

How Small Businesses Can Benefit From Co-sourcing IT Services

Outsourcing: A Plan for All Seasons

In the year 2000, the Information Technology industry reached an important milestone. For the first time, 54% of IT services in North America were outsourced. A surprising feature of outsourcing is that its momentum is continuing even after the red-hot economy of the millennium simmered down. The Gartner Group projected that by 2005 outsourcing would represent 59% of IT services provided to companies.

Enterprises have discovered that it's always a good time to outsource. As The Gartner Group commented in a report published in December, 2001:

“During the economic boom, demand for business transformation and scarce IT skills drove outsourcing. The present economic decline has brought cost reduction back to the top of enterprise agendas, and outsourcing can provide this benefit.”

Whether designing network infrastructure, setting up a help desk, rolling out a new messaging system, or building a new network, outsourcing contains costs and risks, allowing IT service expenses to grow in a linear fashion than possible by building up an all-purpose in-house IT staff.

How About Small Businesses?

In the same report, Gartner also predicted: “By 2003, after the economy revives... even small enterprises will tap outsourcers.” It may seem obvious that something that makes such good business sense for big companies should make sense for everybody. In fact, outsourcing can be even more appealing to small businesses. It gives them access to expertise they couldn't otherwise afford. By implying that small businesses would be latecomers to the outsourcing party, Gartner recognized that the traditional outsourcing model was ill-suited for smaller organizations. As Gartner pointed out:

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“A classical outsourcing deal takes, on average, nine months to set up. This simple fact will lead to the decline of classical outsourcing and the rise of new sourcing approaches.”

ATS Tech Solutions, Inc.'s model for IT outsourcing is the result of over ten years of experience working with small businesses. All outsourcing involves defining and managing risks, evaluating and recommending technology, and understanding the client's needs as they evolve. Unlike the usual approach, we have refined a model that makes it easy for a client to engage our services quickly, adapt as needed, expand when appropriate, and terminate if necessary. We call this relationship “co-sourcing.” Our approach is based on the core belief that co-sourcing is a very special type of business relationship that requires the motives and goals of client and vendor to stay in close sync. This flexibility addresses a critical difference between large businesses and small ones: small businesses have a much harder time recovering from big mistakes.

ATS Tech Solutions, Inc.'s Co-sourcing Model

ATS Tech Solutions, Inc. has developed a dynamic co-sourcing model that helps small companies solve the two biggest IT problems: cost control and access to skilled personnel. Better yet, the model is based on continuous knowledge transfer from ATS Tech Solutions to the client's in-house staff so that advanced technology can quickly be adapted and implemented.

ATS Tech Solutions focuses on Microsoft servers, Internet-based networking, virtual office technology, and service-driven help desks. These are evolving too fast even for big companies to keep up. According to ATS Tech Solutions, President, John Madigan, "Our experienced network consultants keep up to date and quickly absorb new technology and apply it to deliver solutions. By continually transferring knowledge to our clients, we enable them to keep up with the accelerating pace of information technology without exhausting their resources."

This requires that ATS Tech Solutions and our clients work closely together. It means breaking through the fundamental tension between client and consultant. "Everyone has seen bad consulting relationships," observes John. "The client's in-house staff naturally tries to protect their turf, and the consultant tries to create dependencies by being stingy with information. It's the old story of 'Not Invented Here' vs. 'Job Security.' When you have two organizations pulling in different directions, you rarely end up where you were headed."

The key to co-sourcing is that we keep ATS Tech Solutions business goals in line with those of our client. "We invest heavily in our intellectual assets and information infrastructure," says John. "We recruit highly skilled and motivated people, provide them with what's probably the world's most sophisticated technology, organize advanced training from major vendors, and have mechanisms in place that allow our entire staff to share information and experiences." The purpose of this investment is to help ATS Tech Solutions deliver our basic products: best IT practices, high value services, and knowledge transfer. This in turn allows us to satisfy our clients' primary motive for co-sourcing: saving time and money, accessing expertise, and enhancing in-house IT skills.

How ATS Tech Solutions, Inc. Practices Save Time and Money

When clients are determining IT strategies or making decisions about system design, ATS Tech Solutions' diverse experience brings a broader perspective than the in-house IT staff of a small business is likely to have. This perspective is further enhanced in that we often act as a testing ground for new technologies. This experience counteracts the tendency customers may have to develop tunnel vision in their IT strategies. The old ways of doing business are often inapplicable to new IT paradigms such as the virtual office, web-based applications, and centrally managed network resources. Without expert guidance, it's easy for the first to venture become the first casualty.

Many companies attempt to deploy advanced technologies fail because of immature or non-existent infrastructure for support and education — not because of some basic flaw in the technology itself. Since ATS Tech Solutions is often consulted for piloting and

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implementing leading-edge technologies, our consultants have developed proven methods to assure success. Clients get where they want to go faster, and avoid the costly scenario of spending significant amounts of time and money only to end up back where they started. One way ATS Tech Solutions remains sensitive to the needs of small companies is that we, ourselves are a small company, using the very same technology on which we consult. We invest significantly in Microsoft technology in order to run our own business efficiently. We currently have six Windows 2003 Servers that provide e-mail, PBX/voice mail, Voice over IP gateway support, help desk management and tracking, client billing and service reporting system, accounting, Internet firewall, tape backup, VPN, and file/print sharing services. (Do we????)

ATS Tech Solutions also takes advantage of a state-of-the-art infrastructure that allows our engineers and technicians to respond quickly to problems and to access the resources required to find solutions. Because we have an inside track with many vendors, our staff has access to early beta software, training on leading-edge technologies, and special support programs. This advantage is passed on to our clients, who count on our expertise to avoid being blindsided by new technology.

Anatomy of a Co-sourcing Customer

Clients who use ATS Tech Solution, Inc. for ongoing co-sourcing typically have these common traits:

- Small to medium size company or department (5 to 2000 users).
- Growing fast with limited IT resources.
- Progressive view of information management.
- Consider information technology a strategic competitive resource.

Among our clients, the primary motives for co-sourcing in general and using ATS Tech Solutions in particular boil (come?) down to three issues:

- Saving time and money.
- Having access to IT expertise.
- Transferring knowledge of technology to in-house IT staff.

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ATS Tech Solution, Inc. has built an organization structured to respond to these requirements.

Getting things right the first time avoids an IT manager's worst nightmare: zero return on a major IT investment. Our experience gives clients the benefits of practices culled from dozens of consultants, hundreds of clients, and thousands of projects.

"Proactive" is a popular buzzword, probably because it describes how to detect problems without being hit over the head with them. Network management is an area where this pays off big-time. ATS Tech Solutions' method of monitoring our customers' networks usually means that they identify and resolve network problems before the customer is even aware anything is wrong.

Access to Expertise

Many small businesses try to handle day-to-day operations with internal IT staff, reserving outsourcing for services that require special expertise. However, the demand for conventional services can reach beyond the capacity of in-house personnel. Companies often outsource high-value services that in-house staff isn't prepared to provide.

A major asset made available through co-sourcing is depth. Co-sourcing gives small businesses leverage to accomplish a lot with very little. ATS' customers consider our network engineers an extension of their own staff. It gives them the sense of having a world class IT organization, although they may be a small company.

Knowledge Transfer

Knowledge transfer from consultant to client is an important part of ATS Tech Solutions co-sourcing model. Our success depends largely upon the ability of our clients to absorb the new paradigms for information technology so that the focus of all this effort can move forward and stay competitive. Small companies rarely have time to traverse

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the learning curve of networking technology; but with a little help they can quickly become remarkably self-sufficient.

Conclusion

Co-sourcing makes sense for everybody, but small companies need co-sourcing that is flexible, affordable, and aligned with their business goals. ATS Tech Solutions consultants are world-class experts at providing IT services to small businesses and offer solutions that address the special needs of your organization.

If you are interested in using ATS Tech Solution, Inc.'s co-sourcing, consulting, or technical support services, call us at 770-538-2900 or send an e-mail to sales@atstech.net.