



Print

**ISM Article**

# Selling Professional & Managed Network Services

4 Feb, 2011

By: [Greg Buschman, VerdeDocs](#)

imageSource

Over the past decade, I have had the opportunity to experience or lead several national sales support and solution sales programs, including for three top OEMs. We were able to implement good, innovative strategies that significantly increased our revenue and profitability, the bottom line goal of every company, then and now. Although the assignments differed in many ways, certain commonalities were threaded through each. And since that time, I have had the opportunity to talk with senior leaders and managers from some of the most successful software solution and managed services companies in the United States. In each case, similar commonalities existed within their practices.

Therefore, I want to highlight some reasons why companies choose outsourcing, including several roles required for a successful managed services program as well as market entry barriers.

## Reasons Companies Outsource Professional / Managed Services to Value Added Resellers (VAR)

Understanding why companies choose to outsource and what areas of managed services offer the greatest customer value is imperative. Several common reasons companies choose to outsource professional and network services are:

- Information Technology (IT) is not their core business or core capability.
- The company lacks expertise in the IT discipline and the ability to implement and support the project.
- Prior management has created a mesh of confusion by implementing multiple IT standards and non-interoperable systems.
- A change agent is required to bring order between competing IT divisions within a company.
- The company needs an infusion of cash, to cut costs, or to allocate resources more efficiently.
- A merger has occurred and a change agent is required to merge the company's systems into one cohesive information system.
- A company is looking for a quid pro quo agreement to increase revenue and build partnerships.

## Critical Roles Within the Sales Organization

To capitalize on these reasons, several common roles were apparent. Here, the names for the roles are generic and will vary from company to company, however

the descriptions and roles are consistent:

**Solutions Sales Director** - The solutions sales executive is the senior leader responsible for the entire program. The key word here is sales. Some dealerships would consider this a selling sales manager role. This position is responsible for the success or failure of the program, and requires an individual with business acumen, refined personal skills, and a broad understanding of technology. This position requires an individual whose skill set is 50% sales management, 25% project management, and 25% technical knowledge. Their main responsibilities are customer relationship building, managing project personnel, implementations, and vendor relations. They should report to the VP of sales or higher.

**Solution Sales Executive** – The solution sales executive reports to the solution sales director and is responsible for drafting the technical overview of the solution that will fit the customer needs. This position still requires good people skills but requires a more in-depth understanding of the technology. Their skill set is 50% sales & 50% technical. The solution sales executive assesses customer needs, matches them with appropriate combination of hardware, solutions, and services, gathers pricing, drafts proposals, and works with the solution sales director to close sales.

**Solutions Sales Architect** – This role reports to the solutions sales director & requires deep technical understanding & implementation skills. They gather detailed technical specifications, assure the proposed services and solutions meet specifications, and complete post sales activities. The skill set required comprises 25% people skills and 75% technical expertise. Each dealership must evaluate their strengths and weaknesses, identify matches of product offerings and the sales architect's skill set. Then for each product offering without a match, enter into an agreement with a software vendor, manufacturer, or third party outsourcing group to fulfill this role. Expecting internal staff to meet the requirements for every managed service or solutions opportunity is not practical or cost efficient.

### **Mitigating Market Entry Risks:**

#### **Outsourcing vs. Out-Tasking**

A major barrier to entering the managed network services market is the financial and human capital investment required to provide, sell, and control full-managed network services. Managing another company's network infrastructure is a significant responsibility that places the liability of providing 99.999% network uptime upon the outsourcing company. This equates to approximately five minutes of down time a year. For an imaging dealership trying to break into managed network services, full-managed network outsourcing can be a risky place to start. It is far more reasonable to approach the market as an out-tasking VAR.

Out-tasking, as opposed to full-managed network outsourcing, offers companies flexibility in choosing aspects of its operations that are best handled in-house

and those that are better fitted to be outsourced. A good place to start is selling out-tasked managed services for systems and solutions, which are within a dealership's core capabilities and network functions that are non-critical. Once a dealership has established a significant beachhead in these areas, it should evaluate areas to expand service offerings.

### **Market Opportunities**

Managed network services are not an all or nothing proposition. An established outsourcing practice is to split support responsibilities between in-house staff and outsourced VARs. One of the hottest opportunities in the market is to collaborate with customers' IT staffing managers to provide industry specific network support.

In addition, software vendors and imaging manufacturers typically provide phone support only to dealership support personnel. This places the burden of supporting printing and imaging solutions on a prospect's IT department. This is one reason many IT managers resist implementing connected solutions from imaging dealers. By providing professional and out-tasked network services, these barriers can be lessened or eliminated. Providing these services also creates a competitive advantage. Managers need to focus in-house services on core business functions and be willing to out-task non-critical services.

Consider these low risk entry points to the professional & managed services market space:

- Customer help desk and remote desktop support for imaging solutions and desktop applications.
- Adding out-tasked managed network services to managed print services contracts.
- Dealer hosted and SaaS solutions, such as content and records management, storage and archival with disaster recovery, e-Commerce, and e-Business solutions.
- Remote application support for copy/print centers, data center printing, and corporate reprographic department.
- VoIP; video; network services.

*Greg Buschman, SVP, Verde Document Solutions, has 10 years experience in leading edge digital document solutions. A CompTIA Subject Matter Expert and adjunct instructor at St. Petersburg College, he has developed color, print production, professional services, and solutions programs at IKON, Danka, Konica Minolta.*

---