



expanding your it
effectiveness using
management service
providers

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agenda

- what is an msp?
- why do you need an msp
- asps vs msps
- target markets
- what is it's role
- future direction

what is a
management
service
provider?



management service
provider companies
deliver it infrastructure
management services
to businesses, it
organizations and other
service providers over
a network on a
subscription basis.

msps, who bill their clients on a recurring
and predictive basis, provides customers
with it management services in a variety
of areas, including: servers, networks,
desktops, web sites, databases, storage,
security and applications.

traditional software & services

- high upfront cost
- customer assumes risk
- protracted time to value
- extensive training required
- must handle implementation on own

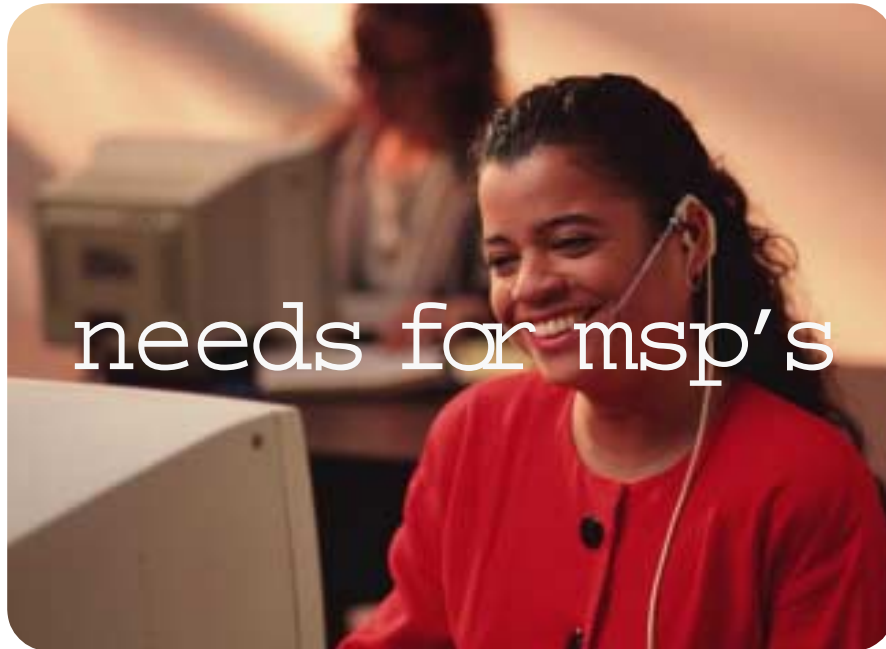
management service providers

- low entry cost/reduced risk
- faster roi
- faster time to market
- broader range of management functionality & complexity
- reduced implementation time
- it strategic to business success

why do companies need msps?



- 28% of attempted e-business transactions failed last year – *boston consulting group*
- 41% of down time for mission-critical apps exceeds nine hours – *standish group*
- 47% of e-business sites allow customer to find performance problems – *fresh perspective research*
- 90% of e-businesses have had a site performance problem that affected customer satisfaction last year – *standish group*
- 4.4 billion is lost annual due to poor e-business site performance – *zona research*
- failure rate of customers buying and self-implementing is around 60%



needs for msp's

msp's alleviate the shortage of available it talent

- organization can benefit from extended it expertise that they perhaps cannot hire.

msp's help organizations control costs

- the predictive costs of the msp subscription service enable it managers in organizations to better contain it expenses, while obtaining specific services and service levels they need

msp's allow organizations to focus on core competencies and competitive advantage

what's the difference between an msp and asp?

similarities:

- both deliver technology or services over a network
- subscription based fee structure for applications or services
- customers own their it infrastructure



asps

- rent applications to meet customer specific needs
- sell applications on a pay as you go pricing model
- customers must use the applications everyday to realize value



m s p s

- manage customer infrastructure problems
- value to customer is to improve availability & performance of it systems
- use an nsm application to provide the service
- monitor, notify and report on it problems
- provision a service in a few days and offer real time reports via a web portal.

m s p s ensure that asp delivery is available and reliable.

target markets



mSP's target their products, services and solutions to a variety of entities, including:

- large business enterprises and government organizations
- small to medium-sized enterprises (sme)
- other service providers

evaluating msp's

clear understanding of services provided

evidence of repeatable process and methodology

match of customers needs

ability to integrate with the customer environment

ability to quickly deploy new services

cost versus services offered

ability to execute

use of proven tools

into the future



- the model must happen as there will be no other way to manage the emerging infrastructures
- there is not enough talent to go around to manage the emerging technologies
- the bulk of the market opportunity for msp's will be in the "unmanaged middle".
- biggest areas in the mps space:
 - remote security provisioning
 - storage
 - availability management



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