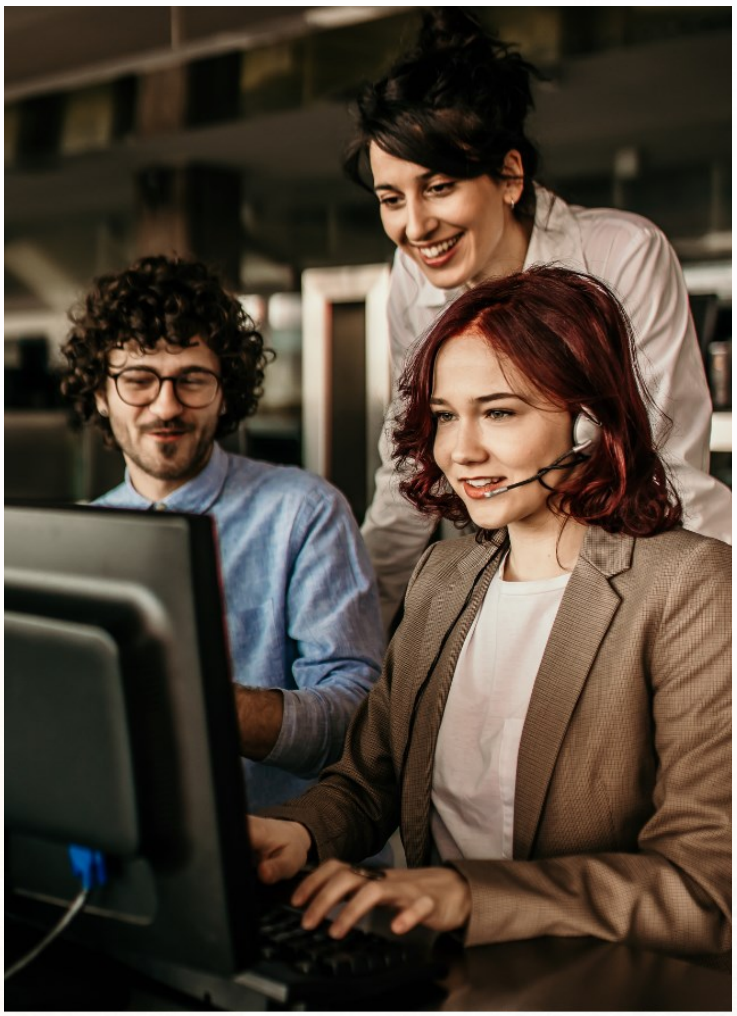


To Whom This Guide Geared

Some business owners will not have the time to read this eBook in its entirety. We understand that it's quite a lengthy read, and it involves a lot of specifics. However, this tutorial is likely to be very useful if you are a business owner who:

- Wants to enhance the IT infrastructure of your organization.
- Wants to learn how your company might benefit from co-managed IT.
- Is considering making the transition to a co-managed IT strategy for your company.
- Needs further information before choosing a co-managed IT partner.
- Is expanding your company to the point where it makes sense to use co-managed IT?

When you finish reading this guide, you will have a clear and complete grasp of co-managed IT. You will also be better prepared to decide if it is the most suitable strategy for your business.



What Is Co-Managed IT and How Does It Work?

Co-managed IT is a unique and highly efficient strategy business owners use to maintain their IT infrastructure. In this setup, the company's in-house tech team works with an external managed services provider.

Some companies entrust all the technology issues solely to an internal team. Others choose to retain an MSP to handle all their IT needs. Both strategies come with benefits. However, with co-managed IT, you can get the best of both worlds: you get peace of mind knowing that your in-house team, who is very familiar with your business, is there to provide insightful decisions, and, at the same time, you benefit from the vast expertise and a wide pool of resources that is only available through partnering with an MSP.

How are Co-Managed Services Different from Managed IT Services?

Both co-managed IT services and managed IT services come from a third-party company, or an MSP. Their function is very similar in that they both provide cutting-edge technology solutions for various aspects of your business. The main differences lie in the extent of their services and the level of involvement in the client's IT processes.

Managed IT is a fully outsourced service that essentially replaces an internal team. In this strategy, the provider takes over all the IT tasks of the client. This process includes everything from monitoring and tech support to security and even strategic planning. The actual scope of managed IT service would depend on the needs of the company. You can choose the services you want help with in a managed IT setup. However, your contract will lock in these services upon subscription, for which you would pay a fixed amount every month.

Co-managed IT, on the other hand, can be a much more flexible solution. The business can retain certain tasks in-house, which the internal tech team continues to handle. The internal and external teams then work together to maintain efficient operations within your organization.



What Are the Advantages of Choosing Co-Managed IT?

Between co-managed IT and managed IT, more and more companies are veering towards the former. Of course, it's not the universally right decision because many businesses find it more beneficial to opt for fully managed services. The only way for you to decide as to which strategy would be a better fit is to understand the advantages of both options. Let's start by listing the advantages of a co-managed versus a fully managed IT solution.

Lower Costs

How can your business reduce IT management costs while maintaining effective and efficient IT operations?

Overspending on IT services can strain the budget and reduce funds available for other critical areas. With co-managed IT, you are entrusting only a portion of the entire IT workload to the MSP while keeping the rest of the tasks in-house.

Therefore, the cost of a co-managed IT service is lower than a fully managed service. At the same time, you are supporting your internal team with an MSP that is offering newer or better technology.

Flexible Task Allocation

How can you maximize the proficiencies of your in-house team while also making the most of what the MSP's top experts have to offer?

Both your internal team and the MSP have specialized skills that would benefit your business. As the business owner, you get to decide which tasks to delegate to the MSP and which ones to keep for your in-house team to handle. With this kind of flexibility, your existing team can continue doing the tasks that they do best. At the same time, tasks beyond their scope can be the responsibility of external experts with the right resources and skills.

Wide Range of Expertise

Certain areas of business operation require specialized IT skills that are hard to find or expensive to hire. How can you get such resources readily available each time you need them?

Even the most highly trained internal IT team still has limited skills and resources compared to the vast range that you can access with an MSP. Through co-managed IT, your company would have access to even the most specialized tools, knowledge, and resources, which your in-house team can use to perform their job more efficiently. You won't have to pay a premium price for these services as they are generally part of the co-managed IT package.

Quick Response Time

Can you be certain that you will get immediate action or a prompt response for IT concerns that need to be resolved urgently?

A common concern of business owners regarding managed IT is the response time. With only your in-house team responding to outages, it can be much longer than ideal if there is no one on-site to immediately fix the problem. But, with 24/7 co-managed IT, you can rest assured of immediate action. The remote team can coordinate the issues with your staff on-site, and with their combined efforts, solve the problem and avert further risks as quickly as possible.





Escalation Point

How can you ensure the continuous flow of business operations despite occasional spikes in IT tasks due to peak seasons or catching up with operational backlogs?

Technology directly drives most business operations. With all the tasks on the to-do list, it is unavoidable for IT teams to get overburdened. This issue leads to missed deadlines and, occasionally, business losses. With co-managed IT, the external team can step in or provide the necessary support to keep things flowing smoothly even during these high-traffic situations. With co-managed IT, the external team can step in or provide the necessary support to keep things flowing smoothly even during these high-traffic situations.

Enhanced Network Security

How can your business ensure compliance with industry security standards while effectively mitigating cyberattacks, with the possibility of having limited in-house IT expertise?

Failure to address this could lead to non-compliance penalties, security breaches, or operational disruptions. Working with an MSP, your business will be more secure against online threats with multiple layers of security in place. The in-house staff typically provides the first line of defense, while the MSP can boost your defenses with more advanced security measures which are sure to comply with industry standards.

Scalability

Can your business count on always having the appropriate IT solutions, regardless of how often you decide to upgrade or downgrade?

As a business owner, you naturally aim for continuous growth. However, some circumstances might also call for downsizing. This step is not a problem with co-managed IT solutions, which the MSP can easily scale up or down, depending on the changing needs of your business. The setup does not tie you down to a fixed subscription of services. Instead, you can always opt in or out of whatever features you need or don't need.

Better Overall Productivity

How can you provide a more conducive work environment for your IT staff, relieving them of tedious work and giving them the requisite time off, thereby allowing them to excel in the work they do best?

Employees who are constantly overworked and stressed will eventually produce lower-quality output. Co-managed IT allows you to unburden your internal IT staff of repetitive tasks, as well as specialized tech processes outside of their expertise. As a result, they can focus on their core responsibilities, which should result in better productivity for your organization.





What Are the Drawbacks?

The benefits of co-managed IT are many, but it can come with a few disadvantages as well. Despite the many advantages of a co-managed IT setup, these drawbacks can be deal-breakers for some businesses. Here are some possible negative outcomes of adopting this kind of IT strategy.

Friction between IT Teams

Say you've had your IT team for a long time, and suddenly you decide to bring in an MSP for extra support. This situation might result in some tension on the part of your in-house staff. The original team might feel they are dispensable, so management needs to step in and clarify that this is not the case. However, with everyone involved being able to maintain an open attitude and willingness to adapt, this should not be a huge hurdle to overcome. Clear communication before bringing in an MSP will solve this issue.

Coordination Challenges

IT professionals can have different methods of problem-solving, strategy implementation styles, or schools of thought. Given this, it's not surprising for internal IT teams and MSPs to occasionally butt heads, which might cause delays in some operations. If not addressed right away, these conflicts might be detrimental to the business. A simple solution to this is for both parties to be the professionals that they are. Understand that everyone wants what's best for the company. Find a way to compromise and fix the communication gap.

Over-dependence

This problem does not always happen, but there is still a risk, especially if there is no clear definition of the division of tasks between the MSP and the internal staff. Also, if the MSP does its part very well, which should be a good thing, some business owners might keep delegating even more tasks to them. It might reach a point where the in-house team is barely doing anything and the business becomes overly dependent on the provider. The business owner and managers can prevent this problem by maintaining a balanced allocation of tasks between the two IT teams.

Negative Impact on End Users

Making business changes is often a huge challenge. In some cases, it is the end users that bear the brunt of these changes. When integrating co-managed IT into your organization, there are likely to be several of these changes, especially with security. You can minimize the impact by preparing everyone beforehand. It is critical to explain to everyone that the changes are all for the good of the organization.

Security Risks from Sharing Sensitive Data with the Provider

For the co-managed IT setup to work properly, the business owner must share confidential information with the MSP. With the rampant security threats that abound online, it is understandable why many business owners may be hesitant to do this, but it is a necessity. Should you find yourself at these crossroads, you can ease your worries by choosing a reputable provider. We will have more information on how to choose a provider later in this guide.

Limited Hours of Support

Fully managed IT support intrinsically comes with 24/7 monitoring. However, some co-managed IT providers might only work during regular business hours. This arrangement would defeat the purpose of why you hired the service to begin with. It's good that many co-managed IT partners do provide round-the-clock monitoring and support–you just need to check for this before deciding who to partner with.



How Do You Tell If Co-Managed IT Is the Right Choice for Your Organization?

Co-managed IT is not for everyone, but it is a viable strategy for the majority of small and medium businesses today. So, how do you decide if it is the right choice for your company? Following are some typical situations businesses face that strongly indicate the need for co-managed IT. If any of these issues are familiar, you should consider shifting to a co-managed IT setup as a feasible solution.

You have a very small in-house team that often gets overwhelmed with IT matters.

Most small businesses operate with just a minimal IT department to handle all the technology needs. Often, this "department" consists of just one individual. In the beginning, this works, but as the business develops, a small team is soon overloaded with work. If this continues, they might start to deliver sub-par results, or worse, they might quit when you need them most. Additional support in the form of co-managed IT services would come in handy.

You are worried about the security of your business.

Hacking, phishing, social engineering, and all those scary cybersecurity threats are everywhere. If you feel that your existing security measures are lacking, put your fears to rest by partnering with a co-managed IT provider that specializes in cybersecurity matters.

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You are unable to upgrade your system due to a lack of time or expertise.



In our technology-driven world, it is necessary to continually update your IT infrastructure so that you don't lag behind the competition. However, this can be next to impossible if your organization doesn't have the time, expertise, or resources. With co-managed IT services, things like cloud migration, software or hardware upgrades, and robust cybersecurity solutions will all be readily available when you need them.

Your business is expanding fast.

Rapid growth is an indication of good business, but it also means your internal tech needs are growing fast as well. To keep up, you need to get more people on board. Finding new employees and training them will require a lot of time and money. With co-managed IT, you can have all the additional support and resources you need for your expansion right away.

You want to expand your IT team but do not have the budget.

IT experts have very high salaries these days. Hiring just one or two additional members for your team would set you back a large amount per individual each month, plus onboarding expenses, employee benefits, and so on. That is simply not the kind of money that most business owners would willingly spend. Co-managed IT services, on the other hand, could cost just a fraction of what you would pay individual experts. Furthermore, you can get easy access to a slew of experts with this kind of partnership, allowing you to keep your business at the top of your industry without spending more than your budget allows.





What Are the Kinds of Businesses That Most Benefit from Co-Managed IT?

In addition to the individual issues you may have been experiencing, such as those listed above, there is another way to tell whether co-managed IT can be an excellent solution. You can do this by examining the IT setup or requirements of your business. Consider looking for a co-managed IT partner if your business falls into any of the following categories.

Businesses with highly specialized IT needs.

For most businesses not in the IT industry, the tech tasks are mostly routine. It mainly revolves around communication, network maintenance, tech support, and so on. However, if you have special requirements that are outside the skill set of the average IT team, teaming up with an MSP in a co-managed IT solution is the best option.

Businesses that need both internal and external IT teams.

Some businesses have networks that an internal team can easily manage. For others, the infrastructure is so complex and extensive that outsourcing all IT tasks is the best choice. If you want both the familiarity and personal touch of an in-house team, as well as the broad expertise and essentially unlimited resources of an MSP, then co-managed IT is the right choice.

Businesses that require ongoing IT support.

You can consider hiring temporary IT staff to help ease a minor backlog of tasks or to tide you over a peak season. But if the IT support you require is ongoing, it is best to partner with an MSP. It will be more cost-effective, and the external team can develop a productive relationship with your in-house team. At the end of the day, this would be much better for your business.



Businesses with an extensive network or that span multiple locations.

If you have multiple locations that are distant from one another, it's not very practical to expect your in-house team to be always available in every location. Ideally, you would want to have dedicated staff for each location. Unfortunately, this is not always economically viable. With co-managed IT, the MSP can remotely handle your entire network regardless of how extensive it might be. In the meantime, your core internal team can continue holding the fort at your main location.

Businesses that are on the verge of a massive expansion.

You might not be feeling it just yet, but you will need many more technical hands when your business expansion is underway. Right now, you might be confident that your team will be able to handle it. Soon, however, the work will pile up much faster than you expect. Before you start growing your business, be sure you already have a co-managed IT partner selected. This way, you won't have to face unexpected roadblocks by yourself.



How Can You Select the Right Co-Managed IT Partner?

Now that you have a firm grasp of what co-managed IT is, you're ready to begin searching for the right co-managing IT partner. This is an important decision as it might be a bit overwhelming. After all, there are so many companies offering co-managed IT services out there these days. So, how do you determine which of these providers are the best choice for your business? We have broken the process into five major steps to make it easier for you.

1. Identify the IT requirements of your business.

Before diving into the pool of co-managed IT providers advertising their services, make sure you know what your business needs first. It would be best to collaborate with your existing team for this task. Take an inventory of your present infrastructure. Identify the gaps you need to fill. Then, assess the processes in your organization that are highly dependent on technology. Think of ways in which these processes might be improved. Compile all these requirements into an organized checklist when considering candidate partners.

2. Determine your budget.

You must figure out how much your business can allot for the co-managed IT service. You might need to consult with your managers and financial advisers for this. These kinds of services are highly flexible, and the cost can fluctuate wildly depending on the inclusions. Without a predetermined budget, business owners often get carried away. Many end up getting services they don't need, which causes them to pay more than they should. You can avoid this by having a clear limit on the budget right from the start.

3. Search for reputable providers that match your requirements.

Now comes the fun part of choosing the best candidates for your shortlist. Simply looking for co-managed IT providers is not difficult at all. After all, there are many of them around today. The challenge lies in weeding out reputable companies from those that could potentially be just a waste of your resources. While conducting your search, pay close attention to each provider's track record, length of experience in IT in general, and level of expertise in tech areas that are relevant to your industry.

4. Assess the quality of services offered by each potential provider.

Here's a common scenario. A business signs up with an MSP, and then finds out too late that the quality of service provided is not nearly as good as they had anticipated. To avoid this, do your research as diligently as possible. Fortunately, there are many ways to assess service quality. You can examine reviews and feedback from other clients. During the initial consultation, you can ask critical questions.

You can even request to see case studies of their completed projects, which most providers would be happy to share. During your investigation, pay close attention to the company's response time, clarity of communication, customer service, security strategies, and disaster recovery programs. It is also wise to ask about licenses, certifications, and partnerships with renowned IT groups. These accreditations are indicative of their ability to provide quality service.

5. Ask for quotations from your shortlisted companies

Once you are satisfied that they have answered all your questions, ask each shortlisted provider for a quotation or a formal proposal. Naturally, the proposal should indicate the cost of their service. In addition, it should also include a detailed breakdown of the IT solutions they offer, which should perfectly match your company's requirements. There should also be a list of deliverables, plans for scalability, additional features you can choose, and so on.



Choose the Right Co-Managed IT Provider for Your Business

There's quite a bit of information that we have carefully put together for you in this guide. Take some time to digest all of it, then you should be able to make the right decision on whether co-managed IT is the right strategy for you to take. If it is, we are here to help you take the next step and begin a partnership with a provider that is perfect for your business.



More Business Resources

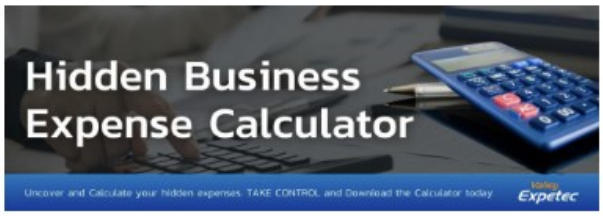
Explore Valley Expetec comprehensive business resources to enhance your understanding and find additional support for your IT needs.



Cracking the Code: Overcoming IT Industry Challenges Webinar

We will show you how this policy takes a proactive approach to control your employees possibly wasting time on the internet and how to implement this policy within your business.

Watch Our Free Webinar



Hidden Business Expense Calculator

As a business owner or manager, you know the importance of being productive and efficient with your time. Learn the 5 Ways Businesses Waste Money by Not Having Proper IT Guidance.

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Frustrated by Broken Promises from your IT Provider? You're Not Alone! Clear your frustrations by auditing your IT Provider using these 7 critical components.

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