



Technology: When to Outsource IT Work

IT services should be outsourced when a company must deal with a specific problem, business opportunity, technology or solution that is outside the staff IT manager's understanding

**By David King
CEO
Red Level Networks**

Virtually every small business today is built on a foundation that is largely invisible to most executives, an often mysterious core that nevertheless sustains the company and provides its only real path to significant growth.

Small business thrives today because it relies on the microchip—and the laptop, the server, the Internet and all the other elements that go into the information technology (IT) infrastructure at the very heart of business operations. IT enables a company to create new products and services, deliver its offerings to its customers, extend its market, communicate instantaneously with buyers and suppliers, speed the work of its employees, manage its accounting, and even eliminate the conventional office or brick-and-mortar retail store.

Ask any small-business owner what happens when his computers go down and you're likely to hear, "Nothing happens. Everything comes to a stop." That owner is constantly struggling to keep his technology ahead of his business requirements, and when his small business starts to grow, IT may become as much a burden as it is a boon. Typically, small businesses operate with just a few computers and many are able to maintain their technology infrastructure without any outside help. As companies expand, however, their technology needs change and grow in complexity.

Quite often, companies have an internal technology manager who ensures that systems are up and running; but this person generally is performing multiples roles, and IT is only a part time responsibility. As the company takes on more business and more people, however, it is likely to encounter new technology needs for which in-house staff has neither the time nor specialized skills to address. Then the time has arrived to look for a person or organization outside the company to lend a hand.

In choosing an outsourced IT professional, it is important to know the factors to consider in making a smart decision. The following guide may be useful in helping a company decide if outsourcing is the right solution for its IT needs.

Outsourcing IT

IT services should be outsourced when a company must deal with a specific problem, business opportunity, technology or solution that is outside the staff IT manager's understanding. When a specific project arises, an expert can come in, get the project done and leave, a much-less expensive alternative than hiring more staff. Bringing in an expert to handle a specific situation allows a company executive to receive counsel on specific business strategies, with the understanding that the current job will not be a long-term project.

Server upgrades or platform migrations are examples of specific projects where a company would need to reach out to an IT firm for outside counsel. Migrations can become extremely tedious and complex, leaving little room for the internal IT staff to handle anything aside from that project. Typically, small businesses do not have the staffing capacity to dedicate to such a large project, so outsourcing becomes their only option.

A business may simply have too many IT service projects and need to outsource work to another set of hands to help handle all the requests. Outsourcing consultants to fulfill technology requests from employees will free up time for the internal staff to focus on larger issues.

Even with a capable in-house technology staff, some projects are simply too risky to take on alone. Hiring outside counsel when projects may have already failed or must be saved from failing is a perfect opportunity to seek IT services from an outside firm. Since IT firms work with so many different companies, they may have seen a similar problem and will have considerable insight on how to handle a more risky project.

Look for a company that is certified or specializes in the product line that your business uses. Microsoft Certified Partners and Cisco Certified Partners have better access to tools, software and consulting information that smaller one-man shops have. You gain access to the big-company resources at the smaller-company costs. Also, ensure the IT consulting firm has more than one engineer. This gives you the ability to work with a company that offers a breadth of experience and won't place you in a bind if the engineer leaves the consulting firm.

Small-business owners must consider which programs they can implement for their employees and customers that will be the most cost effective. Hiring an internal IT staff can create cost that small business owners are simply unable to absorb. The IT needs of the business most likely do not require a full-time position, and a full-time employee would be underutilized. Outsourcing IT work eliminates these unnecessary costs while providing the most comprehensive IT services available from individuals certified in the specific technology involved.

Beyond the issue of costs, small-business owners likely do not have the time to manage an internal IT staff. Owners must focus on

sales goals and customer satisfaction, leaving little room for attention to IT. Allowing an outside IT firm to handle important technology issues will free up essential time for business owners to focus on the larger picture.

While technology continues to change, it is up to the business owner to ensure that the company has the best resources possible so that technology that supports the greater business objectives is always accessible throughout the organization.

When to outsource IT

1. When projects necessitate customized technology.
2. When small business owners are focusing more attention on IT rather than growing the business.
3. When there is an enhanced risk that a project will fail due to out dated technology.
4. When employing a full time IT professional is not an option

[Red Level Networks](#) is a member of the Detroit Regional Chamber.