Choosing an IT Service Provider

Key Considerations When Choosing a Vendor

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Makes your IT business run. Better.™

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Introduction

One observer put it very neatly. "In today's business world, we're all silicon junkies." His point: the vast majority of businesses today are utterly dependent on their IT systems. When their computers, networks, email, servers, or VoIP systems aren't working properly, their operations are either slowed to a crawl or dead in the water. Once you've come to depend on the efficiency that these systems deliver, downtime just isn't an option.

Further, the vast majority of businesses are in an "awkward stage." They are dependent on their IT systems, big enough to have a substantial investment in IT. Yet these businesses are not big enough to justify hiring and maintaining their own full-time IT staff, with all that entails.

As a result, smart business people are increasingly saying to themselves, "Let's stick to what we're good at (our business) and hire an outside firm to take care of our IT service needs."

But how do you select a great IT service provider? That's what this white paper is all about.

What to Look for When Outsourcing IT Services

When you think about it, there are three essential criteria that everyone wants when hiring an outside service provider:

1. Someone who knows what they're doing.
2. Someone who will keep their promises.
3. Someone who will bill you fairly.

At Autotask, we've found that there are eight key considerations that every organization should consider about when outsourcing IT services. If you can get satisfactory answers to these questions in these eight key areas, the odds are overwhelmingly tipped in your favor that you will have an excellent experience with an IT service provider.

Let's explore in detail how those eight key considerations can affect your choice when outsourcing IT services.

Competence and Availability

The first consideration when selecting an IT Service Provider is determining their level of competence. Do they have the training, the talent, and the experience to take care of your needs?

So among the questions you should ask are:

- What training or certifications do you have to work on my IT systems?
- What experience do you have in working on those systems?
- Can you provide references to organizations with similar equipment that you have successfully helped?
- How fully utilized is your technical team? Do you have the bandwidth to serve me?

Note: Many IT service providers cannot satisfactorily answer this last question on utilization. The reason is that they do not have in place the necessary management systems for them to know the level of utilization of their technical staff. They may have a vague sense that they are "real busy" or "we've got some bandwidth," but in truth they can't say with any certainty.

Flexibility in Working with You

One of the key considerations in selecting any outside vendor is "the deal." Do they have the flexibility to work with your organization in a way that makes sense for you?

Among your key concerns will be:

- What am I going to pay?
- What am I going to get?
- How quickly will I get what I need?

IT service providers spell out their working arrangements in a variety of different ways:

- Some do break/fix work. You call when something isn't working; they come and fix it, and you pay a certain hourly rate.

- Some offer block hour arrangements in which you purchase a fixed number of hours each month at a certain price.

- Others work block hour agreements somewhat like some cell phone contracts: you purchase a certain number of hours each month, but if you don't use them, they transfer to the next month. If you go over the number of monthly hours, you pay for the additional hours at a higher rate.

- Others have detailed Service Level Agreements in which they spell out what they will do for you each month in terms of maintenance and break fix and what it will cost.

The point is that you want a vendor who can work with you in a way that feels comfortable and who can spell out in detail the costs, deliverables, and expected speed of service.

After all, when a critical piece of IT infrastructure, that your enterprise depends on, breaks down, you want a fast response and no nasty surprises when the bill comes.

KEY CONSIDERATION #3
Getting Help When You Need It

One of the most important reasons to hire an IT services provider is to fix things when they break. So one of the most critical questions you can ask is, "How do I get help when I need it?"

Are you required to phone their help desk? Can you email a request for service? Do they have an online client service portal on the web where you can request help? Ask for, and get, the details on how you request help.

Furthermore, ask the IT Service Provider "What happens inside your organization once you receive my service request?" The answer may prove very instructive. We'll explore this some more when we get to Key Considerations #5 and #6 — Dispatching and Escalation.

KEY CONSIDERATION #4
Remote Monitoring and Managed Services

Is there anything that is better than getting a fast, competent response when something goes wrong with one of your IT systems? In fact, there is:

"Preventing a problem in the first place."

One of the hottest trends in IT services is using remote monitoring and remote access of IT systems to provide managed services. A number of vendors now offer services to monitor your equipment and software hour by hour, minute by minute, and instantly alert the IT service provider if there is a problem, instability or potential problem with one of your systems. When that happens, the remote monitoring application instantly flashes an alert to your IT services provider so they can take action to head off trouble before it begins or stop it dead in its tracks.

So, two key questions you want to ask when choosing an IT service provider are:

1) Do they offer remote monitoring and other managed services? and

2) Are they appropriate for your systems?

Dispatching

Dispatching gets to the heart of the matter for your organization as a consumer of IT services. It doesn't matter if the vendor you are considering has the most highly trained team and the finest in state-of-the-art remote monitoring systems, <u>if they are not efficient in dispatching help to you, then it's all for naught</u>.

As a result, you need to ask:

1. "What exactly happens when someone in my organization asks for help or if the remote monitoring software sends an alert?"

2. "How is it handled if it is in the middle of the night or if everyone from the IT service company is out handling other calls?"

3. Also, ask the vendor to describe for you in detail what systems they have in place to make sure you'll get the help you need when you need it.

Escalation

Escalation is really a follow on to dispatching. When you ask what the IT services vendor does when you call for help, they will probably say something like, "Oh, we send an email (or a page, text message, or a phone call) to an engineer to take care of you."

Okay, fine. Now ask: "What happens if the engineer doesn't respond within the time frame that we agreed upon?" This is where escalation comes into play. Escalation is the automatic bumping of services requests to the next level if not handled within a specified time.

Top flight IT services providers will have automated software systems with escalation and workflow rules that will make certain that your service request or monitoring alert does not fall through the cracks. Ask if the vendor who you are considering has such a system, which one it is, and how it works.

After all, if you are paying for professional IT services, you want to make sure you get them when it's critical, even if it's 2a.m.

Billing and Reporting

Once you feel confident that the vendor who you are considering can provide competent service in a timely fashion and they'll keep their promises, you'll want to make that you will be billed fairly and that you know what you are paying for.

Ask to see a typical bill for whichever service plan you are considering. See how much detail it includes. If it says simply "10 hours of technical service" (or something similar), then ask if the vendor can quickly and easily produce an itemized report. This report should clearly detail the work that was done, and when, and how long it took.

The most highly regarded IT service vendors can easily produced itemized bills and/or detailed reports because they have the built-in infrastructure that tracks time and allows them to do so. They are happy to provide that kind of information, because they know that once you review it, you will be reassured that your vendor is providing a highly valuable service. They also know that providing detailed information about their services is the quickest and easiest way to prevent billing disputes.

KEY CONSIDERATION #8
Project Management

It's not at all uncommon for IT service providers to also undertake a variety of different projects for their clients. These projects might include the installation of a LAN, replacement of servers, installation of a VoIP system, and so forth.

If you are happy and satisfied with their services in keeping your IT infrastructure up and running, it makes perfect sense to turn to them for the execution of a major project. But before you select an IT services provider, here's a good question to ask: "What systems do they have in place for managing projects?"

Depending upon the size and the complexity of the project(s), do they have the tools they need for managing teams of people, setting milestones, making sure that milestones are met and making sure that nothing critical falls through the cracks? Ask the vendor outright: "How do you make sure projects are completed on time and within budget?"

Excellent IT service providers will have an excellent answer.

Pulling it All Together for You

The more critical your IT systems are to the operation of your enterprise, the more critical it is that you select the right IT services provider. After all, when something breaks (and it will), it will be your organization that is depending on them. The middle of the night before the busiest day of the year is not the time to find out that your vendor doesn't have what it takes.

So you need to think about the key considerations in this white paper and ask the critical questions. It's a bit of work, to be sure, but it also produces reassurance that you are making a good choice.

There is, however, somewhat of a shortcut that you can take: you can ask simply if the IT services provider has an integrated software system that pulls together all the key components of their business: flexible contracts, service ticket creation, remote monitoring, dispatching, escalation, billing and reporting, and contract management.

If they say "Yes," then ask which system they use. And don't be surprised if you hear "Autotask." Autotask is widely considered to be the leader in IT services management software and a sign of excellence in IT services providers. Many IT Service providers will include our Autotask certified seal on their website.

Autotask offers free, customized web-based demonstrations of the software to qualified Solution Providers upon request.

For more information about Autotask, its solutions, customers and latest advances, visit www.autotask.com or call Autotask Corporation at 1.518.720.3500

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