

What is your IT tech stack costing you, really?

A deeper look at why (and how) to consolidate your IT toolkit.



Modern Work is a Tech-Hungry Business

Work was a lot simpler to manage when it was contained to company issued devices and within office walls. Today, with remote and hybrid work, different teams need different apps, end users rely on company and personal devices to get work done, and employees are working on various networks. And IT is on the hook to manage it all, putting a heavy burden on technicians, admins, and business costs. Meanwhile, economic uncertainty continues to prevail, putting pressure on IT resources, including headcount and budgets. Luckily, these are issues that technology can help fix.

Can IT Simplify and Succeed?

While consolidation is a focus across organizations, IT teams are considering consolidating their own suite of tools and vendors. In this eBook, we'll explore practical strategies for evaluating the true costs of point solutions, the pros and cons of consolidation, and what IT functionality can and should be consolidated to work better for your team.

92%

of businesses want to **reduce IT burden** through the right software choice

83%

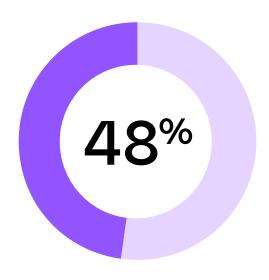
are focusing on **consolidating solutions and vendors** for the expected gains of
employee productivity, ease of management,
and cost savings¹



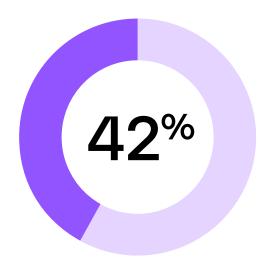
¹Frost & Sullivan survey of 1,000+ IT decision makers at companies with up to 999 employees, commissioned by GoTo, 2023.

Costs

Bloated Tech Stacks Could Cost Your Business More Than You Think



IT leaders of small and midsize business (SMB) report having issues with their IT toolkits²



IT leaders say they are paying for underutilized or unused technology³

With 48% of small and midsize business (SMB) IT leaders reporting having issues with their IT toolkits, ranging from learning and utilizing tools to having too many or not enough, it's a good idea to take a step back and look at what IT point solutions are really costing your business.

Outright Costs

First, look at the actual costs of the tools themselves. Monthly subscription costs for commercial software can range from \$10 to \$10,000 or more, especially for larger businesses. If there are redundancies in functionality across these solutions, that's thousands of dollars wasted.

In today's economic climate, businesses don't have untapped budgets to burn. Leaders from all departments are being pressed to distinguish between the tools they need versus the tools they want. IT leaders are no exceptions.

² Qualtrics survey of 315 IT leaders at SMBs, commissioned by GoTo, 2023.

³ IDG, The State of SMB IT Support: How to Empower and Secure the Hybrid Workforce, January 2022.

Training and Onboarding

There are also costs associated with implementing and onboarding new tools, and then training your team to be experts in them. This usually takes months and can cost an estimated two to three times the purchase price of the tool itself.⁴

Let's look at mobile device management (MDM) and remote monitoring and management (RMM) tools, which are often some of the more complex tools in an IT toolkit:

60-75
HOURS

of classwork are needed to obtain certifications in traditional RMMs *2k

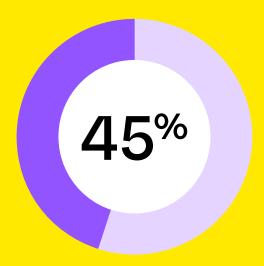
PER EMPLOYEE

to learn to use the tool (at the average L2 pay rate of \$30/hour)⁵

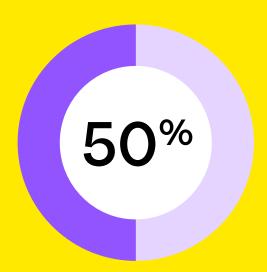


⁴ Gartner, The Real Cost of Implementing CRM: What's Your TCO?, 2016.

⁵ HDI, The State of Technical Support in 2022.



IT leaders say it's time consuming and costly to manage multiple tools⁶



IT leaders say the need to switch between multiple technologies is impacting help desk productivity⁶

Admin Hours

A big reason for the high costs is that in order to realize the value of powerful tools like MDM and RMM, the deployments need to be highly individualized to an organization. Some of these need a dedicated employee or two to manage them full time, especially for more complicated tools to ensure things are done properly and to mitigate security risks.

Productivity Loss

Human brains are not built for constant context switching, and it's costing businesses in productivity hours. Digital workers spend 9% of their time each year just switching between apps⁷ and global IT professionals spend over 7 hours per week dealing with complex tools.⁸ When IT is toggling between tools, tasks, logins, and dashboards, that's time essentially wasted, with extra time needed to get back on a mentally productive track.

Hours spent dealing with complex tools and switching between apps:

HOURS WEEKLY 187
HOURS
YEARLY

⁶ IDG, The State of SMB IT Support: How to Empower and Secure the Hybrid Workforce, January 2022.

⁷ Harvard Business Review, How Much Time and Energy Do We Waste Toggling Between Applications?, 2022.

⁸ Freshworks, State of Workplace Technology: Bloatware, 2022.



Agent Turnover

No one likes having unnecessary tools to use and manage, and that can cost you in IT talent. Agent turnover is an extremely high cost to pay. The average turnover rate for L1 and L2 roles is currently at around 34%,9 and it's estimated that losing an employee in a technical position can cost a company 100-150% of the employee's salary.10 The technology they use has a big role to play here, as more than a third of staff consider leaving their job because of a poor digital experience:11

36%

CONSIDER

LEAVING

34%
ACTUALLY
LEAVE

⁹HDI, The State of Tech Support in 2022.

¹⁰ www.builtin.com/recruiting/cost-of-turnover

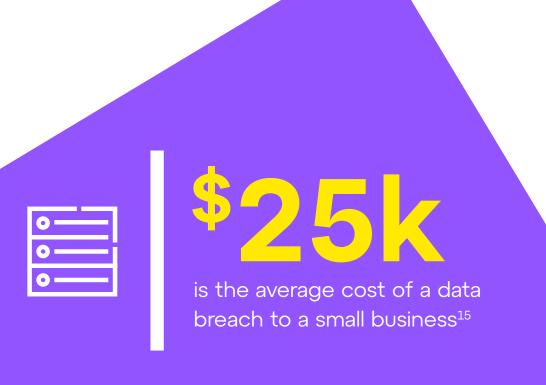
¹¹ Lakeside, Digital Workplace Productivity Report 2022.

Security Risks

The more programs you have, the more there is to protect, and the greater the likelihood of things falling through the cracks.

In fact, 49% of IT leaders say the volume of technologies in use presents an increased security risk.¹²

According to IBM's Cost of a Data Breach report, vulnerability in third-party software is the third most costly vector of a data breach, after phishing and business email compromise.¹³ This could potentially have devastating security implications.





Self-Hosting

If you're self-hosting, your total cost of ownership (TCO) can increase. Expenses include maintenance, hardware, backups, heating/cooling and power for data centers, and a minimum of three employees (system, network, and database administrators). If you cut any corners in these areas, you're opening the door to security risks and potential downtime since self-hosting means you're responsible for making sure the technology is patched and up and running.



compared to cloud-based solutions¹⁴

20%
ANNUAL FEE

common for an on-prem software license

¹² IDG, The State of SMB IT Support: How to Empower and Secure the Hybrid Workforce, January 2022.

¹³ www.ibm.com/reports/data-breach

 $^{^{\}rm 14}\,{\rm IBM}$ & Ponemon Institute, Cost of a Data Breach Report, 2022.

¹⁵ Accenture, The Green Behind the Cloud, 2020.



The Pros and Cons of Consolidation

While costs associated with a tech stack bloated with point solutions are a big concern for most companies, that isn't the only consideration of consolidation. Let's look at a wider range of possible pros and cons that IT leaders should consider when consolidating. Do the benefits outweigh the drawbacks for your company?



Pros

Cost savings: Consolidating IT software reduces the need for multiple licenses, maintenance fees, and support costs associated with different software applications. If you are consolidating vendors along with software, you will also likely gain some cost efficiencies through bundling solutions.

Improved efficiency: Consolidating IT software can help reduce redundancy and overlap in functionality, making it easier for employees to perform their tasks without switching between different applications. It's also technically faster if tools are all in the same place versus integrated into a daisy chain of linked solutions, so data doesn't have to load from different sources.

Improved productivity: When agents are not spending time context switching between tasks and tools, they can focus on the task and tool at hand. Consolidated dashboards make it easy to carry out different tasks without jumping around.

Enhanced data accuracy: Consolidating IT software can improve the accuracy and reliability of data by eliminating the need to manually transfer information between different systems. Having one single source of truth for valuable data allows you to maximize its value.

Better security: Consolidating IT software can improve the overall security of an organization's systems by reducing the number of entry points that hackers can exploit.

Increased scalability: Consolidating IT software can help organizations scale their IT infrastructure more easily as they grow by providing a single, centralized platform for managing resources. In other words, you only have to worry about scaling one tool.



Cost Savings



Improved Efficiency



Improved Productivity



Enhanced Data Accuracy



Better Security



Increased Scalability



Security

Risks



Quality Sacrifices

Cons

Security risks: There could be a risk in putting all of your eggs in one basket. Consolidating IT software can increase security risks in the sense that the new system may be a single point of failure. If the system is compromised, it can lead to data breaches and other security incidents.

Another potential drawback is around unchecked admin permissions when software with high permissions is consolidated with functions that may not require those permissions. Microsoft's 2023 State of Cloud Permissions Risks report warns that:

Super admins in Active Directory are extremely over-permissioned, and only 1% of permissions granted are used in daily functions. This is a potential vulnerability because admins are 3x more likely to be targeted in cyber attacks due to their elevated permissions.¹⁶

Quality sacrifices: Though many applications are currently not being used to their fullest potential (in fact, 38% of desktop applications and 33% of SaaS applications are either wasted or underutilized¹⁷), a consolidated tool may come up short on functionality that could benefit your business.

¹⁶ Oort, State of Identity Security: Protecting the Workforce, 2023.

¹⁷ Flexera, State of ITAM Report, October 2022.

The State of Consolidation

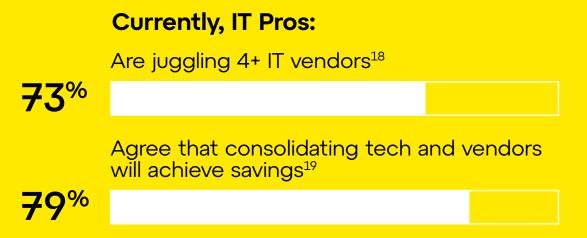
For many organizations, the pros outweigh the cons. Two recent GoTo studies reveal that IT leaders are making the move to consolidated software and vendors.

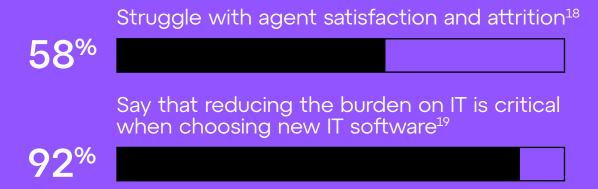
The main reasons for tool consolidation:

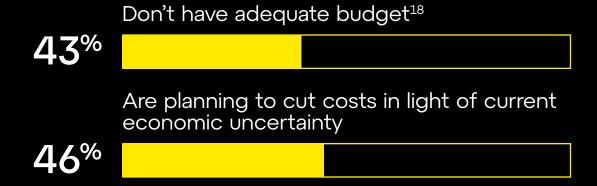
50% Employee Productivity

49%
Easier to manage for IT team

30% Cost Savings







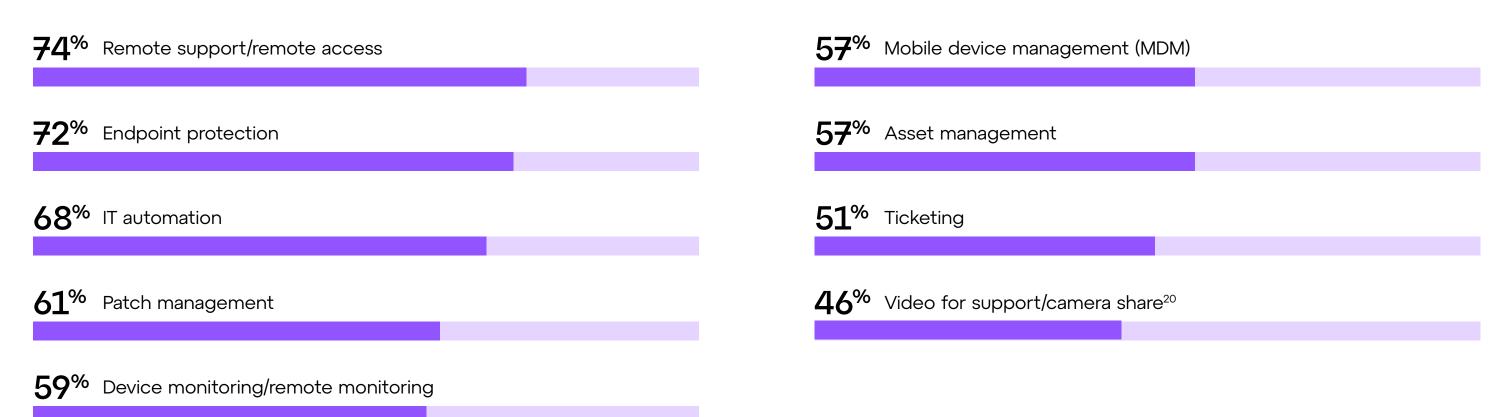
¹⁸ Qualtrics survey of 315 IT leaders at SMBs, commissioned by GoTo, 2023.

¹⁹ Frost & Sullivan survey of 1,000+ IT decision makers at companies with up to 999 employees, commissioned by GoTo, 2023.

Functionality

What Tools Can (and Should Be) Consolidated?

IT leaders report using a number of tools for IT management and support,²⁰ which give IT technicians a lot of tools in the toolkit for proactive and reactive support, but at the same time, a lot to juggle. By consolidating these tools, IT teams have one less headache to deal with plus the assurance that all functions are working in concert.



²⁰ Qualtrics survey of 315 IT leaders at SMBs, commissioned by GoTo, 2023.

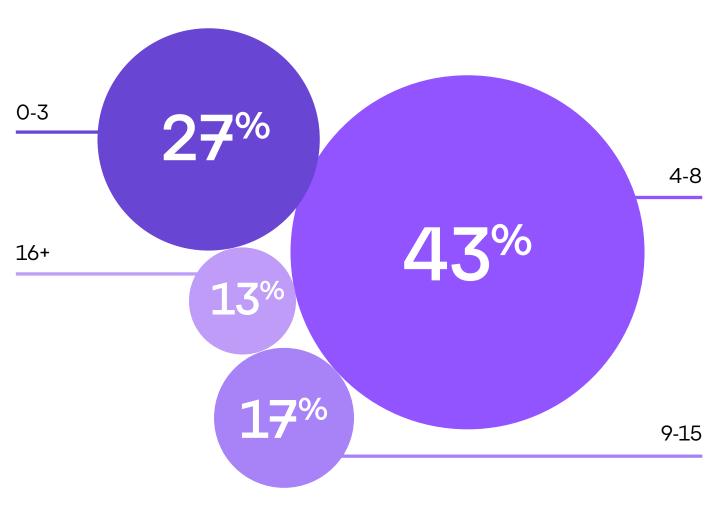
How Does Vendor Consolidation Help?

Only about a quarter of all IT leaders we surveyed have consolidated solutions with just a handful of vendors. But the remaining 74% are juggling about as many vendors as there are point solutions.

When you have fewer vendors, there's less for IT leaders to manage, and ideally, these select vendor relationships are strategically beneficial to the IT organization and greater business objectives.

Consider consolidating your vendor list down to those that provide a trusted partnership with scalable solutions that will grow with your organization.

Current Vendors or Subscriptions²¹



²¹ Qualtrics survey of 315 IT leaders at SMBs, commissioned by GoTo, 2023.

Consolidation Considerations

When thinking about consolidating, consider these important factors:

Redundancy: Identify IT software applications that perform identical or similar functions. Consolidating redundant software can help reduce costs and increase efficiency.

Compatibility: Look for software applications that are incompatible with other systems in your organization. Consolidating these applications can help improve system integration and reduce compatibility issues.

Age: Identify IT software applications that are outdated and no longer supported by vendors. Consolidating these applications can help reduce security risks and ensure that your systems are up to date.

Business criticality: Look for software applications that are critical to your business operations. Consolidating these applications can help improve system reliability and reduce the risk of system downtime.

User adoption: Identify software applications that are not being used effectively by employees. Consolidating these applications can help streamline workflows and improve user adoption.

Cost: Look for software applications that are expensive to maintain or require frequent updates. Consolidating these applications can help reduce costs and simplify maintenance.





Take the Next Step to Consolidate

When cost savings and time savings are mission critical, software and vendor consolidation should be a priority for IT leaders.

GoTo Resolve is the only all-in-one IT management and support solution where saving money doesn't mean getting less.

With affordable, built-in remote support, remote monitoring and management (RMM), ticketing, and zero-trust architecture, GoTo Resolve allows you to consolidate multiple solutions, saving time and budget. The all-in-one IT management and support solution empowers IT teams to simplify and streamline their operations with the ability to tackle support issues from start to finish in one solution.



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