Services Business Management System For Small & Medium Professional Services Firms

Author: Thomas V. Esposito,
CEO of The INSIGHT Group
www.esposr@insight-group.com
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"Best-in-Class" Business Processes without automation tools = failure.

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SerPASS … is an integrated Business Solution for small & medium size services units or firms that combines "Best-in-Class" Services Business Processes & Web-Based Software." www.serpass.com

Overview

To be successful in today's challenging business climate, you must maximize the utilization of assets and professional resources. Problems in managing bid pricing, contract administration, time and expense reporting, and skills availability management can quickly turn a profit into a loss.

Large, successful, fee-based services firms realize that it is the combination of "Best-in-Class" services business processes and easy to use information system applications that enable a firm to be successful … paper processes or piece part software just won't cut it.

Recently, we conducted a *wants and needs* survey with several computer business partner firms ranging from $7 million to $120 million in annual sales. When asked what support hardware & software manufacturers and super distributors could provide that would create high value for their firms, they identified the following needs. Provide capabilities to help:

- *Implement "Best Practices" for managing the Services and Solutions Business*

- *Launch and manage profitable Services and Solutions Offerings*

- *Forecast & sell Services & Solutions … "Making the Deal"*

- *Manage skills and develop professional capabilities*

- *Change the culture of our company and people to a services orientation vs. a product orientation*

- *Contract Administration & Customer Records Management*

Many of these issues and needs are not new. In fact, they are well known by both the hardware and software manufactures and super distributors. The problem is that with the intense focus on making product objectives, there is little time and energy left to address these issues.

New Solution

Although tools and software to automate business functions like time and expense reporting exist today, most small and medium size firms have not had an affordable, easy to use **integrated solution.** The INSIGHT Group, with its substantial experience and knowledge of the fee-based services business, undertook the development of a business solution that combines the services industry's Best-in-Class Services Business Processes with an easy to use Web-Based Application Software Suite. This business solution application software, called Ser*PASS* was designed specifically for small & medium sized services firms. Ser*PASS* helps firms effectively manage a comprehensive list of critical business functions …

- *Opportunity Tracking and Forecasting*

- *Bid Pricing Methodologies*

- *Contract Administration – Budget vs. Actual*

- *Time & Expense Reporting and Billing*

- *Professional Skills Allocation*

- *Utilization / Skills Availability Management*
- *Customer Records Management*
- *Subcontractor Billing & Management*
- *Practice / Offerings Reporting*
- *Booked to Billed Revenue Reporting*
- *Measurements / Expense Reporting*
- *Reimbursement Reporting & Tracking*

All of these critical business functions are accomplished utilizing a common sense business process workflow… with in-process guidance and validation checking.

Every customer engagement can be tracked and updated with pertinent information to give you a comprehensive view of the critical elements of your business in a timely manner, so you can do something about it: accelerating the deal making process … creating higher levels of customer satisfaction, and assuring profitable revenue growth

Short Term Payback

We, at INSIGHT, have been using Ser*PASS* for over a year and have seen some impressive productivity benefits.

Specifically, we have reduced our staff support expenses by over 50% and all of our professionals have more time for billing.

Most firms should realize a significant reduction in operating costs. This will occur both at the staff level and the billable professional level. Reductions in the 35 – 50 percent range should be achievable at the staff level, while billable professionals should see a 5 to 10% potential utilization increase due to less administrative time. This can add up to significant revenue and profit opportunities. Administrative time in managing Time & Expense, Billing, Utilization Reporting, and Contract Administration, etc., can easily add up to a day per week. With Ser*PASS*, you can enter this type of information once, and all appropriate functions are updated real time. In addition to providing more time for billable

work and selling, it provides your firm with a complete audit trail to answer potential billing questions.

A combination of less administrative time and a much better view of each professional's planned availability, can drive a productivity increase of 10% or better … well within most companies reach. For example, a 10% utilization increase for a firm with 20 billable professionals and an average billable rate of $75.00 per hour can realize as much as a $312,000 Revenue and Gross Profit improvement each year.

Path Forward

To capture this opportunity, two critical elements need to come together:

1. availability of an easy to use, affordable web-based business solution designed specifically for the small and medium size services firm; and

2. a major manufacturer (HW/SW) or super distributor who has the ability and desire to invest in creating a coverage model to sell & deliver the solution to the market place *(This could also be accomplished thru a number of Application Customization & Implementation VARS)*

With the development of Ser*PASS,* only the second critical element remains.

About The Author:

Tom Esposito is CEO of The INSIGHT Group, a management-consulting firm focused on helping clients develop high growth services businesses. He has had a unique opportunity to observe and participate in the growth of the fee-based services business. He Co-Founded the INSIGHT Group in 1996 following 30 years at IBM where he was acknowledged as one of the key architects of IBM's Global Services Business. He also served as GM for IBM's US Business Partner Program.