

The Pros and Cons of In-House IT vs. Managed IT Solutions

As state, local government and education (SLED) organizations modernize IT infrastructure, deciding between maintaining an in-house IT department or moving to a managed service provider (MSP) becomes a critical choice. While both options come with their own set of benefits, the growing complexities of digital transformation and cybersecurity risks are making outsourced managed IT services an increasingly attractive option.



In-House IT vs. Managed IT Solutions

In-house IT

Pros

- Control of internal teams
- Flexibility of budget
- Understanding of organizational operations and culture
- Can work within a hybrid model, using internal and outsourced IT expertise

Cons

- IT talent gap; difficulty in recruiting, hiring, training experienced personnel
- High-running operational costs, including salaries and equipment
- Less scalability to meet short- and long-term goals
- Inability to address unplanned outages, service disruptions, cyber attacks
- Managing growing compliance and regulatory challenges

Outsourced Managed IT Services

Pros

- Fixed, predictable expenses, without unexpected salary, equipment or event costs
- Handling of evolving compliance-related tasks and audit reports
- Ownership of assets, reducing IT operational and labor costs by up to 30%
- Access to skilled IT expertise across industries, including state/local government and education (SLED)
- 24x7x365 NOC/SOC, MDR, SIEM, and communications with trusted partners

Cons

- Dependence on single or multiple vendor(s)
- Identifying the right, trusted partner with proven, long-term relationships for IT infrastructure and cybersecurity in government and education

Control vs. Flexibility

One of the advantages of keeping IT in-house is control. An internal team gives you direct oversight over staff, equipment, operations, processes, and responses to issues. Internal IT staff are familiar with the organization's specific needs.

However, managing an in-house IT department comes with significant challenges, including costs associated with salaries, ongoing training, and purchasing hardware and software for IT infrastructure. The rapid pace of technological change means that your in-house staff might need to constantly upskill or hire additional specialists which can stretch limited resources. Outsourcing IT offers fixed pricing for 24x7x365 services, including equipment and personnel, with the flexibility to scale up or down based on needs.

Cybersecurity: Increasing Risk Protection

With in-house IT, your team is responsible for protecting the organization's systems. You have control over cybersecurity measures, and your team can address specific needs.

However, as cyber threats become more sophisticated, in-house IT teams often lack the resources and expertise to provide the level of security required around the clock. With the rise in data breaches and ransomware attacks targeting educational and government organizations, maintaining robust security protocols can be both expensive and time-consuming. Smaller in-house teams may also struggle with 24x7x365 monitoring, which is essential to proactively detect and respond to potential threats in real time.



NOC, SIEM/SOC, Managed Detection and Response (MDR), automatic backups, and disaster recovery, managed services ensure that your systems are protected continuously. By outsourcing your IT, you're not just getting extra security; you're getting expert-level, proactive protection against threats which may be difficult to match internally without significant investment.



Cost Control: Predictable vs. Uncertain Expenses

When you manage IT in-house, you can budget specific costs related to hardware, software, and IT personnel based on past experience.

The issue with in-house IT comes when demands increase or things go wrong. Unexpected system failures, repair costs, cyber-attacks, and the need for urgent IT staffing can lead to spikes in expenses. Over time, this can add up to more than the estimated costs of running an in-house IT department. Additionally, the salary costs for hiring experienced IT professionals can significantly burden budget-constrained government and education agencies where funding is limited and you're competing with higher corporate salaries for IT talent.

Managed IT services, on the other hand, offer a predictable monthly cost. For example, with **Managed Network-as-a-Service (NaaS)**, you pay a fixed monthly fee that covers all the technical expertise and maintenance required to keep your systems running smoothly. Not only does this help remove financial uncertainty, but it also allows your organization the flexibility to scale up or down as needed, with the potential to save up to 30% in IT costs.

Scaling: Adapting to Growth and Change

For smaller organizations with limited IT needs for fast-paced growth or innovation, an in-house team may be sufficient to handle all aspects of IT management.

As your organization grows, so too does the need for IT support. Scaling an in-house IT department to meet growing demand can be an expensive and inefficient process. It involves hiring new staff, expanding infrastructure, and continually training personnel to keep up with technological changes. With limited resources and a shortage of qualified IT professionals in the public sector, this scaling process can lead to growing pains and increased risks.

Outsourced, managed IT offers a flexible, scalable solution. Managed IT services are designed to **grow with your organization**. Whether you're expanding your IT services, migrating to the cloud, or adjusting to shifting demands, managed solutions adapt seamlessly. They allow your organization to **build to scale** without the upfront capital investments or the need to hire additional staff, ensuring that your IT infrastructure remains efficient and reliable.

Expertise: Accessing the Right Knowledge and Tools

In-house teams have an understanding of the organization's specific needs. Additionally, these teams can directly interact with other departments with the knowledge of the organization's overarching business goals and processes.

However, the rapidly evolving IT landscape requires expertise in a wide range of areas, from cloud computing to cybersecurity and beyond. In-house IT teams can struggle to keep up with the specialized knowledge required to stay competitive. Continuous learning and training are necessary, which can be resource-intensive. Additionally, many educational and government organizations face **talent shortages**, with many IT departments understaffed and unable to meet the increasing demands.

Outsourcing IT addresses this problem head-on. By partnering with a managed solutions provider, you gain access to a team of IT experts skilled in a range of critical areas such as cybersecurity, cloud management, communications, and network infrastructure. Managed services ensure your organization stays ahead of technological trends, with expert guidance on everything from long-term IT strategies to cloud adoption.

Why Outsourcing IT is the Smart Choice

While in-house IT may work for some, organizations that **prioritize cost-effectiveness, efficiency, security, and innovation** are choosing to be M-powered by MGT Managed Solutions. From cybersecurity to cloud infrastructure and network management, we provide the expertise to optimize IT performance and drive real impact.

By partnering with MGT, a trusted leader in technology solutions for education and government agencies nationwide, your organization gains future-ready network infrastructure, expert-driven cybersecurity, and cloud-based technology that works for you 24x7x365.



Stronger IT infrastructure and cybersecurity with up to 30% cost savings. It's time to be M-powered.