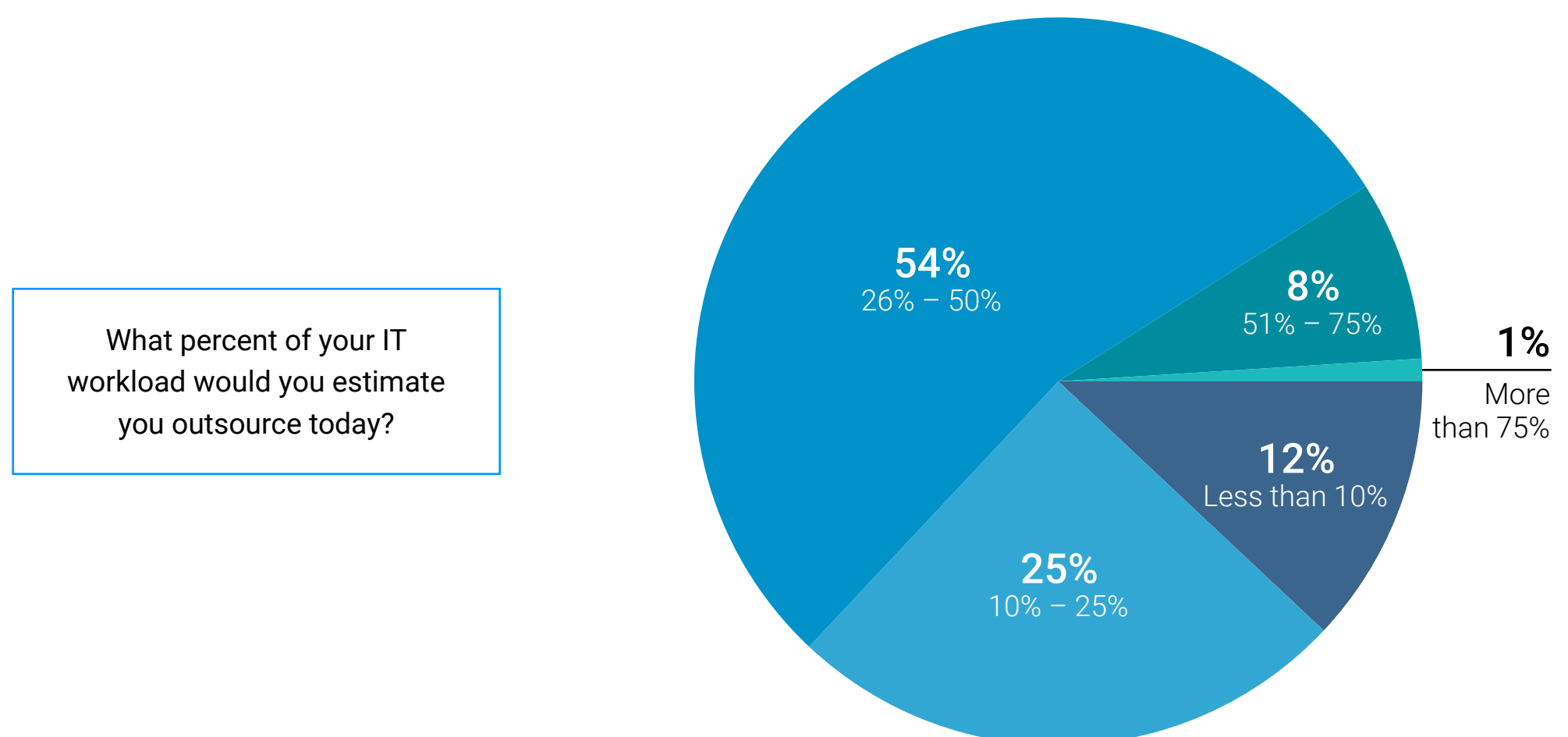InterVision

THE STATE OF OUTSOURCED IT SERVICES: 2023

THE STATE OF OUTSOURCED IT SERVICES: 2023

As organizations grow and their IT infrastructure becomes more complex, many consider outsourcing IT services to manage sprawl and continue to offer professional services. How is today's market perceiving managed service providers? What services are they looking to outsource, and what hinders them from doing so?

InterVision utilized the Gartner Peer Community to sample 100 IT and information security decision-makers to understand how they approach managed service providers and outsourced IT services.

IT and security leaders outsource and seek guidance on a wide array of cloud-centered IT services

More than half (54%) of respondents estimate they outsource between 26% - 50% of their IT workloads today.

What percent of your IT workload would you estimate you outsource today?

54%
26% − 50%

8%
51% − 75%

1%
More than 75%

12%
Less than 10%

25%
10% − 25%

Managed application services (68%), managed cloud services (63%), and IT security services (58%) are the external IT resources respondents will increase their reliance on the most in 2023.

How do you see your reliance on external IT resources changing in 2023?

■ Increase   ■ Decrease   ■ Stay the same
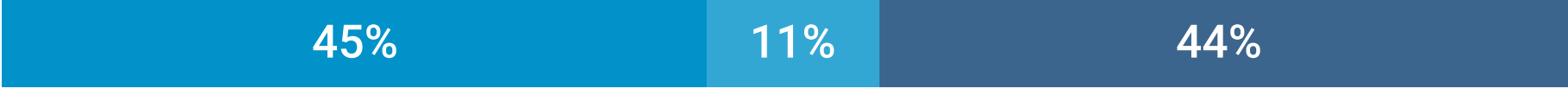
Managed Application Services
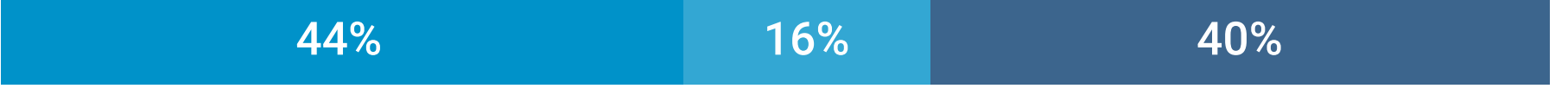
| 68% | 4% | 28% |

Managed Cloud Services

| 63% | 13% | 24% |

IT Security Services

| 58% | 18% | 24% |

Help Desk Services

| 52% | 12% | 36% |

Networking Services

| 45% | 11% | 44% |

Managed Storage and Server Services

| 44% | 16% | 40% |

Backup & Disaster Recovery Services

| 43% | 12% | 45% |
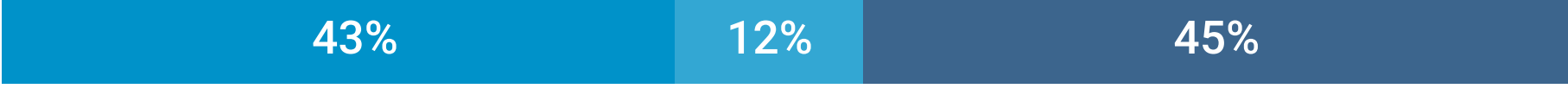
Managed Unified Collaboration Services (Zoom, Slack, Microsoft Teams, etc.)

| 33% | 9% | 58% |

Managed Carrier or Telecom services

| 26% | 18% | 56% |

IT and security decision-makers seek technical guidance and advice surrounding managed cloud services (59%) more than any other IT responsibility. 55% need "extra hands" to staff their help desk services.

When outsourcing IT responsibilities, what types of assistance do you look for in each of these areas?

- ■ Strategy development
- ■ Technical guidance and advice
- ■ Extra "hands"
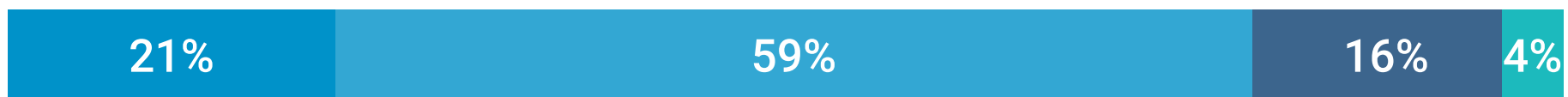- ■ N/A

IT Security Services

| 15% | 57% | 27% | 1% |

Networking Services

| 18% | 38% | 40% | 4% |

Backup & Disaster Recovery Services

| 17% | 39% | 35% | 9% |

Managed Cloud Services

| 21% | 59% | 16% | 4% |

Managed Storage and Server Services

| 18% | 43% | 28% | 11% |

Managed Unified Collaboration Services

| 20% | 42% | 28% | 10% |

Managed Carrier Services

| 12% | 53% | 24% | 11% |

Help Desk Services

| 11% | 27% | 55% | 7% |

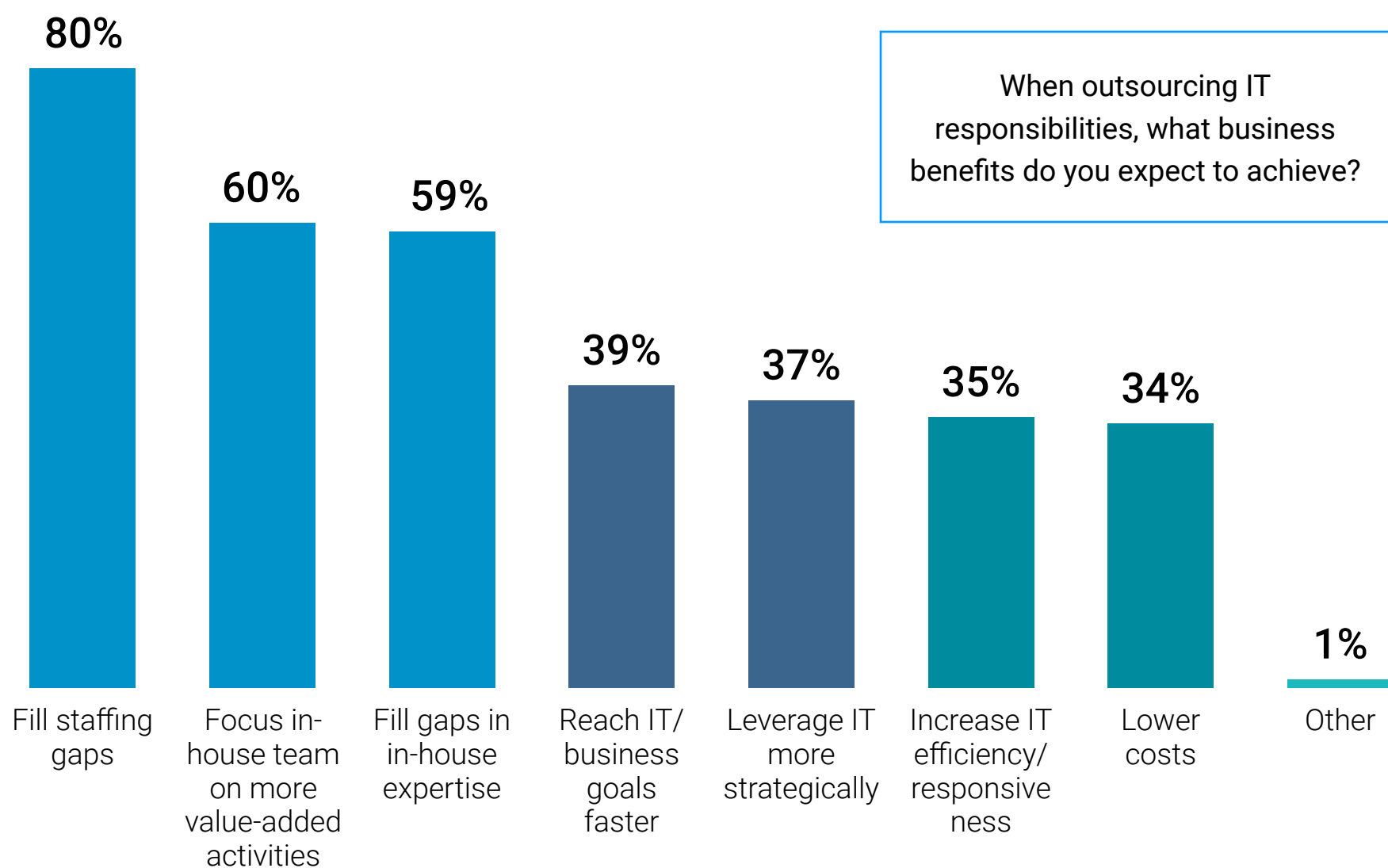"It's a great way to fill short-term gaps with one-time funding."
- C Suite, Healthcare, North America, 10,000+ employees

Outsourced IT remains popular to fill staffing and knowledge gas as overall service levels continue to improve

Filling staffing gaps (80%) is the benefit businesses expect to achieve when outsourcing IT services. Focusing the in-house team on more value-added activities is the next most common expected benefit (60%).
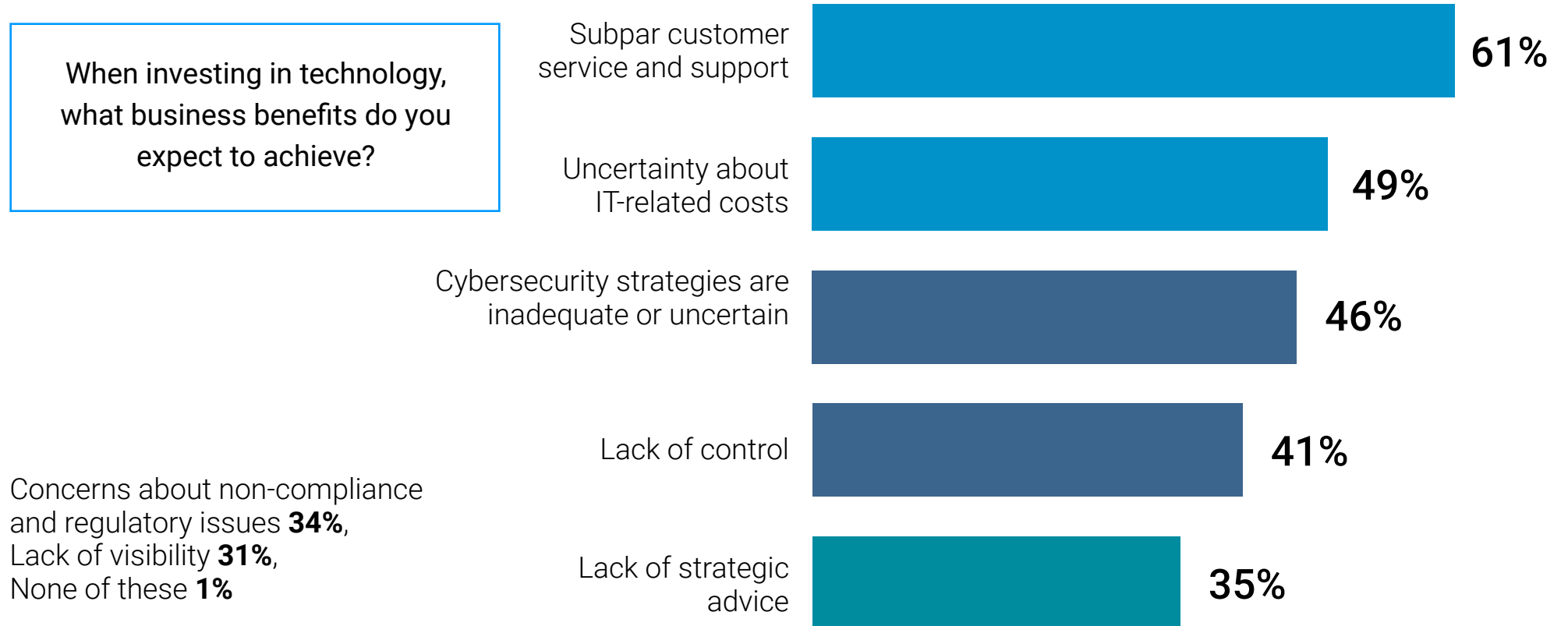
When outsourcing IT responsibilities, what business benefits do you expect to achieve?

Benefit	Percentage
Fill staffing gaps	80%
Focus in-house team on more value-added activities	60%
Fill gaps in in-house expertise	59%
Reach IT/business goals faster	39%
Leverage IT more strategically	37%
Increase IT efficiency/responsiveness	35%
Lower costs	34%
Other	1%

"The benefits from simply preparing to outsource via fixing documentation and processes are often greater than the actual outsourcing."

- Director, Educational Services, North America, 10,000+ employees

"We realize even greater benefits when a provider gains expertise and experience from a variety of clients."

- VP, Arts, Entertainment, & Recreation, North America, 10,000+ employees

Subpar customer service and support (61%) and uncertainty about costs (49%) are the top two factors discouraging IT leaders from utilizing managed service providers.

When investing in technology, what business benefits do you expect to achieve?

Subpar customer service and support	61%
Uncertainty about IT-related costs	49%
Cybersecurity strategies are inadequate or uncertain	46%
Lack of control	41%
Lack of strategic advice	35%

Concerns about non-compliance and regulatory issues **34%**,
Lack of visibility **31%**,
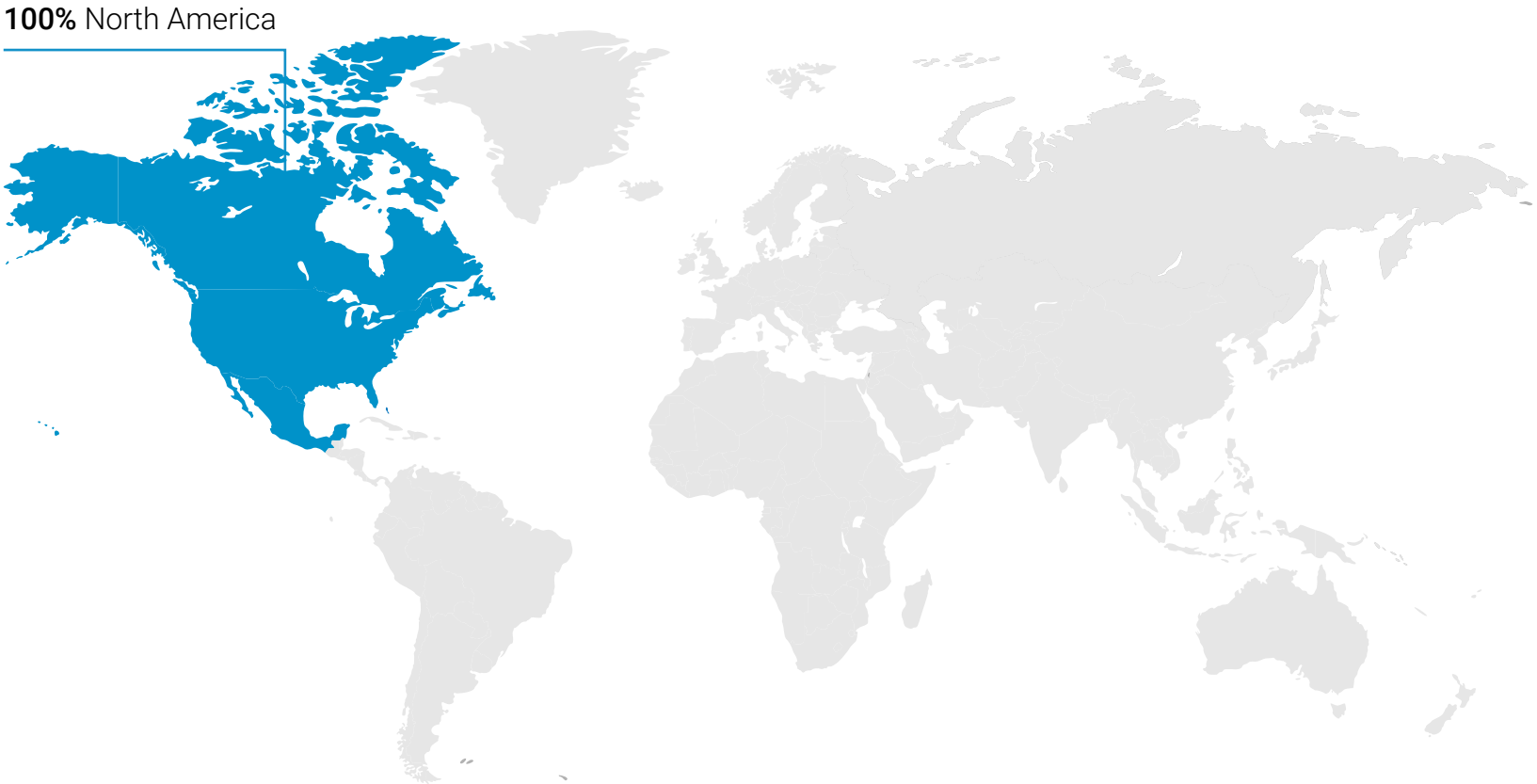None of these **1%**

About InterVision

InterVision is a leading IT managed services provider, delivering and supporting cloud, security and innovation for mid-to-enterprise and public sector organizations throughout the US. With more than 25 years of experience and one of the most comprehensive product portfolios, InterVision drives business outcomes with an unparalleled focus on the customer experience to help organizations be more 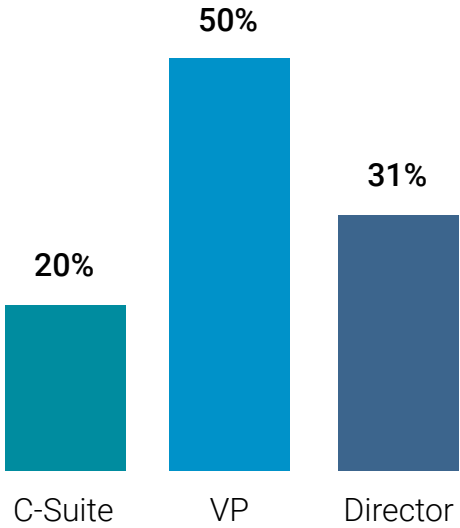competitive, compliant, and secure. The company has headquarters in San Jose, CA and St. Louis, MO. Visit www.intervision.com to learn more.

Respondent Breakdown

Region

100% North America
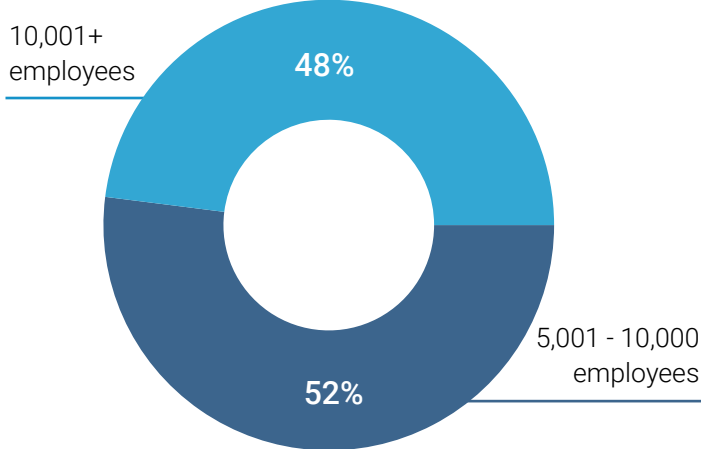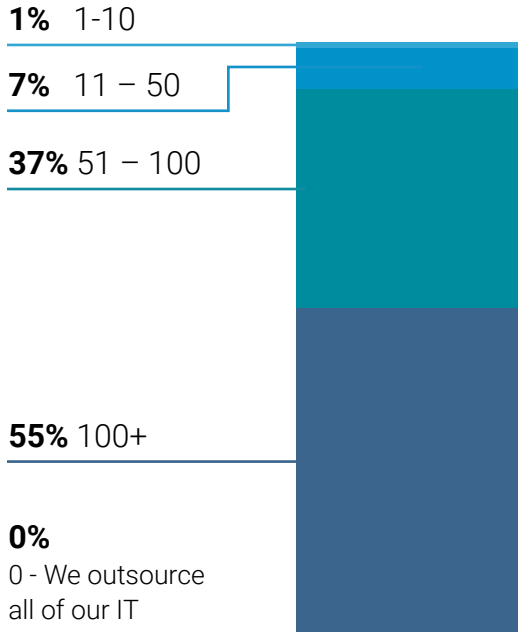
Title

- 20% C-Suite
- 50% VP
- 31% Director

Company Size

- 48% 10,001+ employees
- 52% 5,001 - 10,000 employees

Data collection: December 18th, 2022 - February 18th, 2023
Respondents: 100 IT and infosec decision-makers

IT Professionals on staff

- **1%** 1-10
- **7%** 11 − 50
- **37%** 51 − 100
- **55%** 100+
- **0%** 0 - We outsource all of our IT

Gartner

Source: Gartner Peer Community, Managed Service Providers survey