

6

Services

STARTER

Look at the profiles of these organizations. For each one, note down at least one advantage and one disadvantage of outsourcing its IT requirements to a Managed Service Provider (MSP).

For each company, think about these questions:

- How complex are the company's IT and networking requirements?
- To what extent is technology a core competence of each company – is technology something linked to the company's business?
- How important are issues like privacy / confidentiality / security?
- Can the company support the cost?

Maxland is a real estate company that operates in Southeast Asia. It has recently acquired several smaller competitors and now has offices in every state. It contacts clients through local advertising, databases, emails and has details of every property for sale on its website.



The Dressing Room is a small boutique specialising in clothes and accessories for women. It is a family business with only one store and the proprietor has little knowledge of IT.



G-soft is a start-up company in Korea that is developing a range of language learning DVDs and games. The office has five programmers and there is a team of 15 other freelance software developers and language teachers who also work for the organisation.



Olympus Z1 is code name of an operation that gathers intelligence from a military base in the Eastern Mediterranean. The team intercepts radio and email communications and passes the details back to the security services.



MANAGED SERVICES

- 1 ThaiManagement is a Managed Services Provider that offers three different levels of service to customers. Read the advertisement below and match the three levels with the word that best describes the service.**

Managed
Reactive
Proactive

- 2 Label the services offered B – Bronze, S – Silver, or G – Gold.**

- | | |
|---|-------|
| 1 includes the supply of new equipment | _____ |
| 2 deals with problems within four hours | _____ |
| 3 offers a helpline during the day only | _____ |
| 4 offers the services of a manager probably shared with other customers | _____ |
| 5 is the cheapest | _____ |
| 6 deals with faults only after they happen | _____ |
| 7 has the shortest contract term | _____ |
| 8 includes an optional buyback of equipment | _____ |

Bronze

ThaiManagement's Bronze package includes:

- A freephone Helpdesk number for you to report all your faults during normal business hours
- Experienced service agents responding to your call within 30 seconds
- Management of your fault with our market-leading trouble ticket system
- Qualified field maintenance engineers who are fully trained and equipped to fix your faults
- A guarantee that we will respond to your fault by the next working day
- All available for a low-cost service fee payable monthly
- * A minimum contract term of three years is required

Silver

ThaiManagement's Silver package includes:

- Same day response to technology faults reported to our Helpdesk
- Service agents will take your calls during extended business hours (seven days a week!)
- Proactive Fault Monitoring – our agents will test and ping your equipment and services on a regular basis to spot problems before you do
- Performance monitoring of your network to find any bottlenecks or cost-saving opportunities
- Monthly Service Reports allowing you to spot trends in usage and problem areas and plan better for the future
- A ThaiManagement Service Manager assigned to your account, responsible for your total service experience
- * A minimum contract term of five years is required

Gold

ThaiManagement's Gold package includes:

- A dedicated team proactively monitoring your equipment & services for faults 24 hours a day, seven days a week
- A fast, four hour guaranteed response to all faults reported 24/7
- Performance and utilisation monitoring of all your network and applications to ensure users get the experience they want
- Real time reporting provided online, enabling you to see what's happening with your technology infrastructure at all times
- A dedicated ThaiManagement Service Manager just for your business
- Buyback of your existing infrastructure as part of the agreement
- Technology refresh on an annual basis during the service contract
- * A minimum contract term of five years is required

3 Work in pairs or two teams to play the game. Student A (or Team A) should try to answer questions 1–7. Student B (or Team B) should try to answer questions 8–14. The first person (or team) to answer their questions is the winner.

Find words or phrases in the text that begin with the letters in the question. See the example.

Example: What **F.H.** is a place you can call for advice and help at no cost?

Answer: **Free**phone **Help**desk

Questions for Student A / Team A:

- 1 What **F.M.E.** means *experts who travel to a customer's premises to fix problems*?
- 2 What **W.D.** usually means *any day except the weekend*?
- 3 What **T.T.S.** is a method for managing and responding to faults that are reported?
- 4 What **E.B.H.** means *more than just 9 a.m. to 5 p.m.* (e.g. 6 a.m. to midnight)?
- 5 What **S.D.A.W.** means *every day*?
- 6 What **M.S.A.** is an agreement between a customer and a service provider?
- 7 What **O.A.A.B** means once a year?

Questions for Student B / Team B:

- 8 What **P.F.M.** means *looking for problems before they happen*?
- 9 What **S.F.** is the price a customer pays every month to receive benefits?
- 10 What **M.C.T.** is the shortest period that an agreement lasts?
- 11 What **S.D.R.** means *dealing with a problem within 24 hours or less*?
- 12 What **M.L.** is an adjective that means *best selling*?
- 13 What **C.S.O.** means *chances to save money*?
- 14 What **T.F.S.** are numbers that mean *all the time with no interruptions*?

4 An agent from ThaiManagement is talking about the service the company can provide. Complete the sentences with the words and phrases from the box.

buyback • dedicated • fix • ping test • proactive • response • service • monitor

- 1 We offer a _____ service, which means that we try to predict and prevent faults rather than react to them.
- 2 If we can't _____ a fault immediately, we will replace the equipment.
- 3 Under our _____ scheme, we purchase all the equipment you are currently using and then upgrade it as necessary.
- 4 We will run a _____ on your equipment regularly to check that everything is working properly.
- 5 You can have a _____ manager who will be personally responsible for looking after your business.
- 6 We offer a very fast _____ to any faults that you report to us.
- 7 We will _____ your network and equipment 24/7 to ensure that everything runs smoothly.
- 8 We offer a range of different _____ level agreements.

COMPARING ADJECTIVES

We compare one syllable adjectives and two syllable adjectives ending in -y by adding -er or -est (the end -y becomes an -i).

The Silver service is **cheaper than** the Gold service.

The Bronze service is **the cheapest**.

Letting a service provider manage your technology is **easier than** doing it yourself.

We compare longer adjectives with *more ... than* or *the most ...*

The Silver service is **more expensive than** the Bronze service.

The Gold service is **the most expensive**.

We can also make comparisons with *as ... as*, without changing the adjective.

Equivalent: The contract term is **as long for Silver as** it is for Gold.

Negative: The Bronze service is **not as good as** the Silver service.

Qualified: The Silver service is **almost as expensive as** the Gold service.

There are a number of common adjectives that are irregular.

good	better than	the best
bad	worse than	the worst

5 Look back at the four organizations in the Starter on page 48. Make comparisons about them using the words in brackets. See the example. ...

The Dressing Room is the smallest (small) company.

- The Dressing Room's IT requirements are _____ (not complex) those of Maxland.
- The Dressing Room is probably _____ (easy) to manage than the other organizations.
- Maxland's website is probably _____ (big) than any of the others.
- Maxland's employees are probably _____ (not/computer-literate) as the staff at G-soft.
- Of the four organizations, G-soft probably has _____ (good) in-house IT specialists.
- G-soft's web presence is probably _____ (not/extensive) as Maxland's.
- At Olympus Z1, security is _____ (important) it is at G-soft.
- In fact, at Olympus Z1, security is probably _____ (critical) issue.

6 Look back at the three levels of service offered by ThaiManagement. Make comparisons about the Bronze, Silver, and Gold services using these words.

- comprehensive
- suitable for a small business
- high monthly fee
- long service contract
- fast response time
- personal service

SERVICE LEVEL AGREEMENTS

7 Look at the home page for InterAsia Car and make notes on:

- 1 who InterAsia Car's customers probably are.
- 2 how InterAsia Car probably attracts most of its customers.
- 3 three ways in which a Managed Service Provider might be able to help InterAsia Car.

When you have finished, discuss your notes with a partner or in small groups.

InterAsia Car

InterAsia Car is a family owned and reasonably priced car and motorbike rental company in Thailand. With our good range of well maintained and insured cars and jeeps, you can enjoy your stay and explore Thailand the easy way.

We have offices at all the major airports in Bangkok, Phuket, Samui, Pattaya and offer a drop off and pick up service anywhere in Thailand.

InterAsia Car has been in operation since 2006 and is one of Thailand's fastest growing car rental operators.

Why choose InterAsia Car?

- All our rental cars, jeeps, motorcycles are maintained to the highest standards.
- Honest, reliable, friendly car rental business.
- No hidden extra costs – what you see is what you pay (tax, insurance all included in rental rates).

About Us | Site Map | Jobs & Opportunities | Links | Contact Us
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8 The management team at InterAsia Car are having a meeting to decide what they might need from ThaiManagement. Then the MD is talking with Anurak, his IT director and Betty, the Customer Service Manager.

Read the comments they made about the table of services on page 53. Try to match the comments below with the rows a-i in the table.

- 1 It's important that we have it 24/7 like the Gold Service, but we don't need a dedicated team ...
- 2 Do we really need that – surely we're in the best position to know what needs replacing?
- 3 It's vital that we have cover seven days a week.
- 4 As long as there's someone who's familiar with our infrastructure, then I think a shared one would be fine.
- 5 If we have user or customer service problems because of our technology then we need to be able to see what's going on there and then.
- 6 Our applications are pretty simple; I don't think we need it for them.
- 7 ... we can manage that, no problem, but the Gold is more than double ...
- 8 ... we're very busy Saturdays and Sundays with people hiring cars at the weekend. We need at least the Silver Service ...
- 9 But boss, that means we'd lose control of our IT.

AUDIO



9 Listen to the meeting to check your answers.

NEGOTIATING AN SLA

AUDIO



- 10** Chen, the MD of InterAsia Car, is trying to negotiate a deal with Maliwan, the Sales Director from ThaiManagement. Listen to the dialogue. Circle the elements of the Silver Service and Gold Service in the table below that Chen and Maliwan agree on. See the example.

		BRONZE Service	SILVER Service	GOLD Managed Service
a	Maintenance Cover (Break/Fix)	✓ Next Working Day	✓ 8 Hour Response	✓ 4 Hour Response
b	Helpdesk Availability	✓ 0900-1700 Mon-Fri	✓ 0800-1800 7 days	✓ 24/7
c	Fault Monitoring	✗	✓ Shared Team Business Hours	✓ Dedicated Team 24/7
d	Performance Monitoring	✗	✓ Network Only	✓ Network & Applications
e	Reporting	✗	✓ Monthly	✓ Real Time Online
f	Service Manager	✗	✓ Shared	✓ Dedicated
g	Asset Buyback	✗	✗	✓ Cheque on Day 1
h	Technology Refresh	✗	✗	✓ Annual Upgrades
i	Monthly Price Per Unit	7000 baht	16,500 baht	35,000 baht

- 11** Listen to the extract again. Say who uses the following expressions. For Chen, write C, and for Maliwan, write M.

- ... the SLA we are looking for is ... _____
- We can manage that _____
- The only thing is ... _____
- How do you suggest we deal with that? _____
- I'll have to think about that _____
- How does that sound? _____
- I'll meet you in the middle _____
- Let's shake on that. _____

NEGOTIATING

Asking for suggestions

What can you do about that?
How do you suggest we deal with that?

Delaying a direct answer

I'll see what we can do.
I'll have to think about that.

Asking for reactions to a proposal

Would you consider ...
How does that sound?

Talking about needs

We require ...
I'd like to talk you through what we are after.
What we are looking for is ...

Give and take

If you ..., then I could ...
We can do that ..., but only if you also ...

Indicating a problem

Yes, but ...
The only thing is ..

Compromising

Let's compromise.
I'll meet you in the middle.

Agreeing

OK I don't have a problem with that.
OK that's not a problem.
I can accept that.
We can manage that

Confirming an agreement

We have a deal
It's a deal.
Let's shake on that.

12 A customer is talking to an MSP. Put the following dialogue into the correct order. The first one has been done for you.

- | | | | |
|---|----------|--|--------------------------|
| a | Customer | <i>Hi, yes that's right. The website itself is fine, but what we are looking for is a way to cut costs a bit. How would you feel about reducing the monthly fee?</i> | ☐ |
| b | Customer | <i>5% isn't that much but, OK, I can accept that.</i> | ☐ |
| c | Provider | <i>All right, let's compromise – if you go for weekly updates, then we could cut the fees by 5%.</i> | ☐ |
| d | Provider | <i>Great. It's a deal.</i> | ☐ |
| e | Provider | <i>Hi, Jason, Mr Angelis said you wanted to talk to me about changes to the website.</i> | ☐ |
| f | Provider | <i>I'll have to think about that. The price you're paying at the moment is already very competitive.</i> | ☐ |
| g | Customer | <i>Not really ... the thing is that we need it updated more than once a month.</i> | ☐ |
| h | Provider | <i>Ok, then, we can probably give you something a bit more affordable if we cut some of the features. Would you consider monthly updates instead of daily ones?</i> | ☐ |
| i | Customer | <i>Yes, I appreciate that, but the problem is that we really can't afford it, and I'm not sure we really need all the services you're providing.</i> | ☐ |

13 Work with a partner. Look at the Negotiating phrases above and the information in your Partner File. Role play the negotiation.

PARTNER FILES

Partner A File 8, p.76
Partner B File 8, p.78

OUTPUT

Read the negotiating tips and answer the questions below.

5 Top Tips for Negotiations

These are tough times for IT. There are fewer people to get things done, budgets are shrinking and everyone still expects the same levels of service and functionality. But even in this tough, budget-conscious economy there are still some purchases that have to be made and contracts with Managed Service Providers that have to be renewed. So how do you ensure that you are getting the best value for money?

Martin Ewing is the principal at Pactoris, Inc. He has worked in the IT industry for nearly 30 years and was the CIO of a multibillion dollar corporation before founding Pactoris in 2001. His company specializes in IT cost reduction and IT contract negotiations.

1 Get the Right People Involved

In today's complex world, technical skills and negotiating skills are both critical. Anyone negotiating software licensing, maintenance and other technology contracts needs to understand the details of the technology. Similarly, a negotiator needs procurement skills and enough experience to be comfortable with the negotiation process. Make sure that anyone talking to the vendor has both skills, even if it means getting outside help.

2 Fear, Uncertainty and Doubt (FUD)

Vendors are not frightened of purchasers any more, and some of the traditional hard-nosed procurement and negotiation methods no longer work. What makes vendors really uncomfortable is not knowing where they stand. So, say you are considering alternative solutions, but don't give out too much information. Hint at competition or alternatives, but don't threaten. Be as vague as possible and let them imagine the worst.

3 Get the Account Manager on board

We all know that you will only get big discounts if the senior management of the vendor's company approve. We also know that the person who best knows the approval system is the salesperson trying to sell to you. If they think they can get a sale by meeting your terms, they will become your best ally and most powerful weapon in getting you what you need. Let them do the work for you.

4 Know Your Options

There is always competition, even when negotiating maintenance contracts. The key is to convince the vendor that you have a serious alternative, because you do. There are companies that specialize in supporting third party applications, and there are also other alternatives, such as self-support, reduced coverage, block hours – the list goes on. And when it comes to hardware, there are still more companies that can provide the same or even higher levels of service at a significantly reduced cost. So make sure the vendor knows you're aware of your options.

5 Remember to Ask

Finally, the best piece of advice is very simple: Don't be afraid to ask for a better price. Just remember, if you don't ask – you don't get.

- 1 What two qualities does a good negotiator need?
- 2 What does the writer suggest instead of trying to appear tough and aggressive?
- 3 Why is the salesperson so important in getting you what you want?
- 4 Why are you *not* locked into maintenance contracts with a vendor?

OVER TO YOU

- Do you think that one or two countries will end up dominating the telecoms and IT service sector providing services to the rest of the world?
- Why / why not?