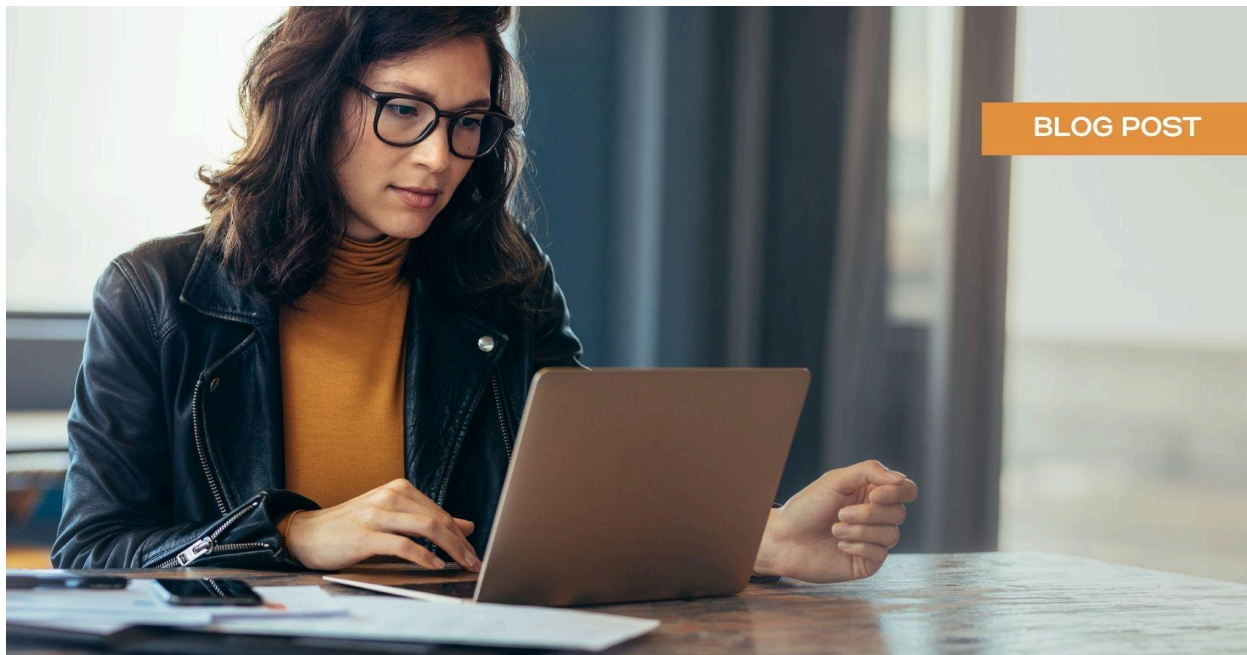




Managed IT Services Cost: Hidden Expenses, Value for Cost, and More

When asking how much managed IT services cost, the most common first response is, “It depends”. It depends on:

- The size of your company.
- The services you need.
- The pricing model of the managed service provider.
- And much more.

While this is true—many factors affect the cost of managed IT services—that’s not always a helpful answer.

How do you know if you’re paying a fair price for the services you’re getting? How can you uncover hidden costs? How do you plan for future growth?

In this guide, we start by briefly outlining factors that can affect the cost of managed IT services. Then, we help answer more nuanced questions such as:

- How do I know I’m getting my money’s worth?
- What are common hidden costs of managed IT services?
- How do I choose an IT provider that will be a viable long-term partner?

We'll also cover how Ntiva's [managed IT services](#) addresses each consideration.

Note: We've written in detail about the [cost of outsourced IT support vs. in-house IT support here](#).

Ntiva offers a large suite of [managed IT services](#) for companies of different sizes. To see how we can help you budget for all your IT needs, [book a consultation](#).

Factors that Affect Managed IT Services Costs



The following considerations are a good starting point for understanding how [pricing structures](#) and your overall needs can affect the cost of [managed IT services](#) in general. The first two points in particular are important because they provide the lens through which all other considerations should be viewed.

1. The current size of your company and plans for growth

Many companies focus on their current needs without considering future needs. This mistake can be very costly in the long-run because it's typically expensive and time-consuming to switch IT providers. [Below](#), we'll cover in more detail how to choose a long-term managed IT partner.

At this stage, you'll want to take note of how many employees you have/may have, how many devices you own/might own, and how often your team has IT questions or issues (e.g, how tech-savvy is your team, how heavily do they rely on technology to do their jobs).

We'll also cover different [pricing models](#)—per user, per device, and hourly—so you can choose the best fit for your needs. Ideally, you'll plan for full coverage for all employees and devices.

2. Services you need now and may need in the future

Some common IT services include:

- 24/7 technical support
- Employee onboarding and offboarding
- Backup and disaster recovery
- Managed workstations
- Network monitoring and management
- Hardware and software procurement
- IT consulting
- Cybersecurity services

If you're unsure of what your exact needs are *currently*, you can meet with several IT providers and ask them what they recommend for your company. You can also ask to talk with current or past clients of an IT provider who are similar to your company (e.g., size, industry) to find out if they're satisfied with the services and level of coverage they're receiving.

It can be difficult (or impossible) **to predict the exact services you'll need in the future**, but there are ways to get a good idea of whether or not an IT provider will be able to support your future goals.

One of the best ways to know if an IT provider will be able to grow with you is to ask for examples of real clients who are already in the place where you hope to be in the future. For example, let's say you're a [small business](#) in the manufacturing industry who may eventually want to land large government contracts. You can ask the IT provider to give you examples of how they supported large and [medium-sized businesses](#) who regularly closed large government contracts.

At Ntiva, we get to know your business values, needs, and goals, and then **make recommendations that tie directly to your business goals**.

3. Co-managed or fully managed services

Fully managed IT services are for companies that don't have an internal [IT team](#). With the right IT provider, you'll still have the flexibility to choose which services you want, however, the IT provider will manage all aspects of your IT.

[Co-managed IT services](#) are a great option if you already have an internal IT team and just want to build on their capabilities. Co-managed IT can take a couple of different forms:

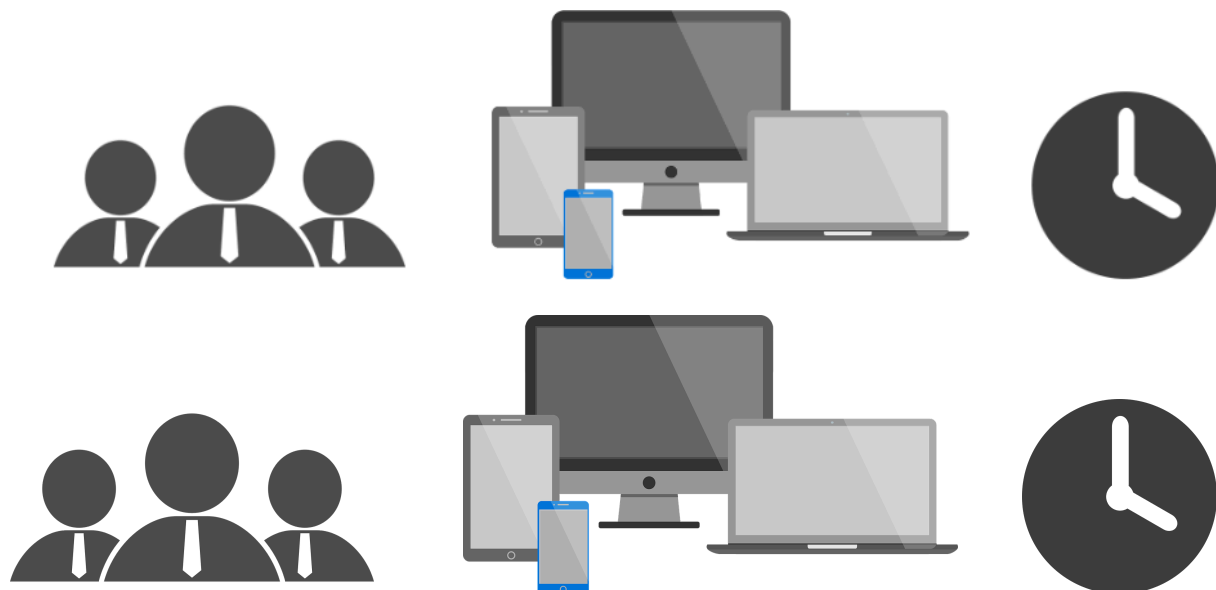
- The IT provider fully takes over certain tasks which frees up the internal team for other duties.
- The IT provider works alongside your internal IT team to accomplish IT goals.

Many [managed IT service providers](#) (MSP) will only offer the first option where they completely take over certain tasks. Typically, you'll have very little insight into what they're doing and how they're doing it. For example, if you hand-off your [help desk](#) to the IT provider, you likely won't have any insight into individual tickets. This means you won't know which devices are causing the most issues, who's calling in the most often, and more, which makes it difficult to manage your IT budget and plan for future needs.

At Ntiva, we can handle all your IT needs or work alongside your internal IT team.

For example, we can handle your entire [help desk](#), or you can have your team handle minor issues and we'll address more time-consuming, complicated issues. Either way, **you'll have full insight into what we do and how we do it.** You'll have full access to our [help desk software](#) where you can view individual tickets and reports that summarize who's calling in, what issues are coming up, and more.

4. [Pricing models](#)



There are three common [pricing models](#):

- **Hourly:** If and when you need any IT service, you'll be charged for the time spent on that service. This can be a good model for services that you don't use very often (e.g., onsite support), however, it's typically not cost-effective for frequently used services (e.g., remote help desk).
- **Per device:** With this model, you're typically charged the same rate for each device. So, even if you have one device that gets used less often than another one (e.g., a shared printer vs. a personal tablet), you'll still be charged the same fee for each one. Because of this, many companies end up only covering some of their devices instead of all of them, which can lead to downtime if there are IT issues and the employees have to figure it out themselves. If your company uses very few devices (e.g., one tablet that everyone clocks in on), this may be a good option. But, most companies have more devices than users, so this is rarely a cost-effective option.
- **Per user:** In our opinion, per user makes the most sense for most companies. With this model, you simply pay for each user and any IT solution they touch will be supported (e.g., software setup, hardware maintenance).

***Note:** Each provider will include different services in their base rate. With all of these payment models, there will still likely be additional services that are priced separately (such as consulting services).*

We believe in serving people, not devices. That's why [Ntiva charges per user](#).

Our per user price includes many proactive features such as network monitoring and management, managed endpoint detection and response, training-as-a-service, and more. Ntiva also offers add-on or as-needed services such as Security Operation Center (SOC) services, consulting services, and more.

We value transparency and make sure all costs and available services are clearly defined upfront, which is why many of our clients have been with us for over 10 years.

5. Niche expertise

Some MSPs focus on serving one industry or type of company. The benefits of this are that they may have more experience supporting the specific software, hardware, and IT security needs of that niche. However, they'll likely charge you top dollar for that expertise. So, carefully consider whether or not you truly need an MSP who is solely focused on your use case.

For example, many MSPs offer support for HIPAA compliance. If you're in the healthcare industry, you may not have to choose an MSP that exclusively works with healthcare clients. That being said, you'll still want to make sure they have plenty of experience serving companies that are similar to yours (e.g., private clinics vs large hospitals).

Ntiva serves companies in manufacturing, healthcare, professional services, government contracting, legal services, nonprofits, finance, and equity/M&A.

How to Know You're Getting Your Money's Worth



To determine which MSP is offering the best package, many companies take the list they made from the section above, talk to multiple providers, and compare the monthly cost vs. how many boxes they tick.

However, it's important to dig deeper to ensure you're actually getting what's advertised and what you want. On the surface, many MSPs offer the same services and use the same tools, but the way they use those tools and perform those services will vary greatly.

For example, most MSPs offer a 24/7 help desk. However, some of them have non-technical reps answer the phones while others, like Ntiva, have technicians answering the phones. Non-technical reps won't be able to start troubleshooting your issue right away, but technicians can.

Here are a few areas to consider to ensure you're getting enough value for the cost.

Expertise (Certifications, Years of Experience, Case Studies)

Many IT providers will claim to offer certain services or give themselves certain titles, however, it's important to do your due diligence and verify how they back up those claims.

Here are a few examples of ways IT providers may under-deliver and how you can ensure you get the services you need:

Example 1: vCISO certifications vs. name only

Anyone can give themselves the title of vCISO (virtual or fractional Chief Information Security Officer), so many MSPs will assign this title to their most experienced or tenured IT professional in order to say they offer [vCISO services](#). On the other hand, there are well-known, respected universities and industry leaders who provide official training and certifications. If you want guidance from a truly knowledgeable CISO, you'll want to verify that they have a third-party certification.

Example 2: Using the right tools for the job

The types of tools an IT technician uses will dictate the types of solutions they're able to provide. For example, many MSPs try to fix Apple devices using Microsoft tools. While this may work in some cases, there will eventually be an issue that can't be fixed or the solution will continuously break. If your team uses Apple devices, you'll want to make sure your [Apple managed service provider](#) is using Apple-native tools.

Example 3: One or two case studies vs. hundreds

Most MSPs will be able to show you one or two excellent case studies that match what you're looking for. However, it's important to check that those case studies aren't their only experience with your use case. During a consultation call, you'll want to ask questions such as, 'How many clients do you have in X situation right now?', 'How many in the past year?', 'How many total?', etc.

Ntiva has nearly 20 years of experience serving hundreds of clients. We continually invest in third-party training and certifications for our technicians and provide the right tools for the job (i.e., Apple- and Microsoft-native tools).

Size of the Company and Individual Departments

The size of the company and individual departments matters for one reason: to ensure you get the support you need when you need it.

Some people say they prefer smaller IT providers because they get faster, more personalized support. However, the risks you run with a smaller company is that the technician with the expertise you need may not be available when you need them.

For example, many smaller MSPs only have one or two technicians who know how to work with Apple products. If those technicians are unavailable (e.g., with another client, on sick leave), you'll have to wait until they're available no matter how urgent the issue is.

The other possible downside of working with a smaller MSP is that each employee likely wears many hats. For example, they may have one person who is their cybersecurity expert, cloud

solutions specialist, and data backup specialist. Because their time is divided between many different services, they likely have less expertise in each area than if they focused all their time on one topic.

On the other hand, working with a large MSP may mean longer wait times and unresponsive support.

Ntiva strives to offer the best of both worlds with:

- **Fast response times:** All calls are answered by an experienced *technician*—in typically less than one minute—so you can start troubleshooting your issue immediately. 75% of issues get resolved with one phone call.
- **Dedicated project manager:** You'll have a dedicated point of contact who meets with you regularly and is available for any questions.
- **Individual departments:** We have individual departments for different IT departments—cybersecurity, Microsoft, Apple, cloud solutions, etc.—so our technicians can focus on one area and provide you with true expertise.

'As-needed' Services

Many IT companies offer a few services on an as-needed basis (often for an hourly rate), however, for them, this means 'whenever we decide you need the support'. A common example is onsite support: you'll have access to onsite support *if* your IT provider decides you need it.

At Ntiva, we offer many 'as-needed' services (including onsite support) where *you* decide when you need it and we respond right away.

Service Packages Available (Cookie Cutter vs Custom-Made)

Most MSPs will only offer two or three pricing options and expect you to choose one. More often than not, this means you'll be paying for services you don't use and missing out on services you need.

For example, many MSPs charge an ongoing monthly fee for onsite support as part of their help desk—even if you don't use it. Most IT issues can be resolved using remote support, so most companies rarely use onsite support, which means you'll be paying for a service that is only used occasionally.

Ntiva provides two standard pricing options, however, **we always work with you to customize those plans to your needs.** Any services you use on a regular basis are typically included in a fixed monthly rate to make it really easy for you to budget for IT expenses. Then, we also make those services that are used less often available to you on an as-needed basis, so that you're always covered but don't have to pay until you need it.

Hidden Costs of Managed IT Services



Surprise IT costs can happen because of surprise events (e.g., cyberattack, server outage) or because you weren't fully aware of how the IT provider was pricing certain services. Surprise events should be covered by an emergency fund, but surprise costs for known services should be avoided.

At Ntiva, it's one of our top priorities to ensure you're fully aware of all costs ahead of time. That's why **we have a thorough onboarding process** where we get to know your goals and needs and then design a roadmap to achieve those goals. Before we begin any services, **we make sure all costs are clearly defined** and all your questions are answered. You won't be charged an onboarding fee.

In the following sections, we cover some common areas where hidden costs appear.

How They Address Downtime

Poor IT support can cause downtime while the right IT services can decrease downtime. The most important consideration when it comes to downtime is whether your IT provider takes a **break-fix** or a **proactive approach to IT**.

A **break-fix** mentality means that if there is an issue, you call in and they address it—they don't do anything to help you prevent issues.

A **proactive approach** is the opposite: the IT provider implements measures to help you prevent issues and identify issues sooner. Then, if necessary, they help you fix issues.

Paying for a few proactive services up front can save you costly fixes in the long run. For example, if you can spot and fix an issue with your server *before* it crashes, you'll be able to avoid a server outage that may last a day or more.

Two more commonly overlooked ways that poor IT service can add to **downtime** are:

- Fixes that break (e.g., calling in more than once for the same issue)
- Call wait times (e.g., sitting on hold or waiting days to get an issue resolved)

Both of these situations mean that your employees are spending more time fixing an **IT issue** than they need to be.

Ntiva offers many proactive services, including:

- **Network monitoring and management.** Our team monitors your network and **IT systems** 24/7 to identify potential problems and address issues *before* they affect productivity—often before your team is aware of them.
- **Software and hardware management.** Our team makes sure all software and hardware has been installed properly and that all licenses and security settings are up to date. This helps prevent issues like faulty connections or access errors.
- **Employee onboarding/offboarding.** Anytime you gain or lose an employee (or the employee switches positions), we handle all aspects of IT for you—including making sure all equipment and software access is set up *when* they arrive, removing access to sensitive information when they leave, providing phishing prevention training, and more.

As we covered in earlier sections, Ntiva technicians are experts in their field to ensure long-lasting solutions. And, 75% of issues get resolved with one phone call—with an average hold time of less than one minute.

How They **Price** Individual Products

Early in this guide, we discussed how different **pricing models** for IT *services* can affect the overall cost. Here, we'll focus on how IT *products* (i.e., software or hardware) are priced.

There are two main ways that IT providers may try to get you to pay more for products than you should be:

1. **Marking up products that you can get yourself for a cheaper price.** While it's fair for an IT provider to charge you for the labor of setting up a product, the product itself shouldn't be marked up.

2. **Pricing products in a way that makes it difficult to switch providers.** For example, some IT providers will sell you a **firewall** but will retain ownership of the **firewall** licenses. Since the **firewall** can't be used without a license, you won't be able to use that **firewall** if you part ways with the IT provider.

Ntiva sells all products at face value without markups, and we sell you the entire solution so that you can easily part from Ntiva, if you need to.

How They Help You Cut **IT Costs**

Many IT providers only have one or two solutions for any given IT problem, so you'll be limited in your options. Sometimes these solutions will be the perfect, most **cost-effective** fit for your needs and sometimes a different solution would be better. That's why it can be helpful to choose an IT provider whose team has a wide range of expertise.

For example, let's say you want to migrate some of your operations to the cloud to cut costs. Many MSPs only work with one or two cloud service providers. So, they'll be able to help you find the most **cost effective** solution available from that cloud provider, but a different cloud solution might better suit your needs and cost less. If your IT provider works with many different cloud providers, you'll be able to shop around.

Additionally, you'll want to make sure that the IT provider you choose is willing to suggest solutions that mean they will get paid less. For example, some IT providers markup cloud data usage fees and take the extra. Because of this, they're less likely to make suggestions that will streamline your data usage.

A good way to find out if an IT provider is willing to take a smaller paycheck if it helps you save money is to ask them for examples. They should be able to quickly share several stories. If they take too long to answer or can't give you a good example, it may be time to move on.

At Ntiva, we often recommend solutions that put the needs of our clients before our own. [In this case study](#), you can read about how a financial services firm came to us wanting a custom software solution. After reviewing their needs and goals, our team recommended an out-of-the-box solution that ended up **saving them over half a million dollars in the first year alone**.

How Often Service **Prices** Increase

Most IT providers write a clause in their contract saying they can increase services costs whenever they see fit, which means different things to different providers. With many IT providers, this means they'll increase the **price** each year (just like home rent is raised each year) even though no value has been added to your service.

Ntiva only increases price if value is added (e.g., security software upgrades) or the cost of labor increases significantly (e.g., wage increase due to the COVID-19 pandemic). This means that most years your cost will remain the same.

How to Choose a Long-Term Managed IT Partner



Like we mentioned earlier, it can be very costly to switch IT providers, but it can also be costly to stick with your current provider if they aren't able to offer the services or level of service you need.

To help you avoid having to make the choice between switching providers and staying with an inadequate provider, here are some questions to consider:

- **Do they have enough personnel to grow with you?** A small MSP may work for now, but they may not be able to support you as you grow. Many companies that outgrow their MSP begin to experience slow response times and poor solutions that break.
- **Have they proven they can adapt to the needs of their clients?** It's not enough for an MSP to show that they have the latest technology today. They need to show that they've been able to adapt as technology changed over time. Looking at case studies and the age of the company can be good starting points.
- **Does their IT service pricing model allow you to easily budget for the future?** Pricing plans should be straightforward and consistent from month to month. Also, they

should be able to provide you with IT consulting services that can help you predict future expenses.

- **Does their company culture align with yours?** Do they treat your employees as devices that need to be fixed or people that need to be supported and educated? A great way to determine this is to ask how they would handle specific situations that have happened to you in the past. If they give you a general answer (e.g., 'We would figure out your needs and go from there.') it may be time to move on. But if they get specific (e.g., 'First, we would need to know X,Y, and Z. From there we would do A, B, or C.'), it shows they can work with you on an individual level.

Scalable Managed IT Services: Ntiva



For nearly 20 years, Ntiva has supported companies of all sizes in many different industries to grow their business using technology. [Time and time again](#) we've shown we can grow and adapt to our customers' needs.

Here's a quick overview of some of the services we offer in our [monthly plans based on the number of users](#) in your company:

- 24/7 help desk support
- Employee onboarding and offboarding
- Backup and disaster recovery
- Managed workstations
- IT environment management and monitoring
- IT infrastructure and software procurement

- Phishing prevention training
- Endpoint detection and response
- Vulnerability testing
- And much more

We also offer many stand-alone and ‘as-needed’ services too, including:

- vCISO consulting
- General IT consulting
- Onsite support
- Web application development
- Security operations center
- And many more

Our packages demonstrate the services most widely used by our clients, but we’re happy to customize a plan for your needs. When building a plan, our goal is to include all of your recurring needs in one fixed fee (so that it’s easy to budget for) while leaving out services that you won’t need (so you aren’t paying for services you don’t use).

[Reach out for a consultation.](#)