The Seven Secrets of Exceptional Account Management

Summary

MSPs and CSPs may spend weeks or months with a client in the initial sales effort but then spend years with them in account management. That's why exceptional account management is the number one way to grow revenues, expand profitability and to discover and launch new services.

This whitepaper presents seven ways to make sure your company isn't leaving money on the table, spending more than you should or working harder than needed accomplishing your most important task – account management.

You may spend weeks or months with a client in the initial sales effort, but then you'll spend years with them in account management. Account management is where you really get to know your clients and build lasting relationships.

Account management is a hybrid of many skills. It's not just sales or technical support. Account management is where you and your clients work together to grow together using technology for competitive advantage. That's why exceptional account management is the number one way to grow your revenues, expand profitability and to discover and launch new services.

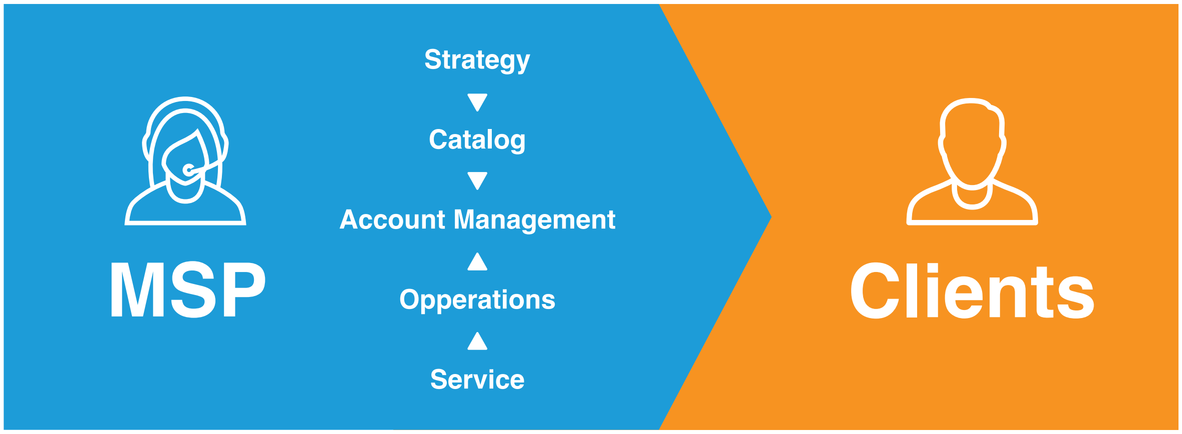
Five Ways to Make Your MSP Standout

There are thousands of managed service providers selling a similar set of services. But each business, including yours, is completely unique based on the way key areas of the business are implemented. The five areas that generate differentiation are:

1. **Strategy** – The core concepts driving the organization including the types of prospects you go after and the expertise you hire or build to facilitate existing and future product and services.
2. **Service Catalog** – The productization of your services. This is where strategy, expertise and capabilities become line-items on an invoice and describe something tangible a client can buy. The service catalog comprises assessments, projects, infrastructure, and recurring service commitments.
3. **Account Management** – Initially developed with sales and marketing, this function typically migrates to a dedicated account manager who is responsible for managing the client plan and expanding the initial relationship.
4. **Operations** – This is the process of managing service and tracking business finances and performance indicators.
5. **Service** – The people, applications, systems and processes used to deliver the service catalog.

From a client's perspective, the Account Management area brings together all the other areas and can drive change and innovation. That's why it's the most critical part of the long-term client relationship and has a largest impact on the client's perception of your overall capabilities, quality and direction.

Account Management merges a company’s vision and resources into solution for clients.



Secrets to Exceptional Account Management

Experienced and successful account managers have their own unique combination of skills they bring to their jobs. But, when you look at them as a group, you see seven techniques, or secrets, they deliver to their clients and employers that make those relationships deliver above average results. These secrets can be summarized as follows:

1. Maximize lifetime value
2. Deliver client convenience
3. Demonstrate breadth of expertise
4. Develop a true partnership
5. Make the best use of one-on-one time
6. Broaden the relationship throughout the organization
7. Seek opportunities for additional differentiation and IP

If every account manager had only one client, or every client had the same needs, these tasks would be much easier. It's when your firm starts to grow and client types diversity that the account manager's job becomes more difficult (or sometimes impossible) to accomplish.

At the end of this whitepaper, we'll go into some ways to deliver on these seven secrets, but first let's drill down on each with more detail.

Secret 1 – Maximize Lifetime Value

Value = Revenue - Expense + Innovation

The typical definition of lifetime value is lifetime profit. But for MSPs, it really breaks down into creating value in three important ways:

1. Generating new profitable revenue
2. Controlling the cost of services delivered
3. Discovering innovations that can be replicated to new or existing clients

This value equation works both ways in the relationship. Just like your company, your clients look for ways to grow their revenue, control their expenses and discover more productive ways of operation.

A successful account manager should be measured on net client value and be incentivized to grow revenue, look for ways to control expenses and to engage with clients to a level that enables them to discover new product and service opportunities.

Time is the Enemy

In a perfect world, every client receives as much attention as required. But in the real world, where time is limited, each client interaction also carries with it an additional "opportunity cost". This is the cost difference of doing one thing for one client over another. Though account managers struggle to fulfill all open requests, many times the opportunity costs show up in a lack of client planning that would further enhance lifetime value.

Account management is about using the least time to generate the most value.

Secret 2 – Deliver Client Convenience

You can't scale if the simple things are hard and it's difficult for clients to give you money.

From a client perspective, convenience is simple to understand:

1. They don't want problems to slow them down
2. If they have problems, they want them resolved immediately
3. When they need new services, they want them immediately

Anything that doesn't fall into one of these three wants is an inconvenience. But, who doesn't want this level of service?

If you can't deliver the client's definition of convenience, then the next best thing is to make the process simpler by providing easy ways to:

1. Report problems, gathering enough information up front so that the ticket can move quickly through the triage process directly to someone with the skills to respond.
2. Shop and order services with clear descriptions of the service, time frames for delivery, costs and automatic routing to their management if needed. The process should provide enough information that clients either have all the information they need before they order or just needs a few details before proceeding.
3. Track requests and inquire on progress. If clients must call to get the status of their problems or requests, it slows everyone down.
4. Obtain system status and change information. For example, if clients utilize Office 365 make it easy for them to learn about outages with 365 without contacting you directly.

The key to much of this convenience is creating a comprehensive service catalog of both problems and services. Services can cover a wide range of capabilities that help demonstrate your breadth of expertise.

Account Management is about making things simpler for the client.

Secret 3 – Demonstrate Breadth of Expertise

If you are known as the team to call when the printer breaks, soon that may be all you are known for.

Delivering convenience for the client, is also a great way to showcase your expertise. A robust service catalog can be used to not only let clients order new laptops or training sessions but can also be used to get clients thinking about capabilities they wouldn't normally consider. A good service catalog includes services covering:

- Applications
- Collaboration
- Hardware and accessories
- Internet access
- Office 365
- Printing and scanning
- Professional services
- Security
- Workstations

Don't Stop with the Basics

In a recent ConnectWise-sponsored survey of MSPs, nearly every respondent (92 percent) planned to introduce services to meet new demands — primarily security, cloud and cloud-service monitoring.

Microsoft's CSP program for Office 365 and Azure is forcing MSPs to develop their own intellectual property (IP) as they either move more functions into their base offerings or lower margins. Microsoft is encouraging MSPs to be on the front line of their efforts to create the "modern office" through " digital transformation".

Microsoft may be promoting business intelligence and AI capabilities to the market, but they expect MSPs to deliver those solutions. Technology is constantly pushing vendors up in the solutions stack. Though it now seems that your MSP will never offer AI services, eventually all MSPs will.

Your service catalog is great way to start showcasing your new skills or soliciting clients as your pilot test sites for new capabilities. Just a brief review of the current MSP universe opens many new opportunities including:

- AI and machine learning
- Blockchain applications
- Business impact and continuity assessments
- Campus/enterprise wireless management
- Cloud applications
- Cloud backup
- Cloud operations center
- Cloud servers
- Cloud telephony/PBX
- Collaboration
- Company intranets
- Compliance infrastructure and systems
- Conferencing
- Connectivity/WANS
- Dashboards
- Data analytics
- Data governance reviews
- Data loss prevention
- Data warehouse management
- Desktops as a service (virtualization)
- Devices as a service (leasing and services)
- Document and email archiving & search
- eDiscovery and legal expertise
- Email encryption
- Enhanced security
- Enterprise content management
- Identity management and security
- IoT device, data management and analytics
- Microsoft Dynamics services
- Microsoft Project services
- Mobile device/BYOD management
- Mobile workforce enablement
- On premise consolidation/virtualization
- Scalable website hosting
- Security operations center
- SharePoint & Office workflow development
- SIEM/Log analytics
- Vendor audits
- Video storage
- Video storage, management and delivery
- VPN secure networking
- Windows 10 enterprise deployment
- Workplace analytics

Don’t Forget Training

Plus, on top of each of these areas, you can add training. Though there are numerous courses out there that help people become generalists with a technology, there are fewer courses that help clients apply the technology to their specific needs.

Account Management is about demonstrating your domain competency not just your task competency.

Secret 4 – Develop a True Partnership

Our vendor called us a “partner” but treated us like a “quota”.

For most clients, their relationship with their I.T. vendor is about risk management, cost minimization and base productivity. Necessary evils. To get beyond this and form a true partnership, vendors must move beyond the basic level of remote management and monitoring and get more involved with their client’s business objectives and offer solutions that help them accomplish their goals.

Partnerships are two-way commitments to success. If you want your client to view your business as a partner, you must commit to your client’s success. If you are their virtual CIO, you are committing to boost their profitability and success which means you must deliver services with that goal in mind.

Partnerships are Blended Responsibilities

In an ideal partnership, the lines between what you do and what your client does would be blended. For example, new Adobe cloud licenses are typically managed by someone at the client. But Office 365 licenses are handled by the I.T. provider. How should an end-user be able to know the difference? In an ideal situation, end-users wouldn’t have to know who to call, they would just order licenses and the process would be handled automatically. The more, these functions are blended from an end-user’s perspective, the deeper the partnership.

Don’t be the “No” Vendor or the “Yes” Vendor.

Because the burdens of IT fall on the provider, it’s often easier to say no to customer requests because you see the work required or the loss of the security. The requests may create problems, but it is better to educate and lead with a “let’s discuss this” rather than no.

The same can be said for yes. If a client wants to refresh their workstations, it would be easy to say yes, when it might be better to lead with a “let’s discuss” followed by an analysis of the cost vs productivity gain of making the switch now rather than in six months.

Don’t be Confused About Transparency

MSPs often equate transparency with pricing transparency. But clients don’t want transparency to determine pricing. Clients want transparency so they can determine value.

Inside the organization, people don’t ask each other’s salary, they are more interested in getting help. Likewise, with vendors, your costs will be less important than whether you are helping your clients solve their problems and accomplish their business goals.

A good partnership shifts client conversations away from price and towards solutions. If you find your conversations increasingly discussing price, then you may not be delivering value that the client understands.

Account Management is about furthering the relationship and deepening the feeling of partnership with a shared vision of the future.

Secret 5 – Make the Best Use of One-on-One Time

If every quarterly business review led to a more profit and less work for both parties, everyone would make them a priority.

The quarterly business review (QBR) is your opportunity to understand where the client is headed so that you can get there ahead of them and deliver the solutions they’ll require. The result of the QBR is an updated plan that you and the client approve that plans for those changes. Done well, the QBR becomes very valuable to clients to help them lay out a timetable for better competitiveness and risk reduction.

A SWOT analysis (strengths, weaknesses, opportunities and threats) provides a good framework for implementing these business reviews. When working with clients, think of the review in two phases – listening and planning. In the first phase, you’ll dive deeper into client understanding to accurately assess what is and isn’t working. In the second phase, you’ll apply this understanding and your own technology insights to make sure your strategy and plans for the client are up-to-date.

The table on the next page identifies a good starting point for your client meeting.

Client SWOT Assessment
Strengths & Weaknesses (Listening)
Infrastructure – age, impact on productivity, mobility, capacity and scalability
Personal productivity – usage, growth, implementation, training, competency and breadth of adoption
Group productivity – collaboration capabilities, adoption and training
Data governance – storage locations, protection, backup, growth and security
Licenses and applications – integration, cost control, workflows, onboarding and offboarding processes
Security controls – physical, cloud, data and user protections and results
Identities – security, implementation, threat identification and remediation
Compliance – regulatory and corporate policy frameworks and adherence
Service – history, ticket workloads, response times and outstanding issues
Opportunities & Threats (Planning)
Revenue initiatives – data management, analytics, applications, cloud, virtualization, collaboration, chat or cloud printing
Cost savings initiatives – cloud, Internet provider, phone systems, server migration
Productivity initiatives – training for individual and group productivity that can provide an ROI of time spent
Risk initiatives – new cost-effective ways to increase security and minimize overall client risk
Compliance initiatives – new cost-effective ways to improve compliance and reduce auditor time requirements

Over time, technologies change and offer new client opportunities. The QBR identifies those changes and helps your firm plan in advance to accommodate those needs.

Account Management is about long-term planning for client success and retention.

Secret 6 – Broaden the Relationship Throughout the Organization

You think the client will be with you forever, then your champion leaves and you find yourself replaced with their successor's friend.

In many accounts, MSPs often go through a gatekeeper, either someone in management or in I.T. who is the primary contact for the organization. While this can streamline effort, it also keeps the relationship task based for the rest of the organization. While end users may see field service personnel performing repairs, most won't be aware of your additional capabilities. This leaves the MSP relationship shallow and at risk as staffing changes.

To form relationships more broadly throughout an organization, you must cultivate relationships with everyone and provide them exposure to your complete service catalog. This can include providing physical items such as mugs and reference cards, but also through software and interactions that help them do their job. For example, training is a great way to get in front of everyone and demonstrates your greater competency.

In addition to training, you can:

- Provide them online access to your catalog of services relevant for their needs
- Help them access and utilize education resources that get them up to speed more quickly
- Provide articles and support for common I.T. tasks and requirements
- Make it easy for them to contact you and then follow-up
- Provide a constant drip of messages in security and productivity that demonstrate expertise

- Keep your name (brand) in front of them so that they stay familiar with what you do and how well you do it

If everyone in the firm knows your capabilities, you'll also discover opportunities beyond the gatekeeper's familiarity. It's only when I.T. and technology reach the lowest levels in the client that they fully benefit from its productivity.

Account Management is about making everyone at the client part of the partnership.

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Secret 7 – Seek Opportunities for Additional Differentiation and IP

A server can deliver cat videos or millions in AI-based cost savings. The difference is just knowledge.

Your intellectual property (IP) is what you develop either through streamlining your business, better understanding client needs or gaining technical or domain proficiencies. When IP is turned into product offerings, it becomes scalable across clients and results in the ability to close more deals through competitive advantage or to grow revenues with expanded offerings.

Because of an MSPs unique position in the marketplace, between client domain knowledge and technical skills, they regularly have opportunities for IP development. Areas of open to IP innovations include:

- **Applications** – Common applications shared among clients such as Office 365 and Microsoft Dynamics
- **Assessments** – Detailed analysis of specific client needs such as business continuity, data governance and compliance audits
- **Client Specific** – Unique requirements and configurations
- **Content** – Information that differentiates your firm from competitors
- **Data Governance** – Specialized skills in the classification, lifecycle, storage and backup of digital information and databases.
- **Domain / Industry** – In-depth knowledge about a particular area such as legal, healthcare, finance or manufacturing
- **Implementation & Training** – Best practices for training users with the

specific technical skills to achieve higher levels or productivity and performance

- **Packaging** – Unique combinations of solutions that address a specific industry or client need
- **Processes** – Implementation of workflows, checklists and automations that streamline effort
- **Regulations** – Techniques and tools related to the compliance and audit of regulated industries
- **Technology** – Application of specific and complex technologies to solve client problems such as in the areas of business intelligence, security or eDiscovery

IP can be productized as projects, applications, monthly services or websites. It can be bundled with cloud offerings and traditional MSP solutions. More importantly, IP can substantially improve margins and create a diversified portfolio that is not dependent on a single product for long term success. The cloud has scared many MSPs out of fear that it will disrupt traditional MSP business models. And rightly so – the cloud is disrupting traditional business models. But for everything taken away, they are a dozen new opportunities presented when MSPs look for them.

Account Management is about developing a deeper domain expertise about what the client needs and how to deliver it.

Implementing Scalable Account Management

Throughout the last few sections, we've discussed the secrets of building an exceptional account management approach with clients. But each of these secrets takes time and, with totally manual systems, adds significant costs.

Scalability is the ability to sell without having to spend time calculating opportunity cost or reflexively hiring more people every time new clients are added. True scalability breaks the cycle of declining performance with each new client and benefits from a reverse effect where more clients actually improve scalability.

CRM is not Account Management

To achieve this scalability, account managers need to practice what they preach to clients – namely use technology to increase productivity and results. Unfortunately, most CRM systems aren't designed for account management. They are designed for sales and create either "opportunities" or "tasks". Concepts such as client convenience, partnerships, planning and expertise aren't part of a CRM's basic feature set.

Most importantly, CRM systems are designed for internal use. In order to scale, many issues should be passed on to clients to engage them with data, policy and systems transparency so they can become part of the solution rather than just "deals" at the end of the quarter.

An effective account management tool creates a bridge between client and account manager, so everyone can review the same data at their own convenience and arrive at decisions based on either business goals or technology requirements.

If quarterly business reviews are used just to bring clients up-to-date, they become nothing more than status meetings and lose their potential to shape future outcomes. To get everyone on the same page, account management systems should provide, at a minimum, convenience and transparency in the following areas:

- Cloud applications
- Compliance reviews
- Data protections
- Desktop applications
- Domains
- Endpoints
- Invoicing
- Policies
- Problem requests
- Reporting
- Security reviews
- Servers
- Service requests
- Technology adoption

Most importantly, the account management system should be tightly integrated with your PSA, such as ConnectWise, and Autotask so your clients and internal staff all work from the same data.

The shift from on-premise to cloud is enabling not only new ways for clients to perform their work, but also for account managers to get ahead of daily tasks to deliver the full potential of technology to their clients.

About CloudRadial

CloudRadial is the number one solution for MSP account management. Tightly integrated with ConnectWise and AutoTask, CloudRadial makes it simple for any account manager to have a scalable process to implement these seven secrets of account management.

For more information, schedule at demo at our website www.cloudradial.com.

Contact Us

cloudradial.com
(866) 679-4025
support@cloudradial.com
info@cloudradial.com