



The Business Owner's Guide To I.T. Support Services And Fees

What You Should Expect To Pay For I.T. Support For Your Small Business

**How To Sort Through The Confusion And Complexity Of
I.T. Services Companies' Contracts, Services And Pricing
To Avoid Hiring The Wrong One**

Read this executive guide to discover:

- ✓ The 3 most common ways I.T. services companies charge for their services, and the pros and cons of each approach.
- ✓ A common billing model that puts ALL THE RISK on you when buying I.T. services; learn what it is and why you need to avoid agreeing to it.
- ✓ Exclusions, hidden fees and other “gotcha” clauses I.T. companies put in their contracts that you DON'T want to agree to.
- ✓ 3 ways “cheaper” I.T. firms hide the TRUE cost of their services in their contracts.
- ✓ 10 critical questions to ask your I.T. support firm BEFORE signing an agreement.

Provided as an educational service by:

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Never Ask An I.T. Services Company,
“What Do You Charge For Your Services?”
Instead, Make Sure You Ask,
“What Will I Get For My Money?”
And Know What To Look For And What To Avoid



From The Desk Of: Clay Archer
CEO, DPC Technology

Dear Colleague,

One of the most common questions we get from new prospective clients calling our office is “What do you guys charge for your services?” Since this is such a common and important question, I decided to write this report. Furthermore, there are 3 reasons why choosing your I.T. company on their fees alone – or even using that as one of the top criteria – can lead to overpaying, even if their pricing appears cheaper initially, and to extreme frustration and unappreciated risk to your organization. They are:

1. Unlike most industries, there is no such thing as “standard” pricing for I.T. services companies, even though most of the services appear to be the same. That’s why it’s impossible to compare I.T. providers on their fees alone. In this report I’ll explain the most common ways I.T. services companies package and price their services, and the pros and cons of each, so you can make an informed choice.
2. There are a few “dirty little secrets” about I.T. service contracts and SLAs (service level agreements) that “cheaper” I.T. firms use to make their fees appear less expensive, but actually end up putting you at high risk for cyber-attacks. Almost no small business owner knows what to look for, what questions to ask or the true consequences to them being too cheap with backups, cyber protections and disaster recovery, which is how the “cheaper” firms can get away with it. You **NEED** to understand this, and I’ll explain it to you.
3. I wanted to educate small business owners on how to pick the **right** I.T. services company for their specific situation, budget and needs based on the **VALUE** the company can deliver, not just the price, high OR low.

In the end, my purpose is to help you make the most informed decision possible so you end up working with someone who helps you solve your problems and accomplish what you want in a time frame, manner and budget that is right for you.

Dedicated to serving you,



Clay Archer, CEO
DPC Technology

About The Author

For over two decades, Clay Archer has been leading a strategic team of IT professionals to provide computer support, outsourced IT, and network implementation solutions for businesses throughout Florida and Georgia and South Carolina. Mr. Archer built his team to take a proactive approach to every client's IT network, identifying strengths and weaknesses and putting a plan in place to maximize the clients' technology budget while ensuring all facets of the network are optimized and secure. Clay and his team pride themselves on creating lasting relationships with their clients. They want to make sure every client is satisfied with their series and think of them as long-term business partners. Focusing on their business's growth, productivity and optimizing their efficiencies is Clay's sweet spot. Simply put, DPC Technology wants to provide technology solutions that make your company better! Today, DPC Technology has offices in Jacksonville, Freeport, Atlanta, Savannah, Columbia and Orlando.

Comparing Apples To Apples: The Predominant I.T. Service Pricing Explained

Before you can accurately compare the fees, services and deliverables of one I.T. services company to another, you need to understand the 3 predominant pricing and service models most of these companies offer. Some companies offer a blend of all 3, while others are strict about offering only one service plan. The 3 predominant service models are:

- **Time and Materials (Hourly).** In the industry, we call this “**break-fix**” services. Essentially, you pay an agreed-upon hourly rate for a technician to “fix” your problem when something “breaks.” The price you pay will vary depending on the provider you choose and the complexity of the problem, but most will be in the \$150-\$250 range.

Under this model, you might be able to negotiate a discount based on buying a block of hours. The scope of work ranges from simply resolving a specific problem (like fixing slow WiFi or resolving an e-mail problem) to encompassing a large project like a software upgrade, implementing cyber protections or even an office move. Some companies will offer staff augmentation and placement under this model as well.

Similar to this are value added reseller services. VARs typically do I.T. projects for organizations that have internal I.T. departments. The term “value added” reseller is based on the fact that they resell hardware (PCs, firewalls, servers, etc.) and software, along with the “value added” services of installation, setup and configuration. VARs typically service larger organizations with internal I.T. departments. A trend that has been gaining ground over the last decade is that fewer VARs exist, as many have moved to the managed I.T. services model.

- **Managed I.T. Services (MSP, or “Managed Services Provider”).** This is a model where the I.T. services company, called an MSP, takes on the role of your fully outsourced I.T. department. In this model, they handle everything related to your I.T. “infrastructure.” That includes things such as:
 - Troubleshooting I.T. problems.
 - Setting up and supporting PCs, tablets, Macs and workstations for new and existing employees, both on-site and remote.
 - Installing and setting up applications such as Microsoft 365, Google Workspace, SharePoint, etc.
 - Setting up and managing the security of your network, devices and data to protect against hackers, ransomware and viruses.
 - Backing up your data and assisting in recovering it in the event of a disaster.
 - Providing a help desk and support team to assist employees with I.T. problems.
 - Setting up and supporting your phone system.
 - Monitor and maintain the overall health, speed, performance and security of your computer network on a daily basis.



- Dedicated Account Manager or virtual chief information officer (vCIO) to review your technology with you quarterly

In addition to managing your I.T., a good MSP will provide you with an I.T. Road map and budget for necessary projects to further secure your network and improve the stability and availability of critical applications, as well as ensure that your I.T. systems are compliant with various data protection laws (HIPAA, FTC Safeguards, PCI, etc.) and that your cyber protections meet the standards on any cyber insurance plan that you have.

These projects are not included in the routine, day-to-day maintenance and are typically planned out in advance, based on the growth of your organization, your risk tolerance, operations, unique business model, etc.

- **Vendor-Supplied I.T. Services.** Many software companies and vendors will offer pared-down I.T. support for their customers in the form of a help desk or remote support for an additional fee.

However, these are typically scaled-back services, limited to troubleshooting their specific software application and NOT your entire computer network and all the applications and devices connected to it. If your problem resides outside of their specific software or the server it's hosted on, they can't and won't help you and will often refer you to "your I.T. department." While it's often a good idea to buy some basic-level support package with a critical software application you use to run your business (often referred to as a "line-of-business" application), this is not sufficient to provide the full I.T. services, cyber security, backup and employee (end-user) support most businesses need.

As a small or midsize business looking to outsource your I.T. support, you are most likely to end up having to choose between two service models: the managed services and "break-fix" models. Therefore, let's dive into the pros and cons of these two options, and then the typical fee structure for both.

Managed I.T. Services Vs. Break-Fix: Which Is The Better, More Cost-Effective Option?

The advantage of break-fix services is that you only pay for I.T. support when you need it, without being locked into a monthly or multi-year contract. If you're not happy with the service you're getting, you can change providers easily. If you're a micro-business with only a few employees, very simple I.T. needs where you don't experience a lot of problems and don't host or handle sensitive data (medical records, credit cards, Social Security numbers, etc.), break-fix might be the most cost-effective option for you.

However, the downsides of break-fix services are many if you're NOT a micro-business and are attempting to grow in revenue, staff and clients, or if you handle sensitive, "protected" data. The 6 big downsides are as follows:

1. **Break-fix can be very expensive** when you have multiple issues or a major problem (like a ransomware attack). Because you're not a managed client, the I.T. company resolving your problem will likely take longer to troubleshoot and fix the issue than if they were regularly maintaining your network and therefore familiar with your environment AND had systems in place to recover files or prevent problems from escalating.
2. **Paying hourly works entirely in your I.T. company's favor, not yours.** Under this model, the I.T. consultant can take the liberty of assigning a junior (lower-paid) technician to work on your problem who may take two to three times as long to resolve an issue that a more senior (and more expensive) technician may have resolved in a fraction of the time because there's no incentive to fix your problems fast. In fact, they're incentivized to drag it out as long as possible, given that they're being paid by the hour.
3. **You are more likely to have major issues.** One of the main reasons businesses choose a managed services provider is to PREVENT major issues from happening. As Benjamin Franklin famously said, "An ounce of prevention is worth a pound of cure." The smart way to avoid disasters and minimize the cost and damage is to prevent them from happening in the first place, not "hope" they won't happen.
4. **You can't budget for I.T. services** and, as already explained, could end up paying more in the long run if you have to constantly call for urgent "emergency" support.
5. **You won't be a priority for the I.T. company.** All I.T. firms prioritize their contract managed clients over break-fix clients. That means you get called back last and fit in when they have availability, so you could be down for days or weeks before they can address your problem. Further, because you're not under a contract, the I.T. company has no incentive to keep you happy or even address the root causes of your problems, which can lead to MORE problems and MORE costs.
6. **If no one is actively maintaining the security of your network and data, your chances of getting hacked go up exponentially.** Believe me when I tell you most people grossly underestimate the costs and damage done by a ransomware attack. Your operations shut down and your client contracts, private e-mails, company financials, employee payroll and other sensitive data are in the hands of criminals who won't think twice about e-mailing your list of employees' and clients' confidential information.

Thinking you're fine because "nobody wants to hack us" or "we're 100% in the cloud" is gross ignorance. If you don't have a professional I.T. company monitor and maintain your company's I.T. security, you WILL get hacked, incurring significant financial losses, not to mention reputational damage and client losses.

For all these reasons, hiring an MSP to manage your I.T. environment for an agreed-upon monthly budget is, by far, the most cost-effective, smartest option for most businesses with 5 or more employees, or who handle critical operations and sensitive data and are risk-averse.

What Should I.T. Services Cost?

Important! Please note that the following price quotes are industry averages based on a recent I.T. industry survey conducted by a well-known and trusted independent consulting firm, Service Leadership, that collects, analyzes and reports on the financial metrics of I.T. services firms from around the country.

We are providing this information to give you a general idea of what most MSPs and I.T. services charge and to help you understand the VAST DIFFERENCES in service contracts that you must be aware of before signing on the dotted line. Please understand that this does NOT reflect our pricing model or approach for your unique situation. We are simply providing this as an educational resource to help you understand the vast differences in price and value.

Hourly Break-Fix Fees: Most I.T. services companies selling break-fix services charge between \$150 and \$250 per hour with a one-hour minimum. In some cases, they will give you a discount on their hourly rates if you purchase and pay for a block of hours in advance.

Project Fees: If you are getting an I.T. firm to quote you for a onetime project, the fees range widely based on the scope of work outlined and the complexity of the project. If you are hiring an I.T. consulting firm for a project, I suggest you demand the following:

- **A detailed scope of work that specifies what “success” is.** Make sure you document what your expectations are in performance, workflow, costs, security, access, etc. The more detailed you can be, the better. Clarifying your expectations up front will go a long way toward avoiding miscommunications and additional fees later on to give you what you REALLY wanted.
- **A fixed budget and time frame for completion.** Agreeing to this up front aligns both your agenda and the consultant’s. Be very wary of hourly estimates that allow the consulting firm to bill you for “unforeseen” circumstances. The bottom line is this: it is your I.T. consulting firm’s responsibility to be able to accurately assess your situation and quote a project based on their experience. You should not have to pick up the tab for a consultant underestimating a job or for their inefficiencies. A true professional knows how to take into consideration those contingencies and bill accordingly.

Managed I.T. Services: Most managed I.T. services firms will quote you a MONTHLY fee based on the number of devices, users and locations they need to maintain. According to Service Leadership, the average fee per user (employee) ranges from \$146.08 per month to \$249.73 per month – and those fees are expected to rise due to constant inflation and a tight I.T. talent labor market.

Obviously, as with all services, you get what you pay for. “Operationally mature” MSPs typically charge more because they are far more disciplined and capable of delivering cyber security and compliance services than smaller, cheaper-priced MSPs.

They also include CIO (chief information officer) services and dedicated account management, have better financial controls (so they aren't running so lean that they are in danger of closing their doors) and can afford to hire and keep knowledgeable, qualified techs vs. junior engineers or cheap, outsourced labor.

To be clear, I'm not suggesting you have to pay top dollar to get competent I.T. services, nor does paying “a lot of money” *guarantee* you'll get accurate advice and responsive, customer-centric services. But if an MSP is charging on the low end of \$146.08 per employee or less, you have to question what they are NOT providing or NOT including to make their services so cheap. Often they are simply not providing the quality of service you would expect.

3 Ways “Cheaper-Priced” I.T. Firms Hide The TRUE Cost Of Their Services In Their Contracts

As we said previously, no 2 I.T. services agreements are alike, and unless you are technically savvy (and most C-level executives aren't, obviously), you won't really know if what you're being quoted is insufficient, overpriced or even underquoted.

If you're not careful, the “cheapest” or less expensive I.T. provider can end up costing you a lot more due to carve-outs and hidden fees in their contracts that they will later nickel-and-dime you over, or quoting inadequate solutions that you'll later need to pay to upgrade.

Here are the 3 most common things “cheaper” I.T. companies leave out of their proposal to make themselves appear cheaper – but those companies are NOT the bargain you might think they are.

1. **Grossly Inadequate Compliance And Cyber Security Protections.** A ransomware attack is a significant and devastating event for any business; therefore you must make sure the I.T. company you're talking to isn't just putting a basic (cheap) antivirus software on your network and calling it done. This is by far the one critical area most “cheaper” MSPs leave out.

Antivirus is good but woefully insufficient to protect you. In fact, insurance companies are now requiring advanced cyber protections such as employee cyber awareness training, 2FA (2-factor authentication) and what's called “advanced endpoint protection” just to get insurance coverage for cyber liability and crime insurance. We provide those standard in our offering, so not only do you greatly reduce your chances of a cyber-attack, but you also avoid being denied an important insurance claim (or denied coverage, period).

2. **Inadequate Backup And Disaster Recovery Solutions.** Make sure your I.T. company includes daily backups of your servers and workstations, as well as other line-of-business applications, such as your CRM data, client data, etc. That's because online applications do NOT guarantee to back up your data (read the small print in your contract and you'll be shocked).
3. **Cheap, Inexperienced Techs And No Dedicated Account Managers.** Many of the smaller MSPs will hire cheap, less experienced engineers to work on your network and systems. Obviously, the more experienced and knowledgeable a tech is on networking and, more specifically, cyber security, the more expensive they are. Make sure the company you are outsourcing to has experienced technicians with industry certifications. Especially if you require HIPAA compliance.

Further, smaller MSPs can't afford dedicated account managers, which means you're depending on the owner of the company (who's EXTREMELY busy) to pay attention to your account and look for problems brewing and critical updates that need to happen, upgrades and budgeting you need. Good account management includes creating and managing an I.T. budget, a custom road map for your business and review of regulatory compliance and security on a routine basis to make sure nothing is being overlooked.

Buyer Beware! In order to truly compare the "cost" of one managed I.T. services contract to another, you need to make sure you fully understand what IS and ISN'T included in the SLA you are signing up for. It's VERY easy for one I.T. services provider to appear far less expensive than another UNTIL you look closely at what you are getting.

The SLA should define the following:

- What services the MSP is providing in clear terms.
- Guaranteed response time to a problem (both minor and major outages).
- What fees are extra (like on-site fees, after-hours support, etc.).
- Contract terms and renewals.
- Cancellation terms: specifically, how do you get out of the contract if they are not delivering the services promised?
- Liability protection, both for them and you.
- Payment terms.

But the BEST way to avoid having a problem is to pick the right MSP to begin with.

The following are 10 questions to ask your I.T. services provider that will clarify exactly what you're getting for your money. Some of these items may not be that important to you, while others (like response time, adequate insurance, and cyber security and compliance services) may be critical. Make sure you fully understand each of these items before making a decision about who the right provider is for you; then make sure you get this IN WRITING.



10 Questions You Should Ask Your I.T. Services Firm Before Signing A Contract

Customer Service:

Q1: How do you request support?

Our Answer: When you have an I.T. issue you need help with, how do you get support? Make sure they explain exactly how they handle I.T. support requests. We answer our phones live from 7:00 a.m. to 6:00 p.m. EST M-F. We offer multiple ways to submit a ticket. You can use the icon on your computer where you can submit a ticket with a screenshot of your issue for easy communication. You can also email us directly if these other options don't work for you.

Q2: Do they offer a written, guaranteed response time to your requests for support?

Our Answer: The #1 frustration we hear from business owners about their current I.T. company is "They never return our calls" or "I have to wait forever to get someone to respond to a problem." Obviously, if you're paying for support, that's unacceptable. That's why we guarantee we will respond to your requests within 15 minutes or we will give you \$100 dollars.

Q3: Do they take the time to explain what they are doing and answer your questions in terms that you can understand (not geek-speak) or do they come across as arrogant and make you feel stupid for asking simple questions?

Our Answer: Our technicians are trained to have the "heart of a teacher" and will take time to answer your questions and explain everything in simple terms. Just look in the client comments section of this report to see how our clients rave about our team of techs dedicated to supporting you.

Q4: Do they create an I.T. Roadmap and budget and meet with you quarterly to review it?

Our Answer: We conduct quarterly strategy meetings with our clients to look for areas of high risk (such as cyber security, compliance, unstable systems, old equipment, etc.) as well as new ways to help improve employee productivity, lower costs, increase efficiencies and align I.T. with your business goals. Most MSPs don't offer these fractional CIO services, don't know how to put together an I.T. budget and Roadmap, and simply offer basic help desk support and some maintenance, NOT strategy.

Q5: Do they have adequate insurance to protect YOU?

Our Answer: Since your I.T. company is directly maintaining and supporting your critical data and I.T. infrastructure, it's extremely important that they carry cyber liability and errors and omissions insurance to cover any damages (and costs) they might inadvertently cause to you. If they fail to carry insurance, it's YOUR liability. Don't be afraid to ask to see their coverage.

Q6: Do they have a dedicated account management team?

Our Answer: If they are too small to offer dedicated account management, you'll end up frustrated trying to find someone to help you. If it's the owner, ask how they are going to be able



to dedicate time to you while running the company (the answer: they won't). Make sure you know what team is going to be dedicated to supporting YOU when you need help.

Technical Expertise And Service:

Q7: Do their technicians maintain current vendor certifications and participate in ongoing training – or are they learning on your dime?

Our Answer: Our technicians are required to keep the most up-to-date certifications for the industry. Plus, our hiring process is so stringent, 99% of the technicians who apply don't make it through.

Q8: Do their technicians conduct themselves in a professional manner?

Our Answer: Our technicians are true professionals who are not only polite, but trained in customer service, communication and high standards. They won't confuse you with "geek-speak," make you feel stupid or talk down to you. If they have to be on-site at your office, you would be proud to have them there. We believe these are minimum requirements for delivering a professional service.

Q9: Are they familiar with (and can they support) your unique line-of-business applications?

Our Answer: We own the problems with all line-of-business applications for our clients. That doesn't mean we can fix faulty software – but we WILL be the liaison between you and your vendor to resolve problems you are having and make sure these applications work smoothly for you.

Q10: When something goes wrong with your Internet service, phone systems, printers or other I.T. services, do they own the problem or do they say, "That's not our problem to fix"?

Our Answer: We feel WE should own the problem for our clients so they don't have to try to resolve any of these issues on their own – that's just plain old good service and something many computer guys won't do.



Are You Done With Frustrating I.T. Support And Never-Ending I.T. Problems?

Give Us A Call To Get The Competent I.T. Support You Need
And The Responsive, Honest Service You Want

If you want to find an I.T. company you can trust to do the right thing, the next step is **simple**: call my office at 904-443-6046 and reference this report to schedule a brief 10- to 15-minute initial phone consultation.

You can also go online and schedule the call here: <https://www.dpctechnology.com/initial-call-consultation/>

On this call we can discuss your unique situation and any concerns you have and, of course, answer any questions you have about us. If you feel comfortable moving ahead, we'll schedule a convenient time to conduct our proprietary Systems And Risk Assessment

This Assessment can be conducted with or without your current I.T. company or department knowing (we can give you the full details on our initial consultation call). **At the end of the Assessment, you'll know:**

- Whether or not your I.T. systems and data are *truly* secured from hackers and ransomware, and where you are partially or totally exposed.
- If your data is *actually* being backed up in a manner that would allow you to recover it quickly in the event of a data-erasing emergency or ransomware attack.
- Where you are unknowingly violating HIPAA or compliance regulations.
- How you can get more for your I.T. investments, improving communication, security and performance, as well as the productivity of your employees.

Fresh eyes see things that others cannot – so, at a minimum, our free Assessment is a completely risk-free way to get a credible third-party validation of the security, stability and efficiency of your I.T. systems. There is no cost and no obligation. We are here to earn your trust and demonstrate a far better way to get you the I.T. services and support you need.

Dedicated to serving you,

Clay Archer, CEO

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See What Other Business Owners Are Saying



They Set The Bar Very High!

If only everything in my life worked for me like DPC Technology! I had an issue and DPC worked relentlessly to rectify it as quickly as possible. It is service like this that sets them apart from other companies. They set the bar very high.

-Debbie DeVille, Northeast District Dental Association



Everyone at DPC is EXTREMELY patient, professional, and friendly.

One of the many reasons we use DPC Technology is that all the people we deal with are so professional and kind, it makes a big difference when we need them most.

-Dr. Brandon Alegre



They Treat Us Like Family!

The biggest benefit to our company since moving to Complete Care with DPC Technology is that we always know we can get a quick reply and immediate help with any questions that we have. We don't have to worry about our systems crashing because we know that DPC is there for us right away. DPC's customer service is top notch and easily accessible. You should choose Complete Care because they are like family and truly care about helping in any way they can and they do a great job!

-Susan Prater, CRE8 Smile Studio