

SLK's POV

Trends Reshaping The Managed Services Industry

The advancements in the managed services industry are directly proportional to the advancements in IT.

Why you ask?

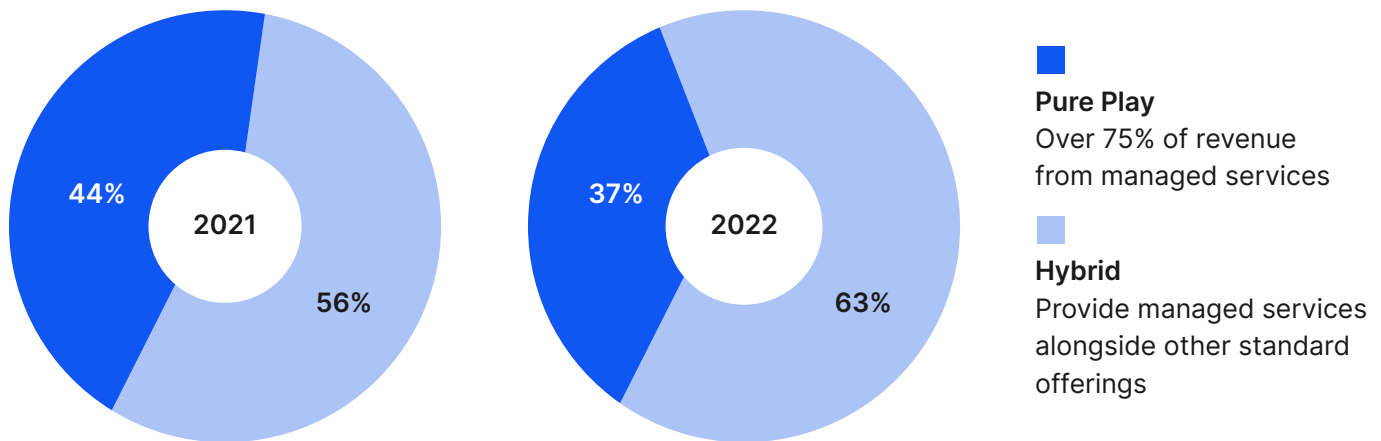
The answer is quite simple. Managed Services Providers (MSPs) are hired for their expertise in technology. To stay in business and ahead of their competitors, MSPs improvise—they change their processes, technological infrastructure, and management practices.

59% of IT services have transitioned from the traditional break-fix model to a managed service contract model

45% of organizations plan to partner with a managed security service provider

42% of organizations deploy additional security software to protect data and applications in the cloud

Approach to Managed Services



If the pandemic has taught businesses anything, especially smaller ones, is that the need for a ready-to-go plan B, C, or sometimes D is not theoretical. This realization might explain the increasing year-on-year percentage of MSPs identifying as hybrid. Even pure-play MSPs (30% of them) still fulfil regular requests for non-recurring revenue types of work, whether it is product sales, consulting fees, or one-off projects.

Trends Reshaping for Managed Service Providers

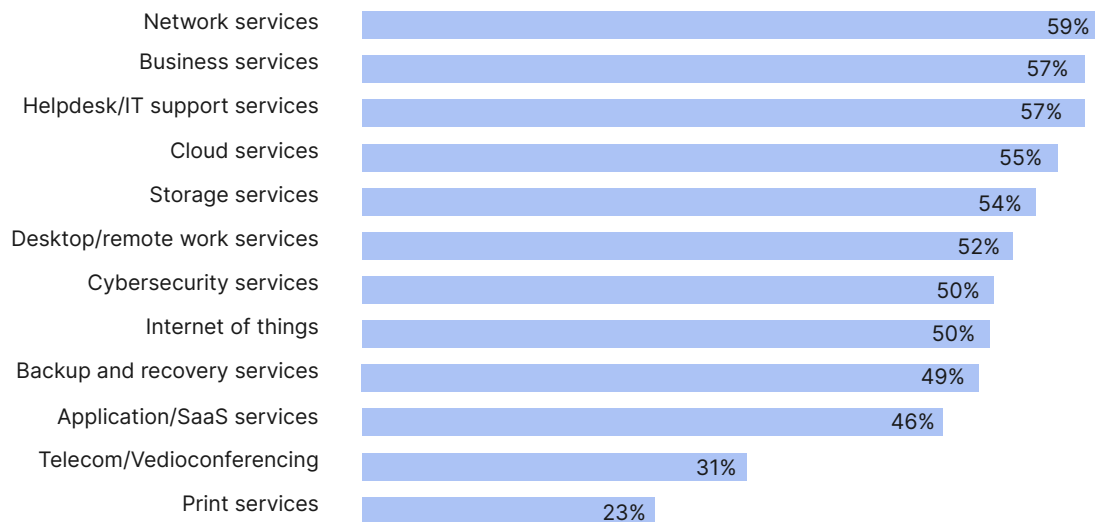
The ongoing pandemic and other macroeconomic uncertainties have impacted firms more significantly than you might think, resulting in cautious optimism at best and abject pessimism among some respondents at worst.

- **Infrastructure-level monitoring and management** still comprise the lion's share of most MSPs' day-to-day existence, but increasingly newer, more sophisticated services and business approaches are taking up residence as companies strive to remain competitive, meet changing customer needs and foster growth
- Cloud computing isn't the enemy, but it is a change agent. The impact of the cloud on the industry is viewed most favourably by MSP respondents, but its dominance as a model nonetheless has mandated a slew of adjustments to business strategy. It is manifested as a **shift from a traditional managed services operator to a full-time cloud services provider (CSP)**
- **Cybersecurity and emerging tech, including automation**, will play starring roles in the MSP of the future's future.

MSP Services: What's on the Menu?

Today, many MSPs are broadening their customer reach and profit margin potential by offering more premium services, often software-oriented, in addition to their traditional slate of infrastructure wares. By premium, we are talking about processes like business applications-as-a-service solutions, data analytics, cloud-based services, more advanced types of cybersecurity, and consulting-level work around compliance and privacy, to name a few.

Types of Managed Services



Top 5 Trends Driving Enterprises Towards Managed Services Today

As Managed Services have matured in the marketplace, so have their technologies, practices, and staff. This makes the trends in Managed Services today relatively clear as to what used to be and is now considered a challenge or an opportunity that has drastically altered. With the help of the TSIA's State of Managed Services research report, here we detail 5 of them.



Managed Cloud Services

Cloud technology is already used to create new platforms to boost digital transformation that can support businesses in numerous ways. However, most companies cannot shift their operations to cloud platforms due to skill shortages & internal infrastructure. Managed Service Providers can help companies efficiently use this technology in their operations at a competitive price.



Enhanced Security

With increasing cyberattacks daily, companies must secure their IT infrastructure. It requires them to correctly identify the highest risk touchpoints that can be breached, develop solutions to secure them, deploy them, and then monitor them for any leaks 24x7. Juniper Research reports revealed that cybercrimes have caused trillions of dollars in loss for businesses worldwide. The losses incurred in 2019 alone are around \$2 trillion.

So it makes cyber security a top priority, regardless of company size. Here we can see the significant role of managed security services.



Hyper-converged Infrastructure

Hyper-converged infrastructure (HCI) combines storage, computing, and networking into a single system with intelligent software. This creates flexible building blocks that replace legacy infrastructure with a single infrastructure. This makes business processes more efficient, reduces data center complexity, and increases scalability.

Organizations demand simplified management, increased performance, and reduced time-to-market to stay ahead. To achieve that, technologies like HCI have now become a business necessity. MSPs can help businesses set up HCI since their team of experts comes with an understanding of current and changing needs.



AIOps

It is predicted that by 2024, 30% of business leaders will rely on AI in IT operations (AIOps) for automated insights to drive business-related decisions, compared to less than 3% in 2021. Developing such advanced delivery capabilities is important to businesses as they can deepen relationships with customers via vertical expertise and outcome-based solutions.



Automation

Automation is being adopted at the same speed as cloud computing or outsourcing. The IT industry is being revolutionized by automation, as it helps organizations reduce mundane, repetitive tasks like data migration from one system to another.

Simple rule-based automated tasks are helping IT teams become more efficient. This reduces human error and resolution time and saves manpower for more critical tasks. MSPs with expertise in automation can offer huge benefits to business functions across enterprises (like HR, finance, travel, and marketing) and maximize businesses' profitability.



Conclusion

The new breed of agile Managed Service Providers (MSPs), like SLK's Intelligent Infrastructure services, is quick to adapt to changing requirements and specializes in enhancing any existing product or service to catapult a company on its growth trajectory. This includes software, networks, hardware, and staffing requirements.

SLK's Intelligent Infrastructure Services (IIS) offers a suite of reliable, responsive, flexible, and proven Infrastructure services and solutions that deliver differentiated value to our customers' business. SLK's Intelligent Infrastructure services help enterprises to maximize the potential of IT by delivering services through a business-aligned, AI-driven managed services model.

Get in touch! Write to us at hello@slkgroup.com for more details.

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