

Consider IT Outsourcing to save you money

By: [Joe Miljan](#)

I have had some people ask me the same question a few times now, so I thought this would be the perfect opportunity to share with everyone information so that they may have an understanding on a basic level what would be best for them as well as their company in terms of having IT In-House or Outsourced.



If a company has less than 15 people I would immediately say that outsourcing is the way to go only because with a salary of averaging about \$65,000, a small company can get Outsourcing at less than half that cost and receive more services than what the one Technician could offer. This is on the assumption that the company is not a high tech company which would then need more IT personnel to maintain the technology at hand.

What a lot of people don't know is that there are new technologies available to them which can allow for less headaches and cost effectiveness. Yet these new technologies have to be properly set up in the beginning to work with the efficiency you would hope for. For example, "Spam email" is the bane of every firm's email process. Spam has been a thorn in our side for many years and is a time consuming process to sort through. A Spam sweep with the human eye will take roughly about 5 to 10 minutes a day so I will round it off to be about 7 minutes to make it fair. The number of employees in a company being an average of only 5 for this example working at the rate of \$22 per hour would bring the company grand total of monies lost to Spam \$3,080.00 at the end of the year.

Now had they installed a Spam Filter and had it set up to their workstation or Server and eliminated this problem for a fraction of the \$3,000 and saved the company time which could have been applied to more productive work.

Let's talk about "Down Time". On an average year with a 5 person staff, it has been estimated that daily they are down with Internet service for about 5 minutes a day. Using the same calculations with the average pay of \$22 per hour the company would take a loss of \$2,640 per year with Down Time of Internet Service. This would be a monthly loss of \$220 where as an additional Internet connection from another provider would be around the \$100 range. If this additional internet connection was "added" to the Firewall it would do what's called "Load Sharing and Load Balancing" giving the company double the speed of internet and redundancy in case one line failed, the other would still be up and running allowing for no loss of Internet.

And yet we have here another IT add on which is seldom used but completely cost effective and powerful!



“Backing up files properly” as to not lose data is critical in a company but not taken as serious as it should. Let’s say that your company was robbed and the Server as well as the computers were stolen... what would you do to get your information all back up and running within the day? People often think “well that’s not going to happen to me” but I’m sure that when tragedy hits like it did in New Orleans, one would start to think differently about their business and it’s data. With the calculation model I have been using, let’s look at the lost time. With 5 employees in the company and only losing up to 9 minutes a day to Lost Data being either permanently lost and needing to redo it, averaged throughout the year. With one year of lost data on a 5 person network, it ends up being a grand total of \$3,960 the company loses in lost data alone! Today we have back up tapes and back up systems in place on a company server allowing for the server to copy all data overnight and this tape would be taken off site for safe keeping. Rotating these tapes and having 3 per week and one monthly tape as well as a quarterly tape would be a basic cost of about \$2,400. A small price to pay for safe keeping of your data. I would think that every business owner would have this method set in place but sadly, this is not the case at all!

With these simple examples we learn that having the proper solution set in place will allow the company to not only save money and time but also a lot of headaches in the future. The IT specialist implementing these solutions should be qualified and know their “up to date technology” to offer such solutions to their company, because they are the “specialists”.

Finally I’ll add that with the proper implementation of these solutions for a company, there should be seldom a time an IT person should be called upon, other than when the end user themselves are doing something they normally don’t do and would need assistance. With that said, Outsourcing would be the way to go. But as a business owner you should do your own calculations and see how much time an IT person is “on the job” and “proactive” in comparison to their salary and then calculate that against an outsourced IT Firm with multiple staff members at the disposal at a fraction of the cost and weigh out the Pro’s and Con’s.