



Rimini Street

The Software Support and
Agentic AI ERP Company™

WHITE PAPER

REINVENTING MANAGED SERVICES FOR COMPLEX MODERN ENTERPRISES

From managing tickets and SLAs to improving
operational and business outcomes

Rimini Manage™

Executive summary

Rimini Manage™

The traditional managed services model delivers only what it was designed to: activity, not improvement. For years, success has been measured by tickets closed, incidents resolved and SLAs met. Though those metrics remain important, they don't indicate whether enterprise software environments are becoming easier to operate, more resilient or more valuable to the business over time.

As organizations face growing complexity, constrained resources and increasing pressure to accelerate innovation, simply maintaining systems is no longer enough. IT leaders need a managed services model that delivers a better service experience through trusted relationships, clear accountability and access to the right expertise at the right time while continuously improving operational performance, business outcomes and the value delivered by enterprise software.

This white paper explores why traditional managed services are falling short, what leaders should expect instead and how the next evolution of managed services must go beyond maintaining operations to help organizations unlock better operational and business outcomes.



Why the traditional managed services model is insufficient

Managed services shouldn't simply keep systems running. They should make enterprise software easier to run and more valuable every year.

The role of enterprise IT is shifting from a cost center to a strategic enabler, sitting at the center of revenue generation, customer experience, regulatory compliance and competitive differentiation. IT teams are managing larger, increasingly complex, multi-system environments while supporting modernization initiatives, AI adoption, acquisitions, regulatory change and evolving business priorities. Due to this change, IT's scope of responsibilities has expanded. Business leaders now expect IT to help improve agility, efficiency and business outcomes in addition to ensuring stability and performance.

Organizations continue to invest heavily in managed services to meet these expectations. In fact, according to a press release from Gartner® published in April of 2026, "IT services, including application implementation and managed services, infrastructure implementation and managed services and IaaS, is

forecast to see the largest overall spending, surpassing \$1.87 trillion in 2026."¹ Yet, IT leaders continue to face the same challenges: recurring issues, fragmented ownership, growing complexity and ongoing pressure to demonstrate business value from their technology investments.

Although many traditional managed services providers have introduced new capabilities, increased technology coverage and refined their delivery tooling, the core function remains focused on operational activity — not operational improvement.

As organizations navigate continuous change, the disconnect between investment in managed services and value provided has become one of the biggest frustrations for enterprise IT leaders.

As enterprise applications become more critical to business success, organizations need more than a provider that helps keep systems running. They need a partner that helps improve how those systems operate over time.



¹ Gartner Press Release, "Gartner Forecasts Worldwide IT Spending to Grow 13.5% in 2026, Totaling \$6.31 Trillion," April 22, 2026. <https://www.gartner.com/en/newsroom/press-releases/2026-04-22-gartner-forecasts-worldwide-it-spending-to-grow-13-point-5-percent-in-2026-totaling-6-point-31-trillion-dollars>

Six ways the managed services gap emerges in enterprise software operations

The gap between what modern enterprises need and what traditional managed services can deliver typically appears in six ways across enterprise operations.

1. More tickets, less value

Industry analysts recognize that managed services providers often offer reports detailing tickets closed and activity completed rather than actual evidence of operational improvement:

- HFS Research argues that effort-based managed services contracts have become increasingly outdated, with **75% of enterprises wanting to renegotiate their IT services contracts**.²
- KPMG research conducted with HFS found that **9 in 10 business leaders expect managed services providers to contribute to transformation, growth and measurable value creation rather than simply operational execution**.³

The consequence is an operating model optimized for activity management at a time when enterprises increasingly need business outcome management.

2. Recurring issues without root cause fixes

Most traditional managed services models are designed to respond after issues occur rather than to prevent them from occurring in the first place. Once incidents are resolved, the tickets are closed, and the provider considers the job done and service levels met. Yet the same issues often resurface because the underlying causes are never fully addressed.

Improvement is frequently treated as a separate initiative requiring additional budgets, approvals and statements of work rather than an activity embedded within daily operations. As a result, technical debt, operational complexity and manual effort can continue to accumulate even while service metrics appear healthy.

The consequences become visible over time. According to Gartner, “On average, about 40% of infrastructure systems across asset classes have technical debt concerns.”⁴ These debts can impact resiliency, scalability, performance and customer satisfaction. The longer recurring issues, inefficient processes and operational workarounds remain in place, the more effort organizations have to expend just to maintain the status quo.

By relying on a managed services model focused on restoring operations after disruption occurs rather than reducing the likelihood of disruption in the first place, organizations can become trapped in a cycle of managing symptoms instead of addressing root causes.

“On average, about 40% of infrastructure systems across asset classes have technical debt concerns.”⁴

² Ashish Chaturvedi, “Your AMS contract is a museum piece; four metrics replace your SLA dashboard,” HFS Research, retrieved 3 August 2026 from <https://www.hfsresearch.com/research/ams-contract-museum-piece/>

³ “Modern managed services: Going beyond ‘business as usual,’” KPMG, retrieved 3 August 2026 from <https://kpmg.com/us/en/articles/2025/managed-services-going-beyond-business-as-usual-gated.html>

⁴ Roger Williams, “Reduce and Manage Technical Debt,” Gartner, March 19, 2026. <https://www.gartner.com/en/infrastructure-and-it-operations-leaders/topics/technical-debt>



“AI readiness depends on infrastructure readiness. Enterprises cannot consistently scale AI on top of fragmented application portfolios, brittle integration layers and poorly governed data estates.”⁵

3. Fragmented accountability

Enterprise software operations increasingly span multiple service providers, support organizations, consultants, system integrators and internal teams. Support may reside with one vendor, managed services with another, governance and compliance with internal teams, enhancements with a systems integrator and specialized expertise with other third parties.

As responsibilities — from governance and compliance to support and enhancements — become distributed across more parties, accountability becomes harder to establish. When incidents cross organizational boundaries, ownership can become unclear, leading to measurable costs in the form of delayed resolution, duplicated effort, slower execution and unmanaged risk. Many organizations have accepted these coordination challenges as a normal part of enterprise IT. In reality, they’re often symptoms of an operating model that distributes responsibility while leaving no single party accountable for outcomes.

4. Limited knowledge, limited solutions

Today’s enterprise IT environments require deep expertise across applications, integrations, security, automation, data and business processes.

Yet many traditional managed services models continue to rely on fixed staffing with predefined skill sets. Though those resources may be sufficient for routine activities, enterprise software issues rarely stay confined to a single technology domain. When issues span multiple systems or involve heavily customized environments, organizations may find that the expertise they need isn’t readily available within the existing engagement.

In many cases, accessing additional expertise involves new statements of work, contract amendments or supplemental resources — all of which can increase both cost and complexity. As a result, organizations can spend valuable time coordinating providers and sourcing outside skills instead of efficiently resolving issues.

This challenge extends beyond day-to-day operations, affecting organizations’ ability to move high-impact initiatives forward. According to IDC, “AI readiness depends on infrastructure readiness. Enterprises cannot consistently scale AI on top of fragmented application portfolios, brittle integration layers and poorly governed data estates.”⁵ To pursue AI, automation and modernization initiatives, organizations need expertise that spans multiple technologies, business processes and operational disciplines. Without flexible access to that specialized knowledge, such initiatives can be difficult — if not impossible — to execute effectively.

Success increasingly depends on having access to the right expertise at the right time, supported by an operating model that can adapt to changing business and technical requirements. Just as important is the preservation of institutional knowledge. As environments evolve, knowledge related to systems, customizations and processes must be captured and retained so that organizations aren’t dependent on individual resources or forced to relearn the same lessons repeatedly.

Without both specialized expertise and knowledge continuity, complexity becomes harder to manage, operational efficiency suffers and opportunities for modernization and innovation become more difficult to realize.

⁵ Dr. Ken Knapton, “AI Readiness: Reducing App Sprawl, Data Debt, and Integration Risk to Scale Enterprise AI,” IDC, retrieved 3 August 2026 from <https://my.idc.com/getdoc.jsp?containerId=US54661126>

5. IT capacity strain

While the intent for outsourcing managed services is to allow internal teams to direct their focus to higher value initiatives, those teams often spend a significant amount of time and effort on incidents, escalations, recurring issues, compliance requirements, maintenance work, vendor coordination and day-to-day operational support. Strategic projects such as modernization, process improvement, automation and innovation tend to take a back seat.

McKinsey & Company describes technology spending as a constant balance between run costs that sustain existing operations and change costs that fuel future capabilities.⁶ As AI investments increasingly compete for available resources, organizations operating inefficient run models risk crowding out the very innovation initiatives they're trying to accelerate.

The result is an operating model that consumes capacity rather than creating it. Instead of helping organizations direct talent and budget toward strategic priorities, it keeps skilled teams focused on maintaining the status quo, limiting their ability to drive transformation and yield the desired business outcomes.

Perhaps the most significant consequence of traditional managed services models is their impact on IT capacity.

⁶ Leandro Santos, Thomas Elsner, Ishaan Sharma, "Recalibrating technology budgets for the AI era," McKinsey & Company, retrieved 3 August 2026 from <https://www.mckinsey.com/capabilities/mckinsey-technology/our-insights/recalibrating-technology-budgets-for-the-ai-era>



6. Compounding complexity

Complexity is increasing across nearly every dimension of enterprise software operations.

Organizations are managing more applications, integrations, vendors, security threats, compliance requirements, data and technology change than ever before. Each addition brings with it new dependencies, risks and coordination requirements. And AI initiatives are accelerating this trend, adding new data, governance, security and operational considerations to environments that are already difficult to manage. Yet many organizations continue attempting to address these realities with operating models designed for a much simpler era.

Governance and compliance requirements illustrate the challenge. According to KPMG, the cost of maintaining SOX controls rose by 45% between the company's 2023 and 2025 surveys, while the average testing time per control increased from 12 hours in FY 2022 to 16 hours in FY 2024. KPMG also found that 52% of Internal Audit departments dedicated more than 40% of their total hours to SOX compliance in FY 2024.⁷ Likewise, PwC's Global Compliance Survey found that 77% of executives believe compliance complexity is negatively affecting their organizations, while 71% expect digital transformation initiatives to require increasing involvement from compliance functions.⁸

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THE COMPOUNDING EFFECT



Left unaddressed, these pressures compound over time. Costs increase, operational effort expands, risk accumulates and IT capacity is largely taken up by managing complexity rather than creating business value. Enterprise software can gradually transform into a growing source of cost, complexity and operational drag rather than a vehicle for innovation.

That is the challenge modern managed services must solve.

⁷ "The Future of SOX: A point of view for 2030 and beyond," KPMG, retrieved 30 September 2026 from <https://kpmg.com/kpmg-us/content/dam/kpmg/pdf/2026/future-sox-point-view-2030-beyond-new.pdf>

⁸ "PwC's Global Compliance Survey 2025," PwC, retrieved 3 August 2026 from <https://www.pwc.com/gx/en/issues/risk-regulation/global-compliance-survey.html>

Managed services, reimagined

It's clear that maintaining enterprise software is no longer enough. Organizations increasingly expect a managed services experience that provides trusted relationships, specialized expertise and clear accountability while continuously improving performance over time. This becomes even more important as organizations look to leverage automation and AI-driven technologies to streamline processes and drive greater business value.

The shift from traditional managed services to a modern operating model starts with a better service experience and is reflected in five core capabilities that help organizations achieve stable, reliable systems, continuous optimization and stronger business outcomes:



Stable, reliable systems: The business should be able to rely on enterprise software to perform consistently and reliably. Stability, resilience and operational transparency should improve over time, helping reduce disruption.



Clear accountability: Organizations shouldn't have to coordinate multiple providers, escalation paths and support organizations to solve operational problems. There should be clear ownership, clear accountability and a defined operating model responsible for outcomes.



Alignment to business priorities: Work should be prioritized based on business impact, operational risk, growth initiatives and strategic priorities rather than queue order, ticket volume or SLA categories alone. The most impactful work should receive the most attention.



Expertise on demand: Organizations should have access to the expertise they need when they need it. The ability to leverage the required skills shouldn't depend on resource availability or lengthy escalation paths.



Continuous optimization: Enterprise software environments shouldn't simply be maintained — they should become easier and less expensive to operate over time. Recurring issues should decline, operational efficiency should improve, knowledge should accumulate and day-to-day effort should decrease.



Managed services focused on business outcomes vs. maintenance

The difference between traditional managed services and a modern operating model isn't just a matter of features. It's the difference between managing operational activity and continuously improving operational outcomes.

The table below illustrates how modern managed services approaches are evolving beyond maintenance.

TRADITIONAL MANAGED SERVICES	MANAGED SERVICES FOR THE MODERN ERA	WHAT CHANGES FOR THE CLIENT
Reactive issue resolution	Proactive, accountable operations	The goal shifts from responding faster to reducing the need for response.
Ticket-driven execution	Business outcome-driven execution	Work is prioritized by business impact, not queue order alone.
Fragmented ownership	One accountable operating model	Clients gain clearer ownership and less provider coordination.
Fixed or limited staffing models	Right expertise at the right time	Specialized expertise can be applied where and when it's needed.
Activity and SLA reporting	Measurable business value	Success is evaluated by operational improvement and business impact.
Environment maintenance	Continuous improvement built into delivery	The environment is designed to become easier to run and more valuable over time.

The key benefits of adopting the new managed services model

When managed services are aligned to outcomes rather than activity, the benefits extend far beyond operational efficiency.

By adopting a managed services model built on operational improvement, organizations can look forward to the following:

- **Reduced disruption** from significantly fewer recurring incidents and production defects
- **Faster incident resolution**, minimizing business impact and elevating user experiences
- **Higher workforce productivity** by reducing the time spent managing operational challenges
- **Greater process efficiency** — in some cases, reducing from hours to mere minutes — enabling higher throughput
- **Lower operational costs** by reducing vendor coordination, escalations and manual effort from internal teams
- **Greater return on existing investments** by enabling environments to deliver more value without adding new complexity, staffing requirements or technology spend

The cumulative impact of these improvements in terms of cost and time saved and efficiencies gained can be substantial for organizations, particularly as they move forward in pursuing innovation and growth initiatives.

Rimini Manage™: Managed services for the modern era

[Rimini Manage](#) delivers an exceptional managed services experience designed for modern enterprises. Through trusted relationships, specialized expertise, fast response and resolution and accountable service delivery, Rimini Manage helps organizations reduce operational complexity, strengthen accountability, increase efficiency and enhance the value of enterprise software investments. Unlike traditional managed services models focused on operational activity, Rimini Manage aligns service delivery, operational execution and expertise around measurable business outcomes.

Rimini Manage also provides organizations with access to specialized expertise when and where it's needed, without the limitations of fixed-staffing models. Through integrated operational intelligence, automation, knowledge management and secure ITSM integration, clients can maintain familiar ways of working while benefiting from Rimini Street's investments in service delivery infrastructure, specialized expertise and continuous improvement.

Organizations across industries and geographies are already realizing the benefits of this modern managed services model. Clients such as [MYOB](#), [SCEE Electrical](#) and [Sunway Group](#) have leveraged Rimini Manage to simplify operations, reduce the burden on internal IT teams and achieve greater efficiency. These outcomes reflect the primary objective of Rimini Manage: delivering an exceptional managed services experience that helps enterprise software environments become easier to operate, more resilient and more valuable over time.

With [Rimini Support™](#), organizations can extend the value of Rimini Manage even further. Managed services and software support operate within a coordinated delivery model that helps streamline issue resolution, reduce provider handoffs and create clearer accountability across enterprise software operations. Together, Rimini Manage and Rimini Support help organizations maximize the value of existing technology investments while reducing the cost, effort and complexity required to run them.

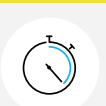
Rimini Manage™

EXCEPTIONAL SERVICE



WHITE-GLOVE EXPERIENCE

A trusted, personalized service experience delivered by expert engineers who solve the most complex enterprise software challenges every day, including issues others often cannot.



FAST RESPONSE AND RESOLUTION

Exceptional talent, proven processes, and a secure delivery infrastructure delivering 24x7x365 ultra-responsive service and support globally.



FLEXIBLE & PROVEN DELIVERY MODELS

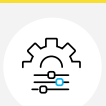
Flexible resource models, SLAs and commercial options tailored to your needs, with managed services and optional L4 support that can be integrated to provide a coordinated delivery model. 20+ years of proven value

SUPERIOR BUSINESS OUTCOMES



STABLE, RELIABLE SYSTEMS

Enterprise software you can trust to run your business at scale, without constant disruptions or firefighting.



CONTINUOUS OPTIMIZATION

Proactive monitoring, operational intelligence, governance, security and root-cause elimination continuously improve performance, efficiency and business effectiveness.



STRATEGIC INNOVATION

Maximize existing software investments through AI, automation, and modernization, free internal teams for strategic initiatives, and benefit from innovations embedded in our delivery model.

Conclusion

The difference between traditional managed services and a modern operating model isn't just a matter of features. It's the difference between managing operational activity and continuously improving operational outcomes.

Are operations becoming more predictable every year?

If the same incidents continue to consume time and resources, the model may be maintaining problems rather than reducing them.

Is accountability clear when issues arise?

If ownership is spread across multiple teams and providers, outcomes can become harder to achieve.

Is the environment becoming easier to operate?

If operations aren't becoming more efficient over time, the model itself should be evaluated.

Is work aligned to business value?

If effort is largely focused on managing activity, the model may be limiting progress.

Can expertise scale with complexity?

If expertise remains constrained by staffing structures and escalation paths, the model may struggle to keep pace with business and technology demands.

In the years ahead, the organizations that derive the most value from enterprise software won't be those that spend the most, but those that operate the most effectively. The ability to improve performance, reduce complexity and redirect resources toward higher-impact initiatives will determine how much value organizations realize from their investments.

Ultimately, that's the opportunity a modern managed services model and provider should help create.

Rimini Manage[™]

Learn how Rimini Manage delivers an exceptional managed services experience that helps improve performance, strengthen accountability and create capacity for innovation.

Explore Rimini Manage[™]



About Rimini Street, Inc.

Rimini Street, Inc. (Nasdaq: RMNI), a Russell 2000® Company, is a proven, trusted global provider of end-to-end, mission-critical enterprise software support, optimization and innovative Agentic AI ERP solutions, and is the leading third-party support provider for Oracle, SAP and VMware software. The Company has signed thousands of IT service contracts with Fortune Global 100, Fortune 500, midmarket, public sector and government organizations that have leveraged the Rimini Smart Path™ methodology to achieve better operational outcomes, billions of U.S. dollars in savings and self-funded AI and other innovation.

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