AKITA The IT People

OUTSOURCING IT SUPPORT

Explaining the benefits of outsourced IT solutions.

INTRODUCTION

Traditionally, nearly all companies have made use of in-house employees to carry out every single one of a business' core functions. Regardless of the job in hand – marketing, sales, data collation, communications – people have been hired to work specifically in one area, and on behalf of one organisation.

However, while some companies still operate in this way, many do not. And the number of businesses that are taking advantage of the benefits of outsourcing is increasing by the day.

Many firms – especially those that are looking to reduce costs while increasing efficiency – are looking closely at how they operate. And the result is often to move away from under-utilised, in-house operations to focus on external resources that either reduce costs or maximise return from investment.

Wherever possible, organisations argue an outsourced service should achieve both of these aims.

THE RISE OF IT OUTSOURCING

IT outsourcing is far from a new trend. However, studies by research agencies found that as of the end of 2019 IT outsourcing had reached a five-year high[i].

With the IT outsourcing market set to be worth in the region of $98bn by 2024[ii], it's clear to see its adoption is wide spread.

With budgets being cut to ensure that companies can survive in both the short- and long-term, and consumer behaviour difficult to predict, business owners are looking at various options to keep spend – especially if it is difficult to justify – to a minimum.

IT outsourcing is, given the inherent benefits in terms of cost and productivity, is now at the very top of many business' agendas.

MORE THAN ONE WAY TO OUTSOURCE

As a definition, outsourcing is the process of handing control of a particular business function to an external operator; very often, in a bid to cut expenditure and also maximise levels of productivity.

An outsourced IT managed service provider can completely manage your IT systems, support your user base, perform upgrades and patching – often without even having to visit your workplace.

But IT outsourcing can also be far more granular if that's of benefit to an organisation. Much of the cost of an internal IT department relates to the salaries of the more expert and senior members of the team. More junior ('first line') IT salaries are less elevated because of this lack of experience.

Basic break/fix IT issues are far more typical day-to-day and some organisations will always crave onsite assistance for AV related measures. In contrast, more complex ('third line') IT requirements are less common.

Rather than having an experienced (and expensive) IT resource undertake mainly basic tasks, some organisations may benefit in retaining junior members of staff, while outsourcing more complex requirements for a better use of budgets.

Equally, a business may not find value in having an in-house resource for all its specialist systems (networks, phone systems, cloud, CRM etc.). In contrast, an outsourced support partner may be able to provide all of these services - and still be cheaper than a single in-house resource.

ALIGNED TO A BUSINESS' NEEDS

One of the key benefits associated with outsourced services is that there is far better capacity to scale up and down than would be possible should tasks remain in-house.

This is logical across all operations; organisations don't employ expensive creative teams full-time for their advertising, they use agencies as and when they need to boost enquiries. Similarly, a business shouldn't think of hiring a large IT team just to meet times of peak demand (say, Monday morning).

The right outsourced IT partner will always have the support capacity to meet a business' needs, and very good partners will build in contractual service agreements about how fast issues are dealt with.

Conversely, there should be terms of service for if an organisation scales down its number of users.

SCALING OF SERVICES AND RESOURCES

A reliable outsourced IT partner will have the capacity to serve much more than support (if that's what required).

Whatever the core IT service requirements an organisation has – be it cloud services, telephony, hardware provision and so on – an outsourced IT partner will be able to support this and assist as needed. Some services may be included as part of a contract services, others purchased as needed.

A good IT partner will also be able to assist help an organisation scale the resources it needs. An outsourced partner providing cloud services, for example, might advise how to reduce storage costs; there may be advice on how spend on software licensing can be reduced.

And then, potentially, there are entirely different IT services that can supplant existing solutions to deliver either a more efficient or cost-effective result. A good outsourced partner will have the consultants to be able to advise on this.

THE EXTERNAL BENEFITS OF OUTSOURCING

Beyond the company benefits of outsourcing, it can also keep customers and partners happy too.

A study published in 2019 by Konica Minolta found that 48 percent[iii] of companies that outsource services did so primarily to enhance customer services and retain their custom.

And it's a simple argument: concentrate on what you're good at. If your organisation is growing and attracting customers, it's doing something right. You don't want to be held back by a lack of the right IT people. Equally (and as often happens) you don't want to have to take users away from what they're doing to deal with internal IT issues.

48% of companies outsource to enhance customer service and retain custom.

Your systems need to keep up too. Whether that's about using the right CRM software or something as simple as having enough phone capacity for your customer service team. If you don't, it's likely a business is not giving your customers your best. And they can very easily - and will - go elsewhere.

By outsourcing IT services, businesses can ensure the capacity to liaise with current customers while simultaneously seeking new ones.

BOLSTERING BRAND REPUTATION

Brand reputation is an abstract value and therefore difficult to measure. When an organisation has it, opportunities become more prevalent and acquisition more simple. It's only when an organisation loses it that they discover the real cost of getting it back

Outsourced IT can play a part in brand reputation, helping a company become regarded as more efficient, effective and reliable. An experienced IT partner can see from the outside how to improve your company performance.

So whether that's ensuring your website never goes down, your telephone system routes customers easily to who they need, or simply keeping your network running at full capacity, a good IT partner can help build your brand almost as much as your next advertising campaign.

TIME & COST SAVINGS

While the wider benefits of outsourcing have been discussed, these will be what many focus on.

Whether in time or money, no organisation ever wants to spend more than is entirely necessary on any business element. The costs associated with hiring and building an in-house team – regardless of the team's function – can be incredibly high, especially as such teams will need to be trained to align with the business' bespoke demands. This means that, not only is such a process liable to be financially detrimental, but it is unlikely to bring about any benefits in the short-term.

And it's not only the cost of the team. A new employee typically takes six months to bring up to speed, meaning a long period of expected under performance. For a mission-critical department like IT, that can have wider repercussions across an organisation

THE RIGHT RESULT

When an organisation outsources, it can be assured that the capability and skills it requires for its operations are available immediately. From the outset to deal with any issues or challenges they encounter.

A study has found that nearly half of all businesses[iv] say the primary reason they outsource their IT services is in a bid to save on overheads. Which would seem to indicate that it is likely more businesses will outsource in the coming years.

PREPARING FOR GROWTH

Much of an organisation's success is governed by being ready for that success. Outsourcing can mean that, from an IT infrastructure standpoint, you are.

While most outsourced IT partners will find it easy to deal with a growth in your user numbers, only the best will be able to prepare your wider IT systems for that growth

More than simply bolting on more cloud storage or adding a few new cables, a good IT partner will be able to think creatively about how to enhance the overall IT network.

OUTSOURCING WITH AKITA

Akita is a leading outsourced IT support and managed service provider. We work with organisations ranging from SME to enterprise-level, delivering both responsive and proactive IT support and services that meet the challenges of a wide range of industries.

As an experienced outsourcing partner, we have professional processes and the right expertise to help organisations to transition to any degree of outsourced IT services quickly and seamlessly. And our solutions are designed to scale with your growth.

To explore the specific benefits of outsourced IT for your organisation, and how our services can be tailored to your requirements, please get in touch.

i https://www.cfo.com/technology/2019/08/it-outsourcing-at-a-five-year-high
ii https://www.globenewswire.com/news-release/2020/03/31/2009159/0/en/The-Global-It-Outsourcing-Market-is-expected-to-grow-by-USD-98-bn-during-2020-2024-progressing-at-a-CAGR-of-5-during-the-forecast-period.html
iii https://processflows.co.uk/news/outsourced-services/how-outsourcing-improves-your-customer-services
iv https://fortunly.com/statistics/outsourcing-statistics#gref

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