



IT as a Service: the new normal?

As significant long-term investments in technology aren't necessarily conducive to an agile approach, more and more companies are seeking to purchase their ICT resources when they actually need them and to pay for them over time, in a way that provides both predictability and scalability. By putting flexibility right at the heart of its service offering, Inetum is meeting this growing new customer need, for the workplace, the data center and the network, with complete security.

In an increasingly unpredictable world, agility is crucial. By switching to an as IT-as-a-service model, you can make a difference today. Heavy long-term technology investments, even if one-offs in principle, can threaten to undermine that critical capability.

Pay for use

That is why companies are increasingly choosing to purchase their technology resources 'as-a-service' from specialized suppliers rather than through conventional procurement. They pay only for the use of such resources based on a predetermined price and without any hidden costs. It allows them to take those assets off their balance sheets, which can bring an accounting advantage. In the best-case scenario, they no longer have to worry about implementing, configuring,

managing, maintaining, securing and monitoring their ICT environment, which means reduced internal management costs and additional financial freedom.

At the same time, companies also need continuity in uncertain times. High interest rates, and continuing inflationary pressures, mean they are increasingly swapping their one-off capital investment costs for recurring **operational expenses (OPEX) which provide IT continuity.**

The evolution towards OPEX purchasing is clearly continuing, as confirmed by research from the technology market analysis firm Canalis.

are unlikely to adopt OpEx purchasing, down from 20% in 2022. At the same time, the share of partners seeing high adoption of IT as a Service is increasing (from 18% to 26%).

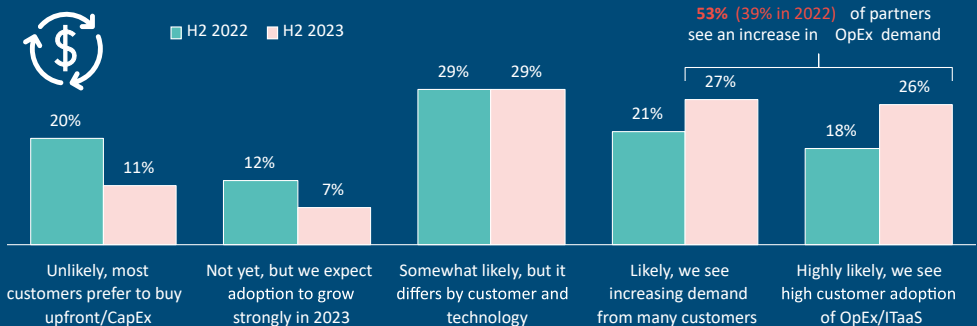
A survey of ICT partners in EMEA shows that in 2023, 53% have seen a marked increase in demand for technology procurement models based on the idea of IT as a Service, compared to the previous year (see figure). Only 11% of partners indicated that customers

Demand for OpEx /IT as -a-service picking up in EMEA


EMEA partners

How likely are end customers to adopt OpEx and IT -as-a-service purchasing models for technology?

H2 2023 vs H2 2022



Source: Canalis, Candefero Quick Polls, EMEA October 2023 (164 respondents) and October 2022 (210 respondents)



Canalys: Three good reasons to choose IT as a Service

When IT comes to IT investments, Alastair Edwards, chief analyst at the research firm Canalys, sees three good reasons to switch the existing, rigid capex model for a new, more flexible opex model, i.e., IT as a Service.

Better customer experience

A first reason is the better customer experience you get when you are guided and supported through the lifecycle of your IT assets by a partner, who helps you actually get value out of these assets, in terms of **increased staff productivity** and **improved employee user experience**.

However, it can also translate into real **cost savings** in financial terms. For example, if you have a service contract for monitoring and managing your IT devices, you can reduce your own internal IT headcount, or divert those resources into

more productive roles within your organisation. You are also ensuring that you are only accessing – and paying for – the ICT resources that you need, eliminating the risk over-provisioning and under-utilising, that often comes with purchasing IT equipment upfront. Such a management contract could also include your IT-as-a-service provider taking over more of the responsibility for managing your security needs, which can otherwise require internal investment by you as a customer.

| Sustainability

A second reason to choose IT as a service is sustainability. By paying for and using only the assets that you need as part of IT-as-a-service, you are able to **reduce your energy consumption**. This brings **lower financial cost**, but also an ecological benefit. Even more significantly, an IT-as-a-service contract will often include the option to manage the end-of-life cycle of your IT products. A partner like Inetum not only ensures that your old devices are replaced in good time with new, more energy-efficient devices, but also guarantees that those old devices are recycled responsibly. Thus, an investment in IT as a Service also becomes an investment in sustainability. It is an investment that relieves you, as a customer, of the responsibility of doing all this work yourself, while helping you to **report on your sustainability investments** to your internal (staff, Board, etc.) and external stakeholders, as they will increasingly expect you to do. Moreover, this sustainability reporting will soon become a legal requirement for more and more companies.

| Access to the latest product updates and upgrades

All the good reasons come in threes, and our third reason for choosing IT as a Service clearly sets our sights on the future. As an IT as a Service user, you are able to get access to the **latest product updates and upgrades**, rather than trying to extend the life of products that you have bought as part of a CapEx purchase. This puts you, the customer, in an ideal position to capitalize on new product developments, allowing you to gain a technological edge. An example is the introduction of new, **AI-enabled PCs** in the next couple of years, or the new version of Windows, Windows 11. Canalys expects that by 2027 no fewer than 60% of all PCs will be AI-compatible or contain AI features. Instead of having to pay upfront for those expensive new devices yourself, you will have an option of paying for using them within a service model, spreading the cost over time and making spending more manageable. The as-a-service model therefore provides more confidence in the early adoption of new, innovative technology.

As a Service = at everyone's service

What makes the As a Service model particularly attractive is that almost all decision-makers within an organization benefit from adopting it: from CIO and CHRO, to CFO, COO and CEO.

Benefits for CFOs

For most CFOs, financial predictability remains the highest good. With their fixed monthly rates that make it possible to accurately budget both hardware and software, pay-per-use formulas perfectly meet that need. At the same time, they enable more efficient cost management. As icing on the cake, as a CFO, you also facilitate technological innovation and help support your organization's digital transformation.

Benefits for COOs

The demand for greater efficiency is not just a financial management issue; striving for efficiency is also becoming increasingly important for operational management. The As a Service model

allows COOs to focus on their core tasks or at least those tasks that add the greatest value to their organization. Conversely, it allows them to outsource operational costs as much as possible.

Benefits for CIOs

Thanks to the As a Service model, CIOs enjoy the benefits that also appeal to CFOs and COOs. They then have the financial predictability that being able to accurately compose the IT budget gives them. In addition, the model offers greater operational efficiency, as CIOs do not need to rely on their own expertise for the support and maintenance of hardware and software. The time and resources that CIOs save in this way can now be much better spent on technological and other innovations that bring greater added value to the business.



Benefits for CHROs

The As a Service model also makes life easier for CHROs. First and foremost, they want to keep their existing employees happy. The high degree of flexibility and customizing allowed by the As a Service model contributes to this and ensures an optimal employee experience. This positive experience in turn increases employee engagement and motivation, and their ability to act flexibly and find solutions, including through self-service. Additionally, since the model accelerates the introduction and acceptance of new technologies, it can also serve as an additional incentive for attracting new employees.

Benefits for CEOs

The last but obviously not the least decision-makers who can benefit from the as a Service concept are CEOs themselves. Following in their CFO's footsteps, CEOs enjoy a budget that is perfectly under control and predictable, in line with the plans made with the business, and they no longer have to spend more than is strictly necessary, which helps cash flow. In the case of mergers, acquisitions and other strategic interventions, CEOs can easily build in additional flexibility via the As a Service concept.

As a Service: the possibilities

Outsourcing in the workplace

As the modern workplace is becoming increasingly digitized, companies can easily outsource its design and care. With Workplace as a Service (WpaaS), Inetum has long offered such a bundle of services in a transparent pay-per-use model.

As the name suggests, Workplace as a Service facilitates and simplifies the **purchase, configuration, management and maintenance of workplace**

ICT tools. This not only includes PCs, but also printers and other peripherals, smartphones and software (e.g., operating systems and antivirus programs). In addition to the hardware and software, WpaaS also includes a number of **managed services**, from a range of support services to maintenance and replacement of the workstation devices if necessary.



| People as the key to success

WpaaS is available in **three fixed packages** and can be **financed through three different plans** to allow customers to pick their best financial option. They can also add one or more optional services to each of these plans to further increase their flexibility. These **additional services** range from supplying on-the-job equipment, providing Microsoft 365 licenses and ensuring employees are using them effectively and efficiently,

to providing **carbon-neutral certificates** for customers opting for CO2 offsetting.

After all, what use are the theoretical advantages of the modern workplace if employees aren't putting them into practice? The **successful adoption** of the modern workplace stands or falls with the right **change management**. The ultimate goal is to have empowered employees who are engaged, self-reliant and productive.

Freeing infrastructure

The direct impact of the WpaaS concept is obviously most tangible and visible for workplace users, although CFOs, HR managers and CIOs – see above – also benefit. Moreover, Inetum also has lots to offer in terms of the underlying IT infrastructure. With its **Infrastructure as a Service** offering, under the name **YrCloud**, Inetum brings the wide-ranging **cloud experience to its customers' own local data centers**. This means customers no longer

have to choose between the public cloud and on-premises infrastructure, as they enjoy the best of both worlds.

With YrCloud, customers swap the traditional, trusted capex model for technology investments in the modern opex model that is typical of the cloud. In the case of YrCloud, Inetum also provide the necessary servers and storage in customers' own data centers, and manages them on their behalf. Customers then use Inetum's infrastructure in their own data center, following the public cloud consumption model, where you only pay for what you use. Or, perhaps even more importantly, you don't pay for what you don't use.

Network as a Service

It doesn't have to stop there. At Inetum, you can also purchase your **company network as a service**. With its **NaaS-offering (Network as a Service)**, Inetum guarantees that your network will have sufficient capacity to cope with any sudden growth. At the same time, you avoid investing in capacity today

that you may no longer need tomorrow.

Thanks to Inetum's **pay-per-use plans** with fixed monthly rates, you also benefit from lower costs and less administration. Plus, you will **always have a modern, efficient and reliable network at your disposal**, with space for tomorrow's developments.



Worry-free security

Security is a crucial part of managing an IT environment. If you fully opt for IT as a Service, security will basically still remain your responsibility – unless you choose **Security as a Service**, of course.

This option is definitely a way of integrating the final part of your IT environment into the opex model. Doing nothing, however, is not an option. The number of cyberattacks continues to rise year after year, making vigilance imperative. Traditionally, this means investing in security infrastructure, which you must then also carefully manage and optimize. The greatest challenge here is the need for monitoring: being on the lookout for potential threats and vulnerabilities around-the-clock. That also requires manpower and expertise that are not always readily available.

If you choose Security as a Service, you will receive support from security specialists in

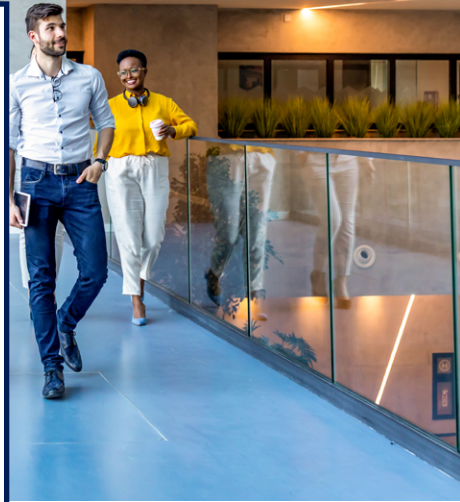
one go: not only from Inetum's experts in Belgium, but also from the experts at LiveSOC, Inetum's Security Operations Center in Spain. This allows Inetum to offer a wide range of managed security services, from awareness training and prevention to a variety of detection, response and recovery applications. Offers include services such as SIEM/SOC as a Service and Vulnerability Management, allowing you to enjoy **worry-free security** via the opex model.



Want to learn more?

Inetum's IT as a Service offering is designed to enable you to fully leverage digital transformation. It will allow you to make real progress in building your digital future while staying one step ahead of the competition. If you'd like to find out more about Inetum's As-a-Service range of products, please contact us at info@inetum-realdolmen.world.

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