I-M Technology
CASE STUDY

Based in Taftville Connecticut, I-M Technology was founded in 2003 by Stuart Bryan. They originally started out as a break-fix service provider. The vision, however, when they transitioned to a managed service provider (MSP) was to diversify when possible and select customers who could ultimately be persuaded to move over to the managed service model.

To scale effectively, standards had to be set. And these standards had to be accepted by clients. They realized that if you spend your time managing hundreds of devices, you're just spinning your wheels. So instead, they set best practices around which devices were easiest for them to manage and easiest for clients to run.

Becoming all things to all people isn't smart or profitable.

You'll be busy enough when you're getting up and running, so diversify by market to protect yourself in the event of an economic downturn, but set device standards, so you can more efficiently and profitably manage your client base. CEO of I-M Technology Stuart Bryan says, "You have to block out your time. We use a ticketing system that allows us to create tasks and activities. But, at the very least, you need a punch list of strategic goals you want to knock out."

When you're starting out, you're going to have to wear multiple hats. Bryan suggests, "You need to treat the jobs you're doing as if they're actual jobs, held by real people." To stay on point, it's vital to have someone hold you accountable to your business plan.

"I have a weekly business plan accountability call with another MSP I met at an industry event years ago. We talk through our weekly, quarterly and monthly goals so we can hold each other accountable. We met at an industry event, had a lot in common and decided to formalize our casual association into something that was beneficial for both our businesses. The best part is that we don't have to pay any peer group fees. Every Thursday at 7 a.m., I have an appointment. It's as simple as that," explains Bryan.

Company: I-M Technology
Year founded: 2003
www.i-mtechnology.com

Challenge: Scale by adding additional clients rather than adding additional headcount.

Solution: Establish a standardized service offering, automate key processes and encourage clients to meet standards with LabTech remote monitoring and management (RMM).

Results: I-M Technology effectively manages 269 machines by using LabTech RMM as well as other automation tools.

"Find a business accountability partner or plug into a peer group. Knowing someone will be checking on your progress drives productivity."

– STUART BRYAN, I-M TECHNOLOGY

Diversify

Before Bryan started his MSP, he worked for a big IT firm; its biggest client was a Fortune 100 account. That client experienced staff changes, which led to Bryan suddenly being on the outside looking in. Because of that, he realized the need for diversification.

To diversify and meet the needs of the market, I-M started offering Hardware as a Service (HaaS) a couple of years ago and now they're moving into Infrastructure as a Service (IaaS). With the commoditization of IT, customers are more interested in simply having a functioning environment rather than buying and managing it for themselves. With IaaS, I-M owns everything, from switches to software, provides managed services for the client and charges one monthly fee for everything.

"It's the same concept as your cable modem. All the hardware and infrastructure to support it are installed for you. And, all upgrades are managed by the cable provider. You just pay one monthly fee," says Bryan.

With the new model, IT becomes just a tool to accomplish a task. No one is beholden to any one brand or platform; I-M just delivers the best option for each customer. Bryan explains, "We supply what works best for us, from a management standpoint. And, we supply what works best for them, from a user-experience standpoint."

Evangelize

Transitioning clients from break/fix to managed services is no simple task. Bryan comments, "They have to feel the pain of not having a contract before they'll be willing to migrate."

I-M has built its business on automation platforms, like LabTech, that provide remote monitoring and management for devices they've chosen to support. They're at a point where they want to add clients who will adhere to their standards, so they can grow profitably, without immediately adding additional headcount to support new clients.

But, that's easier said than done.

"Because of our choice to bring on only new clients who are compliant with our standardization requirements, we've had to turn business down, or—in some cases—fire existing clients. We know from experience that not all business is good business," says Bryan.

> *"Asking if you can convert someone from break/fix to managed services is the wrong question. Instead, ask 'Can I transition a customer for the right price?' If you underprice your services, you won't be able to provide the level of service your customer needs."*
>
> **– STUART BRYAN, CEO, I-M TECHNOLOGY**

Managed services is a huge paradigm shift for traditional break/fix customers. Many times, it means shelling out more money than they're currently paying. However, Bryan points out that they may, in fact, be paying much more than they think when you factor in lost productivity due to downtime or poorly functioning systems.

You have to be a managed services evangelist. "Half the time, when I'm having a conversation with a new client, I feel like a preacher trying to convert them to the managed services mindset. And most of the time, when you're having these conversations, you're just planting seeds. Very rarely do prospects latch on to the idea the first time it's presented," explains Bryan. They have to be ready.

Bryan says, "Fixed-rate IT that's fully managed is the only fair IT service that's out there because it's the only one where there's a vested interest from the IT provider to minimize problems which is in the best interest of the client. If there aren't problems then their staff stays productive. Like insurance, you hope you'll never use it. They hope you don't either, but it's there if you need it."

Bryan explains, "We just signed on an account for twice the amount the previous IT vendor was getting from them. While the previous company was a managed service provider, like I-M Technology, they undercharged and couldn't afford to make routine updates, so the account went four years without any updates. Even though it was a hard conversation to have, and they gulped at the price, it wasn't hard to show the value because they had spent half as much for nothing."

On the flipside, Bryan had another customer he tried to transition from break/fix to managed services less successfully. "I had an account that was spending $6,000 per year with us on IT support, but they wouldn't let us do routine maintenance because it was all preventative work and they didn't want to pay for it. I demonstrated that they were already spending $22,000 a year in actual lost revenue and real checks that were being written. A contract would have been $12,000 per year, double what he was paying before, but half as much as he was paying in lost time. The client said he'd rather work late than increase his spending with I-M Technology. I can't argue with that. It's his choice. He just wasn't feeling enough pain, so he wasn't willing to pay for the contract. Needless to say, he's no longer a client," explains Bryan.

That's why the sales cycle could take years. You have to wait until they're feeling the pain, which could take sometimes years, if ever. That's why it's important to be constantly looking for new clients.

"Our core value is that we're offering clients peace of mind. We're handling all their IT issues, so they can get back to focusing on their business."

– STUART BRYAN, CEO, I-M TECHNOLOGY