title

Why Managed Services Program Managers are Masters of Collaboration

meta-description

Providing excellent service is essential, but strategic relationships will add value that will help your business grow.

keywords

strategic partnership in managed services, how to become a managed services strategic partner, managed services collaboration

body

Managed Services Providers (MSPs) have enjoyed rapid growth over the past few years, and expectation for future growth are high. But cost is no longer the top reason for choosing an MSP. Companies are looking for efficiency and reliability of IT operations, enhanced security and compliance, and freeing up IT staff for strategic work.[1] They have concerns about continuity during transition and skepticism regarding cost savings.[2]

CompTIA, in a press release for their 2016 MSP survey, said MSPs expect high revenue grown over the next two years, but they have concerns about declining margins as services become commoditized. CompTIA says the difficulties are self-inflicted, caused by competition based solely on price.[3]

The MSP Manager as Strategic Partner

The focus on price underscores the need for managers in MSP operations to become master collaborators. Customer service in managed services is much more than providing baseline services at an attractive price. The emphasis is shifting more toward a strategic partnership. The conversation should be about value, not cost.

Build Relationships

A managed services partner will spend as much time as needed to understand the business model of the customer organization and how technology resources support it. He/she will learn the current and desired future state of the client's technology mix and will understand the digital maturity of the organization, its strengths, and its weaknesses. A good MSP manager will establish strong working relationships and learn the work, personal dynamics, and decision-making preference of the client team.

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[1] Olavsrud, Thor. "Why businesses are turning to managed IT services." CIO. June 03, 2015. http://www.cio.com/article/2930498/it-strategy/why-businesses-are-turning-to-managed-it-services.html.
[2] Korolov, Maria. "Top five reasons companies are avoiding managed services." CSO Online. June 11, 2015. http://www.csoonline.com/article/2934493/infosec-staffing/top-five-reasons-companies-are-avoiding-managed-services.html.
[3] "New CompTIA study of managed it services market reveals contradictions." CompTIA. June 29, 2016. https://www.comptia.org/about-us/newsroom/press-releases/2016/06/29/new-comptia-study-of-managed-it-services-market-reveals-contradictions.

A solid partnership will include a healthy relationship with the customer's IT group. IT organizations can be concerned about losing control, and in smaller firms, the concern could be about losing their jobs.[4] The emphasis should be on leveraging the strengths of the IT group and helping them define their role. The most significant benefit for IT is to get off the "treadmill" so they can focus on value-added projects and services.

Define Unique Solutions

No two organizations are exactly alike. Each one requires a specific plan for its unique needs. Trying to cram a client group into a canned solution will only sow doubt the service provider is flexible and knowledgeable enough to execute the plan. The time spent in crafting the right solution will pay dividends of trust.

A surprise expense can ruin a relationship. A good services partner will spell out in detail what will and will not be provided in the SLA. The agreement will minimize the possibility of surprises by offering a price schedule for any potential additional services.

Stay Ahead of Innovation

There is no substitute for knowledge. The quality of the relationship will depend on how well the team can answer questions and concerns—not only about the service being discussed but the entire range of managed IT services. Deep expertise is not negotiable.

Prepare for the Cloud

Some organizations are reducing their need for managed services because they acquire self-implemented software platforms. Almost every business is moving to the cloud or considering it, and a proactive partner will understand the implications.

One of the primary risks is complacency. Having sensitive data managed by a cloud platform provider does not remove the client organization from the responsibility for security and oversight. Although the risk is usually slight, a cloud vendor's services could be lost at any time. A DRP is essential. Even if the cloud provider has a plan, the client organization must exercise due diligence.

The right approach to the cloud is for an MSP to become a cloud enabler, helping clients to manage the and coordinate their cloud services.

Be Proactive

A strategic partner will seek to anticipate customer needs. It's impossible to anticipate everything, and no one has an answer for every contingency, but having a plan and knowing where to get the information is essential.

One of the most important ways to be proactive is to report and review on the services the MSP provides. When you are doing a great job, your services are often invisible. Frequent reviews of what work you perform and how well you are meeting SLA terms will keep the value you add in the forefront of customers' minds.[5] It also creates a forum for creating new opportunities. [insert CompTIA graphic]

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[4] Korolov.
[5] "5th Annual Trends in Managed Services" CompTIA Research Report.June 2016.

The Complete Service Provider

Providing excellent service in today's volatile technology world requires agility and a relentless focus on both partner relationships and service execution. Providing tactical solutions will lead to diminishing returns for both MSPs and customer organizations. Every member of the team should focus on being both strategic partner and tactician.