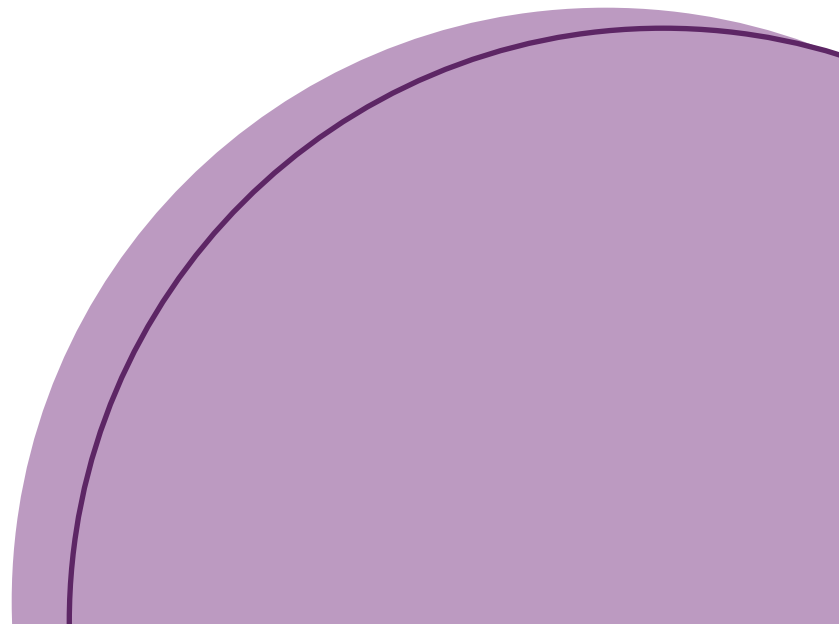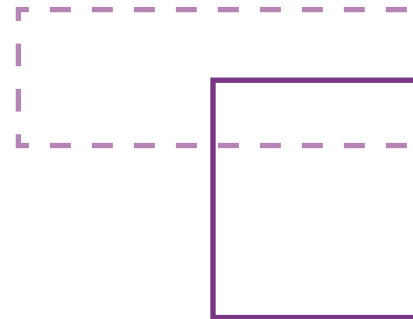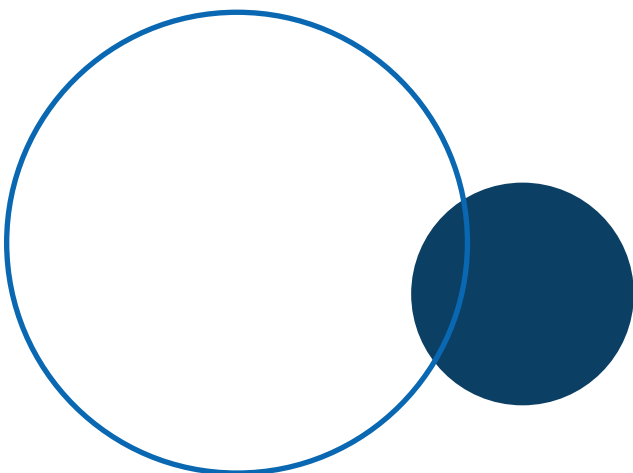# How MSPs Can Profitably Scale

Build Efficiency Into Everything You Do and Watch Your Business—and Profits—Soar

ConnectWise®

Contents

Introduction

Managed service providers (MSPs) are always hunting for the next opportunity. But with limited time—and limited resources—taking on bigger and better clients can be tough. This is a surprisingly common problem: according to one **recent survey**, 61% of MSPs report less than $2 million in annual revenue, and 73% have less than 100 customers.

Of course, ambitious MSPs can always hire more staff, **but this is often an inefficient way of scaling up operations**. For one thing, recruitment can be incredibly time-consuming, with **30% of MSPs** saying that finding good people is one of their top pain points. From there, you still have to train staff, introduce them to your clients—and then be on standby in case of emergencies.

As Robert Gelsinger, CEO at Secure Network Services describes it, this traditional way of operating meant massive inefficiencies throughout his business. **"I was very reliant on people, not processes,"** he recalls. "I was working 80 to 100 hours a week for probably seven to eight years."

It goes without saying that this left Gelsinger little time to enjoy life outside work—let alone profitably develop his business in more meaningful ways.

There is a better way. By embracing automation and outsourcing services, you can boost efficiency and free up time for business development and proactive customer service just like Gelsinger did with ConnectWise—helping you meet your scaling goals in no time.

Read on to learn how.

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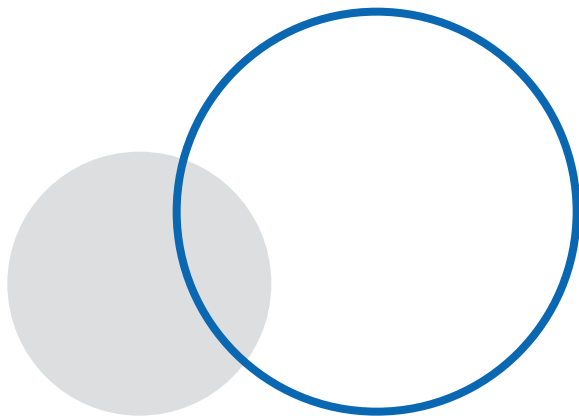
Chapter 1: Automate your services

A client reports a problem. A member of your team gets to work. They put their head down until it's fixed—while other tasks are forgotten.

If your business relies primarily on in-house talent, this might sound familiar. **The challenge is, it's often a deeply inefficient way of working**. From the moment a difficulty arises, Gelsinger says that the average response time for MSPs that haven't leveraged automation can be around "14 hours from the initial attack."

By embracing new technology, however, you'll soon see faster results. Gelsinger says, for instance, that his team has got reaction times in the event of emergencies down to just 15 minutes. "I was able to gain back probably about 150 man hours a month." That sounds right: by efficiently automating simple, repeatable tasks, MSPs can take a load off their plate—and boost their sales and marketing efforts without hiring new staff.

So, how can you get started with automation?

Think about where automation can benefit your MSP the most

Automation can revolutionize your operations. But that doesn't mean you should transform everything. Automation is especially good with laborious, repetitive work—think regular patching or detailed log analysis. Leaving these tasks to the computers ensures consistency, repeatability, and higher margins at scale. **When it comes to more complex work, however, you may want to keep humans in charge.**

Use data to prioritize tasks effectively

As your business scales and more clients need assistance, you risk being overwhelmed by tickets and notifications. **Automation can also help you correlate that information intelligently, making it easier to identify what really needs your attention.** Many MSPs have integrated powerful automated dashboards into their operations, helping them understand exactly what's going on across hundreds of client computers—and what's just noise.

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Chapter 2: Outsource your tech support

No matter how talented your managers are, hiring and onboarding in-house staff is always going to be a challenge. Between finding the right candidates, conducting round after round of interviews, and getting new hires up to speed with your operations, it can often take as long as six months before employees truly add value to your business.

It's no wonder many MSPs now partner with a dedicated network operations center (NOC) or Help Desk. Staffed by trained experts, these outsourced solutions seamlessly integrate into your operations to provide round-the-clock support for your clients.

That cuts recruitment and training costs, while also reducing costs associated with maintaining in-house technology. After outsourcing his tech support, Robert Gelsinger says his in-house team at Secure Network Services now includes just five technicians— even though he and his team manage between "1,300 and 1,500 total endpoints."

At the same time, Gelsinger is primed to scale his business when new opportunities beckon. "We could literally double [our business] and only have to hire maybe one more person," he says. **Even better, since staff will have more time to focus on what they're best at, they'll be able to hone their skills, setting your MSP apart from the crowd.**

"It allows them to become much more specialized in what they do for us," notes Gelsinger of his own staff. "If they want to go security then they can go security," he says. "If they want to go into networking, they can."

Naturally, handing off to remote partners can also improve your work-life balance. Instead of getting 2:00am fire-drill calls, you can rest easy in the knowledge that your affordable, outsourced partner has your back, whatever your client needs. When you get into the office the next day, you'll have extra capacity to expand your business—without ever sacrificing customer service.

Outsourced tech support can be a game-changer. Here are a few tips for maximizing the benefits:

Decide where you need support

Customization is central to the outsourced experience, so decide where you need help before working with a third party. Need help with server migration or security, or just getting client printers and emails working?

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Whatever you decide, talk to your new partner to ensure their skill set matches your needs—and that you're getting the best value.

Get your notifications in order

A major advantage of working with an outsourced partner is the ability to delegate many client queries to external specialists. **But for true peace of mind, you need to have confidence that your partner will notify clients of any critical updates.** If a client's RAID Controller needs new batteries, for instance, it's vital from an insurance perspective that they act immediately. **Your client will certainly thank you later.**

Understand your communication channels

A dedicated NOC or Help Desk can transform your business, but only with the right planning. If a client comes to you with an urgent tech issue like a broken email server, you need to know who to contact in a hurry. Establishing responsibility for what your new partner can help with and what it can't is critical. Many software platforms offer dedicated point people, embedded into MSPs, that make these hand-offs easy. **These point people might even know the tech team personally, making response times faster and customer service a delight.** Help Desks, for their part, will also have the specific documentation they need to help your clients—and are a white-labeled extension of your company, boosting your brand visibility.
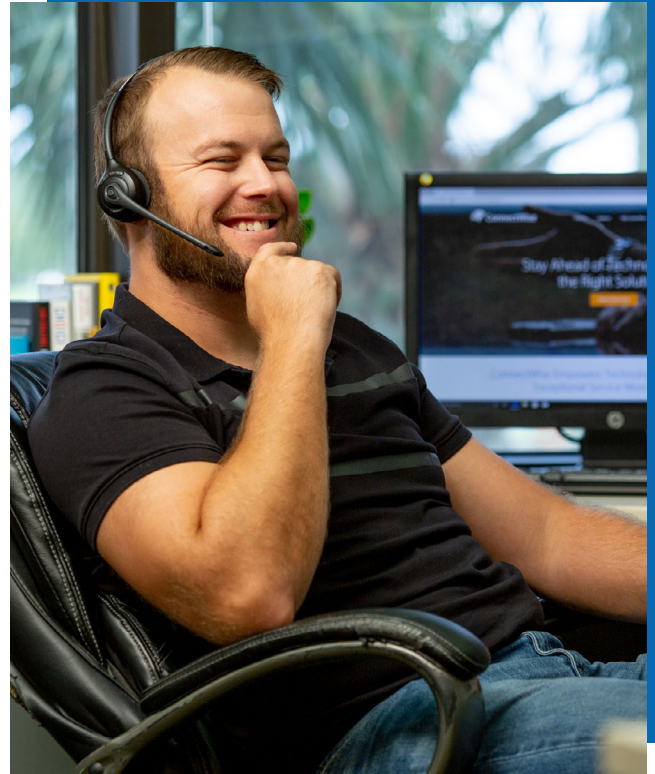
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Chapter 3: Make the most of your extra resources

Outsourcing and automation save time.
They save money. They sharpen customer service. As Robert Gelsinger explains of his partnership with ConnectWise, they ultimately add "a level of consistency and repeatability at a lower cost, and a higher margin."

More than that, though, outsourcing and automation are an opportunity for MSPs to make fundamental improvements to their business model. With extra resources to play with, you can develop closer relationships with existing customers— and build new revenue streams.

"It's freed up tons of time for me to focus on other areas of development," says Gelsinger of his own journey, noting that his MSP secured a Fortune 500 company as a client—even while it still partners with a three-employee legacy account from years ago.

You can also profitability scale your own business, too. With seamless automation and 24/7/365 support at their back, in fact, many MSPs can double or even triple their client portfolio, even as they only hire one or two more in-house technicians.

## Here are some ideas to help you do more with your newly freed-up resources:

Become a strategic advisor for existing customers

When you're rushing around fighting fires, finding the time to showcase your full value to customers can be hard. But with automation and outsourcing ensuring your operations run smoothly, you can carve out space for more strategic conversations. Take time to explain exactly how you're helping clients and aim to get a better sense of what they'll need going forward, whether it's an updated security roadmap or help taking their workforce completely remote. In doing so, you can position yourself as a true strategic advisor—boosting client trust and securing more SLAs.

Take on new customers

Extra time and money mean more opportunities to hunt and compete for new business. From developing a stronger sales pipeline to investing additional resources in marketing, there's plenty you can cross off your wishlist now that you've got the bandwidth. And since automation and outsourced tech support are both remarkably scalable solutions, you'll never run out of steam—or see your return on investment drop, no matter how successful your company becomes.

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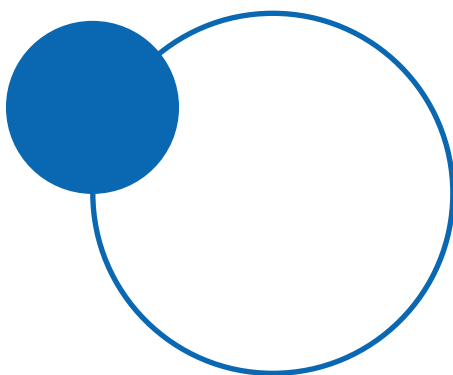
Conclusion

When it comes to scaling your business, you can't simply sit back and wait for growth to happen.

By investing in automation and outsourcing tech support, you'll soon have more opportunities to scale your MSP—while ensuring customer service remains stellar and overhead stays low.

"We're onward and upwards as far as our business model is concerned," summarizes Gelsinger of his outsourcing partnership with ConnectWise—and it's clear we can help your MSP too.

After all, we offer a range of solutions to support sustainable growth at scale, including ConnectWise Command™. A scalable remote monitoring and management (RMM) solution with built-in NOC services, ConnectWise Command arms your MSP with the tools and services it needs to exceed end-user expectations and grow at scale—all with fewer resources.

ConnectWise Expert Services can help too. With this expert support, you'll gain access to fully-staffed Help Desk, Dedicated Tech and Tech Advantage support (for custom or ad-hoc project work)—**all without wasting in-house resources or hiring more staff**.

Learn more about how ConnectWise can help you scale your MSP business by **reaching out to our team today**.