

# The Fundamental Building Blocks to Scale Your MSP

Unleash your potential and scale your MSP with standardization, asset management and client engagement



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## Introduction

Most managed service providers have an abundance of opportunities to support their business growth. Yet when it comes to scaling and maintaining their newfound success, many Partners face problems with sustainability. Often this can be chalked up to a lack of consistent standardization across all clients or shifting priorities due to trying to stay on top of constant busy work. High-touch clients can also be a distraction by monopolizing an MSP's time with active requests, making it difficult to invest that time in clients with considerable opportunities. Partners can face further issues if there's a lack of client engagement or a poor understanding of the value of their IT services. Lastly, lack of resources and not properly utilizing staff can be a hindrance to an MSP's growth.

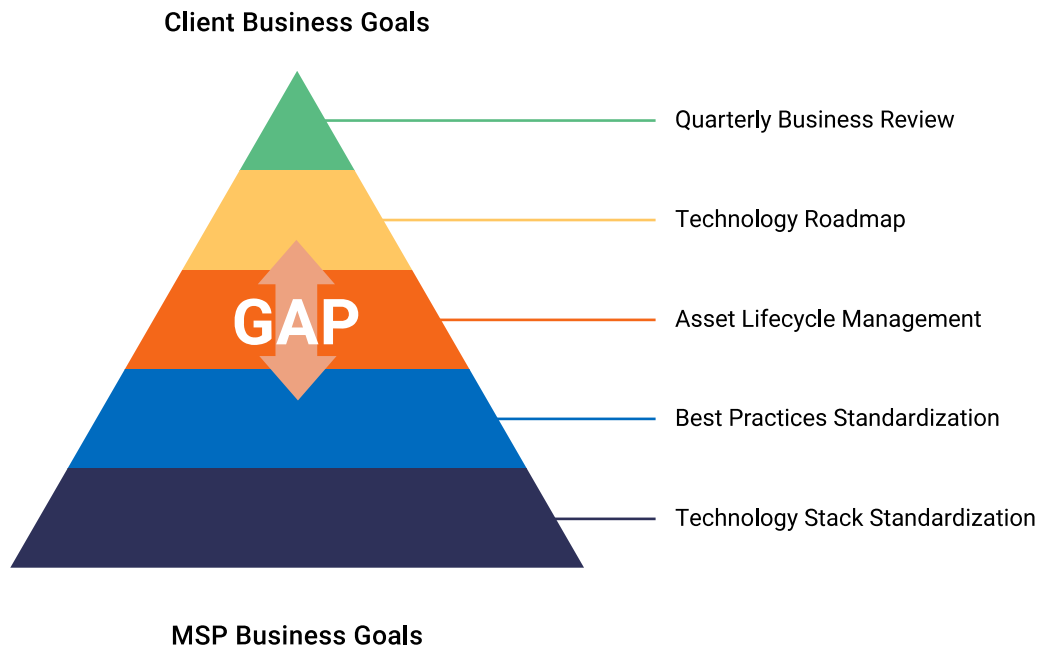
Why does this matter? All of these problems will contribute to a lack of stable and predictable growth. As a result of stagnant profitability, Partners will be more likely to incur:

- Missed opportunities, price pressure and taking on extra work**
- A high-stress environment and employee burnout for MSPs as a whole**
- Less time for strategic work**
- Increase risk of hindered price increases and client churn**
- Issues adequately demonstrating service value**

## The Building Blocks You Need to Scale Your MSP

### How to bridge the gap between the MSP's and the client's business goals

As a solution provider, MSPs are responsible for defining all the different tools, hardware and software their team needs in order to be able to operate efficiently in fairly complex IT environments. With both MSPs and clients having their own sets of business goals, there's always the risk of these differing agendas creating a gap in the relationship and hindering the success of the IT project at hand. However, MSPs can help close this gap by implementing strategies that are geared toward standardization, asset management and client engagement. Working from a bottom to top approach, the following five building blocks are vital to maximizing the potential and scalability of any MSP.



## Technology Stack Standardization

Reduce complexity, relax the learning curve and increase reliability by defining and adopting standard service, software and hardware stack.

## Best Practices Standardization

Reduce ticket volume and resolution time by defining and adopting standard settings, processes, communication and handoffs.

## Asset Lifecycle Management

Handle all software and hardware related planning, procurement, deployment, maintenance and decommission activities.

## Technology Roadmap

Govern the portfolio of projects from ideation, scope, plan, proposal, approval, execution and close phases.

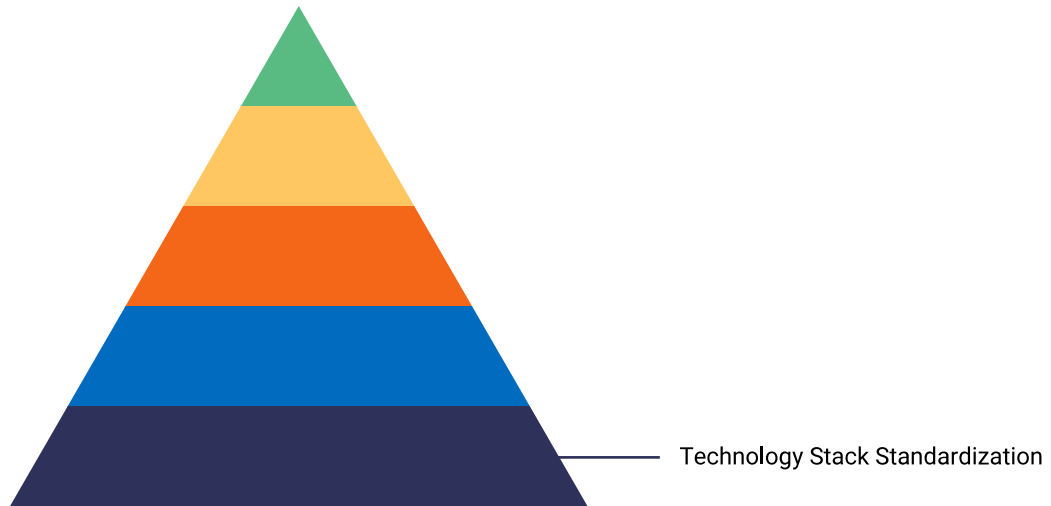
## Quarterly Business Review

Engage clients regularly, understand, inform and help make win-win technology decisions.

The five building blocks close the gap between the MSP's and Client's business goal of company value and profitability.

# 1. Technology Stack Standardization

Set up an IT infrastructure system in a strategic way to service and operate more efficiently



## Why Technology Stack Standardization is Needed:

Chances are you service dozens of clients of all shapes and sizes. While your technology stack is the foundation of your services, it's also the foundation of the IT infrastructure for your clients. If you don't design and manage the ever-changing stack in a strategic way, you won't be able to create the stability that's needed to properly scale your MSP.

## Internal Development Process:

Many MSPs see technology stack development as a reactive process. Often new vendors, solutions and partners are only added after a vetting process and the new system is included into a stack with fingers crossed for wider adoption. However, the development should be much more strategic than this by taking the time to understand your client's size, verticals and maturity. Partners should also ensure they're conducting a diligent evaluation and implementation process with proper change management.

## Client Adoption Process:

By having a more strategic approach to developing your stack, it becomes much easier to facilitate adoption in client environments. This allows for better version control and you'll always know which clients are operating with which version of the stack. As your stack evolves along the way, it will be easier to communicate these changes ahead of time and schedule them on the technology roadmap.

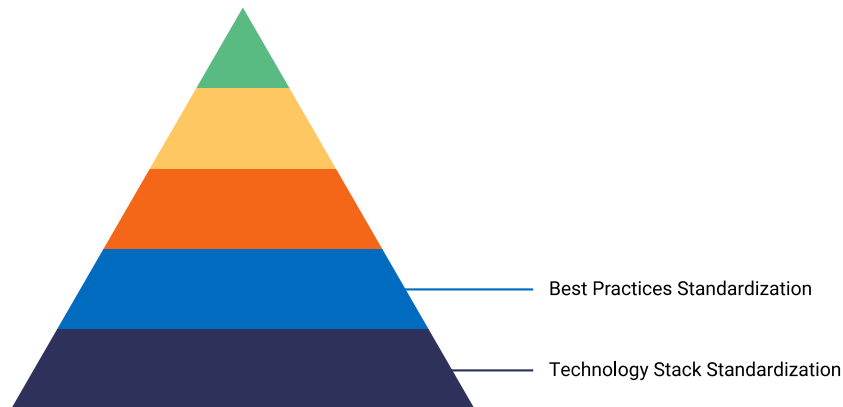
## Opportunities to Look out For:

From investments in hardware to software and services, it's important for MSPs to understand that their technology stack directly affects their client's technology stack. Even though these investments may not always be aligned 100% of the time with a client's short-term goals, Partners should look to get ahead of any potential pushback by being proactive with client conversations to reinforce the importance and value of standardization.

The foundation of scalability is developing a strategic technology stack that enables the organization to start a unified and standardized system across all clients.

## 2. Best Practice Standardization

Set up internal and external processes to operate within the tech team and with clients efficiently.



### Why Standard Operating Procedures are Needed:

As an MSP, you'll have to work with clients that vary in size, maturity, culture and locations. By implementing standard operating procedures (SOP), both your team and your clients will benefit from this process. The more refined your SOPs are, the easier it will be to work internally and with clients. Ultimately, this will help improve efficiency and profitability while being a cornerstone to your MSP's scalability.

## Internal Development Process:

SOPs can essentially be broken up into two main categories. The first will be internal SOPs where most of them will define how your MSP sets up different systems and how to operate them effectively. These types of SOPs will include technical best practices, settings, setups, documentation and procedures of change in systems. The second type of SOPs will be your communication protocols for handling different interactions internally and externally. These should outline processes for projects, support or anything else that's needed to develop and maintain client IT infrastructure.

## Client Adoption Process:

As you develop unified processes internally, you will also need to adapt and apply these processes to suit the needs of the various maturity and culture within your client organizations. For training materials, visual diagrams can be quite useful when it comes to helping understand the process descriptions. To take it a step further, the account manager can record videos to best explain how people can work together.

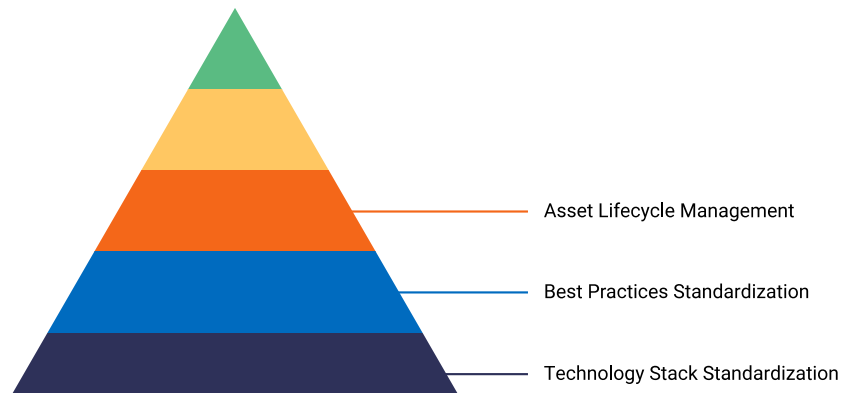
## Opportunities to Look out For:

Technology stack standardization is important in order to avoid working with legacy systems that will require different processes internally and externally. To help bolster your influence with clients, it would be worthwhile to invest in client learning and adoption with lunch and learns, video training and written documentation. The less you change the stack the more stable and easily supported an environment you have.

Without proper standard operating procedures internally and with clients the business is never going to scale simply because of the constant complexity and change.

### 3. Asset Lifecycle Management

Handling client hardware and software assets as a fleet rather than individual elements is a win-win.



#### Why Asset Lifecycle Management is Needed:

Once you've mastered your tech stack and standardization best practices, Partners should focus on gaining their clients' trust with an emphasis on having higher influence over their decisions for hardware, software and services. Without this trust and influence, it's far more difficult to move forward with plans for managing aging hardware, out-of-date software and legacy services. Ultimately, you should work toward implementing policies that will allow you to manage all of your clients' assets as a fleet as opposed to just devices.

#### Internal Development Process:

Developing an Asset Lifecycle Management (ALM) process isn't actually all that complicated. MSPs should look at their ALM as a way to have defined policies to help clients with planning, budgeting, procurement, deployment maintenance, warranty extension and disposal. Once these policies are created, they can then be applied to any current asset portfolio for clients.

#### Client Adoption Process:

Your clients will be the ones to make final decisions about their assets. However, you can help facilitate the decision making process by educating them about proper ALM and best practices around when to protect, replace or decommission an asset. One of the easiest ways to start doing this is by generating reports about the health of their fleet and suggesting policies with a systematic approach to manage their fleet. It's important that these conversations are proactive and never a reactive process to specific replacement needs.



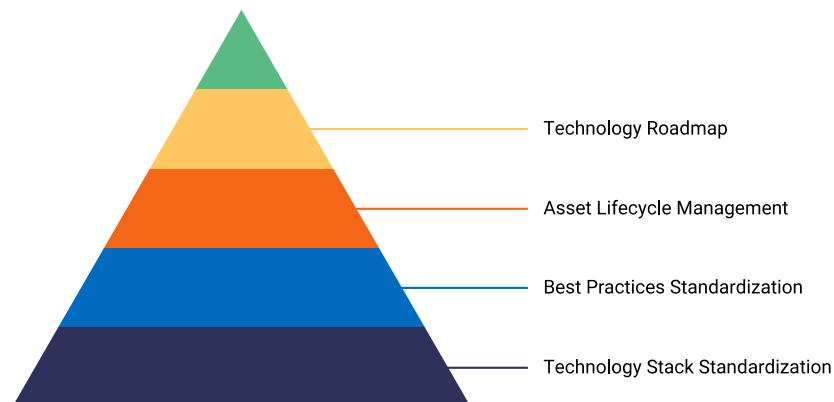
## Opportunities to Look out For:

Asset lifecycle management can be a difficult concept for small clients. To help showcase the value of ALM, a simple value proposition that explains its benefits to the small business owner can be useful. Additionally, many MSPs are incentivizing clients to adopt asset management through either a reduced service price or simply do not manage any device outside of the policy.

IT asset lifecycle management connects the standardization methods to the technology roadmaps and QBRs.

## 4. Technology Roadmap

Helping clients to see the big picture always leads to more strategic and long-term decisions



### Why a Technology Roadmap is Needed:

By adopting processes and stack compliance, MSPs can avoid ad-hoc work while being able to involve clients with strategic thinking for practical and long-term results. Technology roadmaps are a great way to help define long-term strategy with each client while setting directions and intent together. This way there is always a guiding document that can help with decision making for both MSPs and clients.

## Internal Development Process:

Developing a technology roadmap can be as easy as opening up an excel sheet with clients. However, it's important that it gets updated continually as it's intended to be a living and breathing document. Most roadmaps will need templated projects to help scope projects easier, set budget, associate individuals and set stages. While most project management applications are a good place to start, you'll eventually need syncing to your PSA.

## Client Adoption Process:

The easiest way to adopt a technology roadmap is to initiate a technology strategy session around the end of the fiscal year. In order to eventually guide the conversation toward discussing how projects are going to be developed, this strategy session should include assessments of the tech stack adoption, ongoing projects and current business issues. Additionally, rather than suggesting service charge increases as needed, MSPs typically have more success with getting approvals if price increases are positioned as an increase in service value with additional services

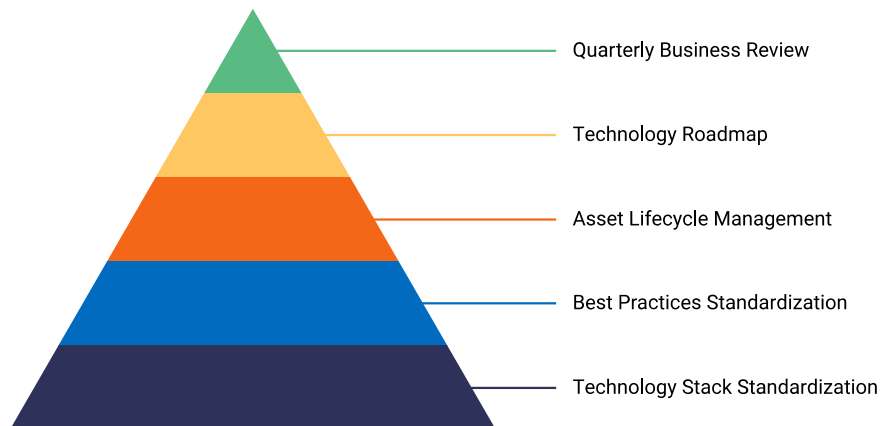
## Opportunities to Look out For:

Having client buy-in for a technology roadmap usually isn't a challenge. However, to ensure that it gets approved quickly, with a budget so work can be planned and get moving, it's important to set proper processes and expectations for strategy sessions. Even if the technology roadmap isn't approved outright, you can always go with a plan B to ensure that the most important projects are on the roadmap.

The technology roadmap is the instrument in the account manager's hand that can move mountains. Without a roadmap clients will not see and make strategic decisions needed to enable the MSP to scale.

## 5. Quarterly Business Review

Proactive, periodic, strategy-driven discussions drive decisive client engagements



### Why Quarterly Business Reviews are Needed:

Quarterly business reviews (QBRs) are the best opportunity for account managers to inform clients about changes, make decisions and keep strategic discussions separated from the day-to-day issues. As the tip of the iceberg, QBRs are most effective and engaging if the other building blocks have proper foundations first.

### Internal Development Process:

Successful QBRs involve a tailored process as each client is unique in terms of size, work required and overall goals. However, all clients can benefit from a modular objective and agenda-driven QBR method. This way, even though you might have many items to discuss and streamline, you'll be able to determine which ones are of the most importance.

### Client Adoption Process:

It's best to kick off the QBR process with an annual strategy meeting that focuses on the technology roadmap. Once the technology roadmap has been established, the QBRs will help with filling in the gaps one business quarter at a time. To help facilitate a variety of discussions throughout the year, many MSPs create themes for each quarter in the year so they can have separate agendas for security, infrastructure, budget, Office 365 and more.

## Opportunities to Look out For:

In order to maintain the effectiveness of QBRs, it's important that these strategic conversations happen every quarter whether it's through a phone call, a 30 minute Teams session or a 90 minute face-to-face interaction. If you've been doing QBRs in the past without the foundations, your clients may be a bit resistant to meeting with you. However, this just means you will need to work a bit harder on showcasing your importance as a business advisor and proving that these sessions will deliver value for them.

The QBR process gives the account manager the ability to have a platform where strategic issues are addressed, decisions are made and clients perceive the value from your superior services.

## Ready to Put These Five Building Blocks to Use?

ScalePad helps MSPs easily identify and prioritize asset risks and opportunities. It utilizes insightful reports to communicate asset statuses to customers in a way that helps them see the value in making important IT investments and drives them to take action to improve their environment. To see this in action, sign up for a Free Edition or speak to your sales representative today.

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