

AI Services in Managed Services: Market Sizing, MSP Approaches, and Agentic Governance

Executive Summary

This updated report provides an in-depth analysis of the Total Addressable Market (TAM), Serviceable Available Market (SAM), and Serviceable Obtainable Market (SOM) for AI services within the Managed Services sector, now explicitly incorporating **AI Agentic Governance**. It compares various Managed Service Provider (MSP) approaches to AI integration, including the emerging role of MSPs in AI governance, and outlines the key assumptions underpinning the market sizing estimates. The global managed services market is experiencing significant growth, with AI integration and its responsible deployment through governance emerging as critical drivers for efficiency, new service offerings, and enhanced customer experience.

1. Market Sizing: TAM, SAM, and SOM for AI Services in Managed Services

The market for AI services within the managed services landscape, particularly with the inclusion of Agentic AI and its governance, is poised for substantial expansion. Our analysis focuses on the period from 2024 to 2030, leveraging current market data and projected growth rates for AI implementation, operations, and governance services.

1.1. Definitions

- **Total Addressable Market (TAM):** Represents the total global revenue opportunity for AI-related services, encompassing all AI implementation, operations, and governance services that MSPs could potentially offer or influence.

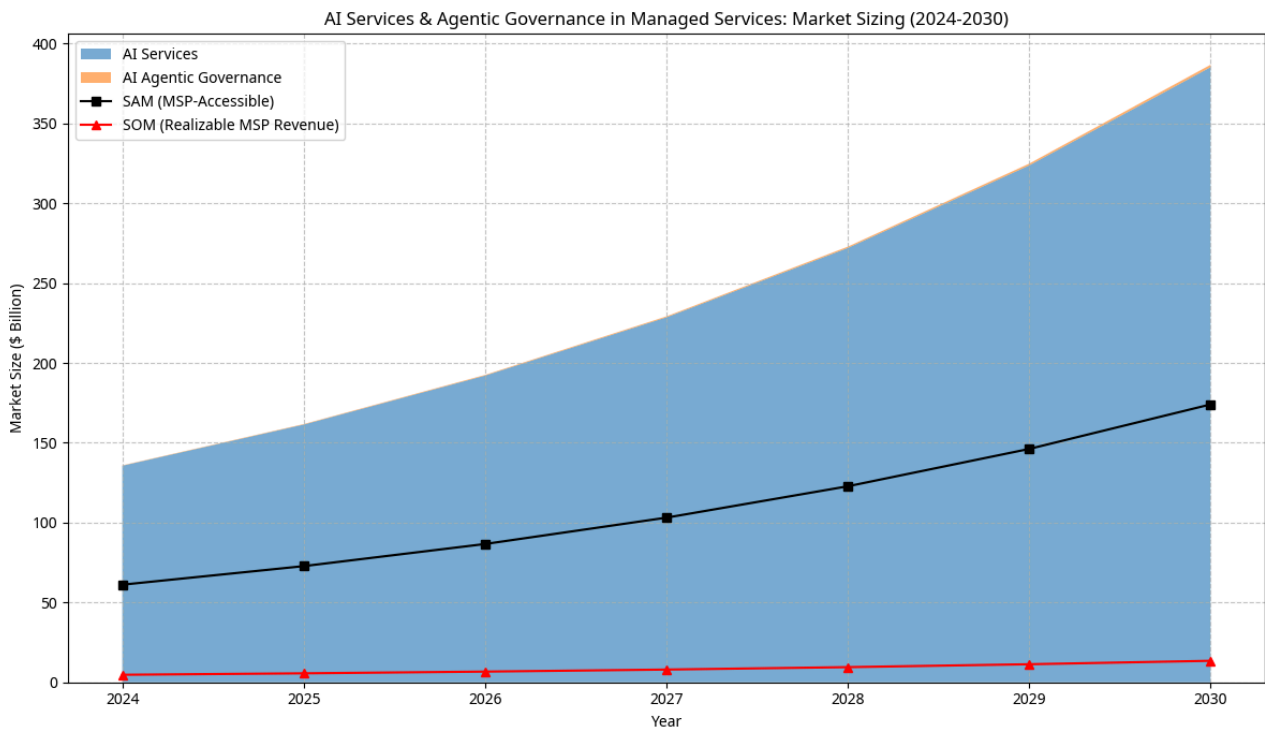
- **Serviceable Available Market (SAM):** Narrows the TAM to the portion of the AI services market that is directly accessible by Managed Service Providers. This includes services that can be enhanced, delivered, or managed by MSPs, particularly focusing on the SMB and mid-market segments which are primary targets for MSPs.
- **Serviceable Obtainable Market (SOM):** Represents the realistic share of the SAM that an individual MSP or a segment of AI-enabled MSPs can capture. This takes into account factors such as current AI adoption rates among MSPs and a realistic market capture factor.

1.2. Market Size Estimates (2024-2030)

Based on a Compound Annual Growth Rate (CAGR) of approximately 19% for general AI implementation and operations services [1] and a higher CAGR of 38% for AI governance services [4], the following estimates for TAM, SAM, and SOM have been derived. The SAM is estimated as 45% of the total TAM, reflecting the typical market segment served by MSPs (SMB/mid-market). The SOM is calculated based on a 31% AI adoption rate among MSPs [2] and a 25% capture factor of the SAM.

Year	TAM_AI (\$B) (AI Services)	TAM_Gov (\$B) (AI Governance)	TAM_Total (\$B)	SAM (\$B) (MSP- Accessible)	SOM (\$B) (Realizable MSP Revenue)
2024	135.66	0.22	135.88	61.15	4.74
2025	161.44	0.31	161.74	72.78	5.64
2026	192.11	0.43	192.53	86.64	6.71
2027	228.61	0.59	229.20	103.14	7.99
2028	272.04	0.81	272.86	122.79	9.52
2029	323.73	1.12	324.85	146.18	11.33
2030	385.24	1.55	386.79	174.05	13.49

Figure 1: AI Services & Agentic Governance in Managed Services: Market Sizing (2024-2030)



2. Comparison of MSP Approaches to AI Services

MSPs are integrating AI into their operations and service offerings through various strategic approaches. These can be broadly categorized based on their primary objectives and the nature of the AI solutions deployed, with a new emphasis on Agentic Governance.

Feature	Operational AI (Internal Efficiency)	Security AI (Service Offering)	Strategic AI Consulting (Client-Facing)	Agentic Governance (Trust & Compliance)
Primary Goal	Enhance internal efficiency, automate routine tasks	Mitigate cyber risks, offer advanced security services	Drive client business transformation through AI	Ensure ethical, compliant, and secure AI agent deployment
Key Tools	Atera, SuperOps, ConnectWise (for ticket triage, automation)	Guardz, SentinelOne (for threat detection, incident response)	Custom LLMs, Data Operations platforms	Microsoft Copilot Studio, BigID, specialized governance platforms
Revenue Impact	Low (Indirect, through cost savings and capacity increase)	High (New service revenue streams)	Very High (High-value consulting, project-based revenue)	Very High (Premium service, high-value add)
Cost Impact	High (30-50% reduction in operational costs) [2]	Medium (Investment in tools, but offset by reduced manual effort)	Low (Leverages existing expertise, minimal new tool investment)	Low (Leverages existing compliance expertise, specialized tools)
Client Value	Faster response times, improved service delivery consistency	Proactive protection, reduced downtime from security incidents	Competitive edge, innovation, optimized business processes	Reduced risk, regulatory compliance, responsible AI adoption
Governance Focus	Process Audit	Threat Compliance	Ethical AI Use, Data Privacy	Traceability, Accountability, Security, Compliance, Ethics

3. AI Agentic Governance: A New Frontier for MSPs

AI Agentic Governance refers to the structured management of delegated authority in autonomous AI systems (agents) that execute actions for an organization [5]. As AI agents move from experimentation to enterprise adoption, the need for robust governance frameworks becomes paramount. MSPs are uniquely positioned to provide these critical services, transitioning from Managed Service Providers (MSPs) to **Managed Intelligence Providers (MIPs)** [6].

3.1. Core Pillars of Agentic Governance

Effective AI Agentic Governance is built upon several key pillars:

- **Traceability:** The ability to track and understand the decisions and actions taken by AI agents, ensuring transparency and auditability [5].
- **Accountability:** Clearly defining who is responsible for the outcomes and impacts of AI agent actions, both within the client organization and the MSP [5].
- **Security:** Implementing robust controls to manage data access, prevent unauthorized agent actions, and protect against malicious manipulation of AI systems [5].
- **Compliance:** Ensuring that AI agents operate within established regulatory frameworks, such as HIPAA, SOC 2, GDPR, and emerging AI-specific regulations like the EU AI Act [5].
- **Ethics:** Monitoring AI agents for potential biases, ensuring fairness, and promoting responsible AI behavior in line with organizational values and societal norms [5].

3.2. The MSP's Role in Agentic Governance

MSPs can offer significant value in AI Agentic Governance by leveraging their expertise in IT management, security, and compliance. This includes:

- **Agent Validation and Monitoring:** Validating the logic and safety of AI agents before deployment and continuously monitoring their performance and behavior in production environments.
- **Continuous Auditing and Reporting:** Implementing automated systems to audit agent configurations against compliance benchmarks and generating

comprehensive reports for regulatory adherence.

- **Risk Management and Policy Enforcement:** Helping clients develop and enforce policies for ethical AI use, data privacy, and legal boundaries for autonomous agents.
- **Security Integration:** Integrating AI governance into broader cybersecurity strategies to ensure that AI agents do not introduce new vulnerabilities.

4. Major Assumptions

The market sizing and comparative analysis are based on several key assumptions, updated to reflect the inclusion of AI Agentic Governance:

- **AI Services Growth Rate:** A consistent Compound Annual Growth Rate (CAGR) of 19% for the broader AI implementation and operations services market is assumed [1].
- **AI Governance Growth Rate:** A higher CAGR of 38% is assumed for the AI governance market, reflecting its nascent stage and increasing regulatory focus [4].
- **MSP Market Share of AI Services:** MSPs are assumed to address approximately 45% of the total combined AI services and AI governance market, primarily serving the SMB and mid-market segments.
- **MSP AI Adoption Rate:** The current AI adoption rate among MSPs is estimated at 31% [2]. This figure is crucial for determining the immediate serviceable obtainable market.
- **Market Capture Factor:** A conservative market capture factor of 25% for AI-enabled MSPs within their serviceable available market is assumed. This accounts for competition, varying levels of AI maturity among MSPs, and client readiness for AI adoption.
- **Managed Services Market Growth:** The overall global managed services market is projected to reach \$731.1 billion by 2030, growing at a CAGR of 13-14% [3]. This provides the broader context for AI services integration.
- **Operational Efficiency Gains:** AI-driven MSPs are expected to achieve 20% better operational efficiency and 20-30% higher service revenue [2], which underpins the benefits of AI adoption.

- **Geographic Focus:** While global figures are used for TAM, the SAM and SOM calculations implicitly consider the regional distribution of MSPs and their client bases, with North America accounting for approximately 33% of managed services revenue [3].

5. Conclusion

The integration of AI into managed services, particularly with the growing importance of AI Agentic Governance, represents a significant and evolving growth opportunity for MSPs. By strategically adopting AI for operational efficiency, enhanced security offerings, and client-facing consulting, and by proactively offering AI governance services, MSPs can unlock new revenue streams and deliver superior value. Understanding the expanded TAM, SAM, and SOM for AI services, including governance, is crucial for MSPs to formulate effective market strategies and capitalize on this transformative technology, transitioning into the role of Managed Intelligence Providers.

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