

# Above and beyond

What to look for in an IT outsource solution

In last month's article, Latisys explained how organizations can benefit from the reliability, scalability and cost savings of an IT optimize solution. With this solution, companies choose to rely on a service provider for the hosting and management of their IT infrastructure and operating systems. These companies then determine to either retain control over their databases and various applications, or look to outsource this functionality as well.

Given the breadth of applications in use by businesses, finding the right provider or providers to be the extension of your IT staff can be an overwhelming and daunting process. Despite the wide offering of services, there are still some common criteria to look for when choosing a service provider, and there are ways to more efficiently narrow down the list of potential companies to work with, based on the relationships that exist with colocation, hosting and managed service providers.

*Smart Business* spoke with Mark A. Mercado, director of Partner Programs at Latisys, to learn more about this above-platform level support and services.

## Why do firms look to outsource their application and database management?

To ensure that they achieve the highest levels of feature, functionality and benefit from their applications without having to continually make additional capital investments into the technologies or labor resources to deliver these systems to their end users.

## What type of firm is the best fit for an IT outsource solution?

All companies can benefit from an IT outsource solution. Small organizations can get access to premium applications that are financially prohibitive in traditional in-house deployments, and large organizations can reduce their support costs and become more nimble.

Overall, there are certain traits that companies often have regardless of the size, or type of organization:

- The desire to focus their human resources on their core business, not IT management

- An understanding of the economic advantages of reducing capital expenses while leveraging the investment and expertise of a service provider



**Mark A. Mercado**  
Director of Partner Programs  
Latisys

- The need for guaranteed reliability and performance of their applications
- Requirements for a flexible and scalable solution with predictable costs

## What kind of applications and services are commonly included in an IT outsource solution?

An IT outsource solution typically encompasses the entire IT stack. From infrastructure through the operating systems, and including the application layer, end user systems and help desk support. Companies typically deploy multiple options when they outsource these types of solutions, as they choose specific vendors for applications like CRM and e-mail, or their entire ERP platform. Additional services could include application development and customization services.

## Are there service providers that offer everything from colocation and hosting to application-level support and services?

There are no providers that offer a complete suite of services from their own resources. Given the breadth of various infrastructure options, applications and the high levels of customization deployed by most organizations, it is physically and economically impossible for any single organi-

zation to staff appropriately to manage and support the myriad environments on their own. To compensate, good service providers focus on specific applications or levels of services. The most successful of companies partner with others to complement or augment their solution. In this model each company can build a strong, deep practice around specific applications or services. Partnered together in either a sub-prime or strategic partnership, service providers deliver a complete solution to customers.

## What are the benefits of turning these tasks and responsibilities over to a partner?

Bringing in a partner to complete a service offering follows the same principles and benefits that customers seek when outsourcing. Partnering with select companies allows service providers to offer complete, premier solutions at lower costs with higher levels of expertise and support than trying to maintain and build these practices on their own. It also gives the service provider flexibility in supporting all the various applications that are in the market by being able to engage with best-in-breed experts versus trying to build and maintain a bench of 'jack-of-all-trades' or generalists. The end result is that customers get the best and brightest firms coupled with state-of-the-art service level agreements (SLAs).

## What role does the colocation/hosting provider play in the decision to align with application-level support firms?

Clients trust and acknowledge their colocation and hosting providers as experts in IT infrastructure and managed services. Many customers already rely on these service providers to handle everything below the application layer, and regularly engage with the service providers to recommend or even provide the additional services to round out the outsourced solution. As service providers, they regularly engage with various third-party organizations that provide integration, application management and customization services. They have vetted these organizations and have strong working relationships that mesh operations as well as engineering, which results in a complete solution that customers can feel secure and confident in engaging with. <<

**MARK A. MERCADO** is director of Partner Programs at Latisys. Reach him at [mark-mercado@latisys.com](mailto:mark-mercado@latisys.com).

Insights **IT Outsourcing** is brought to you by Latisys