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Combating “Hostaphobia”

The IT Guy’s Guide

January 2009



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Hostaphobia is a common disease that often strikes IT Guys, the people directly responsible for maintaining the IT systems for small and mid-sized businesses. “Hostaphobia” is a term used to describe an intense resistance to—or object fear of—using hosted email and other IT services.

First, a definition of the root cause of hostaphobia. Hosted services enable companies of all sizes to outsource their IT needs and spend less time worrying about technology—while avoiding having physical servers in their offices. The hosting provider handles all technology details for a very affordable monthly or yearly subscription fee.

Symptoms of Hostaphobia include:

- Fear of loss of control
- Fear of performance degradation
- Fear of job insecurity
- Fear of vendor overload
- Fear of increased expense

This paper was designed to provide education into the causes of hostaphobia, as well as detailed options for treatment.

Symptom #1: Fear of Loss of Control

IT Guys are the ultimate experts regarding their systems, and as such, hosting companies typically ensure that overall control remains in their steady hands. A hosted solution provides the ability to add users, change settings, increase storage, delete an account, and so on—every typical account maintenance activity. The difference is this: the IT Guy clicks a few buttons within a management console, and the hosting provider handles all the complexity.

One element of control that any IT Guy is likely to be happy to relinquish is being on call 24/7. With a hosted solution, 3:00 am issues get handled by the expert staff of the hosting company while the IT Guy stays nestled in bed. The team at the hosting company is also responsible for the fix if something happens during business hours, giving the IT person solid back-up in a crisis.

Symptom #2: Fear of Performance Degradation

A few years ago, this was a valid fear. Immature infrastructure and expensive bandwidth routinely led to delays between office machines and the hosting company. Today’s robust network infrastructures—coupled with cheap bandwidth—have eliminated this issue. In some cases, a hosted solution may actually offer *faster* speeds than what a small business can provide internally.

More than speed, hosted solutions offer small and mid-sized businesses the infrastructure of a Fortune 500 company at nowhere near the cost. This includes redundancy, security, scalability, and staff expertise.

Hosting provider data centers are built to be redundant, featuring clustered systems that make a high-impact outage virtually impossible. The security that hosting companies put in place feature state-of-the-art spam and perimeter protection, as well as the ability to offer advanced security features, such as encrypted text in emails on an as-needed basis.

Finally, hosting companies hire experts in the technologies they provide. Email is handled by Exchange experts, security is handled by security experts, and so on. Hosting companies even provide expertise regarding the dizzying compliance requirements for electronic data storage and preservation.

Any one of these features would be far out of the reach of any small business budget, but all are within reach via hosting.



Symptom #3: Fear of Job Insecurity

This is probably the strongest symptom of hostaphobia. While IT Guys usually comprehend the benefits hosted services would bring to their company, they have a harder time seeing how it will benefit them—personally and professionally. IT Guys see their value in the company as being the one individual people turn to in order to keep their critical applications up and running.

IT Guys are frequently referred to as “heroes” for their efforts. If IT gets outsourced, how can they continue to validate their reason for existence? The truth is, once the day-to-day management and trouble shooting of email and BlackBerries are off their plates, IT professionals are free to focus on core job functions that directly benefit their company—whether development, support, or another technology focus—without having to fret about email, voice, or other services going down.

IT Guys also don't have to worry about losing their “hero” status when email and other technologies are outsourced; rather than being praised for fixing problems, they become *revered* for the stability of their systems. A hosted solution also enables a quicker roll-out of new functionality demanded by end-users. IT Guys will be seen as a strategic member of the team—rather than just the person who “fixes email.”

Symptom #4: Fear of Vendor Overload

By moving to a hosted model, IT Guys can now have “one hand to shake” (or, if the circumstance demands it, one head to roll). If there is any issue with service, the IT Guy makes only one call—to their hosting company. The hosting company tracks down all the players involved in the issue, and works it through to a successful resolution. In addition, the hosting provider is responsible for evaluating and implementing the technologies that touch their service, including firewalls, back-up applications, load balancing, etc... which takes a huge task off of the IT Guy's to-do list.

Symptom #5: Fear of Expense

There can be tremendous cost involved in owning and maintaining multiple servers and software applications, including staff time, hardware, software, and training. These expenses can be eliminated via the hosting model, which still provides the following advantages:

- Immediate deployment
- Low or no capital costs
- Ability to scale up and down, as needed
- Anytime, anywhere access to information
- Secure and reliable network performance
- Timely upgrades and patches
- 24/7 live customer support

The hosted model also makes a company's technology investment a predictable and stable line item within corporate budgets.



Total Cost of Ownership Example

A typical total cost of ownership analysis indicates that a small business with 20 exchange email users and 10 blackberry users can save over \$100,000 in a three-year period. See Table 1 below for more details. (The scenario is based on 20 Exchange users and 10 BlackBerry PDA users, over a three year period.)

	In-house Exchange Deployment			Apptix Hosted Service (Monthly)
	Year 1	Year 2	Year 3	
Microsoft Exchange 2007 Server & Installation				
• Exchange 2007 Server Software (vs. Apptix suscription model)	\$1,000			\$199.00
• Exchange 2007 Standard Client Licenses (includes Outlook software)	\$2,580			Included
• Windows Server Software	\$1,000			Included
• Server Hardware, 2GB RAM, RAID hard drives, 4-hour Warranty Service	\$5,900			Included
• Tape Backup Hardware, Software, Tapes	\$2,300			Included
• Anti-Spam and Anti-Virus Software (versus Apptix Subscription)	\$1,700	\$500	\$500	\$35.00
• Server Implementation Services/Engineer	\$5,000			Included
Wireless PDA Synchronization Servers & Installation				
• BlackBerry Enterprise Server and Software	\$6,200	\$700	\$700	\$99.50
• Mobile Device Support	\$1,000	\$1,000	\$1,000	Included
Services				
• Data Center server/rack space, power, bandwidth	\$6,000	\$6,000	\$6,000	Included
• Off-site Tape Storage Service	\$912	\$912	\$912	Included
• Help Desk Support (8hrs/day)	\$3,000	\$3,000	\$3,000	24x7
• Routine Systems Maintenance	\$22,500	\$22,500	\$22,500	Included
Services				
• Data Center server/rack space, power, bandwidth	\$6,000	\$6,000	\$6,000	Included
• Off-site Tape Storage Service	\$912	\$912	\$912	Included
• Help Desk Support (8hrs/day)	\$3,000	\$3,000	\$3,000	24x7
• Routine Systems Maintenance	\$22,500	\$22,500	\$22,500	Included
Redundancy (included with Apptix service)				
• Redundant Clustered Server, Storage Area Network	NA	NA	NA	Included
• Service Level Agreement (SLA) 99.99% uptime	NA	NA	NA	Included
• Redundant Internet Service Providers	NA	NA	NA	Included
• Redundant Power Plants, UPS, and Fire Suppression	NA	NA	NA	Included
Monthly cost for Apptix hosted service				\$333.50
Annual cost of in-house Exchange vs. Apptix hosted service	\$59,092	\$34,612	\$34,612	\$4,002
3-year cost of in-house Exchange vs. Apptix hosted service			\$128,316	\$12,006
3 Year Savings by utilizing Apptix over In-house Exchange deployment			\$116,310	

Table 1: Total Cost of Ownership (TCO): In-house Exchange implementation vs. Apptix hosted Exchange

Related Podcast

To listen to a related podcast about hosting, please visit: www.apptix.com/podcasts/hostaphobia.



Conclusion

Now that we understand the ailment of hostaphobia and the treatment to cure it, we need to state a disclaimer about side effects.

Side effects of hostaphobia treatment include:

- Greater personal productivity
- Increased opportunity for career growth
- Enterprise-class communications at a small business price
- Significant cost savings
- Looking like a hero to management and colleagues

Working in tandem, IT Guys and hosting partners can provide world-class email service to small and medium-sized businesses. With the hosting provider holding down the technology fort, IT Guys are freed up to find new, more strategic ways to be a hero to their companies.

The Apptix Advantage

Apptix hosted business communications and IT solutions spare small and mid-size companies from investing in significant upfront infrastructure purchases, ongoing maintenance costs, and the staff resource drain of an in-house solution.

The Apptix service provides all the features and functionality of Microsoft's world-class Exchange email, including the full capabilities of Outlook. Apptix provides 24/7 live customer support, basic spam and virus scanning, and group calendar scheduling. Expanded services include advanced anti-spam, anti-virus, email archiving, encrypted email, and compliance capabilities.

In addition, Apptix's mobile email services enable your users to take the office with them—whether across town or across the country. Users stay connected to their Outlook email via their favorite mobile device, including BlackBerry, Apple iPhone, Windows Mobile devices, and Good Mobile Messaging devices.

Apptix is staffed by an army of certified engineers whose sole focus is managing mission-critical email services. Apptix also offers a robust infrastructure that supports our industry-leading 99.99% SLA and uptime guarantee. Plus, Apptix handles the setup, provisioning, maintenance, and upgrades to the Exchange infrastructure—so you don't have to.

As the largest worldwide hosting service for Exchange, choosing Apptix to host your Exchange email services will save your company money and will enable you to focus critical IT resources on strategic initiatives that grow your firm.

In conclusion, today's tough economy is causing small businesses and IT staff to look for ways to improve efficiency and save time and money. Using an external vendor to host a company's email and other IT services has been proven to offer many benefits including an overall reduction in cost.

For more information, please visit www.apptix.com, or call 866.428.0130.

About Apptix

Apptix (OSE:APP), founded in 1997, is a premier provider of on-demand messaging and collaboration solutions to over 190,000 end-users across more than 18,000 customers worldwide. Its offerings—including hosted Exchange, SharePoint, mobile email, and compliance and archiving—provide small- and medium-sized businesses with a more affordable, reliable, and secure alternative to purchasing and managing software applications in-house. Leading channel partners, including IBM, Hewlett Packard, Bell Canada, and Savvis, have selected the Apptix Service Management Platform, which supports a full range of private-label solutions and is backed by multi-tiered customer service. Apptix is a Microsoft Gold Certified Partner for Hosting and Application Services, and has strong technology partnerships with leading vendors, including Research in Motion (RIM) and Good Technology, among others. Apptix's Web properties include www.MailStreet.com, www.ASP-One.com, and www.Mi8.com, which provide Exchange hosting and essential add-on services, as well as www.SharePointSite.com, which provides hosted SharePoint and related services. The company is headquartered in Herndon, Virginia, with additional locations across the United States, Europe, and Asia. For more information, visit www.apptix.com.

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