

# Outsourcing IT Managed Services

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Outsourcing, or employing outside your company to handle functions is a familiar concept to many enterprises. Outsourcing your company's IT functions has become increasingly popular over the last decade as many organizations have started to realize its benefits.

Like any other integral item in your business, your information systems need IT administration and maintenance to function properly and help you perform your daily tasks.

One option for companies with limited resources is to outsource the responsibility of IT management or have a third party host critical applications rather than having them in-house (or a combination of the two). However, relying on an external company to manage your organization's critical IT processes and information can seem scary and putting any of your company's critical functions—especially your IT processes—in the hands of someone else can seem risky. However, there are several benefits to outsourcing your IT function and ways to mitigate the risks.

Outsourcing providers can cut your capital costs by reducing the amount of internal equipment (such as servers, software costs, desktops, etc.) required to keep your information systems running smoothly or needed to roll out new IT solutions. Increase efficiency IT administration is probably not your core competency and, therefore, not your most efficient use of time. But it should be the core focus of your IT outsourcing provider, whose cost structure and economy of scale can give your firm an important competitive advantage. An outsourcing partner will generally be able to provide a whole staff of proficient IT professionals with varied areas of technical expertise for the cost of a single in-house employee.



## Reduce Labor Costs

It can cost you unnecessary time and money to find, hire and train an entire in-house IT staff. IT service providers are accountable for staffing the right people and keeping them competent on the latest technology. Professional IT companies invest a compelling amount of time and money to make sure their technical knowledge is thorough and up-to-date.

## Start New Projects Quickly

IT service providers have the knowledge, experience, and resources to start new projects immediately. By utilizing a hosted application model, new software projects can be rolled out more quickly with minimal capital spending. For example, a particular line of business application could be tested in a hosted model with minimal instinctive costs and with reduced exposure to the risk of a solution that doesn't work. If the application is a fit and settles with the business needs, it could be brought in-house or rolled out company-wide after it has been proven successful.

## Focus on Your Core Business

Your organization has limited resources and these resources are most likely better spent focusing on your core competencies that generate revenue. Outsourcing your IT function can help your company concentrate on more important activities, like serving clients, and help the company's mission remain the focus.

## Level the Playing Field

Larger firms have a considerable advantage when it comes to resources, and sometimes it can be difficult for smaller firms to match the in-house support and IT infrastructure of these larger firms. Outsourcing the IT function means small firms can have the same level of efficiency, expertise and dependability that large firms benefit from. Application outsourcing also provides the ability to access your core information from almost any computer that is connected to the Internet. This type of ubiquitous access helps smaller firms project a much larger presence, by allowing everyone to be more efficient and responsive to client needs.



## Transformative IT Outsourcing

Transformative outsourcing focuses on using outsourcing strategically to achieve transformative business change and manage unpredictability, rather than focusing skillfully on reducing operational costs and risks.

The development of transformative and strategic outsourcing relationships is intended to augment business value by empowering customers to focus on core competencies. Through deep industry knowledge, flexible and adaptable IT systems, IT service providers support their customers in the growth of their intended business transformation goals.

Although outsourcing is commonly viewed as a mechanism for IT to reduce costs by moving from in-house ownership and operation to an outside supplier, it could be expanded to encompass strategic target that includes extensive management of critical business processes and the arrangement of new services to support new business initiatives.

Transformative outsourcing requires a deep knowledge of customers' business processes and has to take into account close association between service providers and customers.

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## About Cased Dimensions

Cased Dimensions is a Microsoft Alliance Partner and trusted advisor to organisations looking to achieve operational efficiency. Cased Dimensions delivers Microsoft Azure along with Azure business applications to help organisations radically improve existing business process.