

The Houston Business Owners' Guide To IT Support Services And Fees

What You Should Expect To Pay For IT Support For Your Small Business (And How To Get *Exactly* What You Need Without Unnecessary Extras, Hidden Fees And Bloated Contracts)

Read this guide and you'll discover:

- ✓ The 3 most common ways IT 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, the customer, when buying IT services; you'll learn what it is and why you need to avoid agreeing to it.
- ✓ Exclusions, hidden fees and other "gotcha" clauses IT companies put in their contracts that you DON'T want to agree to.
- ✓ How to make sure you know exactly what you're getting to avoid disappointment, frustration and added costs later on that you didn't anticipate.
- ✓ 18 revealing questions to ask your IT support firm BEFORE giving them access to your computer network, e-mail and data.

Provided as an educational service by:

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Never Ask An IT Services Company, “What Do You Charge For Your Services?” Instead You Should Ask, “What Will I Get For My Money?”



From The Desk Of: Greg Brainerd
Owner of Braintek, LLC

Dear Colleague,

If you are the CEO of a small business in the Houston metro area that is currently looking to outsource some or all of the IT support for your company, this report contains important information that will be extremely valuable to you as you search for a competent firm you can **trust**.

My name is Greg Brainerd, President of Braintek. We’ve been providing IT services to businesses in the Houston metro area for over 17 years now.

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 question — and a very important one to address — I decided to write this report for 3 reasons:

1. I wanted an easy way to answer this question and educate all prospective clients who come to us on the most common ways IT services companies package and price their services, and the pros and cons of each approach.
2. I wanted to bring to light a few “industry secrets” about IT service contracts and SLAs (service level agreements) that almost no business owner thinks about, understands or knows to ask about when evaluating IT service providers that can end up burning you with hidden fees and locking you into a long-term contract when they are unwilling or unable to deliver the quality of service you need.
3. I wanted to educate business owners on how to pick the **right** IT 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,

Greg Brainerd

About The Author



In 2001, Greg Brainerd got married to his wife, Tracy Brainerd, in Tucson, Arizona and at the time was working for a small computer company that was very similar to Braintek. A friend that had worked with him in Tucson had moved to the Houston area and encouraged him to come out to look for work. He decided to move and found a job with Pennzoil working graveyards as a network administrator in the data center downtown. About a year into his position, Pennzoil was purchased by Shell. At the time, he felt that his job may be in jeopardy as in mergers there are some overlapping positions and soon after that they started Braintek.

Tracy started attending networking events trying to generate some interest and since Greg was working graveyards he was in a position to help people with their computers during part of the day. He was exhausted working Shell at night and Braintek during the day. One of the Shell managers asked Greg to change shifts and work the evening shift which helped him adjust his schedule better. Then a few months later Shell decided to lay him off, as expected. This was the right time, Braintek had grown to support both the family and now they could concentrate full time on it.

In 2007, Braintek had grown to the point that they needed their first full time employee. Tracy asked that we move the business out of the living room and into its own place, so we did. Braintek moved into a small office/warehouse complex off of Blueberry Hill in Oakridge North, across from the Woodlands. Shortly after that we hired one of our first employees, Russell Ferry, and he has been with us for the past 12 years! From that point Braintek has continued to expand and moved into a second suite on Blueberry Hill. Throughout the years Braintek has continued to grow our client base and the staff to 16 people. As Braintek continued to grow we needed more space and purchased our own building in the Spring area.

Comparing Apples To Apples: The Predominant IT Service Models Explained

Before you can accurately compare the fees, services and deliverables of one IT services company to another, you need to understand the 3 predominant service models most of these companies fit within. 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.** 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.” Under this model, you might be able to negotiate a discount based on buying a block of hours. The scope of work may be simply to resolve a specific problem (like removing a virus), or it may encompass a large project like a computer network upgrade or move that has a specific result and end date clarified. Some companies will offer staff augmentation and placement under this model as well.
- **Managed IT Services.** This is a model where the IT services company takes the role of your “IT department” and not only installs and supports all the devices and PCs that connect to your server(s), but also offers phone and on-site support, antivirus, security, backup and a host of other services to monitor and maintain the health, speed, performance and security of your computer network.
- **Software Vendor-Supplied IT Services.** Many software companies will offer IT 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 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 help you and will often refer you to “your IT 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, this is not enough to provide the full IT services and support most businesses need to stay up and running.

When looking to outsource your IT support, the two service models you are most likely to end up having to choose between are the “managed IT 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 IT Services Vs. Break-Fix: Which Is The Better, More Cost-Effective Option?

You’ve probably heard the famous Benjamin Franklin quote, “An ounce of prevention is worth a pound of cure.” I couldn’t agree more — and that’s why it’s my sincere belief that the managed IT approach is, by far, the most cost-effective, smartest option for any small business. The only time I would recommend a “time and materials” approach is when you already have a competent IT person or team proactively managing your computer network and simply have a specific IT

project to complete that your current in-house IT team doesn't have the time or expertise to implement (such as a network upgrade, installing a backup solution, etc.). Outside of that specific scenario, I do not think the break-fix approach is a good idea for general IT support for one very important, fundamental reason: you'll ultimately end up paying for a pound of "cure" for problems that could have easily been avoided with an "ounce" of prevention.

Why Regular Monitoring And Maintenance Is Critical For Today's Computer Networks

The fact of the matter is, computer networks absolutely, positively need ongoing maintenance and monitoring to stay secure. The ever-increasing dependency we have on IT systems and the data they hold — not to mention the *type* of data we're now saving digitally — has given rise to very smart and sophisticated cybercrime organizations and who work around the clock to do one thing: compromise your networks for illegal activities.

In most cases their intent is to access financial information and passwords to rob you (or your clients), create fake identities for credit card fraud, etc. In other cases they may want to use your computer network to send illegal spam, host pirated software, spread viruses, etc. And some do it just for the "fun" of being able to make computer systems inoperable. These criminals work around the clock in teams, constantly finding and inventing new ways to get around your antivirus software and firewalls; that's why you have to remain ever vigilant against their attacks.

Of course, this doesn't even take into consideration other common "disasters" such as rogue employees, lost devices, hardware failures (which are the #1 reason for data loss), fire and natural disasters and a host of other issues that can interrupt or outright destroy your IT infrastructure and the data it holds. Then there's regulatory compliance for any business hosting or touching credit card or financial information, medical records and even client contact information such as e-mail addresses.

Preventing these problems and keeping your systems up and running (which is what managed IT services is all about) is a LOT less expensive and damaging to your organization than waiting until one of these things happens and then paying for emergency IT services to restore your systems to working order (break-fix).

Should You Just Hire A Full-Time IT Manager?

In most cases, it is not cost-effective for companies with under 50 employees to hire a full-time IT person, because you can outsource this function of your business far cheaper and with a lot less work; but you DO want to hire a professional to perform basic maintenance just as you would hire an attorney to handle your legal matters or an accountant to prepare your taxes. **And if you truly understand the cost of your TIME and factor in employee productivity, the managed IT services model is considerably less expensive over time than the "break-fix" model.**

Why “Break-Fix” Works Entirely In The Consultant’s Favor, *Not* Yours

Under a “break-fix” model, there is a fundamental conflict of interests between you and your IT firm. The IT services company has no incentive to stabilize your computer network or to resolve problems quickly because they are getting paid by the hour; therefore, the risk of unforeseen circumstances, scope creep, learning curve inefficiencies and outright incompetence are all shifted to YOU, the customer. Essentially, the more problems you have, the more they profit, which is precisely what you DON’T want.

Under this model, the IT 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. There is no incentive to properly manage the time of that technician or their efficiency, and there is every reason for them to prolong the project and to find MORE problems than solutions. Of course, if they’re ethical and want to keep you as a client, they *should* be doing everything possible to resolve your problems quickly and efficiently; however, that’s akin to putting a German shepherd in charge of watching over the ham sandwiches. Not a good idea.

Second, it creates a management problem for you, the customer, who now has to keep track of the hours they’ve worked to make sure you aren’t getting overbilled; and since you often have no way of really knowing if they’ve worked the hours they say they have, it creates a situation where you really, truly need to be able to trust they are being 100% ethical and honest AND tracking THEIR hours properly (not all do).

And finally, it makes budgeting for IT projects and expenses a nightmare since they may be zero one month and thousands the next.

What To Look For In A Managed IT Services Agreement And What You Should Expect To Pay

Important! Please note that the following price quotes are industry averages based on a recent IT industry survey conducted of over 750 different IT services firms. We are providing this information to give you a general idea of what most IT services firms 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, which is simply to understand exactly what you want to accomplish FIRST and then customize a solution based on your specific needs, budget and situation.

Hourly Break-Fix Fees: Most IT services companies selling break-fix services charge between \$101 and \$200 per hour with a one-hour minimum. In most cases, they will give you a discount of 5% to as much as 20% on their hourly rates if you purchase and pay for a block of hours in advance.

If they are quoting a **project**, the fees range widely based on the scope of work outlined. If you are hiring an IT consulting firm for a project, I would suggest you demand the following:

- **A very detailed scope of work that specifies what “success” is.** Make sure you detail what your expectations are in performance, work flow, costs, security, access, etc. The more detailed you can be, the better. Detailing your expectations up front will go a long way in 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 loose estimates that allow the consulting firm to bill you for “unforeseen” circumstances. The bottom line is this: it is your IT 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 IT Services: Most managed IT services firms will quote you a MONTHLY fee based on the number of devices they need to maintain, back up and support. In Houston, that fee is somewhere in the range of \$51 to \$200 per server, \$51 to \$200 per desktop.

If you hire an IT consultant and sign up for a managed IT services contract, here are some things that SHOULD be included (make sure you read your contract to validate this):

- Helpdesk Support
- Scheduled and Non-Scheduled Onsite Visits
- Security patches applied weekly, if not daily, for urgent and emerging threats
- Antivirus updates and monitoring
- Firewall updates and monitoring
- Backup monitoring and test restores
- Spam-filter installation and updates
- Spyware detection and removal
- Monitoring disk space on workstations and servers
- Monitoring hardware for signs of failure
- Optimizing systems for maximum speed

The following services may **NOT be included** and will often be billed separately. This is not necessarily a “scam” or unethical UNLESS the managed IT services company tries to hide these fees when selling you a service agreement. Make sure you review your contract carefully to know what is and is NOT included!

- Hardware, such as new servers, PCs, laptops, etc.
- Software licenses, Cloud subscriptions
- On-site support
- Projects (server upgrades, migration to the cloud, workstation replacements)

- Disaster Recovery

Warning! Gray areas of “all-inclusive” service contracts. In order to truly compare the “cost” of one managed IT services contract to another, you need to make sure you fully understand what IS and ISN’T included AND the “SLA” or “service level agreement” you are signing up for. It’s VERY easy for one IT services provider to appear far less expensive than another UNTIL you look closely at what you are getting.

The following are 18 questions to ask your IT services provider that will clarify exactly what you’re getting for the money. Some of these items may not be that important to you, while others (like response time, adequate insurance and uptime guarantees) 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.

18 Service Clarification Questions You Should Ask Your IT Services Firm Before Signing A Contract

Customer Service:

Q1: Do they answer their phones live or do you always have to leave a voicemail and wait for someone to call you back?

Our Answer: We answer our phones live from 7:00 a.m. to 6:00 p.m. Monday to Friday and give all clients an emergency after-hours number they may call if a problem arises, even on weekends. Why? Because many of the CEOs and executives we support work outside normal hours and find it the most productive time they have. If they cannot access their computer network AND can’t get hold of anyone to help them, it’s incredibly frustrating.

Q2: Do they offer a written, guaranteed response time to your calls?

Our Answer: We guarantee to have a technician working on a problem within 15 minutes or less of your call. This is written into every service agreement we give to our clients because it’s standard procedure.

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.

Q4: Do they consistently (and proactively) offer new ways to improve your network’s performance, or do they wait until you have a problem to make recommendations?

Our Answer: We conduct quarterly review meetings with our clients to look for new ways to help improve their operations, lower costs, increase efficiencies and resolve any problems that may be arising. Our goal with these meetings is to help our clients be more profitable, efficient and competitive.

Q5: Do they provide detailed invoices that clearly explain what you are paying for?

Our Answer: We provide detailed invoices that show what work was done, why and when, so you never have to guess what you are paying for. We also double-check our invoices for accuracy before they are sent to you.

Q6: Do they have adequate errors and omissions insurance as well as workers' compensation insurance to protect YOU?

Our Answer: Here's something to consider: if THEY cause a problem with your network that causes you to be down for hours or days or to lose data, who's responsible? Here's another question to consider: if one of their technicians gets hurt at your office, who's paying? In this litigious society we live in, you better make darn sure whomever you hire is adequately insured with both errors and omissions insurance AND workers' compensation — and don't be shy about asking to see their latest insurance policies!

True Story: A few years ago Geek Squad was slapped with multimillion-dollar lawsuits from customers for bad behavior by their technicians. In some cases, their techs were accessing, copying and distributing personal information they gained access to on customers' PCs and laptops brought in for repairs. In other cases, they lost a client's laptop (and subsequently all the data on it) and tried to cover it up. Bottom line: make sure the company you are hiring has proper insurance to protect YOU.

Q7: Do they guarantee to complete projects on time and on budget?

Our Answer: All projects are included in our support agreements and guaranteed to be completed on time, in writing. This is important because many unethical or incompetent computer guys will only quote "time and materials," which gives them free rein to nickel-and-dime you as well as take as much time as they want completing a project.

Maintenance Of Your Network:

Q8: Do they insist on remotely monitoring your network 24/7/365 to keep critical security settings, virus definitions and security patches up-to-date and PREVENT problems from turning into downtime, viruses, lost data and other issues?

Our Answer: Yes; our remote network monitoring system watches over your network to constantly look for developing problems, security issues and other problems so we can address them BEFORE they turn into bigger problems.

Q9: Do they have other technicians on staff who are familiar with your network in case your regular technician goes on vacation or gets sick?

Our Answer: Yes; and since we keep detailed network documentation (basically a blueprint of your computer network) and updates on every client's account, any of our technicians can pick up where another one has left off.

Q10: When they offer an "all-inclusive" support plan, is it TRULY all-inclusive, or are their "gotchas" hidden in the fine print?

Our Answer: Our "all-inclusive" support plan is just that — all-inclusive. One of the more popular service plans offered by consulting firms today is an "all-inclusive" or "all-you-can-eat"

managed services plan. These are actually a good thing because they'll save you a lot of money in the long run. HOWEVER, make sure you REALLY understand what is and isn't included. Some things to consider are:

- Is phone/e-mail help desk included or extra?
- What about network upgrades, moves or adding/removing users?
- Is hardware and/or software included?
- What about 3rd-party software support? (We recommend that this IS included.)
- What are the costs/consequences of early cancellation?
- What if you aren't happy with their services? Do they offer a money-back guarantee?
- If the hardware and software is included, what happens if you cancel the contract?
- Are off-site backups included? To what degree?
- If you have a major disaster, is restoring your network included or extra?
- What about on-site support calls? Or support to remote offices?
- Are home PCs used to access the company's network after hours included or extra?

Backups And Disaster Recovery:

Q11: Do they INSIST on monitoring an off-site as well as an on-site backup, or are they letting you rely on outdated local hard drive backups?

Our Answer: We do not allow our clients to use local hard drive backups because local backups can have a variety of issues (the drive is out of space, off, or disconnected, etc.). We make sure all of our clients have cloud backups and if requested will add on a disaster recovery server that can be used in the event of equipment failures.

Q12: Do they INSIST on doing periodic test restores of your backups to make sure the data is not corrupt and could be restored in the event of a disaster?

Our Answer: We perform a monthly "fire drill" and perform a test restore from backup for our clients to make sure their data CAN be recovered in the event of an emergency. After all, the WORST time to "test" a backup is when you desperately need it.

Q13: Do they insist on backing up your network BEFORE performing any type of project or upgrade?

Our Answer: We do, and that's simply as a precaution in case a hardware failure or software glitch causes a major problem.

Technical Expertise And Support:

Q14: Is their help-desk U.S.-based or outsourced to an overseas company or third party?

Our Answer: We provide our own in-house local help desk and make sure the folks helping you are friendly and helpful. We consider this one of the most important aspects of customer service, plus we feel it's important to keeping your data secure.

Q15: Do their technicians maintain current vendor certifications and participate in ongoing training — or are they learning on your dime?

Our Answer: Our technicians attend training regularly to keep them up-to-date with networking and new technologies. Plus, our hiring process is so stringent, 99% of the technicians who apply don't make it through. (Guess who's hiring them?)

Q16: Do their technicians arrive on time and dress professionally?

Our Answer: Our technicians are true professionals that you would be proud to have in your office. They dress professionally and show up on time, and if they cannot (for some odd, unforeseen reason), we always notify the client immediately. We believe these are minimum requirements for delivering a professional service.

Q17: Are they familiar with (and can they support) your unique line of business applications?

Our Answer: We own the problems with all lines 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.

Q18: When something goes wrong with your Internet service, phone systems, printers or other IT 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 and resolve any of these issues on their own — that's just plain old good service and something many computer guys won't do.

A Final Word And Free Assessment Offer To Show You How To Eliminate System Slowness, Crashes And Viruses And Drastically Lower Your IT Maintenance Costs

I hope you have found this guide helpful in shedding some light on what to look for when hiring a professional firm to outsource your IT support to. As I stated in the opening of this



report, my purpose in providing this information was to help you make an informed decision and avoid getting burned by incompetent or unethical firms luring you in with cheap prices.

Below you will find information on how to request a FREE IT Optimization Plan for your company as a next step in engaging with us. There is no cost or obligation, and I guarantee you will find this consult to be extremely valuable and eye-opening.

Looking forward to your call!

Greg Brainerd
Owner
Phone: 281-367-8235
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Here's What A Few Of Our Clients Have Said



Switching To Braintek Was One Of Our Best Decisions!

“I am very happy to say that Braintek has provided exceptional services and I can comfortably say that outsourcing our IT services to Braintek is by far the best decision we made for our IT provider. Finally, I would like to add that my relationship with Braintek has been exceptional from day one and I think this introduction has the potential to be very valuable.”

Tanner Hynes – US Psychiatry

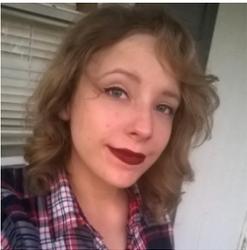
It's Hard To Find Great IT Companies



“The best part of switching to Braintek is their personal customer service. They're prompt and give us the personal attention we need when solving our issues. It's hard to find IT companies that care about their level of customer service and satisfaction. The technicians at Braintek provide both!!!!”

Pam Shetsky – Ashton Sawing and Drilling

They Are Knowledgeable, Helpful, and Pleasant!



“Braintek is knowledgeable and usually the staff handles most of our problems competently and easily, which is helpful because I do not know what to do when the computer is acting up. Their staff is always very helpful, they know what they're doing, has a great attitude, and is very pleasant to deal with. I recommend Braintek.”

Cheyenne Harris – Chromatic Oil Tools

A One Stop Shop For All Our IT Needs



“We hired Braintek because they are a one stop shop for all our IT needs. The staff are both dependable and knowledgeable! Anytime we have an issue, they're quick to react when requested. Braintek has always supported our business when required and does not interfere with daily office activities.”

Kirk Raines – FES Southwest

The Top 9 Reasons Why You'll Want To Outsource Your IT Support To Us:

1. **Over 17 years working with small businesses!** We've been in business since 2002 working with small businesses in the Houston area. Our owner has been working with IT since 1996.
2. **Get a technician working on your issue within 15 minutes!** We are easy to get a hold of. Get a technician working on your issue within fifteen minutes during business hours and within two hours after hours and weekends. Our average hold time is under 2 minutes! Your staff has several options to reach support: Regular scheduled onsite visits, open a ticket via our convenient IT Support desktop application, call our support hotline, or email us.
3. **30 Day Money Back Guarantee.** We do whatever it takes to resolve the issue, if you are unhappy with your technician we will assign a different technician to resolve it and if you are still unhappy, we will refund that months service.
4. **Local helpdesk!** We never outsource our team members. We have a local support team of English-speaking skilled technicians that serve on our helpdesk from 7am to 6pm Monday through Friday.
5. **Month to Month Contracts!** Our support agreement is month to month. We keep our clients by building long term relationships, providing excellent support, and keeping your network running smoothly. If you're unsatisfied with our company, we will do everything we can to resolve the issue. If we can't we will give you that month for free!
6. **A True Flat monthly rate** which covers all your IT support needs: Unlimited Onsite visits, Regular Scheduled Onsite Visits, Unlimited access to the Helpdesk, After Hours and Emergency support, Backup, Anti-Malware/Virus Protection, Anti-Spam, Network Security Training, Managed Firewall and more. Everything we work on is included in our true flat monthly support plan.
7. **Projects are Included!** Setting up a new server? Replacing or adding a bunch of equipment? Moving to a new Cloud service? Migrating to Office 365? Any projects that we work on for you are included in our true flat monthly rate. We never charge extra for projects that we work on!
8. **We schedule onsite visits to your office** whether you have an issue for us to work on or not. We come onsite regularly to ensure your computers on your network are performing how they should be. We are actively looking for ways to improve your systems as you grow your company. Our regularly scheduled onsite visits help us support you on a pro-active basis.
9. **Quarterly Business Review Meetings.** As your business grows, it's critical to keep you informed on how your network is running. Review access and security. Plan for new growth and projects. Keep equipment up to date. Verify the business is in compliance (if applicable). All too often, this gets ignored and then it's a major task to rectify issues with the network.