



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.



**Julian Lee**  
**President of TechnoPlanet**

Julian has dedicated the past 25 years to helping IT vendors develop their channel partners with TechnoPlanet. Today, his network spans 6 countries and over 65,000 VARs and MSPs as well as over 4,000 vendors.

**WANT TO LEARN ABOUT  
THE REAL SECRETS TO SUCCESS?  
HERE'S LEE'S  
10-POINT PLAN.**

# 1

## 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





# 2

## DEVELOP A GOOD RELATIONSHIP WITH YOUR VENDORS

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?

A 5% reduction in operating costs has the 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.



A man with a beard and glasses, wearing a light-colored shirt, is seated at a desk and looking towards a woman. The woman has curly hair and is wearing a light-colored top. They are both looking at a laptop screen. The scene is dimly lit with a blue tint. There are papers, a coffee cup, and a smartphone on the desk.

# 4

## GET TO KNOW YOUR CUSTOMERS

You can't take customer loyalty for granted. Just because your clients have been dealing with you for 10 or 20 years doesn't mean they'll be around forever. There will always be another vendor around the corner with a better offer. The solution? Take the time to really learn your customers' business, so you become a strategic partner who is invested in what they're doing. Once you do this, Lee said you'll be surprised how difficult it will be for your clients to try and replace you.

# 5

## DEVELOP A STRONG BUSINESS VISION

Do you have a business plan? Do your employees understand it? Lee said if your business has no vision, you're basically going nowhere. And even if you do have a vision, your employees have to know what you're working toward. Otherwise, why would they stick around to help you be a success? You have to make sure that the whole organization knows why the business exists. If your staff is just hanging around to collect a paycheck, that's bad news.







# 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.





# 7

## BUILD THE RIGHT TEAM

You have to get the right people on your team and once you do that, make sure you pay them well. Inspiring your employees and motivating them is just as important as the money they make. Remember to set a good example. If your staff sees you as a strong leader, they'll stick with you. It's no surprise that the most successful MSPs are very charismatic leaders who are good at motivating their staff.



# 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."



# 9

## KNOW YOUR NUMBERS

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."

# 10

## BE A GOOD LEADER

Every successful MSP and VAR is also a great business leader. Lee said people aren't necessarily born to be good leaders, but they're willing to learn. These MSPs and VARs decided to take time to work on their business and how they could improve their role in running it. Attending partner conferences and training sessions offered by the channel is a good example. According to Lee, smart business leaders are constantly trying to figure out how to raise their game and how to motivate their employees. Just ask yourself, 'What can I do to become a better leader?' Then, go do it.

We've just touched the tip of the iceberg here. There are countless things you can do to become a more successful MSP!





***WANT TO LEARN MORE? TAKE A LOOK  
AT OUR MSP MASTERCLASS SERIES***

---

***ON-DEMAND TRAINING***  
**MSP MASTERCLASS**



Microsoft

VEEAM

CompTIA

Techn Planet

***GET CERTIFIED***



## 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 [SherWeb](#) Inc. Content from this publication may only 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.

