



The IT Staffing Conundrum: When to Hire and When to Outsource

Technology is the backbone of modern businesses, enabling productivity, growth, and competitive advantage. However, many business owners face a key decision when it comes to managing their IT needs—should they build an internal IT team or outsource to a professional IT service provider?

The answer largely depends on the size of your business, your specific IT requirements, and your ability to support and retain IT talent. Let's explore the different factors that influence this decision for small businesses, mid-sized Small Cap companies, and enterprises.

On average, across industries, companies typically need one IT Desktop Support person for every 100 employees. If we use this statistic, you can predict your IT support requirements. This does not include additional roles like System Administrators, IT Directors, or specialized experts. For companies with hundreds of employees, outsourcing IT services like cybersecurity or help desk support ensures efficient handling of day-to-day IT needs.

Small Businesses (Under \$10 Million in Revenue)

For small businesses, outsourcing IT services is often the most practical and cost-effective choice. With limited resources, hiring and retaining a full-time IT professional or team can be a challenge. IT is a rapidly evolving field, and keeping up with changes in technology, cybersecurity, and best practices requires constant training and exposure to new technologies—something most small businesses simply can't provide.

By outsourcing, you gain access to an entire IT department at your fingertips without the burden of hiring, training, and managing individual staff. A trusted IT service provider can offer services like proactive IT management, help desk support, and cybersecurity expertise—all while you focus on growing your business.

Avoid becoming the revolving door

When a company treats IT as just a single role or views it merely as the job of an "IT guy," it risks becoming a revolving door for IT professionals. Without structured training, investment in new technologies, and a clear career path, talented IT staff will see the role as a short-term paycheck—nothing more. High-quality professionals won't stay where there's no growth or vision. Instead, they'll leave for better opportunities, and the company will be left with underqualified staff, higher turnover, and ongoing inefficiencies. To attract and retain top IT talent, businesses must recognize IT as a strategic function that supports long-term organizational success.

If your company can't provide a clear career path, ongoing training, or invest in the tools and technologies needed to keep IT professionals engaged, then outsourcing your IT makes far more strategic and financial sense. A reputable IT service provider brings a team of trained, certified professionals who stay up to date with the latest advancements—without your business having to shoulder the burden of hiring, training, or retaining top talent. Instead of dealing with constant turnover and inconsistent support, you gain access to a stable, scalable team that's focused on delivering results and aligning IT with your business goals. In many cases, outsourcing ensures better performance, predictable costs, and a higher level of expertise than most small or midsize businesses can build in-house.

Key Questions to Ask Yourself:

- Can your business offer IT staff opportunities for career growth and exposure to cutting-edge technologies?
- Will your company end up being a temporary stop for IT professionals while they search for other jobs or projects?
- Do you view your IT as a service, to support your business goals and mission?
- Do you actively participate in Technology Discussions to understand how technology can drive productivity; help you grow and save you money?

For most small businesses, outsourcing IT is a no-brainer. It ensures you have access to top-tier talent and expertise without adding unnecessary overhead.

Midsized Small-Cap Companies (\$10–\$30 million in Revenue)

If your business is scaling and generating annual revenue in the range of \$10–30 million, you're likely at a crossroads. Do you continue outsourcing IT entirely, or should you consider hiring in-house IT professionals?

According to multiple business consultants I've had the pleasure to speak with, the recommendation for companies in this revenue range is still to outsource IT. Why? Because managing IT internally at this level can become a distraction from your core business. IT is a professional field that requires constant learning, problem-solving, and personal development. Without the right environment for growth, your IT team may struggle to keep up, and you risk high turnover rates, constant IT issues, and unpredictable expenses.

Why Outsourcing Makes Sense for Midsized Companies:

- **Cost-Effectiveness:** Hiring and maintaining IT staff (including salary, benefits, and training) is often more expensive than outsourcing.
- **Flexibility:** IT service providers can scale with your business, offering services tailored to your needs as you grow.
- **Access to Expertise:** Outsourcing gives you access to a team of specialists who are experienced in all facets of IT, from cybersecurity to system maintenance.

For midsized businesses, outsourcing enables focus and operational efficiency, allowing you to leave IT management in the hands of professionals.

Enterprises (\$30 Million+ in Revenue)

Once your business grows to the enterprise level—especially with a workforce of 500–1,000 employees or more—the conversation changes. At this stage, you should consider a **hybrid IT strategy** that combines in-house staff with outsourced expertise. This approach ensures you have the resources to manage IT tasks effectively while also covering gaps in service or specialization.

Typical IT Setup for Enterprises:

- **Key Internal Roles:**

- - **IT Director:** Responsible for strategic decisions and aligning technology goals with business objectives.
 - **Systems Administrators:** Handle daily system operations and ensure network reliability.
 - **Desktop Support Specialists:** Provide day-to-day technical support for employees (around one per 100 employees on average, as mentioned earlier).

- **Outsourced Services:**

- Does your organization require constant, on-site IT presence for sensitive systems?
- Are your IT needs growing in complexity and requiring positions like Systems Analysts or Data Engineers?
- Do you have the capacity to retain internal talent with competitive benefits, training, and career development opportunities?

Enterprises are in a prime position to retain core IT staff and outsource when necessary to reliable IT partners for specific needs or projects.

Outsource or Hire? Key Takeaways for Your Business

Whether your business generates \$3 million or \$300 million in revenue, your approach to IT staffing can have a profound impact on your operations. Here's a quick guide to help you determine your path:

Outsource IT If:

- Your business revenue is under \$30 million, and growth is your primary focus.
- You cannot offer IT professionals career advancement or exposure to varied technologies.
- You need flexibility, specialized expertise, and cost-effective solutions.

Hire IT Staff If:

- You're managing a large-scale enterprise with over 500 employees.
- You need on-site staff for specific functions or sensitive operations (e.g., IT Directors, Systems Admins).
- You can provide the support, training, and development that IT professionals need to thrive.

No matter your business size, remember this—IT is not a one-time investment; it's an ongoing commitment to staying competitive in a tech-driven world. Partnering with an experienced IT service provider allows you to stay ahead of technology trends and focus on what you do best.

At Waypoint, we see ourselves as an extension of your team, delivering customized IT solutions to meet your unique needs. Whether you're looking to scale your startup or optimize your enterprise IT operations, we're here to help. Contact our team today to discuss how we can support your business's growth.