Five Services to Help Grow Your IT Services Business in 2013 — and Beyond
2013 is a year of great opportunity for Managed Service Providers (MSPs).

As reported in the Wall Street Journal, IT spending by businesses with fewer than 500 employees is expected to grow by $4 billion to a total of $27.2 billion in 2015. The good news does not end there for MSPs.

According to a recent study, 89% of MSP clients are “very” or “mostly” satisfied with their providers. In fact, a significant majority of clients reported that they intend to increase their IT spending in the next two years. Now is the time to position your company for growth by preparing to meet new and evolving client needs.

If you are an MSP seeking to grow or maintain your business in 2013 and beyond, market conditions are such that there will be many opportunities to acquire new clients or expand on the services provided to your existing clients. Your challenge is in differentiating your business from thousands of other providers in the marketplace who share your ambitions. A recent Wall Street Journal article revealed that there are now over 300,000 independent IT consultants and 114,000 small IT services companies providing support to small and mid-sized businesses (SMB). There may also be new competitors on the horizon as technology retailers such as Staples, Apple, and Best Buy eye the SMB marketplace and work to develop offerings that will compete with the traditional managed services offering.

What are some ways that IT services providers can differentiate their offerings from that of their competitors and gain market share? MSPs will need to manage trends, such as the proliferation of mobile devices among end-users. By focusing on adding new, “sticky” service offerings that increase your clients’ reliance on your business, you can improve customer retention. Additional services will also increase your value proposition to the overall market, making your solution more attractive to prospective clients.

This eBook identifies the five services that IT services providers should plan to offer (or improve upon) in order to grow business and increase customer loyalty. To effectively and efficiently deliver and manage these services, your company will need a centralized management system, such as an integrated Professional Services Automation (PSA) solution. A PSA solution addresses every aspect of an IT services business, from managing complex client relationships to keeping your help desk operating smoothly and making sure that your organization delivers on important service level agreements (SLA).
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Managed Security Services
Because today’s business management software will allow for sensitive financial, customer, and operational data to be accessed via the Internet or on mobile devices, your clients will be increasingly concerned with security against a host of dangers, including hackers, malicious software and viruses, employee theft of data, and possibly competitor espionage.

The security concerns of any particular customer will vary—concern may be minimal, or the security challenge may be mission-critical because of a need to protect trade secrets or to meet regulatory and compliance requirements.

At a minimum, your company should be equipped to perform a risk assessment to identify and prioritize the client’s security concerns. Then, recommend solutions using proven products and solutions you offer. Consistent with taking ownership of the customer’s IT concerns, you might want to provide a tiered-package of managed security services (using preferred vendors as needed) that might include:

- **Physical security**—managing the physical integrity, and access to, servers and mobile devices.
- **Identity access and management**—making sure that access to company networks and data is accessible only to authorized users.
- **Monitoring**—proactively, and on a continuing basis, monitoring network, hosted, and Cloud assets for security breaches.
- **Intrusion prevention**—firewalls that block worms, Trojans, and other intruders.
- **Content protection**—includes anti-spam, antitrust virus technology, and filters for unsolicited email.

Here again, IT services providers have many options to effectively manage these services. There are multiple providers of Unified Threat Management (UTM) and related services. UTM is a comprehensive security solution that provides protection against multiple threats by combining a firewall, antivirus software, content filtering and a spam filter. Gartner Group estimates that worldwide revenue in the UTM market totaled $1.28 billion in 2011 and is projected it to grow at a compound annual growth rate of 15% through 2017.5

The need for UTM has come about as employers search for ways to manage more than just threats to the security of their networks and data. Content filtering can restrict end user access to various websites, and employers today often rely on it to restrict or limit access to social media and entertainment sites from work. Social media time at work has become a significant threat to worker productivity. Your customers may also be concerned about time spent online shopping, reading news, and visiting other entertainment-related sites. If they are not focused on this yet, your MSP can add considerable value to the relationship by identifying this growing threat to your client’s bottom line and offering a seamless solution.

No doubt, security will be a challenge for you and your clients in 2013. Cloud computing and the proliferation of mobile devices complicates this picture. It is increasingly common to see employees bringing their own mobile devices to work and many more businesses are providing mobile devices to their workers. MSPs that seek to provide the support customers will expect for security and mobile devices will benefit greatly from a PSA solution that can help manage the information about varied client systems, devices, and networks.
Chapter 2

Mobile Device Management
The explosion of mobile device usage and mobile data delivery is accelerating—expect higher rates of adoption in 2013.

According to a recent forecast by Cisco, the number of mobile devices in use will exceed the number of humans on the planet during 2013.

By 2016, they expect more than 10 billion devices to be in use, carrying 10 exabytes of data every month!

To complicate things from an IT services perspective, end-users want to bring their own devices to work (BYOD) and expect them to be integrated into the company’s IT systems. Indeed, many small business end-users anticipate using these mobile devices with seamless access to company data and applications. MSPs capable of providing solutions to the increasing use of diverse mobile devices will be in a strong position to grow. In fact, this capability may be a prerequisite to growth in the future.

To begin, this will require technicians with expertise across several platforms like iOS, QNX, and Android. You may need to reach out to several providers to obtain this expertise. Ideally, these capabilities would include the ability to remotely diagnose and fix mobile devices. This may drive the need for Cloud computing to offer your clients better access to business systems and data over mobile devices and also to send real-time remote monitoring and diagnostics back to your technicians.

Mobile devices also present significant security issues. If your client is a small business owner who keeps sensitive data on his iPad®, what will happen if the iPad is stolen? Ideally, you will have detailed device information stored in your PSA, including serial numbers and other identifying information. The same system can also track and store vendor data, so any information that might be needed to secure hardware is stored in a single location. Perhaps you even have remote access to the device and could potentially disable the iPad remotely and protect the security of the data it contains. Within a PSA, the MSP can record the details of each client’s configurations, making this information readily available for support/help desk issues as they arise and providing a seamless support experience for the end user and the customer.
Chapter 3

VoIP
The increasing use of mobile devices may also increase the demand for Voice over Internet Protocol (VoIP) to deliver voice, data, and multimedia over IP networks.

One ready solution to integrating mobile devices into a company’s IT infrastructure is to use a single network for phone calls, faxes, voice mail, and email.

This technology should provide seamless delivery of data and communications to PCs, laptops, tablets, and smartphones connected to the Internet. In short, the proliferation of mobile devices, using sophisticated applications, may be the trigger that causes companies to make the transition from traditional telephony to VoIP. As such, MSPs should consider adding VoIP to their mix of services, with due consideration for its particular quality of service issues (lost data packets, latency, and security). One of the best ways that an MSP can offer solid VoIP support is to manage it through a PSA.
Chapter 4

Vendor Management
Your company probably already manages many of your client’s vendors to some extent.

Whether you receive payment for the service or not is another matter.

All MSPs should examine the level of vendor management provided to clients and determine the value of such services. Vendor management is an often overlooked source of incremental recurring revenue. Adding this essential service can provide your business with a significant new revenue stream.

IT services providers often find themselves in the position of vendor management by default, because most clients look to them for solutions when problems arise. When the network goes down, or when faxes stop getting delivered to in-boxes, the MSP gets the “emergency” call. For any particular client, an MSP may need to work with a patchwork of providers, such as the:

- Internet provider
- Domain host
- Website developer
- Security provider
- Cloud applications vendor (SaaS)
- Copier/Print vendor
- Telephony provider
- Teleconferencing provider

Managing these different providers is not an easy task, particularly for a small to medium sized business with limited IT resources. Typically, an MSP is in a
better position than clients to handle these interrelationships. If an IT services provider cannot offer these services, the next best thing is to manage the providers that do. If your PSA system enables you to build configurations, it will make the process of documenting vendors much easier. By keeping each vendor’s information recorded in a configuration, you can pull up this information instantly, anytime you need it, allowing you to respond to your clients quicker.

The benefits of providing vendor management include:

- Your company becomes the sole point of contact for the client in all IT and vendor issues, perhaps formalizing a role already being performed. To assume this responsibility effectively, you will need pre-authorizations from the client.
- Your team is in a better position to evaluate vendor performance in terms of quality and cost-effectiveness.
- With the authority to negotiate provider service agreements, you can recommend preferred vendors whose services and cost-effectiveness are proven. It makes sense to use preferred vendors for as many customers as possible to reduce variability and obtain volume discounts or favored pricing.

Done correctly, vendor management is a win-win for the IT services provider and the client. The client gains a capable, knowledgeable agent for dealing with various providers, while the MSP strengthens its relationship with the client. Because a PSA can manage all vendor-related data, it is an invaluable tool in providing cost-effective vendor management support to clients.
Chapter 5

Help Desk and Network Operations Center
A strong client relationship requires excellent service.

For any IT service provider, the most visible services are the “help desk” and, to a lesser extent, the Network Operations Center (NOC).

How the help desk performs is a strong driver of end-user satisfaction. Do everything else right, but get this wrong, and the client may be looking for a new MSP. An MSP that effectively performs these services will keep its customers happy.

IT services providers should strive to keep help desk services in-house for quality control purposes. As noted above, a particular customer may have a patchwork of providers. A problem in any one of these services can trigger a call to the help desk. The MSP, especially an MSP that manages the other vendors, will be in the best position to identify and resolve problems. So long as your team picks up the call to the help desk first (even if third-party help desks are also in the mix), the problem can be efficiently identified, documented, and resolved. Integrated PSA software can make it easier to create and track service tickets and resolutions through automated workflow, creating an audit trail to ensure nothing slips through the cracks. A PSA also provides easier insight into customer trends, so you can anticipate needs and develop services based on what’s happening in the business.

Much like the “help desk,” MSPs have increasing options for providing NOC services. Ideally, a NOC uses a physically secure facility to monitor and manage client IT systems with 24x7 availability. It must also offer redundancy, remote administration tools, and secure access to customer data. An MSP has many outsourcing options to provide these services, such as a data center/collocation facility, and now Cloud computing providers. The NOC is a function that can be readily integrated into PSA platforms. The key here is that if an MSP intends to expand its role with customers, it should offer this core service even if “white labeled.” This is the mark of a mature MSP that is prepared to manage a company’s other IT providers.
Conclusion

The IT services industry is growing and changing rapidly as it keeps pace with clients’ needs for new services and expanded support for existing services. With $4 billion in new opportunities anticipated over the next 3 years, your company needs a strategic plan that includes creating a comprehensive service offering to increase “stickiness” with existing customers and attract many new prospects that are looking for a single provider for all their IT service needs.

Managed Security Services, Mobile Device Management, VoIP, vendor management and Help Desk Support are the top five services that will increase client dependency and retention and also help you differentiate your business from competitor MSPs. Consider offering one—or preferably all five—of these services to your clients in 2013 and you will help ensure your company’s continued growth and success.

To help you deliver these services efficiently and effectively, consider using Professional Services Automation (PSA) software. A PSA provides a complete management system that helps you manage resources, projects, and clients while helping your team save time and become more productive. It can support your entire IT services business, from sales, purchasing, and equipment management to service ticketing and help desk, client configuration records, time tracking, and billing. For MSPs seeking to grow and thrive in the competitive IT services environment space, a PSA will help you manage your day-to-day operations, build a solid strategic plan, and deliver better support to your clients.

About ConnectWise

Available anytime, anywhere, 24/7, ConnectWise is the leading business management solution designed exclusively for technology organizations, such as software companies, hardware/software resellers, IT solution providers, MSPs and System Integrators. Created by technology professionals, ConnectWise provides industry-leading software for support and ticketing, CRM, project management, invoicing, time tracking, procurement, and sales quotes and proposals. But ConnectWise is much more than just software. ConnectWise offers access to discounted tech certifications, community, best practices, forums, a robust online university, and business and technical consulting. Over 65,000 professionals, in 5,000+ companies, rely on ConnectWise to provide a 360 degree view of their technology driven organization.

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4 Needleman
6 Iain Thomson, “Mobile devices to outnumber humans this year,” The Register, February 15, 2012.