

The Complete Guide to IT Services

# MANAGED IT BUYING GUIDE



Designed to provide a starting point  
for your future technology investment.

**Rhyme**  
MANAGED IT



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## Different Models of IT Support

# BREAK FIX VS HIRING VS MANAGED

**Break Fix** As the name implies, with break fix you only enlist the help of a professional after something has “broken.” When you adopt a break fix approach to IT, you’ll be managing your hardware and software needs and charged hourly when an IT technician is dispatched. On a daily basis you might use a tech-savvy employee to solve minor IT issues, but it’s nearly impossible for them to keep up with all the developments in the fast-paced world of tech.

While you are relieved of the monthly service fee associated with the managed model, your costs for repairs, consultations and hourly labor are unpredictable with the break fix approach.

Traditionally, an IT support company worked reactively; the client called them when something was broken. The IT support provider’s service is judged by how quickly they can attend to a problem, but by the time you are aware of a problem, it’s already too late. Data is lost, downtime is incurred, productivity is reduced, etc.

**Insourcing** Some businesses may consider hiring a full time employee to support their IT needs. Hiring an internal IT person may allow that person to develop deep organizational knowledge allowing them to become experts at your line of business applications. Unfortunately, technology is often too complex and multifaceted for a single person to be effective at supporting everything from your line of business applications to infrastructure and security. Availability can be a challenge as well.

**Managed Services** A Managed Services Provider (MSP) takes over the responsibility of maintaining your system. Outsourcing the daily management of your system to an MSP gives you the advantage of preventive care. A good MSP will work hard to identify potential challenges and threats to your IT system and solve them before they disrupt operations. Both parties desire for the network to be stable because they both lose money when anything goes wrong. As a result of this alignment, a good MSP is incentivized to take on proactive maintenance to ensure that your network remains 100% stable.

If your server shuts down, you’ve got a professional who is already familiar with your system standing by to get your business back up and running.

An MSP is meant to do more than just solve your technical problems. Many organizations are unsure about which technology will benefit their business the most. Often technology investments are either underutilized or dropped due to unforeseen complexity. A great MSP will also serve as a strategic advisor helping you navigate the complex world of technology ensuring all investments are fully utilized.

When choosing between managed and break fix IT models, you should consider how much your business’ survival depends on your IT system and how much an IT problem will cost your business in downtime. Only you know what your budget can handle, but keep in mind that paying a monthly fee for a team of professionals, for a fraction of the cost of one FTE, to handle your IT headaches not only minimizes productivity disruptions, it can free you to focus on doing what you do best: growing your business.

The purchase price of your new technology is just the tip of the iceberg compared to its lifetime costs. Many times the maintenance of that technology can cost three or four times the original purchase price. Below are some of the costs you might not expect to encounter through the life of the technology.

- ✓ **Installation:** Once you have your new technology onsite, you’ll need an expert to ensure it is installed and connected to your organization’s network. Depending on the complexity of the technology, this can cost as much as the purchase price of the equipment itself.
- ✓ **Training:** Once your technology solution is installed, your team will need to know how to use the new features. Bringing in an expert or training one of your team members as an expert can be an unexpected cost.
- ✓ **Support:** Need somebody to run updates, troubleshoot issues with your accounting platform, or help a team member who can’t connect to the network? That is going to cost you. Whether it is the cost of hiring somebody to maintain your new technology or outsourcing an on-call technician.
- ✓ **Service Calls:** It is one thing to have to call somebody for help, but if you need somebody to come onsite and troubleshoot an issue, you could be looking at anywhere from \$100 - \$200 per hour. Depending on how severe the technical issue is, you may need to spend even more to replace a piece of equipment.
- ✓ **Add-Ons:** Don’t forget about your growing organization. You’ll need more team members to support that growth, and those new additions will need the same technology as the rest of your team.
- ✓ **Security:** This important element of protecting your company from viruses or malicious IT attacks can be expensive to implement, but it is unquestionably more expensive if you have a breach.
- ✓ **Software Updates:** While it is important to have updated equipment, the software programs you use to run your business can be just as expensive to update since you may have to do it more frequently.
- ✓ **Retirement/Disposal:** When the time comes to upgrade your technology, you’ll need to come up with a game plan on what to do with your old technology. Believe it or not, it can cost you more to dispose of the equipment properly than to just put it in the dump.

# Hidden Costs

## PROS & CONS OF BREAK FIX MODEL



When you choose this level of coverage, you will not be paying monthly fees. This is a “pay as you go” platform, making it a potentially good choice for companies on a limited IT budget.



In the traditional break fix IT support model, the clients’ interests are in dispute with those of the service provider.

- It’s often a “best effort” service. Response times are variable and guarantees are seldom made.
- The money you may have saved by not paying a monthly fee may be offset by a single network issue.

# 4X

more than the original purchase price



# WHAT IS AN MSP?

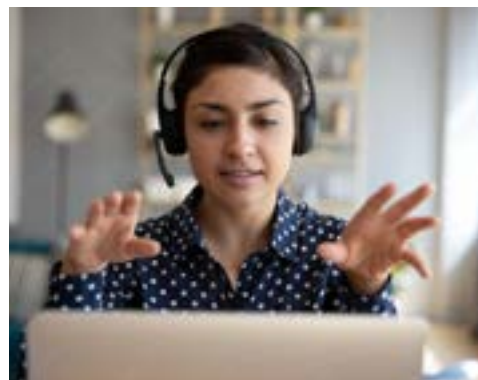
An MSP is a third-party resource that will manage your IT infrastructure, so your systems stay secure, updated, and running smoothly. The MSP handles all the daily technical issues with your network and your infrastructure, creating a capacity for growth employees can use to focus on your core business.

An MSP is meant to do more than just solve your day-to-day technical issues. Ultimately, when you choose an MSP, you're building a relationship with a trusted advisor, not just paying for one-off support. The MSP works collaboratively with executive management to create a road map of the services your business needs to thrive and grow.

Modern organizations utilize technology to gain efficiency and provide extra value to their customers. Technology can be complex. Choosing the wrong technology, implementing the technology incorrectly, skipping maintenance of the technology and not planning for replacement/

upgrades can be more costly than it's worth and can leave your business vulnerable both financially and in terms of security risk.

Businesses need someone to actively manage these decisions and processes. Organizations are faced with the decision to insource or outsource this position. IT managers salary ranges from \$70K to 100+K per year. IT is broad in scope and it's difficult to find and retain someone who has active skill sets in all necessary areas. When you outsource your day-to-day operations, you end up getting a team of experts cross trained in multiple disciplines, typically for the price of less than one full time IT employee.



## SUPPORTING AND MANAGING YOUR OWN NETWORK IS CHALLENGING.

In-house staff can be costly and have limited resources and expertise – leaving your business vulnerable.

**A Managed IT (MIT) Solution eliminates the need to have an IT person on staff – the MSP is your IT support.**

## MSP services may include:

- Help desk services
- Vendor management
- Cloud integration
- Patching and updating
- Monitoring and reporting
- Business continuity & disaster recovery
- Device auditing

## What your organization can expect from an MSP:



- Dedicated account representation
- A team of certified experts
- IT leadership
- Predictable billing
- Improved cybersecurity

A full-service MIT solution means all aspects of your network are covered.



# WHO IS A MIT FIT?

There are a few quick questions to ask yourself to determine if a full-scale MIT solution will be a good fit for your business.

How are IT issues handled today?



- Outsourced or Break Fix
- Internal person as part of their job function (not full time role)
- IT person/staff as full-time job

How many computer users are in your network?



- 10-100
- Less than 5
- Greater than 100

What are your hours of operation?



- 7:00 am to 7:00 pm
- Some nights and weekends
- 24/7 or 3 shifts



Mac or Windows Users?



Are you interested in making a change to improve your IT environment?



If you checked yes to any of the following, a full-scale Managed Services solution may not be a fit for you:

1. You have a full-time IT Staff
2. You have more than 100 employees
3. You are mainly a Mac environment
4. Your business operates three shifts or 24/7



QUESTIONS?

Visit us at [rhymebiz.com](http://rhymebiz.com) to get in touch.

# WHAT IS AN IT ASSESSMENT?

An IT Assessment is the process MSP's go through with your organization to identify the strengths and risks related to your IT infrastructure.

Most organizations start out like a remodeled house. There are add-ons and more add-ons and it can become really messy, really quickly and the IT Assessment helps bring all that to light and identify any key risks that have resulted from an unmanaged process in building out your IT.

Through a **Network Health Scan**, all device manufacturers (such as Dell, HP, Lenovo), model numbers, hard drive space, hard drive consumption, key line of business applications and versions your company uses, where the data is located, and any necessary infrastructure for running those applications is documented.

They investigate network configurations, such as how many VLANs you have?

Do you have an IP phone system? Do you use any cloud services? Are those cloud services configured according to best practices? Who's responsible for whether there's any failed backups? Who investigates the logs on the servers to see if there's any key errors that might represent a risk? Are there structural problems with active directory that could cause down time?

## A thorough assessment will learn from your employees.

What are the most important tools they use?      How & why do they use them?      Is everything configured appropriately?  
Do they have any problems with anything?      Do they get support in a timely manner?

## IN THE ASSESSMENT, INFORMATION COLLECTED INCLUDES:

- **Number of users**
- **Amount of data**
- **Operating systems**
- **Major applications and versions**
- **Networking equipment and configuration**
- **Server hardware and configuration**
- **Common/known security vulnerabilities**
- **Misconfigurations**
- **How many computers do you have?**
- **How many servers do you have?**
- **What is the age of the equipment you have?**

To improve something, you must first measure it.

Where are you at today?

Where do you want to go, what will it take to get there?



With the information collected, the MSP will identify critical software and services that allow the client to grow revenue, reduce cost, find and retain employees. Ultimately, the IT systems you have in place should attribute to your goals.

## WHY FINANCIAL INFORMATION IS COLLECTED IN AN ASSESSMENT:

Many organizations don't have a very clear picture of their IT expenses. It's really one of the last remaining undocumented areas of expense for many companies. As part of an assessment, those areas are brought to light so you know exactly what you're spending on IT every single month or year. Once your expenses are defined and visible it establishes a baseline to manage them for more impact.

To improve something, you must first measure it. Where are you at today? Where do you want to go, what will it take to get there?

That's what the assessment defines. What are you spending money on today? Am I spending money on the right things? And that's the purpose of collecting financial information during your assessment.

Through this assessment, you will have a complete picture of your IT infrastructure, including scope of devices, user functionality, secureness of your environment, and hard and soft costs. After the assessment is complete, MSP's analyze the data and create a solution tailored to your organization.

# CHOOSING AN MSP PARTNER

There are a lot of Managed Service Providers (MSPs) and IT providers out there and determining which one will be best for you to partner with can be challenging.

## WHAT DOES GREAT SERVICE LOOK LIKE?

- First Call Efficiency
- Time to Resolution
- Live Answer Helpdesk
- US Based Support
- Survey Responsiveness

## A TYPICAL MSP'S ONBOARDING PROCESS:

1. Agreement Signed
2. Hardware and Software Ordered
3. Technical Team Introduction
4. MSP Toolset Installation
5. Network Documentation Information Collection
6. Equipment Configuration and Testing
7. Onsite Implementation
8. End User Support Process Training
9. Periodic Strategic Business Reviews

What should an MSP have to deliver great service?

[Here are the Top 10 things to look for when weighing your options.](#)

## 1 Experienced Professionals

An MSP should provide certified and experienced professionals with the expertise you need to address every aspect of your IT needs.

## 2 A Clear Onboarding Process

When you sign on with an MSP, what will your first weeks look like? How about six months from now? Your MSP should be very clear about the steps they are going to take and what that will look like for your business.

## 3 Flexibility & Transparency

An MSP should be flexible and willing to work within your budget and clear on pricing and coverage. Stay away from one-size-fits all solutions.

## 4 Consultation & Assessment

The MSP should take the time to assess both your current and future needs through a complete assessment of current state to best determine the correct solution. The right MSP should understand their client's vision and goals with an understanding of your company in the present and future state.

## 5 The Right Fit

Working with an MSP is a close partnership so you want to make sure they're the right fit for you. Can you see yourself and your employees interacting with this MSP's employees? Are they friendly and helpful at every level (sales, managers, administrators, help desk services)? Does their company culture align with your own?

## 6 Support Desk Services

Support desk services are a vital part of any MSP, and how this department interacts with your employees is critical.

## 7 Consulting & Strategic Guidance

This is how an MSP produces a technology plan to align your technology with your business. It should include all planned and recommended changes, upgrades, and improvements for your network clearly defined, prioritized, and priced out to provide you with a comprehensive IT strategy.

## 8 Proactive Maintenance

A proactive approach to network maintenance provides advance warning to potential problems and can save your business significant downtime and costs vs. racing to a sudden disruptive incident.

## 9 An Effective & Comprehensive Network & Security Offering

Does the MSP offer multiple layers of antivirus solutions and dark web monitoring? There should also be timely deployment of updates and security patches.

## 10 Cybersecurity Awareness Training

With all of the ever-changing phishing scams targeting businesses, employees can be your biggest security vulnerability. Most malware and ransomware infections occur through email phishing scams, so it's vital that your MSP offers routine cybersecurity awareness training to keep your employees informed and vigilant.



# COMPARING HARDWARE PROCUREMENT OPTIONS

There are many options when it comes to hardware procurement. Does the MSP provider have a Hardware as a Rental (HaaR) offering or does hardware have to be purchased outright?



With a Hardware as a Service (HaaS) or Hardware as a Rental (HaaR) program, you can integrate the latest technologies every few years and have it maintained without the upfront financial burden of purchasing brand new equipment. There is one fixed investment and a total IT solution that is fully supported. Wanting to purchase outright has its pitfalls. Businesses often have trouble budgeting for that 4-6 year upgrade, which may leave them with a large expected, but improperly planned for, cash outlay. This leaves operations without sharp tools

because increasing software and usage demand on the same equipment leads to a drop in performance over time. It also adds risk as reliability drops over time, along with reduced availability in parts, and OEM support availability. The problem is in that timeframe when you do upgrade, there is basically zero resale value on the initial investment. It's more likely you will have to pay for disposal of that technology. There is no value in the ownership of the equipment, but rather in the use of the equipment. This concept may be a mind shift, but the market is already there.

## HOW HARDWARE-AS-A-RENTAL (HAAR) AGREEMENTS ARE DIFFERENT

### 1. Have a Fixed-Term

Like a lease, a HaaR agreement is a fixed term. The term is typically based on the equipment being offered and their typical lifecycle. For example, if the proposed technology solution primarily has desktops and laptops, a 36-month (or 3 year) agreement may be the best choice.

### 2. Are Non-Cancellable

What that means is when you sign the HaaR document, you are agreeing to make monthly payments for the stated term. If you decide to cancel the IT agreement, you would still be required to pay for the hardware and software.

### 3. Do Not Have Purchase Options

With a traditional lease, the client typically has options at the end of the agreement to purchase or gain ownership of the agreement. Your options at the end of the stated term with a HaaR agreement include keep renting the equipment, return the equipment, or upgrade the equipment.

### 4. Requires No Up-Front Capital Expenses

Whether you're looking for technology solutions as operating expenses for tax purposes or because it's easier to budget and there aren't large outlays of cash hitting the books every few years, HaaR requires no up-front capital expense.

**The Benefit:** HaaR agreements can be bundled with your recurring managed services charges with the monthly equipment rental payment. Which means there is a single monthly payment that includes the equipment, installation, professional services, and recurring services.





# PRICING

## MIT PRICING OPTIONS

Pricing for a full-scale Managed IT Solution doesn't need to be complicated. Most companies will quote based on the number of users or devices. There is also the option for a hybrid solution for augmenting your current IT Department if you have needs that go beyond what you can handle internally. Co-managed services allow you to maintain your current IT personnel and free up their time to focus on tasks and projects related to the growth of your business.

# \$150-300

typical range of price per user per month

### PRICE PER USER

The per user option bills monthly based on how many users or employees you have. This is the most common approach to Managed IT pricing, mainly because in today's workforce most users use several devices. It is the easiest to adjust for changes during an agreement due to the flat fee charged per user. If a user is added or removed the pricing adjusts accordingly. Users are also typically easier than devices to identify through Active Directory, leading to more accurate billing.

### PRICE PER DEVICE

In this option you get billed monthly per device (all PC's, laptops, or servers), regardless of how many people you have. This solution may not make sense for organizations who use many devices per person as the costs could rise much quicker.

### MANAGED IT PRICING IS BASED ON:

- # of users and type of support users need
- # of servers
- amount and type of server backup
- amount and type of desktop backup
- amount and type of M365 backup
- number of managed firewall and access points
- the expected onsite labor time
- M365 licensing requirement

**Then it's all bundled together to come up with a price per user. Sum up all the users and services and you get the flat monthly fee (changing services or adding employees would affect the cost).**



Our Managed Services support processes to streamline IT operations.

## THANK YOU FOR READING OUR MANAGED IT BUYING GUIDE.

Rhyme has the ability to be creative when developing a custom solution for your organization. We work together, collaborating on a plan, and will work to continuously improve it.

Rhyme's Managed IT Services revolve around creating an ongoing partnership that is focused on you and your business goals. A single monthly fee gets you a complete IT solution, meaning a lower total cost of ownership and management. We know technology can be costly and complex, and we want to make sure you get a return on your investment.



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