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Moving Through the Managed Services Continuum To a Fully Outsourced Infrastructure

AT&T White Paper in association with The Outsourcing Institute.

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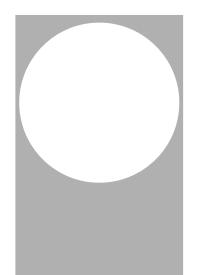




Installing enterprise-class infrastructure is complex and costly, and operating and managing that infrastructure is even more challenging. But when it comes time to consider expanding your infrastructure to keep up with expanding or changing business requirements, well, it's time to consider a new strategy.

In all but the smallest organizations, infrastructure is a very big deal. Evaluating, procuring, installing, testing, operating and evolving computing and networking infrastructure requires money, expertise in planning and deployment, and an ability to see around the corner for new technical developments and potential problems. Add in the realworld challenges of smaller, lessspecialized in-house staff and tight IT budgets, and it's no wonder why many organizations have moved to a managed services strategy for different aspects of their hardware, software and network infrastructure.

In fact, many organizations – having seen positive results from their initial forays into managed



services – are beginning to consider and even take the ultimate step: outsourcing their entire infrastructure. The benefits of such an approach are impressive: Lower capital expenses, lower operating costs for data center real estate, power, cooling and software licenses, less pressure to hire on-staff IT personnel to handle day-todav infrastructure management tasks, and freeing up the IT and networking teams to concentrate on truly transformative applications that make a difference on the bottom line.

Deploying a managed services model requires some real expertise in selecting partners, managing relationships and measuring the positive impact. Take that even farther, and the management challenges become more significant, making it more important than ever to apply some real-world best practices in moving completely through the managed services continuum to a fully outsourced infrastructure.

Moving through the Managed Services Continuum

Managed services have been offered for decades, even though the term "managed services" really came into vogue in the past decade. But, regardless of whether those services were called outsourcing, systems integration or some other nomenclature, IT services firms have been the go-to partners for strapped internal IT organizations across industries, geographies and company sizes. These have included everything from help desk, break/fix maintenance, managed storage and network monitoring to a wide range of applications services including cloud computing.

But network infrastructure services have gained considerable attention in recent years, as the network underpinnings have taken on an increasingly important role. That's hardly surprising, considering both the increase in data volumes and diversification of data types (text, voice, video and more) carried by network infrastructure. What may be surprising, however, is how widely and rapidly IT organizations are turning to managed service partners for more and more of their network infrastructure needs. For instance, services connected to the network infrastructure security, managed customer premise equipment (CPE), managed wireline, virtual private networks (VPNs) and WiFi/backhaul services – all have been moving to an outsourced model in recent years. Unified communications is another important area of network services, allowing for the efficient integration and management of different communications services on a single comprehensive, overarching network infrastructure.

Much attention has been paid lately to the move toward pervasive mobility, popularly characterized as "bring your own device" (BYOD). As a result, organizations also are looking to service providers to help get a handle on such issues as mobile device management and even development and administration of formal BYOD or choose-your-owndevice (CYOD) programs. Piggybacking with the BYOD movement has been another important service for network infrastructure management: bring your own application, as more and more employees bring tried-andtrue applications from their personal realm into the workplace – increasingly with company knowledge and approval.

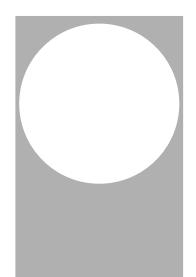
Throw in services like network monitoring, event management, virtualization, Infrastructure-as-a Service (IaaS) and cloud computing, and it's understandable why many IT organizations (A) struggle to maintain even day-today infrastructure functions, let alone develop strategic new capabilities, and (B) turn to experienced, reputable outside specialists to help them manage more and more of their network infrastructure.

Making the Move to a Fully Outsourced Infrastructure

For many IT decision-makers who realize that outsourcing most or even all of their network infrastructure makes sense operationally and financially, there are significant issues that must be acknowledged and addressed. Clearly, moving to a fully outsourced infrastructure does not mean abdicating all responsibility for network infrastructure to a third party: smart IT leaders understand that this is a partnership in every sense of the word, and first requires an acknowledgement of the challenges.

Technical challenges: These include evaluating and selecting

infrastructure that meets not only short term needs, but also the organization's long term needs as well. Future-proofing network infrastructure requires real thought and expertise, because appropriate investments made here can help save money and improve operational efficiency for years to come. One key area is determining whether network infrastructure needs to be ripped out and fully replaced, built from scratch as a "greenfield" solution, or selectively upgraded, updated or replaced according to a wellplanned roadmap. More and more frequently, integration is the name of the game when it comes to network infrastructure, so your outsourcing partner should be able to present you with options of both commercially available integration tools and internally developed tools that enable multivendor and multiplatform integration. Of course, one of the key outcomes of a move to a fully outsourced infrastructure is the potential for consolidation of computing, storage and network platforms into a more manageable



and affordable infrastructure.

Business challenges:

Outsourcing infrastructure isn't just a technology play; it involves careful planning for business process management to make sure the infrastructure can operate in accordance with the organization's core business processes. And, since outsourcing is really about improving business outcomes, deciding upon the right metrics to define success are vital for any organization in its dealings with managed service providers and outsourcing partners. Give sufficient thought to how you and your outsourcing partner will measure and evaluate total cost of ownership for infrastructure outsourcing, as well as determining return on investment. Keep in mind that all economic analyses should take the long view, not just the current financial period, which is why pricing of outsourcing services should be seen as a multi-variable dynamic to include such issues as training, new user onboarding, technology refreshment, ongoing infrastructure management and reporting.

Partner challenges: In many ways, deciding to move to a fully outsourced infrastructure is only the tip of the iceberg. Selecting the right outsourcing partner can make all the difference between a successful project that lets IT evolve more quickly into a strategic asset, or a costly failure that dramatically impacts an organization's operations and puts its data assets at risk.

It's essential to think of the process of evaluating and selecting the right infrastructure outsourcing partner as a strategic one, and to understand the right criteria for success. For instance, it's becoming more and more clear that a hodgepodge approach to infrastructure outsourcing management won't work. Until recently, many IT organizations could afford to use one provider for network monitoring and management, another for network virtualization and yet another for managed network security. But the complexity of managing an increasingly broad and diverse infrastructure - to say nothing of the complexity of managing multiple outsourcing partners – is prompting organizations to consolidate all infrastructure outsourcing with a single partner to manage all aspects of the program. That "single source" approach enables accountability, streamlines communications. saves money and ensures a holistic, comprehensive view of how to build, operate and manage infrastructure over the long haul.

Partner governance is another essential requirement when evaluating outsourcing partners for network infrastructure. In this area, governance refers to more than the traditional definition of rules and policies that guide companies' operations, with the focus on accountability. But when it is applied to outsourcing network infrastructure, it also spans the parties' respective roles and responsibilities to ensure that everything runs smoothly and everyone agrees on outcomes, deliverables and next steps. Experienced, reputable outsourcing partners will team with IT organizations for such requirements as regular benchmarking of performance and not just against important service level agreements. Governance must include a plan for a wide range of service

deliveries, from developing a strategy for innovation that ensures long-term competitiveness to agreeing upon the proper processes for communicating challenges, resolving them and working to mitigate their impact now and in the future.

AT&T: A Proven Leader in Network Sourcing and Integration

As you consider your partner options for a fully outsourced infrastructure, you'll want a service provider that combines technical acumen, vertical market knowledge, experience with specific compliance requirements and governance models, support for industry standards and a strong financial foundation. One such partner to consider is AT&T Network Sourcing and Integration.

Whether you are looking to integrate platforms, outsource some or all of your IT requirements, or supplement your managed services environment, AT&T Network Sourcing and Integration can help you:

- Replace a legacy system.
- Consolidate applications.
- Automate manual processes.
- Develop a multi-year roadmap and technology/infrastructure evolution plan which includes checkpoints and benchmarks.
- Create a customized networking solution.
- Provide a streamlined approach to lifecycle management of your infrastructure evolution.

For more information on AT&T Network Sourcing and Integration, please click here.

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