SherWeb

## THE MSP'S 10-POINT GUIDE TO SUCCESS



You're a Managed Service Provider with a wide range of SMB clients who keep you hopping from one project to the next. As far as you're concerned, business is pretty good. But, let me ask you something. Have you ever wondered what it takes to be really successful in the cloud?

A lot of Managed Service Providers (MSPs) struggle with this one. They'd like to take their business to the next level, but they just don't know how to get there. Julian Lee, president of TechnoPlanet, has been thinking about this for a long time. So, he surveyed several successful MSPs and VARs (Value-Added Resellers) to find out what they're doing right.

The results are contained in Lee's 10-point plan for success, one of the presentations at SherWeb's Accelerate partner conference held in Toronto last year. Whether you're a seasoned reseller or you're new to the cloud, you really shouldn't ignore what Lee has to say.

Before we launch into these secrets to success, let's take a closer look at the MSP market.

## SO, WHO ARE THE PLAYERS IN THIS EMERGING MARKET?

Lee said there are currently about 500,000 companies who buy and sell IT around the world and most of them can be put into 3 separate buckets:

**Bucket #1:** These are companies who know what they're doing. They're making the transition to the digital market by building up solid monthly recurring revenue with their customers.

**Bucket #2:** These people are basically sitting on the fence. They're willing to get involved, but they're not quite sure what to do. Do you see yourself here?

**Bucket #3:** The people in this bucket are nearing the end of their careers. They'll be retiring in the next five to seven years and are going to leave the market, no matter what happens.



# DON'T BE AFRAID TO FIRE BAD CUSTOMERS

Stop wasting time on bad customers. Take a closer look at your business and measure your clients in terms of time, effort, opportunities and profits. If a customer is monopolizing your time, they're preventing you from dealing with other clients who might help you grow your business. Lee said if you did a scan of the profits and losses for each customer, you'd find that about a third of your customers are taking up half of your time. If you can turn this around, you'll start to make more money. The same holds true for bad employees. If you see an employee is draining energy from your staff and destroying the company's culture, it's time to show them the door

# DEVELOP A GOOD RELATIONSHIP WITH YOUR VENDORS You have to get along with your vendors. If you

You have to get along with your vendors. If you don't, how can you expect to stay in business? Lee said a good vendor will provide you with better business intelligence and better margins. Make sure you get to know every person in the department you deal with. Using LinkedIn will help. Lee warns you should be leery of a vendor who refuses to accept your LinkedIn invitation.

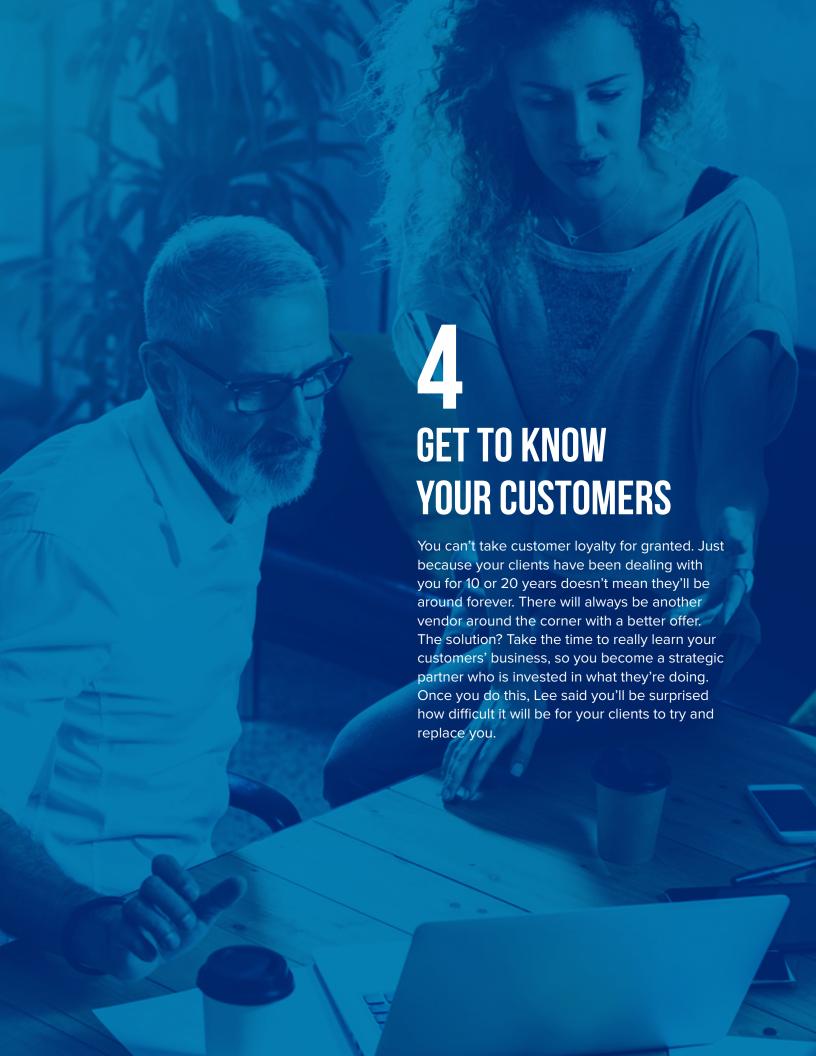
### 3 **STREAMLINE YOUR BUSINESS PROCESSES** All business owners talk about streamlining processes, but how many actually do something about it?

#### **Did You Know?**

5% reduction in operating costs has igwedgethe same impact on a company's P&L statement as a 30% increase in sales.

Source: Gartner Group, March 2016

Reducing redundancy increases productivity and improves customer service. The more efficient you are, the better services you'll deliver to your customers. The result? Your clients will love you! And, don't forget your employees in this equation. Reducing redundancy means your staff will spend less time on boring tasks and more time doing the kind of work they were actually hired to do.





## 6 **BUILD AND SELL EVERYTHING AS RECURRING REVENUE** Recurring revenue is one of the easiest ways to make money in the cloud. If you don't have recurring revenue in your portfolio, your business won't be worth much. If you can patent one of your processes, you can actually resell it to other partners. And, they'll turn around and sell it to their customers. According to Lee, more than 90% of all the tools invented to help VARs and MSPs run their businesses were actually invented by other VARs and MSPs.



# 8 KEEP LOOKING FOR NEW CUSTOMERS

While it's reassuring to have steady customers that you can count on, you need new clients to keep your business rolling. What does your website look like? Are you sending customers the right message? If your website looks outdated, fix it. You don't have to spend a lot of money doing this. Lee said it can be as easy as calling one of your best customers and asking for their opinion.

Sales and marketing is another issue. Do these departments work together in your company?

"If sales and marketing are not aligned, you aren't going anywhere. You can't have your teams arguing. If the marketing and sales people synchronize, that's where the magic happens."

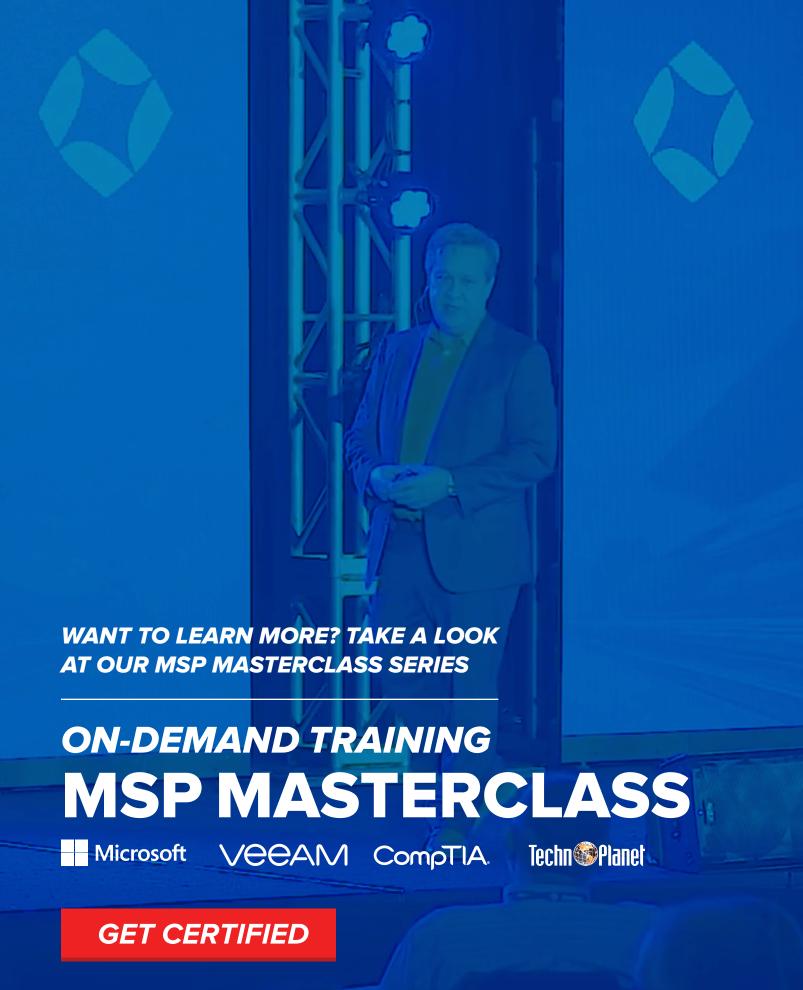


All smart MSPs and VARs run their numbers. They've got clear dashboards and they know what their profit ratios are. What about you?

When you know what your numbers are, you'll see whether your company is flat lined, if it's growing or if it's dying. Not a numbers person? Lee said there are plenty of tools out there that will help you figure this out. The bottom line? When you run your business with numbers, you just make better decisions.

"Some of these guys get high just looking at their numbers. Business runs on profits, so you've got to get your numbers up."





#### **About SherWeb**

#### The Easiest Way to Sell Cloud Solutions

Want to take your cloud business to the next level? We'll make it easier for you. SherWeb offers some of the best cloud solutions on the market today. Join our Partners First program and get ready to offer your clients an entire range of products, including Office 365, Microsoft 365, Microsoft Azure, cloud servers and Cloud PBX. Earn up to 45% initial margins plus recurring monthly revenues and volume discounts. SherWeb offers free 24/7 support based in North America plus free migration and onboarding services for all of your clients. SherWeb has helped more than 5,000 resellers around the world be more successful with the cloud. Find out how.

Call us at 1 (855) 253-3213.

THE MSP'S 10-POINT GUIDE TO SUCCESS is published by <u>SherWeb</u> Inc. Content from this publication may only be reprinted with written permission and when gradit is given to

be reprinted with written permission and when credit is given to SherWeb.

The information in this document is based on best available resources at the time of its publication. Opinions reflect judgment at the time and are subject to change.

All other brand, company, and product names are used for identification purposes only and may be trademarks that are the sole property of their respective owners.

© 2018, SherWeb Inc.

