



Managed IT Services vs. In-House IT Workbook

A Guide to Choosing the Right
IT Model for Your Organization



How to Choose the Right IT Model for Your Organization

Finding the ideal IT service model for your organization requires careful evaluation and consideration of many factors. In today's rapidly changing IT environment, businesses face the important decision of whether to hire an in-house IT team, partner with a managed services provider (MSP), or adopt a hybrid model that combines both approaches. Making an informed choice is critical to ensure your IT needs align with your business objectives and drive success.

This workbook is designed to assist you in selecting an IT service model best suited to your organization. We'll discuss key steps like evaluating your organization's needs, exploring considerations for working with an MSP, and creating a decision-making framework to select the right IT model. By following this structured approach, you'll gain the knowledge needed to assess your IT requirements effectively and select an ideal solution.



Assessing Your Organization's Needs

Deciding on an IT model starts with conducting a thorough assessment of your organization's IT needs. In this section, we'll guide you through the process of outlining your IT requirements, goals, challenges, and obstacles. By considering factors like infrastructure, software, security, support, scalability, and future growth potential, you'll gain a comprehensive understanding of your organization's specific needs. Additionally, we'll help you evaluate your current in-house capabilities and identify areas where additional expertise or resources may be necessary.

Activity 1: Evaluating Your IT Requirements

Go through the following steps to identify your organization's IT needs.

Outline IT Requirements: Begin by outlining your organization's IT requirements. Consider factors such as hardware and infrastructure needs, software applications, network capabilities, data storage and security requirements, and any specialized technology needs specific to your industry or business operations.

Define Goals: Clearly define your organization's IT goals. Identify what you aim to achieve through your IT infrastructure, such as increased productivity, enhanced efficiency, improved data security, streamlined processes, or support for future growth. Align these goals with your overall business objectives.

Identify Challenges and Obstacles: Evaluate the challenges and obstacles your organization faces in relation to IT. These could include budget constraints, outdated technology, lack of internal expertise, cybersecurity vulnerabilities, or compliance requirements. Recognizing these challenges will help you address them effectively.

Evaluate Current In-House Capabilities: Evaluate your organization's current in-house IT capabilities. Identify the strengths and weaknesses of your internal team, including technical expertise, knowledge of emerging technologies, ability to handle IT infrastructure, and ongoing maintenance and support. Determine if additional expertise or resources are required to meet your IT needs effectively.



Considerations for MSP Engagement

Before engaging with a managed services provider (MSP), it's important to determine which IT functions should remain under in-house control and where MSP expertise may be beneficial. This section will help you analyze budgetary considerations, cost-effectiveness, and the advantages of outsourcing certain IT services to an MSP versus managing them internally. By striking the right balance between internal management and MSP capabilities, you can make informed decisions that align with your organization's unique requirements.

Activity 2: Evaluating MSP Engagement

Follow these steps to assess how the expertise of an MSP aligns with the needs of your organization and whether you should outsource certain services.

Identify IT Functions: Identify the IT functions within your organization that require in-house control. These may include core business applications, proprietary systems, sensitive data management, or functions that require close integration with other internal systems or processes.

Assess MSP Benefits: Explore the potential benefits of working with an MSP for your organization's IT needs. Consider their specialized skills, industry expertise, advanced technology access, scalability options, and potential cost savings. Are there specific areas where an MSP's services can provide added value?

Budgetary Considerations: Take budgetary considerations into account when evaluating MSP engagement. Assess the cost-effectiveness of outsourcing certain IT services to an MSP versus managing them internally. Consider the expenses that come along with hiring and training in-house staff, infrastructure investments, ongoing maintenance, and the potential cost savings offered by an MSP.

Risk and Security: Evaluate the risk and security implications of engaging an MSP. Consider factors such as data protection, regulatory compliance, confidentiality, and the MSP's ability to provide robust security measures. Assess their track record, certifications, and security protocols to ensure they meet your organization's requirements.

Alignment of Expertise: Determine where the expertise of an MSP aligns with the specific IT functions needed by your organization. Consider if their specialized skills and knowledge can address gaps or limitations within your in-house team. Evaluate how the MSP's expertise can contribute to improved performance, efficiency, and innovation within your IT operations.



Establishing a Decision-Making Framework

Establishing a decision-making framework that aligns with your unique criteria and priorities can be beneficial when selecting an IT model. This section will guide you through helpful processes to develop an evaluation matrix that assesses factors like service quality, expertise, scalability, cost, and security concerns. By involving key stakeholders and decision-makers, you can gain valuable insights and align your IT decisions with strategic objectives.

Activity 3: Creating a Decision-Making Framework

Fill out the provided template to gather information for an evaluation matrix tailored to your organization's criteria.

Identify Evaluation Criteria: Start by identifying criteria that are most important to your organization. These criteria can include factors like service quality, expertise, scalability, cost-effectiveness, security, industry experience, and cultural fit. Customizing the evaluation criteria allows you to prioritize what matters most to your organization.

Assign Importance: Assign importance levels to each evaluation criterion based on its relative significance. This step helps reflect the priorities and preferences of your organization when comparing different IT service models. Consider engaging relevant stakeholders to include different perspectives.

Criterion	Importance Level

Develop Scoring Metrics: Establish a scoring system or metrics for each evaluation criterion. For example, you can use a numerical scale or a rating system to assess different IT service models against each criterion. This approach enables a more objective evaluation and comparison.

Criterion	Scoring System

Gather Data and Assess Options: Collect the necessary data and information to evaluate each IT service model against the established criteria and metrics. Gather input from various sources, such as MSP proposals, internal assessments, industry research, and references. Evaluate how each option performs against the criteria and assign scores accordingly.

Criterion	MSP Assessment	In-House Assessment	Hybrid Assessment

Calculate Overall Scores: Calculate overall scores for each IT service model by combining the scores from individual evaluation criteria. Consider applying the assigned weightings to reflect the relative importance of each criterion. The overall scores provide a quantitative measure for comparing the options.

Criterion	MSP Rating	In-House Rating	Hybrid Rating
Total Scores:			

Seek Input from Key Stakeholders: Engage key stakeholders and decision-makers within your organization to provide their perspectives on the evaluation results. Seek their input on the strengths, weaknesses, and potential impacts of each IT service model. This step ensures alignment with strategic objectives and gains insights from various viewpoints.

IT Service Model	Strengths	Weaknesses	Potential Impacts
MSP			
In-House			
Hybrid			

Consider Cost-Benefit Analysis: Conduct a cost-benefit analysis by comparing the costs associated with each IT service model against their respective benefits and advantages. Consider factors such as initial investment, ongoing expenses, potential savings, and long-term value. This analysis helps assess the financial viability of each option.

Cost Factors	MSP Costs	In-House Costs	Hybrid Costs
Total Costs:			



Choosing the Right Fit

In this workbook, we've explored several considerations in choosing the right IT service model for your organization. By evaluating your organization's needs, assessing an MSP's value, and establishing a decision-making framework, you have gained valuable insights to make an informed decision.

If your organization needs specialized expertise, scalability, and cost savings, partnering with an MSP could be a good option. An MSP can bring in-depth knowledge, advanced technology, and the flexibility to scale services based on your evolving needs. This model allows you to leverage external expertise while maintaining focus on core business operations.

If your organization prioritizes direct control, customization, and extensive in-house knowledge, consider hiring an in-house IT team. This model provides you with complete control over IT processes, immediate response to internal needs, and the ability to tailor solutions to your specific requirements. However, be mindful of the higher upfront costs and ongoing staffing considerations associated with an in-house team.

For organizations seeking a balance between control and external expertise, a hybrid model may be the best option. This model allows you to retain critical functions in-house while leveraging the specialized skills and resources of an MSP. The hybrid model offers flexibility, scalability, and the ability to access external expertise when needed. With that in mind, be prepared for potential challenges in managing and integrating two separate models.

To assist you in evaluating and comparing different IT service models, we have created a chart that outlines the advantages and considerations of each model. Use this chart as a reference point as you navigate the decision-making process, weighing the pros and cons of each IT service model to make an informed choice.

IT Service Model Overview

IT Model Type	Advantages	Considerations
Managed Service Providers (MSPs)	• Access to an Extensive Range of IT Skills and Resources • Cost-Effective and Optimized IT Budgeting • Focus on Core Business Functions	• Dependence on Third-Party Providers • Communication and Coordination • Security and Data Privacy Concerns
In-House IT Departments	• Control over IT Resources and Decision-Making • Quick Response Times • Align with Company Culture and Objectives	• Recruitment and Talent Acquisition • Training, Skill Development, and Ongoing Education • Cost Implications and Budget Allocation
Hybrid IT Models	• Flexibility and Scalability • Cost Optimization • Access to Specialized Expertise • Enhanced Security • Business Continuity and Disaster Recovery	• Integration and Interoperability • Vendor Management • Governance and Compliance • Data Protection and Privacy • Organizational Change Management

When deciding on an IT model, seek input from key stakeholders and decision-makers, aligning IT decisions with your strategic objectives. Regularly review and reassess your IT strategy to ensure it aligns with your evolving needs. Whether you engage an MSP, establish an in-house team, or explore a hybrid model, consider factors that meet your criteria and prioritize your organization's unique requirements.

A Final Note

We hope this workbook has provided valuable guidance and a structured approach to support your decision-making process. Should you have further questions or require additional support, seek expert advice from professionals in the field. Good luck in choosing the most suitable IT service model, driving success and enabling your business to thrive in the dynamic world of technology!

Have questions or would like some guidance?

Contact Prescient Solutions to explore how our comprehensive managed IT services can benefit your organization and meet its IT requirements.

Contact Prescient Solutions

1834 Walden Office Square, Fifth Floor
Schaumburg, IL 60173
(888) 343-6040 | prescientsolutions.com

