



The True Cost of Network Downtime for MSPs

Designed for:

- Managed Service Providers (MSPs)
- Managed Network Service (MNS) providers
- Technical and operational leaders responsible for uptime

What you'll gain in 5 minutes:

- A clear estimate of your annual downtime cost
- Visibility into hidden operational expenses
- A fast way to validate ROI for resilient remote management

Most MSPs underestimate the true cost of downtime by 2-3x.

Step 1: How Many Incidents Do You Have?

Enter a couple quick estimates about your managed footprint, and then **multiply these two numbers** to get the total number of outage events your team handles each year:

Number of managed customer sites: _____

Average network incidents per site per year: _____

Total Annual Incidents

Step 2: What Does One Incident Cost?

Now estimate what a single outage typically costs.

2a: Remote Labor Cost Per Incident

Multiply these two numbers to get the total labor cost of resolving one incident remotely:

Technician hourly cost: \$ _____

Average troubleshooting time (hours): _____

Total Remote Labor Cost Per Incident

2b: Truck Roll Impact Per Incident

Multiply these two numbers to get the average truck roll cost spread across all incidents:

Percentage of incidents requiring truck roll: _____%

Average cost per truck roll (labor + travel): \$ _____

Total Truck Roll Impact Per Incident

2c: Total Cost Per Incident

Add the totals from 2a and 2b, plus your average SLA credit/penalty per outage:

2a total remote labor cost per incident: \$ _____

2b total truck roll impact per incident: \$ _____

Average SLA penalty per outage: \$ _____

Total Average Cost Per Incident

Step 3: What's Your Total Annual Downtime Cost?

Now, **multiply the total annual incidents (from step 1)** by the **total average cost per incident (from step 2)** to calculate your total annual downtime cost:

Total annual incidents (from step 1): \$_____

Total average cost per incident (from step 2): \$_____

**Total Annual
Downtime Cost**

This number represents direct operational costs only. It does not include:

- Lost upsell opportunities
- Reputational damage
- Escalation overhead
- Technician burnout/turnover risk

For most MSPs, the true business impact is even higher!

ROI WITH RESILIENT OUT-OF-BAND MANAGEMENT

What Changes When Access Is Always Available?

When MSPs introduce isolated, out-of-band management, the biggest improvements show up in faster recovery and fewer on-site visits.

Most organizations see:

- Fewer truck rolls because engineers can fix issues remotely
- Faster resolution times during outages
- Continued access even when ISP or WAN connectivity fails
- Stronger SLA performance and improved customer satisfaction

These operational gains translate directly into measurable cost savings.

How To Estimate Your Annual Savings

Calculate the financial impact by using the benchmarks and formulas below. If you're unsure of your exact numbers, use the conservative end of each range.

1. Truck Roll Savings

- Fewer on-site visits means lower travel costs, labor hours, and scheduling delays.
- **Typical reduction:** 30-50%
- **How to estimate:** Annual truck roll cost x 40% = Estimated truck roll savings

2. Labor Cost Savings

- Faster recovery means engineers spend less time per incident.
- **Typical troubleshooting hours saved:** 20-35%
- **How to estimate:** Annual troubleshooting costs x 25% = Estimated labor savings

3. Avoided SLA penalties

- Quicker resolution helps prevent service credits and customer dissatisfaction.
- **Typical penalty/credit reduction:** 25-50%
- **How to estimate:** Annual SLA penalties x 30% = Estimated avoided penalties

For Example		
A mid-size MSP currently spends:	Using the estimates from above, here are the results:	
\$100,000 annually on truck rolls	Truck roll savings: \$100,000 x 40%	\$40,000
\$150,000 on troubleshooting labor	Labor savings: \$150,000 x 25%	\$37,500
\$20,000 in SLA credits	SLA penalty reductions: \$20,000 x 30%	\$6,000
	ESTIMATED ANNUAL SAVINGS:	\$83,500

Validate Your Numbers with an Expert

[Contact Us](#)

Want help turning this estimate into a real deployment plan and ROI model for your environment?

Get in touch to schedule a personalized ROI review and live resilience demo.