The Value, Impact of Proactive & Superior Managed Security Services

Presentation

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Introduction

Organizations of all sizes, across all industries are working to recover from the global pandemic, yet Gartner, estimates that the total global spending on IT has grown to over $3.9 Trillion. Over $120 Billion is expected to be spent on cybersecurity in 2021.

While IT and Security spending continues to grow globally, organizations and leadership teams report ongoing struggles with realizing tangible business value or return on IT and security investments. Each year hundreds of new technology and security solutions poor into the market. Today there are thousands of IT and Security vendors in the market and tens of thousands of products, devices and business applications to choose from. With this glut of solutions, vendors, and options, how can organizations capture a return on future IT and Security investments, or realize the value from previous investments?

COMMON IT INVESTMENT & SPENDING QUESTIONS

- How stable and secure are the IT systems and applications?
- How are the IT and security investments paying off?
- How well are we identifying and responding to user and customer support requests and security threats?
- Are IT and security services being delivered to support the business' goals, objectives, and needs?
- How can we show / communicate the value of IT and security in terms that the business understands?

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IT Industry Realities Impacting ROI

(IT Project Failure Rates and IT System Downtime)

70% of IT Projects Fail.

55% of PMs cite budget overrun as a reason for project failure.

The lack of clear goals and flawed requirements are the most common factors for project failure (37%).

44% of projects fail due to a lack of alignment between business and IT project objectives.

62% of successfully completed projects had supportive executive sponsors.

Top Causes of IT System Downtime:

Human Error
Cyberattack
Equipment Failure
Software Failure
Natural Disasters
Power Surge
User Surge

Designing, building, operating, maintaining, and supporting business IT systems and applications is a time consuming, costly and complex task. It requires specialized skills, robust project management, and executive oversight in order to be successful. The odds are against most organizations that attempt to run IT systems, applications or major projects inhouse with minimal funding and resources.

https://www.vxchnge.com/blog/common-causes-of-server-downtime https://teamstage.io/project-management-statistics/
https://integracon.com/11-leading-causes-downtime/ https://www.infotech.com/research/flawed-requirements-trigger-70-of-project-failures

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Business Impact of Downtime

SCENARIO:

An e-commerce business with 25 employees and estimated annual revenue of $3 million experiences a two-day network outage.

- **$3,000,000 ÷ 2080 available business hours = $1,442.31/hour**
- **$1442.31 x 16 business hours = $23,076.96 in lost revenue**
- **25 employees x average hourly cost of $30 = $750/hour**
- **$750 x 16 business hours = $12,000.00 in lost productivity**
- **Estimated cost to troubleshoot and repair = $5,000**

Total estimated cost/loss or financial impact = $40,076.92

FUTURE IMPACT/RISK:

Company reputation, brand, customer experience / satisfaction / future revenue loss.

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Internal Gaps That Prevent ROI

GOALS & OBJECTIVES

- Business, IT, Security goals and objectives can be misaligned or not understood across various business units or functions.
- Business, IT and security initiatives, projects, and spending priorities might be misaligned or not understood across the organization.
- Business and IT projects might not have clear alignment to corporate goals and objectives.

IT PROGRAM MATURITY

- The current state of the IT and Security program maturity is understood at the leadership, management and employee levels of the organization.
- The IT, and Security team effectiveness and capabilities are understood by the leadership and management teams.
- IT and Security system functionality is understood by the leadership team.

SPEND ALIGNMENT

- IT and Security investments and ongoing spending is aligned and supports business goals, objectives.
- IT and Security spending is within industry averages for your type and size of company.
- IT and Security investment and project return on investment is being tracked, measured and reviewed continuously.

KPIs & METRICS

- IT and Security initiatives, projects, activities have specific KPIs, Metrics, defined.
- KPIs, Metrics for IT and Security initiatives and projects are being tracked, measured, reviewed continuously.
- Vendors, Partners, Suppliers of IT and Security solutions and services are reviewed, assessed and ranked in terms of the value they provide to the business.

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IT Investment Value & ROI Checklist

GOALS & OBJECTIVES

Do we know if our IT department and team members understand our short-mid-long-term goals, objectives, priorities?

PROGRAM MATURITY

Do we know our current state of IT program - team maturity and effectiveness, and how to evolve this to create business value and reduce or eliminate risk?

SPEND ALIGNMENT

Do we know where and how our IT and security investments are adding value to the organization?

KPIs & METRICS

Do we know how IT projects and teams are performing against their KPIs, metrics, expectations, outcomes?

REPORTING & COMMUNICATIONS

Do we create dashboards, reports, or summaries, and communicate the value of IT and security investments in terms that the business understands?

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IT Investments to Accelerate Value

ASSESSMENTS

- Business and IT alignment assessment to identify IT investment gaps, waste, or misalignment negatively impacting the business.
- Network, IT, Security assessments to identify assets, vulnerabilities that are a high risk to the business.
- **IT / Security project review, assessment – prioritizing or reallocating resources and spending to high value / impact projects.**

PROGRAM MATURITY

- Create or update IT system and data usage and access policies, procedures, to evolve IT and Security program maturity. This reduces risk and helps ensure regulatory compliance.
- Off-payroll virtual IT, Security, or Compliance, subject matter expert assistance to enhance internal capabilities.
- **Partner with an MSP outsource IT, Security or Compliance as a Service provider.**

TRAINING/AWARENESS

- IT, Security and system awareness training, phishing simulations to ensure user system and process adoption, and to reduce cybersecurity attack risks.
- Management training on system usage, data access, disaster recovery, cybersecurity risks, and best practices to defend the organization against internal and external attacks and threats.
- **Managed phishing, training services.**

LAYERED SECURITY

- Cybersecurity Insurance.
- End Point Protection.
- Data Encryption.
- Next Generation Firewalls.
- Data Loss Protection & Monitoring Software.
- Network Monitoring Services.
- **Managed IT + (Security) detection and response services.**

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MSP Adoption & Spending Trends

(Increasing IT Project Success Rates and Reducing IT System Downtime)

55% of MSPs Report that Most or All of their Clients Are Asking for Security Services

"Meeting Security Risks" is the Top Need of MSP Clients

The Managed Security market is projected to grow to $50 Billion by 2023

Research shows that 83% of security teams experience "alert fatigue" and 88% have SIEM challenges

In 2020 32% of organizations increased their use of outside service providers

75% of MSPs report their clients struggle with regulatory compliance

Victory Media Research 2021

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Not All MSPs Are Created Equal

COMMON MSP TACTICS & WARNING SIGNS:

- Pitching a solution too early or driving a client to a demo before understanding the client's needs and requirements
- Solutioning or selling more than the client needs, can afford, or can justify just to "be safe" if the client cannot provide the appropriate scoping answers
- Providing a demo of the platform / MSPs full capabilities but then cutting those services or functionality back then attempting to upsell additional features after the initial agreement is executed
- Having the client answer the same questions multiple times, across multiple meetings with the MSP team members due to a lack of internal planning, communication, preparation by the MSP
- Providing deep discounts in order to close a sale at quarter end or "throwing in" additional services and solutions to gain a purchase commitment when you told them the issue was budget or timing and not price related

PitchMaps 2019, Victory Media Research 2020, 2021

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Top MSP Complaints

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Inability to resolve ongoing support, service, or technical issues, requests

Lack of visibility into support ticket status, overall service delivery performance, metrics

Poor or inconsistent customer service, service delivery response times

Tuning monitoring or service down to reduce MSP costs, failing to detect, alert, respond to threats or tickets

Only offering to resolve service issues or enhance services after multiple failures to detect, alert, respond

Locking in by not providing access to systems, data, dashboards, performance analytics

PitchMaps Research, 2019. Victory Media Survey, 2020-2021

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What Customers Want From MSPs

BE KNOWLEDGEABLE

- Understand the client's business requirements, needs, expectations.
- Understand any security, privacy, compliance requirements.
- Modify alerts and communications taking into consideration their IT systems, environment and business operations.

BE PROACTIVE

- Inquire about the clients needs, requirements, expectations.
- Document and verify these back to the customer to ensure alignment.
- Reach out to schedule conversations, updates, and to review trends, risks, and to discuss how to add more value to the client. Ensure delivery is proactively communicating, providing updates.

BE RESPONSIVE

- Ensure emails, support tickets, general requests are being responded to even if a partial or answer is provided.
- Document and review service and solution enhancement requests or tickets in recurring meetings providing visibility into how the client's needs and requests are being addressed.

BE COMMITTED

- Establish goals, objectives, activities, KPIs, and metrics for the relationship that deliver value.
- Establish reporting communication, and recurring meetings to discuss topics that are valuable to the client and consistently track and report on the value and impact the service is providing.

Xceptional Netwworks, Victory Media Research 2020 - 2021

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Common Business & IT Needs, Issues Across Industries, Market Segments

REVENUE	PROFIT	ENGAGEMENT	CONTINUITY	RESILIENCY	RISK
Secure and service net new customers	Contain, reduce or prioritize spending to preserve capital	Increase employee engagement, retention	Ensure IT systems and applications are aligned to business needs	Cash flow and cash reserves are in place	Customer, revenue attrition proactively managed
Grow and preserve existing customers	Streamline and automate ops, IT processes to increase efficiency	Increase customer engagement, retention	Ensure IT systems and applications are designed to support employees	Revenues and customers are diversified	Legal, legislative requirements proactively managed
Innovate, update products, services to attract new customers	Consolidate or remove low profit products or services	Increase employee productivity	Ensure IT systems and applications are available when needed	IT systems, applications, and data are backed up, can be recovered	Cyber-attacks, regulatory risks proactively monitored and mitigated
Expand into new markets	Focus on higher margin customers, markets	Increase customer mindshare, wallet share	Ensure employees and customers are supported as needed	Day-to-day operations can continue onsite or remote	Geographies, markets, locations are viable

2021 Business & IT Priorities

(Techaisle 2021 Small, Medium Sized Business Survey)

https://techaisle.com/blog/449-2021-top-10-smb-and-midmarket-business-issues-it-challenges-it-priorities

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Experience Xceptional Value

Knowledgeable, Proactive, Responsive, Committed

PORTFOLIO OF PROACTIVE MANAGED SERVICES & SUPERIOR IT CONSULTING SERVICES

- Remote and on-site managed services to fit your budget, scheduling, and resource needs: *Managed Desktop, Network, Phones, Applications, Security, Compliance.*
- 24x7 monitoring and support provided by live engineers *that are highly responsive and committed to your business.*
- Virtual CIO: Quarterly Technology Reviews and Reporting Solutions to provide strategic IT planning, *update to current standard levels and ensure specifications are maintained.*
- Advanced IT consulting, advisory, architecture and procurement services to help align IT systems and applications to the business, *or to develop and implement a future IT roadmap and technology strategy that enables business growth.*

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Wrap Up

Over the last 12 months, organizations globally have been impacted by the global pandemic. As organizations begin to move beyond the pandemic, they are looking for ways to contain or reduce costs and invest in areas that will help stabilize and accelerate the growth of their business.

Most executives we speak to are seeking ways to align IT systems and applications with the needs of the business - and based on the glut of IT solutions and vendors in the market, they are trying to figure out who they can trust to help.

The amount of time, energy, effort, and resources required to keep IT systems, back-office applications, and IT devices updated to keep pace with the demands of the business, let alone, updated, patched and secure - is significant.

Xceptional can help!

As a leading, award winning provider of Managed IT Services, Networking, and Security Solutions, Xceptional is committed to helping customers align their IT systems and applications to the current needs of their business, employees, and customers!

Embrace the Xceptional experience and visit our website or contact us today!

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UP NEXT:

Industry Trends & Best Practices

Webinar

Register here

May 6, 2021 / 11:00 am PST

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MSP / IT Vendor Evaluation & Selection Guide

2021 eBook

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