

Break-Fix vs Managed Services

Two fundamentally different ways to handle IT — and why the choice matters.

If you've never engaged an outside IT firm before, the industry can feel opaque. There are essentially two service models you'll encounter, and they operate on opposite philosophies. This guide explains how each one works, when each makes sense, and what trade-offs come with each — so you can make an informed decision that fits your business.

BREAK-FIX

Reactive | Pay-As-You-Go

What it is: You call your IT provider when something breaks. They diagnose, fix it, and bill you for the time spent — typically by the hour or in 15-minute increments. There's no ongoing relationship until the next problem.

MANAGED SERVICES

Proactive | Subscription

What it is: Your IT provider continuously monitors, maintains, and supports your systems for a flat monthly fee. They act as your outsourced IT department — preventing issues where possible, and handling them quickly when they arise.

ASPECT	BREAK-FIX	MANAGED SERVICES
Engagement model	On-demand. You call when needed.	Continuous partnership. Always engaged.
Cost structure	Variable. Hourly rates per incident.	Predictable. Flat monthly fee.
Provider mindset	Solve the issue you reported.	Prevent issues; align IT with business goals.
System monitoring	None. Provider has no visibility.	24/7 automated monitoring of your environment.
Response priority	Same as any other client request.	Defined SLAs based on impact and urgency.
Documentation	Minimal. Each visit starts from scratch.	Maintained continuously. Full environment map.
Security posture	You're responsible for tools and updates.	Provider deploys and manages security stack.
Backups & recovery	Set up once; not actively monitored.	Tested, monitored, and reported on regularly.
Strategic guidance	Not included. Reactive only.	Roadmap, budgeting, and tech-business alignment.
Best for	Mature setups; rare problems; predictable usage.	Growing businesses; data-sensitive work; minimal downtime tolerance.

A simple analogy. **Break-fix** is like calling a plumber when a pipe bursts — fast, transactional, and you only pay when you need them. **Managed services** is like having a building engineer on retainer who inspects the plumbing monthly, replaces aging valves before they fail, and is the first to know when something is off. Neither is wrong — they fit different situations.

Questions worth asking before you decide:

How much would a full day of downtime cost your business?

If the answer is significant, prevention is worth more than fast reaction.

How sensitive is your client data and intellectual property?

Industries with NDAs, regulated data, or trade secrets benefit from continuous oversight.

Do you have someone internally who tracks IT updates, security, and vendor coordination?

If not, those tasks tend to be ignored under break-fix until they become problems.

How comfortable are you with unpredictable IT bills?

Break-fix means cheaper months and surprise expensive months. Managed is flat.

The honest answer: Many businesses start with break-fix, then move to managed services as their dependence on technology grows or after a costly incident reveals gaps they didn't know existed. Some never need to switch. The right choice depends on your risk tolerance, your team's capacity, and what your business can afford to lose if technology fails.