# SCALING YOUR LEAN IT TEAM WITH ON-DEMAND FIELD SERVICES





3140 Northwoods Parkway, Suite 700 Norcross, Georgia 30071 Phone: 1 (877) 531-7466 Fax: (877) 568-2114 www.CentricsIT.com With virtual environments becoming increasingly complex under the pressures of digital transformation, companies are struggling to support and advance their networks with their already-lean IT workforces.

IT teams also struggle to adapt, becoming more generalized over time as they are expected to cover a broader spectrum of IT products and competencies. But even with this generalization trend, it's not a lack of expertise for many mid-range companies with a global footprint—it's an issue of coverage.

A 2017 study shows that 90% of companies use contingent labor to get work done, and 51% of companies use contractors "frequently or consistently."  $^{1}\,$ 

With IT teams unable to scale on a global level as needed, corporate reliance on contingent IT labor continues to grow.

<sup>1</sup> (2017). "90% of Companies Use Contingent Labor and Plan to Increase Spending Over the Next Year." Brandon Hall Group.

## PHYSICAL TASK LISTS IN A VIRTUALIZED WORLD

If you look at historic IT spend in terms of global organizations, you'll find that these companies devote roughly \$4 trillion a year on aggregate. 70% of that (\$2.8 trillion) is allocated to running the business while the other 30% (\$1.2 trillion) goes toward building and improving their offerings.



# TRIMMED LABOR POOLS

To mitigate OPEX inflation, many companies are paring down their dedicated labor pools and replacing them, as-needed, with contingent labor and task outsourcing initiatives. Rather than hire and bench several engineers (who are really only utilized at 68%), it becomes more economical to contract with an external vendor to provide periodic, granular services. This way, they establish a payas-you-go when you need it model rather than choosing to pay at all times for underutilization.



### **REMOTE SUPPORT**

Another way that companies attempt to solve these IT support issues is to move away the management resource-drain of supporting their physical infrastructure with a migration to cloud. These companies believe that when more infrastructure is virtualized, the fewer people they will need physically on the ground. The industry has a multitude of virtualized tools that analyze and dissect automatically, and IT organizations pride themselves in being able to troubleshoot and solve desktop and network issues remotely.

But despite these advancements, the fact remains that 30% of IT tasks still need to be done physically. That's a \$500 billion global market problem.

## A PRACTICAL EXAMPLE

Consider the following scenario: A mid-tier company has entities operating in numerous countries.

The organization makes \$1 billion a year in revenue, supports over 50 offices globally, and no one location is overly large (each site has fewer than 100 people staffed). The company, despite its impressive geographic spread, can't justify the budgetary drain it would take to staff each site with the proper dedicated IT workforces. Compensating for this lack of coverage, the company must contract with a long list of vendors to support its disparate regional sites.

Due to the lack of bandwidth, the company will:

- Be unable to complete projects in a timely manner (will need to complete them serially rather than in parallel)
- Suffer from potential downtime due to incomplete projects
- Lose OPEX on travel expenses for site-to-site engineers
- Pay higher wages to W2 employees who travel to regions where local labor costs are lower
- · Have inefficient operations that thwart advancement and digital transformation initiatives

The company now must fend for itself because, despite the \$500 billion market opening, no one company seems to be focusing (well) on the technology field services labor gap *globally*.

### WHAT ARE YOUR OPTIONS?

Don't misunderstand us; there are plenty of companies who focus on the technology field services gap, but they are more regional than global.

The market has seen companies like Blackbox, NCR, and Unysis provide broad support services in the past, but these companies have returned to their core product competencies and have divorced themselves from the professional services business. This leaves mid-range, internationally-based corporations in a particular bind.

#### THE PAIN OF VENDOR SPRAWL

The purpose of contracting out for technology field services is to relieve the burden on your IT teams while mitigating OPEX drain. The goal is to avoid hiring redundant or underutilized W2 engineering talent. But if needs force you to contract with a multitude of vendors (because your TPM provider in the EU doesn't do maintenance in Hong Kong or Charlotte, NC), you are faced with the complications of varying:



Contract requirements



Procurement rates



SLAs and responsiveness, etc.



Communication styles



Hourly rates

Not only that, with each new vendor you partner with, you are paying for that initial markup fee—calculate that against the vendor sprawl you need to piecemeal support across the globe, and you might very well not be saving enough OPEX to justify the complication.

# WHAT FACTORS SHOULD YOU CONSIDER WHEN EVALUATING AN ON-DEMAND MODEL FOR YOUR FIELD ENGINEERING SERVICES?

You have one of three options for supporting your multi-location business: fully-staffed in-house, regionally outsourced, and globally outsourced. In order to determine which support methodology best suits your needs, you need answers to the following questions:

How many sites do you support?

- What does it cost to transport your teams?
- How many projects can you handle at one time?
- How do you manage your internal and vendor logistics?

If you had the OPEX to fully staff each of your sites, then none of these concerns would be an issue. However, few companies have this kind of operational budget, causing many to resort to using a variety of vendors. This, unfortunately, can lead to vendor sprawl.

With vendor sprawl, you lack consistency across your contracted support. But with the CentricsIT On-Demand Field Services offering, you receive the same level of support at the same price point at all locations. No matter what.

## **COUNTERING VENDOR SPRAWL GLOBALLY**

While hour rates vary wildly between your disparate vendors, CentricsIT adds transparency by quoting you an hourly rate and sticking to it.

There are two factors that will affect these hourly rates, and those are particular instances of when and where. These factors protect *both our company and yours* to maintain the most economical and fairly-priced services possible.

#### When?

If you call and ask for our services to be done during the normal business day, it's the same price per hour as usual. However, if you call and ask for these things to be done overnight (not during normal operating hours), then it's the usual price per hour times a set off-business-hours multiplier because it is outside of the agreed upon scope.

#### Where?

If you want our support in India, we take into consideration the country's currency and the state of inflation. An Indian Rupee is worth roughly 40% less than the American dollar, so if we charged at American currency rates, we would be out-pricing ourselves each time. We adjust our prices for the local economy through a dedicated country multiplier.

# WE SEE IT DIFFERENTLY

We're physical presence people, and we can have qualified feet on the ground wherever, whenever, and for however long you need them. Stop limping by with IT teams that are spread too thin. Give your senior-level IT staff back their freedom to develop and innovate.

### MINIMIZING LOGISTIC OVERHEAD GLOBALLY

In addition to simplifying contract logistics, CentricsIT On-Demand Field Services also streamlines your processes:

- You no longer need to worry about the differences in countries' labor laws;
  the burden of resources is entirely on us.
- You have a single invoice to worry about; our simple framework and one price guarantee simplifies and clarifies your support initiatives.
- You are free to use aggregate vendors; if you have pre-existing relationships with some of your vendors, we gladly incorporate them into our service offerings (still with only one contract and one invoice to concern yourself).
- You no longer have to conduct extensive security and background checks on your myriad vendor technicians and engineers; we have already fulfilled the vetting requirements through our SmartHands hiring process. We conduct extensive background checks and drug screenings and require all personnel to wear active badges (and have restricted logins) for security access to clients' facilities and networks.

When you use CentricsIT On-Demand Field Services, you have a single point of contact for your needs, and you receive a single invoice each month. You will also have full visibility to all of the pertinent business and country multiplier contingency documentation, meaning that the price is the price. The invoice won't surprise you because we uphold a model of consistency, transparency, and collaborative communication.

# COMPREHENSIVE SOLUTIONS IN A SINGLE OFFERING

We focus on collaboration, but let you lead the strategy. You call the shots; we simply augment your existing teams.

Even though we are providing you with the physical, hands-on field services labor, **CentricsIT does not take over your IT operations.** You continue to own your ITSM and the implementation strategy. And while we provide advice as you need it, you are the one who knows your environments best; therefore, we adapt our processes and follow your customized protocols and ITSM to the letter.

WANT TO LEARN MORE ABOUT HOW CENTRICSIT ON-DEMAND FIELD SERVICES CAN SAVE YOU UP TO 30-40% ON OPEX?

Read our e-book on how to convert your dedicated workforces to a more streamlined contingency labor model.