NEXT PERIMETER

IT Survival Guide:

MANAGING IT COMPLEXITY

How Small and Mid-Sized Businesses
Are Managing IT Complexity to Gain
A Competitive Advantage

TABLE OF CONTENTS

THE CRITICAL ROLE OF IT
IN BUSINESS SUCCESS

Businesses today heavily rely on well-managed IT systems and support for their daily operations. When essential services like internet or phone connections experience downtime, it can bring productivity to a halt across various departments such as HR, finance, operations, communications, and sales.

While technology is indispensable for modern businesses, it hasn't necessarily become easier to understand, utilize, or manage. Many small businesses are actively transitioning towards digitization, adopting cloud-based solutions, and exploring business intelligence or data analytics to meet evolving customer demands.

The **critical difference** between today's IT and that of 10 to 20 years ago lies in the **extent** to which **technology** drives the strategic goals of businesses.

No longer confined to the IT department's closet, **technology now permeates every aspect of business operations**, from customer engagement to supply chain management. It's no longer just about fixing issues when they arise; instead, **technology is a catalyst for innovation, growth, and competitive advantage**. This shift underscores the fundamental role of IT in shaping and realizing the strategic vision of organizations in the digital age.

74%
OF SMBs

consider technology to be a primary factor in their success (SMB Group)

SMBs that embrace digital technologies

GROW REVENUE UP TO TWICE AS FAST

as those that lag behind. Deloitte)

WHY ARE BUSINESSES STRUGGLE WITH IT COMPLEXITY?

68%

OF TECH LEADERS

reported that managing the increasing complexity of IT was a significant challenge. (Harvey Nash / KPMG 2021 CIO Survey)

74%

OF IT DECISION-MAKERS

believed that managing IT complexity is becoming increasingly difficult. (IDG Research 2021)

Today, there's a profound shift away from the traditional notion of operational IT merely supporting in-office work. With today's workforce being increasingly remote and mobile, users are constantly connected and utilize a variety of devices. This consumerization of IT raises expectations for user experience, with users demanding intuitive, cross-device business applications to enhance productivity. Simultaneously, the internet and cloud have spurred unparalleled innovation in IT, contributing to a landscape marked by heightened complexity.

IT complexity is one of the biggest roadblocks to success, as businesses continue to adopt a range of new systems, such as cloud services for marketing automation and project management; collaboration tools; Customer Relationship Management Systems (CRMs); and emerging technologies.

Embracing technology to solve complex problems can be a competitive advantage, whether you're leveraging technology to create differentiation and a competitive edge within the market, increase employee satisfaction, or drive organizational efficiencies. The right way to introduce and manage complexity within IT requires careful planning and execution.

WHAT MAKES **IT** COMPLEX?

- <u>Digitization Across Business Units</u>

- <u>Cloud</u>

- <u>Cybersecurity</u>

- <u>Data Backup & Disaster Recovery</u>

- <u>Resource & Budget Constraints</u>

- <u>Regulatory Compliance</u>

- <u>Maintaining Aging Hardware</u>

- <u>Shadow IT</u>

- <u>IT Skills Gap & Talent</u>

DIGITIZATION ACROSS
BUSINESS UNITS

In today's dynamic business landscape, agility and innovation are not just buzzwords – they're survival strategies.

Companies that leverage technology for a competitive edge are poised to thrive in this fast-paced environment, where every business is vying to be tech-savvy.

It's a new era where customers are presented with more choices, more access to information, and less incentives to be loyal. This leaves customers in complete control of their relationships with companies.

To meet these heightened expectations, businesses must accelerate their digital transformation efforts. Ensuring systems are always operational and safeguarding critical data, from customer information to intellectual property, is paramount.

Embracing this digital era isn't just about staying relevant; it's about staying ahead and securing your place in the future of business.

EMBRACING THE CLOUD

94%

OF SMBs GLOBALLY

were already using at least one cloud service as of 2020. (B2B International)

Most businesses could not survive without using at least one cloud-based business application such as Office 365, G-Suite, QuickBooks, Salesforce, Dropbox, Adobe Creative Cloud, or WordPress, to name a few.

Each of these applications adds another layer of complexity for IT to manage, from onboarding new users, configurations, data backups and security permissions, to integrations that streamline workflow process automation.

Many small and midsize organizations are transitioning more of their infrastructure technology to the cloud, to take advantage of reduced IT costs, scalability, and collaboration efficiency. Data backups that once required manually swapping drives, now predominantly take place in the cloud due to enhanced security and lowering storage costs.

> **In 2019, 30% of companies reported that at least half of their applications were in the cloud.**

(IT Spending and Staff Benchmarks - Computer Economics)

CYBERSECURITY

Cyberattacks are now widespread and pose significant risks worldwide.

Over 67% of SMBs have experienced a cyberattack in the past year. Despite this, only 7% of CEOs of businesses with less than 500 employees believe a cyberattack is "very likely."

Unfortunately, many small to medium-sized businesses lack the resources to track security trends, respond to incidents, and update security measures. The most common types of attacks on these businesses include phishing and social engineering.

To minimize damage, business leaders need to prioritize cybersecurity efforts, focusing on protecting critical applications and infrastructure.

Budgeting for cybersecurity costs is crucial.

Having reliable data backup and disaster recovery solutions in place can help mitigate damage and avoid ransomware payments if a cyberattack occurs.

The number of ransomware attacks targeting businesses increased by

151%

in the first half of 2021 compared to the same period in 2020.
(Bitdefender's Mid-Year Threat Landscape Report)

DATA BACKUP & DISASTER RECOVERY

What is Disaster Recovery?
It involves a set of policies, tools, and procedures to enable the recovery or continuation of vital infrastructure and systems, following a natural or human-induced disaster. Some organizations mistake backups for disaster recovery. But as you might discover after a serious event, simply having copies of data doesn't mean you can keep your business running.

To ensure business continuity, you need a robust, redundant, and tested disaster recovery implementation, that's monitored 24/7 to ensure when the time comes, your business is prepared.

A fast and reliable disaster recovery strategy is only one part of that equation. As a best practice, businesses need to ensure they have redundant, reliable backups following

the 3-2-1 rule
– store **three** copies of your data, on **two** forms of media, with **one** copy located off-site (preferably in the cloud).

Backups need to be tested, otherwise you end up with a corrupt backup in a time of need.

60% OF SMBs
that suffer a cyberattack go out of business within six months.
(National Cyber Security Alliance)
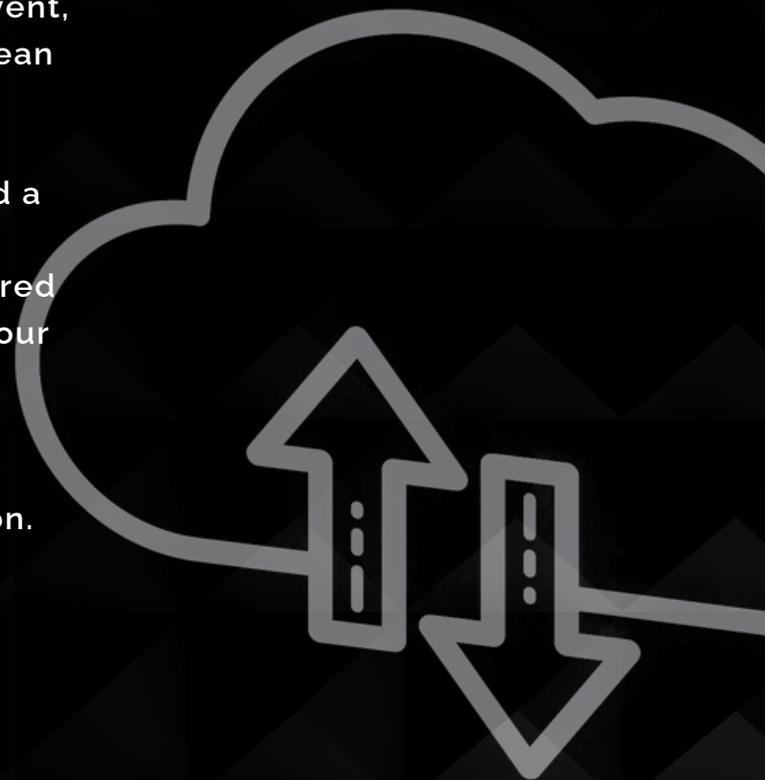
RESOURCE & BUDGET CONSTRAINTS

Today's IT environment involves a range of tasks and skills, including:

1. Using cloud-based solutions
2. Protecting against and responding to cyber threats
3. Following regulatory compliance
4. Monitoring and securing devices
5. Supporting and educating end users
6. Integrating Software-as-a-Service (SaaS) platforms
7. Handling data backups and disaster recovery

However, as IT becomes increasingly vital to businesses, it also gets more complicated.

When SMBs are tasked with managing every aspect of IT without a large or experienced team, it can be overwhelming.

Overburdened IT teams often struggle to perform optimally, spread thin trying to handle everything.

Internal IT teams handle daily tasks, but they might not have the time or skills for big infrastructure projects crucial for company goals. If end-user support is slow and internal projects are often late, it's a sign to consider a Managed Service Provider (MSP). MSPs bring specialized skills and resources to tackle IT problems, freeing businesses to concentrate on their main goals.

SMBs were planning to increase their IT budgets by an average of

7%

with a significant portion allocated to cloud services, security, and remote work solutions. (Spiceworks, 2021)

REGULATORY COMPLIANCE

In today's ever-changing regulatory landscape, businesses of all sizes face a wide range of compliance challenges. The resulting rules, regulations, and laws, designed to address certain problems, often add additional layers of complexity to small businesses.

Data protection, privacy, and compliance requirements, affect organizations of every size. If you have customers or employees, you have data that requires protection under state or federal mandate. Data security and privacy regulations create an expanding landscape of overlapping and confusing standards, like HIPAA, FISMA, SOX, FEDRAMP, GLBA, PCI DSS, GDPR, and others. This creates yet another layer of IT complexity.

Unfortunately, many businesses take a reactive approach to managing regulatory compliance. Out of sight, out of mind – until a pending audit occurs.

The three most common conditions that can compromise compliance:
1. Shadow IT usage (tech operating without IT oversight)
2. Not documenting or enforcing compliance processes
3. Limited visibility into data collection, management, and storage methods

Businesses need to implement a strong data management strategy that includes:
1. encryption,
2. multifactor authentication,
3. identity management,
4. access control,
5. security policies,
6. training and awareness programs,
7. technology maintenance, and
8. regular response testing

to meet today's demanding compliance regulations.

MAINTAINING AGING HARDWARE

In today's fast-paced business environment, organizations often face tight deadlines, high expenses, and limited resources. When considering technology upgrades, many choose to delay device refreshes due to competing priorities.

However, postponing updates can lead to costly consequences. Outdated hardware exposes businesses to security risks, data breaches, and maintenance expenses. This can result in reduced productivity and employee dissatisfaction.

For instance, with the end of support for Windows 7, machines without updates are vulnerable to cyberattacks. Research shows that organizations with outdated technology experience higher levels of employee frustration compared to those prioritizing tech upgrades.

Addressing outdated hardware proactively is essential for maintaining cybersecurity, productivity, and employee morale.

28% OF EMPLOYEES

in the United States reported that they have quit a job due to technology-related issues. (Robert Half Technology, 2019)

SHADOW IT

Shadow IT is an increasingly common situation where technology is implemented without the knowledge of the IT department.

Shadow IT is not a new practice. Employees have used their own computing and software workarounds for years, often storing confidential data on unsecured devices or apps, while using practices that are not acceptable to the IT department.

For example, when team members use Slack while the entire office employs Microsoft Teams for internal chats, or when an employee uses a personal Evernote account to save documents or notes, inadvertently taking ownership of an organization's Intellectual Property (IP).

The intentions of those tech-savvy employees are often benign. They are typically trying to solve a business problem with software or services that are readily available on the internet and designed for easy adoption by consumers.

The problem with these attempted solutions, is that they can put a company's data and systems at considerable risk since they are not on your IT management's radar.
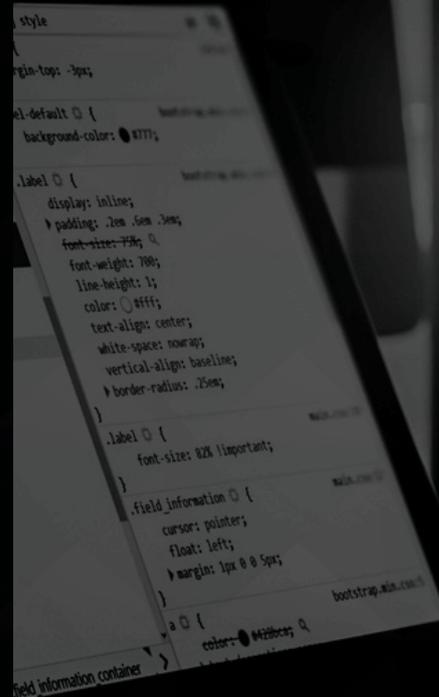
IT SKILLS GAP & TALENT

The need for skilled technical workers is at an all-time high. IT has become essential for every business, even in traditionally non-technical fields. This means more companies are vying for talent, making hiring and keeping employees harder. Small and midsize businesses struggle even more, as they compete with bigger companies that have more resources to attract candidates.

Finding an "IT unicorn" – someone skilled in all areas of Information Technology – is nearly impossible. A survey by TEKSystems found that 60% of IT leaders and professionals say the skills gap significantly affects their teams or organizations. This shortage of tech talent poses risks for businesses. Gartner predicts that by 2020, 75% of organizations will face visible disruptions due to IT skills gaps.

67%
OF ORGANIZATIONS
planned to increase their investment in digital transformation due to the COVID-19 pandemic, further exacerbating the demand for IT talent.

69%
OF ORGANIZATIONS
worldwide reported a skills shortage in technology. (HarveyNash/KPMG CIO Survey, 2021)
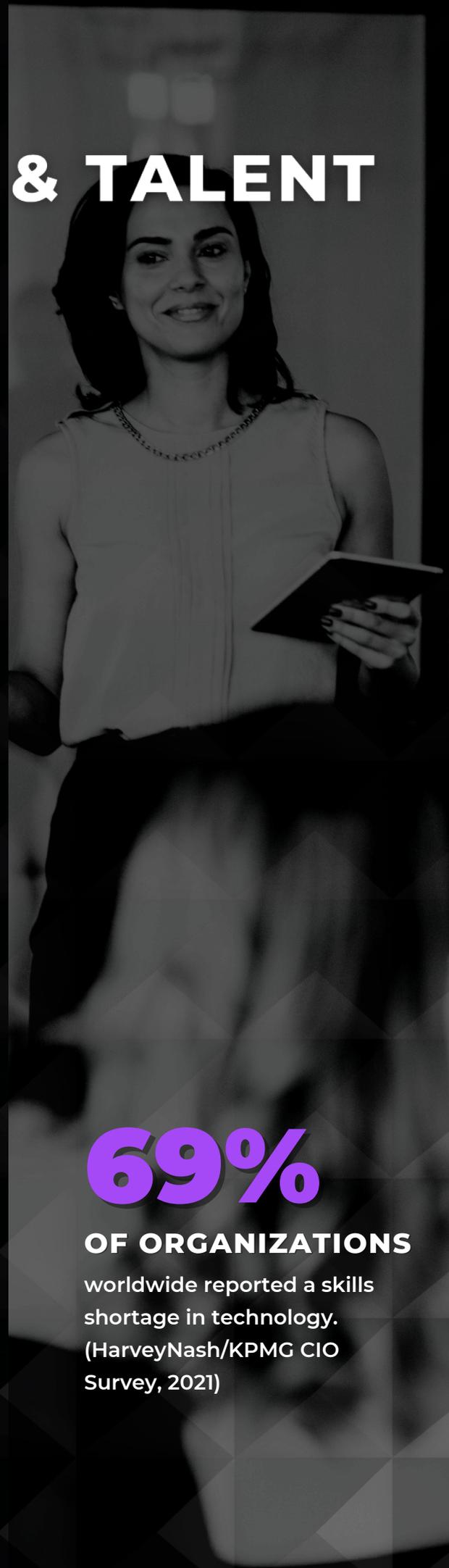
HERE'S A LOOK AT THE RANGE OF SKILLS THAT ORGANIZATIONS REQUIRE:

> ## IT Tech Stack Development & Management

While generalists are helpful in the startup phase, as organizations grow to 50 employees or more, their IT team needs expertise in various technologies. This includes routers, switches, firewalls, storage, databases, business continuity, business intelligence, and building cost-effective hybrid cloud setups.

> ## Security & Compliance

With the rise in cyberattacks, evolving threats, and regulatory demands, IT teams must implement robust security measures. This includes multifactor authentication, identity and access management, end-to-end encryption for financial data, and antivirus/malware protection. They must also ensure protection for Electronic Protected Health Information (ePHI), sensitive cardholder data, and Personally Identifiable Information (PII) to comply with regulations like HIPAA, PCI, and GDPR, respectively.

> ## IT Management Systems

IT teams require a range of tools to succeed in today's environment: ticketing, change management, provisioning, remote monitoring, asset tracking, penetration testing, patch management, disaster recovery systems, and a help desk. However, each of these systems adds to IT complexity, budget, and time constraints, contributing to the overall challenges faced by IT teams.

> ## IT Operations & Strategic Planning

IT teams undertake various tasks to ensure system uptime and user productivity. These tasks include system monitoring, incident resolution, help desk support, backup and disaster recovery, patch management, security management, provisioning for infrastructure and end-users, application deployment, and business intelligence.

HOW CAN SMALL AND MID-SIZED ORGANIZATIONS BUILD THE IDEAL IT TEAM?

1. **Build an internal IT team**
2. **Enhance Internal Team**
3. **Managed Service Provider (MSP)**

1 | BUILD AN INTERNAL IT TEAM

While many businesses with fewer than 200 employees may not need dedicated onsite IT staff, some businesses may find an in-house IT department necessary. Establishing an internal IT team offers advantages; with the right background and continued training, your team can build up in-depth, specialized knowledge of your company's IT technology stack and systems. If you decide to create an internal IT team, here are some factors to consider:

> **Hiring & Recruiting IT Talent**
>
> It is extremely complex. It takes a lot of skills, patience, time and money, to find the right person to fill a position.

> **Onboarding Costs**
>
> New hires take time to reach full productivity: 8 weeks for clerical roles, 20 weeks for professionals, and over 26 weeks for executives. The learning curve for new hires and transfers can lead to lost productivity, ranging from 1% to 2.5% of total revenue.

> **Ongoing Professional Development, Training & Certification Costs**
>
> Your organization will need to train and certify these employees, to ensure they stay up on new trends and processes.

> **Redundancy Is Expensive**
>
> If there's an IT issue and they're not available, it can cause problems. The only IT person at a small business rarely gets a break, which can lead to burnout and tension. This situation forces businesses to hire backup staff to avoid downtime and turnover.

> **Employee Compensation & Salary**
>
> To attract and retain the right talent, organizations must offer competitive wages and benefits, given the required skills, desired experience, and IT talent shortages.

> **Provide Adequate Workspace, Equipment & Technology Budget**
>
> IT professionals need a secure office space with enough room for a workbench and desk, along with a sufficient budget, to achieve business goals. Unlike a front desk computer, they require a more advanced workstation with ample RAM to handle multiple tasks simultaneously.

2 | ENHANCE INTERNAL TEAM

Supplementing internal IT with external resources can assist in various areas like infrastructure, project management, strategic planning, and daily operations.

Bringing in external support allows your team to benefit from the partner's operational expertise, sharing established best practices, IT tools, and specialized technical knowledge. This includes areas like hybrid cloud network design, cybersecurity, HIPAA compliance, incident response, and business continuity.

When augmenting your team, it's essential to reassure employees that they're not being replaced.

Organizations typically choose between working with an IT consultant or receiving co-managed support from a Managed Service Provider (MSP).

> IT Consultant

Most organizations use consultants for small one-off projects or infrequent hourly support. One of the disadvantages of working with a consultant, besides unpredictable costs, is that they usually do not have the strategic vision to implement a solution that will carry your company five or ten years down the road. A consultant's job is to get in, provide a point-solution, and receive a check. Rarely will a consultant invest the time required to deeply understand the intricacies of your business and technology stack.

> Managed Service Provider (MSP)

With co-managed support, the MSP will fully integrate and become a natural extension of your team. Managed Service Providers will set up an effective ticketing system for escalation and end-user support, remote monitoring and monitoring, a shared knowledge base to help train your internal team and provide proactive support to prevent problems before they can cause downtime.

3 | MANAGED SERVICE PROVIDER

59% OF SMALL BUSINESSES IN THE UNITED STATES

were using an MSP for at least one IT function. This percentage is likely to continue growing as SMBs recognize the benefits of outsourcing IT management to MSPs. (Clutch, 2020)

Managed Service Providers (MSPs) are essential for modern organizations. They provide access to a team of experts with various skills, from help desk support to cloud architects and CIOs. MSPs boost your Operational Maturity Level, propelling your business forward quickly and cost-effectively.

They prevent IT complexity, resolve issues promptly, and handle everything from minor tickets to major projects. Partnering with an MSP lets you focus on your core strengths while ensuring IT runs smoothly. They help identify weaknesses, optimize your IT, and align it with your business goals. Let's explore the key benefits of partnering with an MSP next.

> MSPs streamline transitions into complex technology and offer cost-effective solutions compared to internal IT departments.

> They utilize technology partners, mature processes, and technical expertise to manage IT complexity and handle various projects efficiently.

> Partnering with an MSP allows businesses to focus on core competencies while ensuring IT runs smoothly, eliminating single points of failure, and enhancing user experiences.

> MSPs help identify weaknesses in IT infrastructure, optimize processes, and free up internal IT resources for strategic projects aligned with business objectives.

Let's look at the key benefits partnering with an MSP can offer your business in the next section.

KEY BENEFITS OF AN MSP

Save Time

By outsourcing your IT functions to industry specialized experts, your team can dedicate your time and resources to your core mission.

Gain a Competitive Edge

The digital age has leveled the playing field. MSPs enable smaller organizations to compete against incumbent giants.

Less Stress Over Risks

MSPs guide you through the unexpected and the unknown of IT-related issues, so you can protect your business.

From Zero to Hero in Operational Maturity

Leverage the latest technology with mature processes, procedures, and policies personalized for your business.

Single Point of Contact

All your IT related inquires receive personalized support from dedicated engineers that understand your business and objectives.

24/7/365 Monitoring of Your IT Environment

Gain absolute coverage of all devices in your network. Secure all devices on your network with automated threat detection to stop internal and external threats from accessing your critical data.

Access to Multiple IT Specialists

Access a diverse network of professionals with specialized expertise in various SMB technologies. Whatever issue you're having, you'll always have the right person to resolve the issue.

Cost Savings

An entire department at your fingertips, typically for less than the cost of a single hire. From project management, vendor management, onboarding new users, and equipment, all tried and true methods available and built specifically for the SMB.

FINAL THOUGHTS

No matter your IT course of action, a strong and strategic infrastructure is required to successfully control IT complexity.

To thrive in this new decade, organizations need to take a fundamental look at their environment, to ensure systems and business objectives are aligned, while taking a proactive approach in establishing a solid, scalable IT environment that will help your team accelerate business growth.

Contact our team at **855 448 4897** to see how we can turn your IT complexity from a double-edged sword to a competitive weapon that will allow you to outperform your competitors.

To assist your team, we've created a list of essential questions when evaluating an MSP as your strategic partner.

TOP QUESTIONS TO ASK WHEN EVALUATING AN MSP AS YOUR STRATEGIC PARTNER

EXPERIENCE

- How many managed services customers do you have in total?
- How many customers do you have that are our size?
- What is your "sweet spot" for customer size?
- How many endpoints do you manage?
- How many people are on your service delivery team?

VALUE

- How do you help customers save money and lower IT costs?
- How do you help customers plan for the future?
- How do you help customers identify and mitigate vulnerabilities before problems occur?
- In what situations will you advise customers to purchase technology that you don't sell?

SERVICE OFFERINGS

- What services are included in your managed services offerings?
- What technologies do you support?
- What security services do you offer?
- What service-level agreements do you offer for incident response, and what is your service-level-agreement compliance rate?
- What cloud platforms do you support?
- Do you offer any IT compliance services?
- Do you incorporate security into your managed services offerings?

TOP QUESTIONS TO ASK WHEN EVALUATING AN MSP AS YOUR STRATEGIC PARTNER

> **CUSTOMER SATISFACTION**

- How do you measure customer satisfaction?
- What is your customer satisfaction performance for the past 12 months?
- What is your annual managed services customer churn rate?

> **OPERATIONAL EXCELLENCE**

- What metrics and reports do you share with customers to demonstrate the status of their environment and incident response effectiveness?
- What's different or unique about your systems management approach?
- Are your support tools integrated into a single dashboard?
- What is the number of daily incidents resolved automatically by proprietary automation?
- How do you audit patch status and remediate vulnerabilities?
- How do you measure and report the success rates for backups?
- What is the first-call resolution rate for calls to the help desk?
- Is your organization SOC 2-certified?
- How do you ensure that technicians are knowledgeable about customer environments?
- How do you ensure knowledge is not lost when staff leaves?
- How many backups are successfully performed daily?
- How do you know they are successful?
- Do you adopt ITIL or similar excellent practices around IT service delivery?

WHAT SETS US APART?

It All Starts in the Cloud

Your .com is what ties your business to the web, allowing you to get your email and collaborate online. Whether you're using Google Workspace or Microsoft 365, **Next Perimeter** has you covered. Your team can leverage our certified experts for matters concerning your email deliverability, DNS records, licensing concierge, and more.

Your Team and Workstations are Fully Covered

When your team logs into your corporate environment today, what types of protections exist? **Next Perimeter**, by default, deploys endpoint security and hardware monitoring to every workstation that we manage, ensuring productivity is at an all-time high. Your team will enjoy unlimited round-the-clock support for everyday issues ranging from authentication to hiccups with their equipment.

Battle-Tested SOPs

Whether we will handle all of your IT, or collaborate with an internal team, our procedures have been perfected against millions of business scenarios. Our system has been trained to adapt to each customer as their organizations evolve.

Future-Proofed for Compliance

We know you want your cybersecurity to be reliable, predictable, functional, and cost-effective - that's why we've simplified cyber so it's back-of-mind. By signing up for Essentials, you've created a predictable path toward future compliance needs as our agents can fulfill virtually all requirements they might ask for with simple per-user/device pricing.

NextPerimeter.com / 855 448 4897

NEXT
PERIMETER

Let's Work Together

Phone

855 448 4897

Mail

sales@nextperimeter.com

Website

NextPerimeter.com

About Us

At Next Perimeter, we recognize that affordable, efficient information technology is mandatory for the success of your business. That's why we offer a variety of IT products and services to fit your needs as well as your budget.

Our mission is simple: to be America's most customer-focused small and medium-sized business IT support company, and to build a place where customers can leverage our passion for technology to power their business.

With a 97% client-retention rate since 2006, we have a track record you can trust.