



# FlexITechs

**Keeping Small Business Networks Fit!**

## **The Financial Advantages of Managed IT Services for Small Businesses**

*How Managed IT Services can  
save money for your small business  
~ no matter how small ~ while  
increasing productivity at the same time*

**Presented by FlexITechs**

Ocean View, DE 19970

302-537-4198

Owner: Eric Magill

[ericm@flexitech.com](mailto:ericm@flexitech.com)

<https://flexitech.com>



**Hello:**

I'm sure all of you have heard about Managed IT Services, or Managed Services for short. I'm sure you've been regaled with letters, postcards and ads promising to respond quickly, make computer problems a thing of the past, and give you "peace of mind".

While our **FlexIT Managed IT Services program** provides the efficiency, guaranteed response times, security measures and consultative approach you require to be more productive, grow your business and protect your data from malicious threats, the financial benefits of turning your network over to a locally owned Managed IT Service instead of using employees and break/fix computer guys can often be misunderstood or overlooked.

While every company's IT needs differ, **it can be generally stated that a small business with up to 25 computers can benefit from Managed IT Services by:**

- Saving your small business money on even a part-time IT person
- Reducing downtime and its associated hard and soft costs
- Increasing productivity by reclaiming the time your employees spend on troubleshooting computer problems for the tasks you trained them to do
- Freeing your in-house IT department (if you have one) from maintenance and troubleshooting tasks to focus on projects that flow to your bottom line

In this free report, **we provide a financial scenario for a typical small business on Delmarva**, comparing IT support by your employees, break/fix computer companies, and/or IT staff to support from our **FlexIT Managed IT Services program**.

If you have any questions, contact me at 302-537-4198 or [ericm@flexitech.com](mailto:ericm@flexitech.com). You can also call or email me to schedule a Business and Technology Assessment to see if we can save money and increase productivity in your organization.

Sincerely,  
Eric D. Magill  
Owner, FlexITechs  
[ericm@flexitech.com](mailto:ericm@flexitech.com)  
<http://flexitech.com>  
302-537-4198

## Delmarva Annual Mean Wages for IT Employees, 2020

The following wages plus benefits were reported in the U.S. Bureau of Labor Statistics' May 2020 annual mean wages study for the Delmarva Peninsula, its 2021 study of total compensation (including benefits) nationally and form the basis of our calculations.

- **System Administrator** (manages the network including servers, devices, workstations, software, etc.)
  - **\$78,880 -- Wages / Salary**
  - **\$23,497 -- Benefits**
  - **\$102,307 -- Total Compensation**
  
- **Network Technician** (helps the System Administrator manage the network by performing maintenance and troubleshooting tasks)
  - **\$61,130 -- Wages / Salary**
  - **\$18,156 -- Benefits**
  - **\$79,286 -- Total Compensation**
  
- **Help Desk Technician** (handles trouble tickets and answers employees' computer questions).
  - **\$49,410 – Wages / Salary**
  - **\$14,675 – Benefits**
  - **\$64,085 – Total Compensation**
  
- **Employees + External Break / Fix IT Support** (employees maintaining and troubleshooting their own workstations with help from an outside IT company when needed)
  - **\$46,820 – Wages / Salary avg per employee**
  - **\$13,906 – Benefits avg per employee**
  - **\$18,980 – Cost of employees troubleshooting their own computers**
  - **\$22,626 – Cost of external Break / Fix IT Company**
    - Average employee 30 minutes per week troubleshooting PC problems
    - Average 5 hours per year per PC / Server outsourced to Break/Fix
    - 48 hours per year for 2 servers for External Break / Fix IT Company
  - **\$41,806 -- Total Employee + External Break/Fix IT Support**

In smaller organizations with less than 50 employees, the System Administrator will likely wear all three hats. It is unlikely that the typical small business on Delmarva would have all three of the above IT people on staff.

## Small Business with 25 Workstations, 2 Servers In-House IT Personnel vs. FlexIT Managed Services



In this scenario, we look at a typical small business on Delmarva that has 2 servers – one for a line of business application and the other a domain controller – and 25 computers.

As you can see in the chart on this page, a System Administrator earning \$78,880 per year plus benefits costs a total of \$102,307, or 2.5 times the FlexIT Managed IT Services program offering basically the same services. A Network Technician costs \$79,286. A Help Desk technician costs \$64,805 and will still need outside IT help.

You don't save money when your employees perform their own maintenance and troubleshooting, either. Combined with assistance from outside IT companies on a Break/Fix basis, the cost of self-support still exceeds FlexIT Managed IT Services when you figure in outside repairs performed at an hourly rate.

If you had a mix of newer and older computers like most small businesses, it would cost approximately \$41,806 for employees in a 2-server, 25-computer network to self-support their systems with assistance from an outside break-fix IT organization (based on 30 minutes per employee per week fiddling with computer issues and 5 hours per year per computer and 24 hours per year per server for an external IT company).

If you go with a part-time IT person and cut the figures for in-house techs in half and eliminate benefits, you will spend roughly:

- \$39,000 for a system administrator
- \$32,000 for a network technician plus external IT company support
- \$20,000 for a Help Desk technician plus the assistance such a tech would need from an outside IT service to handle network issues.
- In all instances, you could still save money with the FlexIT Managed IT Services Program at \$39,600 per year – because your employees would still need to perform their own initial troubleshooting and break / fix companies would need to be called in when the part-timer wasn't available -- FlexITechs would always be available to assist you, not just on a part-time basis.

On smaller networks, say networks with 5-10 computers and a server or just a glorified workstation as a file server, it still doesn't pay to have employees troubleshoot their own systems or call in a Break / Fix computer repair company.

Ignoring the dedicated IT personnel that you would not find in networks of this size, we see the following costs of Employee / Break-Fix vs. Managed IT Services:

- **10 Computers, 1 Server:**
  - Employees / Break-Fix Computer Repair company
    - \$17,442 per year
  - Managed IT Service
    - \$16,800 per year
- **5 Computers, 1 file server (high-powered workstation)**
  - Employees / Break-Fix Computer Repair company
    - \$9,171 per year
  - Managed IT Service
    - \$9,000 per year

# Another Comparison – Network with 10 Computers, 1 Server

## IT SUPPORT COST COMPARISONS

Estimated costs of different IT support options for managing and maintaining a typical small business network with 1 server and 10 workstations for 10 employees.

NOTE: an SMB of this size would not typically have a full-time IT person but most likely a part-time IT person or someone "knowledgeable" about computers on staff.



The FlexIT Managed IT Services program can provide all of the services of the other support options combined at a lower cost than any single support option in most cases

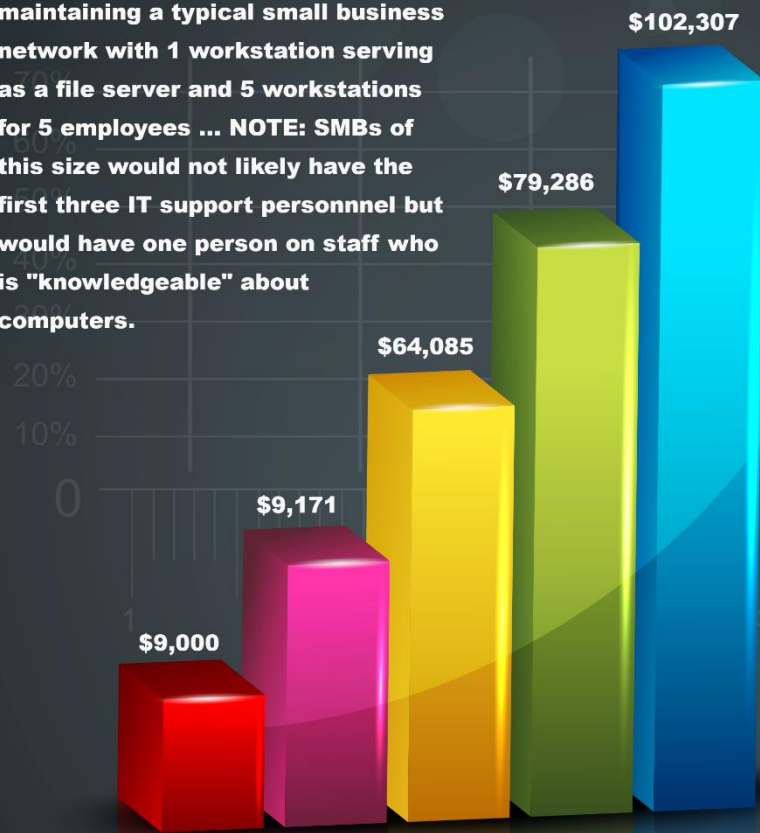
- System Administrator
- Network Technician
- Help Desk Technician
- Employees / External Break-Fix IT Service
- FlexIT Managed IT Services

Wages / Salary / Benefits May 2020 U.S. Bureau of Labor Statistics Estimate for Delmarva

# Another Comparison – Network with 5 Computers, 1 Server

## IT SUPPORT COST COMPARISONS

Estimated costs of different IT support options for managing and maintaining a typical small business network with 1 workstation serving as a file server and 5 workstations for 5 employees ... NOTE: SMBs of this size would not likely have the first three IT support personnel but would have one person on staff who is "knowledgeable" about computers.



The FlexIT Managed IT Services program can provide all of the services of the other support options combined at a lower cost than any single support option in most cases

- System Administrator
- Network Technician
- Help Desk Technician
- Employees / External Break-Fix IT Service
- FlexIT Managed IT Services

Wages / Salary / Benefits May 2020 U.S. Bureau of Labor Statistics Estimate for Delmarva

## What These Figures Do Not Include:

The costs above only tell part of the story of having employees self-support with break-fix IT services.

These figures do not include “soft costs” such as:

- Lost revenues when a revenue-producing employee is fixing a computer
- Lost productivity when other employees leave their responsibilities to help a co-worker fix a computer problem
- More lost productivity while waiting for a break-fix computer repair service to arrive to start working on the problem
- Bank fees and legal penalties from failing to meet contractual agreements
- Lost opportunities from missing deadlines
  - The Brother International Small Business Survey of 500 SMB owners revealed that 77% missed a deadline or opportunity due to a crashed PC.
- Lost customers due to downtime
  - Infrascala survey of 500 executives reported that 46% of B2B SMBs and 37% of B2C SMBs said they lost customers due to downtime issues
- Loss of goodwill with customers
- Lower employee morale and higher frustration and turnover
- Potentially bad publicity (i.e., a Ransomware attack or other cyber security issue)

When you consider the costs of doing IT the old-fashioned way, it makes sense to consider the superior alternative of Managed IT Services for your small business.

Not only can Managed IT Services reduce your IT costs, **they could potentially give your employees back hundreds of hours (a Compass America study concluded that the average employee spends 30 minutes per week on computer problems, or 1,250 total hours per year in the case of the 2-server, 25-employee network).**

That’s a lot of productive time they could spend on tasks they are trained for instead of time lost on tasks they are not trained for.

If your employees didn’t have to waste time in the self-support cycle of researching solutions, fixing problems they cause in “fixing” the first issue, enduring frustratingly long resolution times on the phone with third-party support, and bringing other employees off productive tasks to help, what could they accomplish for your business with those extra hours?

**If you have in-house IT staff, how much would your business benefit if they could focus on revenue-enhancing or cost-cutting technology projects instead of putting out fires that a Managed IT Service could fix, prevent or handle quietly?**



# The FlexIT Managed Services Program

With our FlexIT Managed Services Program, we don't want to fix your computers like a traditional break-fix computer service – we want to prevent them from breaking instead.

With traditional break/fix computer services, the financial interests of the computer service and the customer are at odds. It's in your financial interest for your systems to stay "up", but no matter how well-intentioned, the computer service only makes money when your systems go "down".

Toward that mission of keeping your systems up, for a fixed, budgetable monthly fee that brings our financial interests in line with yours, we offer the following services to our Managed IT Services clients:

- **Managed IT Services –**
  - **Proactive, remote monitoring** of servers, workstations and network devices to detect network and device issues before they become major headaches;
  - **Proactive maintenance** of security software and Windows, application and hardware updates to keep your systems up to date;
  - **Proactive repairs** (remote or on-site) of issues detected on the network before disaster strikes;
  - **Help Desk** (phone or email) to resolve issues for your employees and provide tips and minor training;
  - **Vendor Management** to work with your IT vendors to resolve vendor-related issues so you don't get stuck in the "vendor blame game";
  - **Monthly reports** of our service, activity and system performance with advice on technological advancements that might benefit your business.
- **Managed Detection & Response** – 24x7 monitoring and remediation of Persistent Footholds, Ransomware Attacks, Managed Antivirus and External Recon for a hacker's view of vulnerabilities on your network that should be closed
- **Password Manager** – Securely create, store and change complex passwords, Personally Identifiable Information, payment information, monitor for simplistic, re-used and breached passwords.
- **Automated Backups** – online automated file backups of all workstations and servers
- And, **GUARANTEED RESPONSE TIMES!**

For a free business assessment (\$500 Value) of how the FlexIT Managed IT Services program can help your company reduce IT costs and increase productivity, call Eric Magill at 302-537-4198 or email me at [ericm@flexitech.com](mailto:ericm@flexitech.com).

## How to Get Started?

We understand that all businesses have unique technology requirements and that different sizes create different cost scenarios.

If you would like a superior alternative to the typical "Easy Geek" computer services, we strongly encourage you to contact us for a **free Technology and Business Assessment** of your small business to determine the best tech solutions for your company, now and into the future, and develop a proposal for Managed IT Services.

To find out how much FlexIT Managed IT Services can reduce your IT support costs, start by contacting us at one of the following contact methods:

- Web site – <https://flexitech.com/contact>
- Email – [ericm@flexitech.com](mailto:ericm@flexitech.com)
- Phone – 302-537-4198
- Schedule a meeting – <https://calendly.com/flexitech>

# What Our Clients Say About Us ...



**“Remember all of the problems we were having before we signed up? Now look at how we’re doing. We’re running more smoothly and we have so much less stress now.”**

**Mark McCormick, Denney Electric Supply**



**“Eric Magill and FlexITechs has been a great addition to the overall performance of our business. As a seasonal motel, the window of opportunity for revenue generating is very small. We had to maximize our ability to sell our rooms using sophisticated yield management tools. Keeping the system up and running efficiently is a priority. Eric is always there when we need him, when the system goes down; the internet in the building is on the fritz or just general maintenance and IT issues. We also utilize remote service so he can log in and help a clerk at anytime during a crisis. We are entering our 5<sup>th</sup> year with FlexITechs as our IT provider and we couldn’t be happier.”**

**Tom and Donna Sites, Fenwick Islander Motel**

**“Eric Magill of FlexITechs has been a true lifesaver to our organization. He became our computer specialist in 2005 when we lost our computers due to a flood. He got us up & running in no time & has since upgraded all of our systems for a second time. With just one e-mail or phone call, he gets to us as quickly as possible so we suffer very little or no down time. No question (no matter how trivial) is too small for Eric to respond to – he is always willing to explain things to you in layman’s terms so we can get a grasp of what is happening. We have recommended FlexITechs to many people and will continue to do so. His customer service and computer knowledge is unsurpassed.”**

**Mike Collison, President  
Bunny Herrick, Office Manager  
A.C. SCHULTES OF DELAWARE, INC.**

**“As owner and operator of a structural engineering and drafting company, computers and peripherals are my lifeline to a successful business and good relations with my clients by providing them with timely service. Eric Magill’s prompt and very knowledgeable service has kept Devon Design and Drafting up and running with minimal down time. He is a true professional in his field and there is NO hesitation in recommending Eric.”**

**Frederick T. Legge PE, Devon Design & Drafting**



**“FlexITechs and Eric Magill have been servicing us for years. Not being computer savvy, FlexITechs and Eric Magill have been a true Godsend. His knowledge of computers and how they operate has saved us on many occasions. He is quick to respond to any crisis or the most simple questions. We highly recommend FlexITechs and Eric Magill for any of your computer needs.”**

**John Kokkinos, Kokkinos Creative Jewelers**

**“I initially engaged Eric Magill to set up a network for my accounting business in 2006. Since that time his expertise has proven invaluable. During the summer of 2010 I lost my entire computer system during an electrical storm. Eric was there every step of the way to set up my new system. Thankfully, he had previously advised me to invest in an offsite storage program. Consequently, he had my new system up and running in a very short period of time with minimal data loss. Eric is very knowledgeable, personable, and dependable. Eric and Flexitechs have become an integral part of my business' support network.”**

**James Cohee P.A., James P. Cohee & Associates**

## **About FlexITechs**

FlexITechs was born in 2003 out of a successful beginning as Sussex County Online to better define the computer services side of our business. FlexITechs provides a myriad of computer-related services for consumers and businesses across the Delmarva Peninsula.

We achieved a milestone in the computer services industry in 2007 when we became the first computer service in Sussex County to earn the Microsoft® Small Business Specialist designation and became a Microsoft® Certified Professional.

The owner, Eric Magill, has been involved in computer-related services since 1996, when he helped launch [Beach-Net!](#), the most successful web site hosting business in Sussex County.

Magill grew up in the Bethany Beach area. He graduated from Indian River High School in 1978 and Moravian College in Bethlehem, Pa., in 1982. He served two terms on the Ocean View Town Council from 2001 to 2007 and one term on the Ocean View Planning & Zoning Commission from 2008 to 2011.