

WHITE PAPER:

The What, Why, When and How of Managed Network Services

Organizations with Multisite Operations Can Benefit from Partnering with a Managed Network Services Provider





EXECUTIVE SUMMARY

Successful businesses grow, often by adding new locations. This is particularly true for organizations in the retail, convenience store, finance and quick-service restaurant sectors, which expand geographically to tap into new markets and better serve customers.

However, growth can put pressure on operational processes — particularly when it comes to IT. Every location needs highly reliable, high-performance connectivity to support users, systems and applications. IT teams must provision telecom and Internet services, oversee implementation, and ensure that the network meets business requirements. This requires around-the-clock monitoring, proactive maintenance and rapid response to any issues that arise.

At the same time, the number and types of devices connected to the network are also increasing rapidly. Organizations need to support mobile devices, digital signage and kiosks, and Internet of Things (IoT) devices, and ensure that they deliver an optimal customer experience.

Each new location and each new device adds to the burden on overstretched IT teams, increasing the risk that network downtime, performance problems or security threats will impact productivity and customer service. Managed network services can relieve that pressure. By outsourcing network implementation and management to a managed services provider (MSP), multisite operations can control costs, improve availability and free up in-house IT staff to focus on initiatives that deliver competitive advantages.

At what point should a multisite operation consider managed network services? Once the decision has been made to outsource, how do you choose the right provider?

This whitepaper explains what managed network services are, why organizations should partner with a qualified MSP, and when outsourcing makes good business sense. It also lists capabilities to look for in an MSP.

IT CHALLENGES FACING MULTISITE OPERATIONS

Geographic expansion can have a significant impact on an organization's IT operations. Businesses depend on the ability to process and store data, so most locations will need local compute and storage resources. Stores and restaurants will need point-of-sale devices, and often have onsite audio/visual equipment.

All of this must be connected to the centralized data center via a wide-area network (WAN). Each location will need wired and wireless network gear, as well as a firewall and other security tools. A virtual private network (VPN) will also be needed to secure access to corporate resources if remote sites use the Internet for connectivity.

The IT requirements of branch locations have become increasingly complex, but individual locations typically won't have in-house IT support. They must rely on the headquarters IT team, creating headaches for both IT and local users. Generally, the tools used to monitor and manage the headquarters data center don't extend to remote locations. IT staff must travel to each site to implement equipment and to handle many maintenance and support issues. This increases costs and the time required to resolve problems.

In many cases, organizations that grow organically wind up with different systems, software and configurations in each location. An inconsistent environment is even harder to manage, maintain and support.

In addition, with more and more locations using guest wi-fi, integrated loyalty programs and digital signage, digital synergy across all locations is vital to delivering a consistent customer experience.

These issues may be manageable when the organization has three, four, even 10 locations. However, the challenges begin to increase exponentially as more and more locations are added. At some point, in-house staff may be unable to ensure the performance, availability and security of the WAN and branch IT. That's when it's time to consider managed network services.

WHAT ARE MANAGED NETWORK SERVICES?

With managed network services, organizations outsource the day-to-day operation and management of the network infrastructure to an MSP. The MSP takes over a wide range of tasks, from the provisioning of WAN communications links to support of networking equipment. Multisite operations gain access to a team of experienced network professionals who perform these tasks consistently and efficiently across all locations.

MSPs typically have one or more Network Operations Centers (NOCs) for the centralized supervision of their customers' networks. The MSP's engineers and technicians use state-of-the-art tools to monitor and manage the network 24x7. When network service interruptions or performance problems are detected, the MSP can work to remediate these issues remotely, often before the customer even realizes there is a problem. The MSP also serves as a single point of contact for help desk support.

Some managed network services go beyond monitoring and maintenance to include network design, managed security services and more. All services are bundled into a subscription-based contract, with a predictable monthly fee based upon the number of locations, the service level agreement (SLA) and/or other metrics. Customers may also have the option of outsourcing some tasks while retaining others in-house.

Best-in-class MSPs have relationships with multiple telecom carriers and Internet service providers nationwide, and can aggregate these services on behalf of customers. This not only enables seamless connectivity, but provides the customer with consolidated billing.

BENEFITS OF MANAGED NETWORK SERVICES

The Organizations could invest in remote monitoring and management tools and hire additional staff to operate them. However, the growing IT “skills gap” makes it difficult to find, recruit and retain qualified network professionals. Furthermore, few organizations can justify the expense of around-the-clock monitoring even if their mission-critical requirements may demand such service levels.

Managed network services can help keep a lid on IT operational costs by eliminating the need to hire additional staff and buy more operational tools. Freed from the burden of day-to-day network maintenance and support, in-house IT teams can more quickly implement new technologies to increase competitiveness and meet changing demands.

Consolidated billing is another benefit of working with a managed network services provider. By aggregating all the individual carrier invoices required to support a multisite operation, the MSP can present the customer with one easy-to-understand bill for all services.

While organizations typically focus on operational savings when evaluating managed services, it has the potential to impact many cost metrics. IT capital expenditures can be optimized through sound recommendations from professionals who are familiar with the network and business needs. The productivity gains that come with a highly available, high-performance network are another benefit of managed services.

Downtime is extremely expensive, and managed network services minimize those costs by maximizing the performance and availability of the network. A properly managed network is also better able to support increasing numbers of locations added through organic growth or acquisitions. And if the MSP also provides security services, the risk of malware infection or data loss is also reduced.

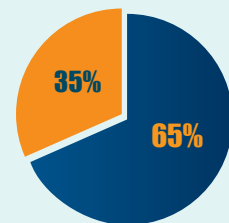
Obviously, the return on investment any organization achieves is subject to the services and technologies covered. Still, the ROI of the managed services model tends to be very real and often very startling.

Managed Network Services: A Cost-Benefit Analysis

According to research firm MarketsandMarkets, 65 percent of the typical IT budget is dedicated to “keeping the lights on.” That leaves just 35 percent for innovative new services.

Managed network services can shift the balance by reducing in-house IT costs by 30 percent to 40 percent, and increasing IT operational efficiency by 50 percent to 60 percent. Other business benefits of managed network services include:

- Predictable monthly fee for network management services
- Reduced network downtime / enhanced network resilience
- Improved security and regulatory compliance
- Increased productivity for in-house IT staff
- Ability to concentrate on core competencies
- Greater flexibility, technical advantages and risk sharing



INTEGRATING MANAGED SECURITY SERVICES

Building and maintaining a security program is difficult. Qualified cybersecurity personnel are difficult to recruit and retain, and maintaining and staffing a 24/7 security operations center can prove cost-prohibitive for many organizations. This is another case where outsourcing or co-sourcing makes sense. Bundling security within your managed network services platform can provide an effective and affordable best-practices cybersecurity framework. Best-in-class MSPs offer a broad range of cybersecurity solutions and services delivered by a team of highly trained, certified and experienced cybersecurity professionals.

For operations requiring around the clock attention, a U.S.-based Network Operations and Security Operations Center can provide ongoing services for continuous security event monitoring, investigation, and security solution management. A quality managed SIEM and SOC service will provide customers with contextual alerts & escalations of security events, valuable reports, ongoing tuning of the SIEM, and an overall customized security services experience.

CHOOSING THE RIGHT MANAGED NETWORK SERVICES PROVIDER

Although the business case for managed network services is strong, not all providers are created equal, and not all solutions are created equal. Rather than pushing a one-size-fits-all solution, the MSP should take the time to understand your organization's unique needs and growth trajectory. Only then can the MSP develop a plan that will meet your business requirements and budget.

When choosing a managed network services provider and solution, organizations should also look for:

- **Monitoring**
All services should be monitored around the clock with automated fault notification to ensure high levels of performance and support.
- **Support**
The MSP should provide a dedicated single point of contact and explain automated processes for 24x7 support and problem resolution.
- **Telecom Management**
The MSP should oversee the provisioning and implementation of telecom services and provide one, easy-to-understand bill for all connectivity across the extended enterprise.
- **Visibility**
Customers should be able to see the status of their network and support tickets through an Internet-based portal.
- **Scalability**
The MSP should have the staffing levels and operational processes needed to support growing numbers of locations and users.
- **Competency**
The service provider should also be able to show professional certifications earned by its employees and point to a track record of successful, large-scale deployments.
- **Industry-specific expertise**
An MSP who provides services for similar organizations will have a better understanding of the customer's business needs and challenges.

Best-in-class MSPs also offer a suite of extended services, including network design, security, compliance and more. By partnering with an MSP that serves as a "one-stop shop," organizations can further streamline operations and increase the ROI of managed network services.

CONCLUSION

Managed network services enable organizations to outsource network infrastructure management, including day-to-day operational tasks and the provisioning of WAN communications links and equipment. This type of service can be especially valuable to organizations with growing numbers of locations and limited in-house IT resources.

By shifting responsibility for provisioning, maintenance and support to an MSP, organizations can reduce operational costs while improving network performance and availability. Managed network services also provide a single point of contact for problem resolution, and allow in-house IT personnel to focus more on strategic initiatives.

Although the benefits of managed network services are significant, the process of choosing a service provider and implementing a solution is a complex undertaking. Organizations should look for an experienced provider with a strategic approach and proven track record of success.

ABOUT SAGENET

SageNet is passionate about trusted connections. The company believes that by creating, discovering and nurturing trusted connections with its customers, associates and community, SageNet enhances the world that connects us all.

As a leader in managed network and cybersecurity services, SageNet connects, manages and protects technologies and devices across the enterprise. SageNet's collaborative approach provides peace of mind and systems-confidence that empowers an organization to focus on its core mission.

The company offers world-class service and support via its three US-based 24/7 Network Operations Centers (NOCs) and Security Operations Centers (SOCs), geographically-diverse teleports, a central National Logistics Center, multiple data centers, and a nationwide field service organization.

With a three-decade track record in managed services, SageNet boasts a long-term customer base that includes the nation's largest retail, healthcare, financial, utilities and energy organizations. SageNet manages communications at more than 220,000 endpoints. Headquartered in Tulsa, SageNet has regional offices in Washington, D.C., Atlanta and Chicago.