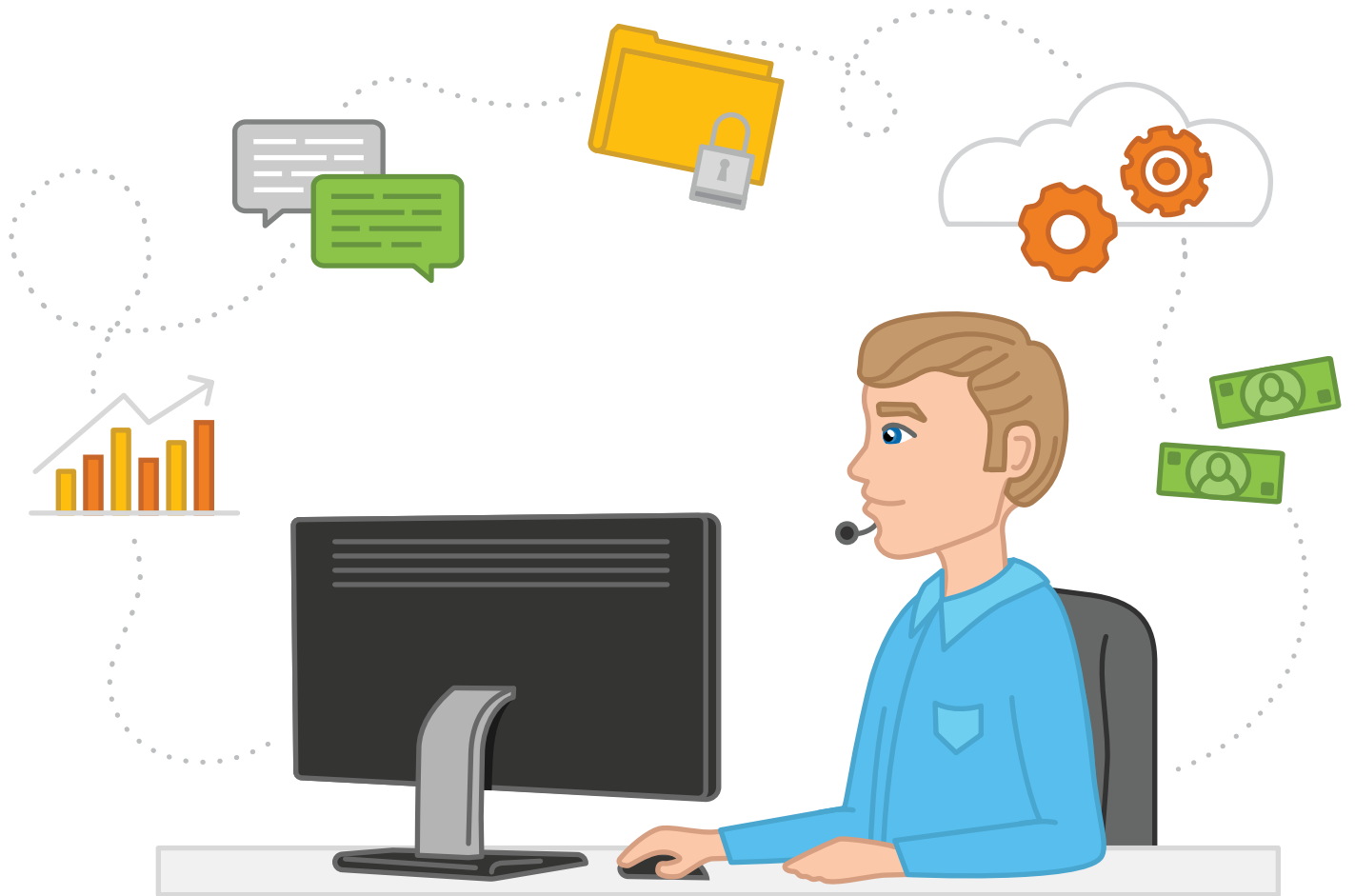


# Six Steps To Managed Services Success



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# Introduction

As an IT solution provider, you have a bottom line to maintain and staff to support, while providing your clients with the best possible service. As a business, you need to budget and plan for the future. These can all be tough tasks when you're operating on a break-fix model. Growth is more unpredictable because your revenue is based on reactive services. Business decisions feel uncertain, and that sense of uncertainty can filter down to your employees and clients.

So, what's the alternative? **Switching to a managed services model where clients pay you a fixed monthly rate to manage their entire IT infrastructure.** If done correctly, this transition can be a lifeline to reliable revenue in a shifting market. Making the transition from an unsteady break-fix model to a proactive managed services model will require a systematic plan with well-thought-out steps that range from understanding your target market to implementing essential automation. **If you're considering becoming a managed service provider (MSP), these six steps can help. As you read through them, keep in mind that the best strategy is to have a strategy.**

## **RELIABLE REVENUE:**

Find Stability in a Shifting Market  
with Managed Services

# Step 1:

## Know What To Expect

The first step to entering a new market is to have a strong grasp on what you're doing and what differences to expect. Just as you wouldn't suddenly start selling a new product without doing your research, you don't want to make the big switch to managed services without knowing first where you're going.

As the modern world ushers in a new era in IT service delivery, it's important to remember that client needs are now primarily driven by the desire for an infrastructure that keeps them connected anytime, anywhere. It's important to stay on top of industry trends like this so you can ensure you are providing the types of services clients have come to expect. Putting their needs first will help secure your role as a one-stop shop clients can trust to get anything done.

The good news is managed service providers have a lot of options when it comes to which services they want to pursue. If you take time to develop the right service offering, you'll keep your staff challenged but not stressed. Plus, your clients will enjoy a more flexible offering and the strong partnership this service-driven environment helps build.

No matter what services you opt to focus on, the important thing is to be as informed as possible and armed with the tools for success. Here are a few ways to start evaluating the market:

- **Talk to your current clients**  
Ask them how you can better meet their needs and take their feedback to heart.
- **Look for frequently requested tasks that can be automated**  
Consider patching, anti-virus updates, malware removal, and similar opportunities.
- **Conduct industry research.**  
Take a look at sites like Gartner and CompTIA to find out where the industry trends are and take a look at market research data to know what services are most popular.
- **Scope out the competition**  
Establish user groups to share knowledge in a non-competitive environment so you can learn what others have found successful.

# Step 2:

## Establish and Price Your Service Offering

Once you feel you understand the market, you'll want to focus that newfound knowledge on determining your initial offering. There are numerous and varied managed service offerings, so start by familiarizing yourself with available options. Some of the most popular components of managed service plans include remote monitoring, help desk, backup and disaster recovery, managed security, and patch management.

After you've determined which services you want to provide, the next step is to take an honest assessment of your team's skill set. Always play to your strengths and experiences, and if some gaps have emerged between what type of services you want to offer and what your current skill set allows for, find opportunities to fill these gaps with training or new hires. *Stay focused on future growth by evolving with the changing industry. Your customers expect a one-stop shop for their IT needs, so you need to be able to handle any requests that come in.*

When you have the right people to support you, you can trust your clients will have the best experience possible—and happy clients means even better business.

**Sell your value** with your customers **by offering added services** around those you already support.

### POSSIBLE SERVICE OFFERINGS:

- Remote Monitoring and Management (RMM)
- Managed Security
- Cloud Monitoring and Management
- Managed Storage
- Managed Hosting
- Managed Print

# Step 3:

## Leverage the Power of IT Automation

An MSP can't make house calls for every client. In fact, one of the key tenets of managed services is taking advantage of automated software that monitors and manages IT infrastructure virtually. Managed services eliminates the more traditional methods of on-site visits, and also increases your efficiency by removing the need for additional head count.

Here are four essential solutions you'll need in your managed services tool kit:

- **Remote Monitoring and Management (RMM)**

With an RMM like ConnectWise Automate, you can deliver the best possible reactive and proactive response times. With both agent and agent-less automation, and almost 500 out-of-the-box scripts for maintenance, software distribution, and more, you can stop putting out fires and start creating billable time.

- **Professional Services Automation (PSA)**

A PSA solution is an essential tool for today's IT service provider, allowing you to have a total 360-degree view of your company's day-to-day work flows and results. Look for a PSA tool like ConnectWise Manage that enables you to organize your business around one system so all parties can connect and communicate through one unified operational platform.

- **Quote and Proposal Automation**

Don't let sales opportunities slip through your fingers by letting integration end with PSA and RMM. ConnectWise Sell is a quote and proposal solution designed specifically for IT companies which allows you to streamline the process from sales to procurement to implementation, saving you time and stress.

- **Harness the Power of Integration**

Before you purchase your quote & proposal, PSA, and RMM solutions, be sure to consider how well they integrate. Look for integrations that combine the quoting abilities of a quote & proposal solution, power of your PSA tool, and the visibility of your RMM platform to create an end-to-end unified solution to better operate your IT services business. Respond more quickly to clients' needs, capture and store information to uncover root causes of problems, predict new problems before they occur, and simplify troubleshooting time for your technicians. **Integration enables you to efficiently capture more billable time, improve ticket management, and even identify and manage sales opportunities.**

# Step 4:

## Position Your Brand

When you decide to incorporate managed services into your solutions menu, it will be important to let existing and prospective clients know. Making this transition means that you're not only helping your clients find the products and solutions that help them run their business, but you are also becoming their trusted technology advisor. When crafting your message, remember to emphasize the peace of mind that comes with proactive monitoring and support. Use a variety of marketing channels to get your message out.

### Here are a few suggestions to get you started:

- Update your website to reflect your new message
- Engage in social media to spark new interest
- Communicate directly with custom email campaigns
- Go face-to-face with prospects at trade shows and business events

Don't forget to also leverage your credentials when developing your brand. Share credentials through professional organizations like CompTIA's Partners Trustmark Program or MSPAlliance—or even certifications from technology vendors—on your website and advertisements. **These help build your client's confidence in your services and assure you've met specific standards. Plus, it gives you an edge over the competition.**

# Step 5:

## Prepare Your Team

Finding the right people and empowering them to help grow your company is never an easy task, and adding a new service doesn't make it any easier. That's why it's especially important for you to spend extra time with your sales team to ensure they have a strong understanding of your new services.

Managed services focuses on selling an intangible product under a long-term contract, a change of pace for those members of your team who are used to selling to their end users on an ad hoc, as-needed basis. Start thinking about whether you want to hire reps with MSP experience or retrain your current staff. No matter which path you choose, make sure they're prepared appropriately and determine a compensation model. Common compensation methods include those based on total contract value or gross profit instead of revenue.

Once your team is ready to go, don't waste time getting them up and running! Have them generate leads through networking and referrals, and cultivate relationships to bring in new customers and get the word out.



Keep the momentum going by offering your team access to software solution training tools, like ConnectWise University, that help them get up to speed on new products quickly.



# Step 6:

## Keep Searching for New Opportunities



No matter where you take your business as a new MSP, you never want to stop searching for new ways to grow and new services to provide your clients. You should continually strive to be a step ahead of the ever-changing IT industry. Be sure to stay informed about these top trends for the years ahead so **you can deliver the best service possible and be a one-stop shop for all your customers' IT needs.**

- **Security** - With the increasing number of cyber security threats, your clients may need additional security features to keep their business safe from attacks. Make sure you are providing a solution that protects clients from harm, yet doesn't hinder productivity. To keep up with increasingly complex threats, you'll need a multi-faceted security strategy that can easily grow alongside your client base from a healthy ecosystem of vendors, and from all angles as well.
- **Cloud Management** - As more of your client's applications move from on premise to the cloud, you need to be there to support them every step of the way.
- **User-Centric Computing** - The days of managing a single device per user are over. Clients today expect you to manage a collection of devices anytime, anywhere. In this new era of IT service delivery, you'll need to evaluate your IT service plan and work towards a shift in billing practices to a per-user hybrid approach.
- **The Internet of Things (IoT)** - It's estimated that there will be 50 to 200 billion connected devices by 2020, according to Cisco. Be on the lookout for innovative ways to incorporate IoT into your solutions menu, so you can capitalize on new revenue opportunities at this intersection of user, device, and software.
- **Virtualization** - Virtualization requires fewer servers for your client environments because multiple operating systems can run on one physical piece of hardware. Capitalizing on this trend is a great way to keep costs down and unify resources.
- **Compliance** - Meeting the requirements of multiple regulations and standards is no easy task. Do research to get up to speed on the latest requirements and look for ways you can help clients gain compliance and keep their vital information protected.

# Conclusion

Becoming an MSP requires time and financial resources. To make a successful transition to the managed services model, you will need to evaluate your existing services, retrain your staff, and possibly hire new employees. Expanding your marketing and investing in new software tools are also key. Most importantly, you'll have to make a cultural shift within your company and introduce a new way of thinking to your technical and sales staff.

By providing consulting and business advice that can help your clients better plan and improve their operations, you'll become more than just an IT company selling products and fixing computers.

This guide will get you started, but there's much more to do. The good news is, plenty of industry resources and IT services vendors will help you find—and follow—the right path



For more information, contact D&H at [Cloudsolutions@dandh.com](mailto:Cloudsolutions@dandh.com) or 800.877.1200.

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