



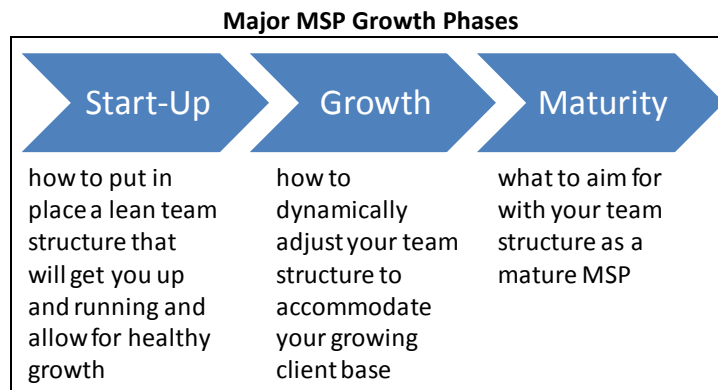
## Optimal Support Team Structures for MSPs

### Introduction

Though MSPs deal with technology issues for clients, they are not technology companies. They are service companies. Therefore, the single most important asset you have as a MSP is your people. To make your people successful, you need to have a team structure in place that clearly delineates each person's role and how they work together. However, it can get tricky to pick which roles to add to your team and how to delineate responsibilities. To help, we've provided our perspective on who to hire when and how to divide responsibilities in a way that makes your team a cohesive whole.

Every MSP is unique and every employee has a unique set of skills and capabilities. Therefore, there is no perfect team structure that every MSP should adopt. Just use our advice in the way that best fits your needs.

This document provides guidance on how to set up team structures for three major phases of growth:



It's important to note that we've structured our advice for these three phases assuming that you haven't raised a ton of money and are growing as you go instead of setting up a large organization from the start. If you're lucky enough to be starting out with lots of cash, you can start with hiring a larger staff right off the bat.

### Keep several things in mind during all stages of growth....

Before diving into team structures, it's important to keep several things in mind.

First, **your focus always should be on customer service and people first**, technology second. Yes, you need to get the right systems and tools in place to serve customers, but you have to invest enough time and resources to get the right people in place or you'll never succeed with clients.

Second, as you grow you **must** get processes in place that clearly document how your employees should deal with clients and how work should flow from team to team within your organization. We can't emphasize this enough. Processes are vital for ensuring that everyone on your team knows what to do and when and delivers a standard experience to clients. They are also valuable for sharing with clients to set their expectations and help them understand how to work with you most effectively.

When you're first starting out, you're just figuring out your basic processes so don't worry about having everything documented from the beginning. As you get more time under your belt and as you grow, identify and document the processes that work for your organization and get them ingrained in how all your employees do their work. By the time you hit the mature growth stage, you should have well documented processes for work flows and customer interactions.

### Start-up – How to structure your new team

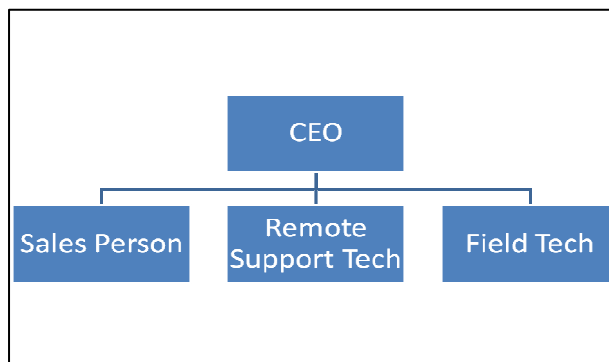
Congratulations on launching your MSP – the start-up phase is an exciting time!

You've got your hands full trying to get all the basics of your company set up, along with getting the right initial people on board. Be very thoughtful with each hire at this stage – you'll be operating with very few people so each person really counts and he or she must be able to grow with you as you add more clients.

At this stage, don't focus too closely on profitability when designing your team structure. Your team is so small that you just don't have the ability to specialize and have super efficient processes yet. If you are too hyper-focused on profitability with the team at the beginning, you run the risk of overworking and burning out your techs. Put enough people in place to get a solid start and to build a strong base from which to grow.

**To get started, we think you need at least three people: a sales person, an in-house technical support person and a field-work technical support person.** Chances are that the founder will play one of these roles and will also serve as CEO.

Recommended Start-up Team Structure



**Sales person:** You need someone who can get out there and make the sale or no clients will ever call and there's no reason to have techs on board. Look for the following characteristics:

- They are a cultural fit with your company
- They love to "hunt" – they're always looking for the next deal

- They NEED (not want) to make money
- They are able to speak confidently about technology
- They must be comfortable with long sales cycles

For more information on how to find good sales people (and support techs), see the “People” section of MSP Coach.

**Remote support tech:** You need to invest in the person that is going to sit in the office and take calls from clients. At the beginning, call volume will be light but avoid the temptation to send this person out on sales calls or to do field work. You need them in the office, ready to serve clients. You can make them productive while waiting for the phone to ring such as getting basic processes in place and supporting your field team.

When hiring this first in-house tech, make sure they have the following capabilities:

- **Customer service oriented:** This person is your front-line for dealing with clients. It doesn't matter if he's the smartest tech guy out there – if he can't engage clients, soothe frustrated ones, and make people feel like they had a good customer service experience, you don't want him.
- **Flexible and self-starting:** The reality is that in a start-up environment people wear a lot of hats and have to make up processes on the fly. This person needs to be able to make decisions quickly and change course when necessary.
- **Able to multi-task:** There will be times when multiple clients call at the same time so this person must be able to handle multiple things at the same time, with grace under pressure.
- **Broad range of technical expertise:** The buck stops here, there is no guru tech team to turn to if the remote tech is stumped on the phone. No tech is expert in everything, but try to ensure that your first remote tech has a broad range of expertise that will serve him well with the diversity of client calls he will encounter.
- **Confidence:** Let's face it, there are times when your techs are going to encounter problems that they don't know how to solve, at least right away. However, you don't want your techs to sound unsure to your clients. They need to sound confident in front of clients, no matter the situation.
- **Team player:** Your small team will need to work together to figure things out and get over the bumps of being a start up. It's essential that this person works well with the rest of your team.

To make your in-house tech successful, set him up with four monitors and three phones. It's great if you have a phone system but if you don't, get three copper phone lines to get started – like a stock broker back in the day. This person will need to be able to multi-task when multiple calls come in at the same time.

For the basic tools your team will need to get running, avoid large capital investments and long term contracts. Your tools should be as flexible as your team. We recommend that you go with a hosted PSA system (i.e., ConnectWise, Autotast). These systems will allow you to pay low monthly fees for the functionality you need to run your growing business.

We also suggest using a backend NOC service (i.e., Zenith, Ingram Micro, etc) to help you proactively serve clients. Putting the right service in place will allow you to grow your business with fewer resources over time. In the beginning, your NOC partner will also be able to serve as a second level

resource for your tech should he or she need help with a sticky problem. Don't be fooled, you still have to manage the NOC engineers and develop processes for their work or you will be disappointed, but when done right they are a fantastic addition to your team at a very reasonable cost.

**Field-work technical support person:** To complete your MSP team, you need someone ready to go to customer sites for project work. At Everon, we believe that this work can be efficiently and effectively outsourced to third-party partners, especially if you are operating in multiple cities. Other MSPs prefer to keep their field staff in-house. Most organizations will have their own field team and it is important to distinguish the field resources from the in-house resources, it is tempting to send your in-house guys out when utilization is low but you must resist this in order to build your service.

#### Using an outsourced field partner

If you decide to outsource your field work, pick your field partner carefully. You should interview your field partners the same way you would interview an employee you are hiring. You want to make sure you are compatible when it comes to working together. Do they share your views when it comes to servicing clients? Are they as interested in helping you grow your business as they are in you growing their business? Are they intelligent people that will represent your organization well when at the client's site?

Once you have selected a partner you need to setup some working guidelines in order to ensure success. For example, field partners should defer to your team's standards when it comes to making recommendations to clients and should maintain close communication with you about the project's status.

#### Using an in-house field tech

If you don't want to outsource your field work, have a separate support person available to handle the field work. Do NOT expect your in-house support person to do the field work. **Create a wall between remote support and field work** and create processes that allow successful and smooth movement of projects from one team to the other.

When hiring someone for this role, make sure they have the same characteristics outlined above for your remote techs PLUS they are presentable and have good in-person interaction skills. They don't need to look like George Clooney or dress in suits every day, just make sure that you're not sending someone out to clients that they're going to be afraid to have in their office.

One of initiatives you should begin right away weather you have your own field team or utilize partners is to start doing "remote projects" as soon as you can. Have systems shipped to your office and then build them on your site before taking them to clients for the final installation. This will allow you to keep your remote engineer busy when call volume is low and will allow you to cross train your engineers and do job sharing if appropriate. Other benefits that should not be overlooked by setting your team up to do remote projects are:

- Increased customer satisfaction – clients don't have to have people on site for a long time setting things up
- Increased margin by working on multiple projects at once
- Increased margins by allowing junior work to be done by junior resources (this is more relevant when you have a larger team with varying levels of expertise)

#### **Working together**

Your initial team is so small that you'll be talking with one another quite a bit, enabling you to keep tabs on what is going on across the company and how each role fits. However, don't leave this to chance. Build in regular team meetings and processes for communicating important client information between employees as necessary.

As you grow, you need to build in ways to develop your tech support staff so that they can grow with you into new roles and added responsibility. Provide periodic training, consistently give thoughtful and actionable feedback for improvement and build in opportunities to have your more experienced staff mentor newer techs.

You might also think about having your remote support tech and your field support tech rotate every other month or so to get broader experience and gain understanding about the full customer experience.

## Growth

Your sales are growing – great! Now you need to grow your team to handle the increased volume. We always get asked, “How many PCs should I expect a tech to handle?” They ask this because they want a magic number that tells them when to hire their next tech.

Unfortunately, there are no magic numbers. Every MSP's business model is unique and every tech's capability level is unique.

Instead of relying on magic numbers, you'll need to watch and manage your team closely to determine how and when to grow the organization. Here's some guidance on what to watch for and act on to help your team grow successfully.

### ***What to watch for***

When you're starting out, everyone does everything. It's the reality of working at a start-up. Your early remote techs will be working at all levels and on all types of technical issues for clients. As your business grows, watch and manage your techs and your service levels closely to determine how and when to add to your team.

Here's what to monitor:

- The numbers. The key metrics to keep an eye on are:
  - Average number of inbound calls per day
  - Average time to resolution per call
  - Average time per call

Over time, you'll have a very good idea of the numbers that your service techs can handle. As you see the numbers growing beyond your capacity limits, you'll know it's time to hire.

- “Stress points” within your team structure  
Keep an eye on who has to work unreasonable hours and who is feeling overworked and stressed. Watch your people and TALK to them about the work. Ask them questions such as:
  - What types of work are taking most of your time?
  - Are there types of work that you do that feel inefficient? What could help make things smoother?
  - Do you think it make sense to start to divide the current role into separate roles? How?

### ***How to expand***

If you find that current capacity is stretched, consider each of the following options:

- 1) Determine if there are ways to make the work more efficient (i.e., standardization and clear work processes), therefore saving time and enabling your people to handle more. This should be the first thing that you consider. If you can make things more efficient and avoid the expense of a new person, great!
- 2) Determine if you should create new roles to take some responsibilities off an overworked person's plate. For many MSPs, the first type of role to spin off is administrative, such as purchasing, scheduling and project coordination/management. Taking these responsibilities off the hands of your techs will enable them to focus on helping clients with technical issues. If you determine it's time to spin off administrative duties, we've found that one person can play multiple administrative roles (i.e., purchasing, scheduling) in the early stages of your company. As you grow, you can split the roles out as needed.
- 3) Determine if you should start to split technical roles into "levels" and structure your tech team accordingly. If you do this, it's important to create clear lines between the role levels ( Level 1 does certain things, Level 2 does others). If a client issue is not on the Level 1 list (gray area) Level 1 techs have 30 minutes to resolve or escalate the issue to Level 2.
  - Level 1 = Team that is responsible for picking up the phone when clients call and quickly moving through issues. If they can't solve an issue relatively quickly, they escalate it on to the Level 2 team.
  - Level 2 / 3 = Team that is responsible for riding out stickier issues, digging into deeper technical problems, and resolving emergencies. If you have a large enough team, it's helpful to establish a Level 3 role. They can serve as the "masters" to whom you can send really difficult issues
- 4) Determine if you need to hire more people for current roles. If you determine that the tech's role is structured appropriately and efficiently and your team is still running above capacity, then it's time to hire additional techs.
- 5) Determine if you should outsource some work. There may be an opportunity to outsource certain tasks (i.e., purchasing), freeing up your techs and administrative resources to focus on more value-added client work.

### ***Working together***

As you grow, don't overlook the people you already have on board. You must consciously develop your team or your organization will outgrow their skills and they will either go someplace else or you will need to replace them. The expectation we have always set with our team is that their opportunity is unlimited if they are committed to constantly growing and developing their skills. You then must define the skills your organization places the most value on and the requirements of future roles so that your team is clear on their development objectives.

As your MSP is growing, it's vital that you have processes in place for your team to work together and communicate easily. Otherwise, portions of the team will be out of the loop, making you less efficient and effective. Have regularly scheduled company and team "huddles" to share new developments and stay on top of changing internal needs.

In the growth stages of Everon, it was also helpful to have Josh serve as the "pit boss" among the techs. He sat with the techs, provided guidance and directed traffic of calls as needed. You might want to

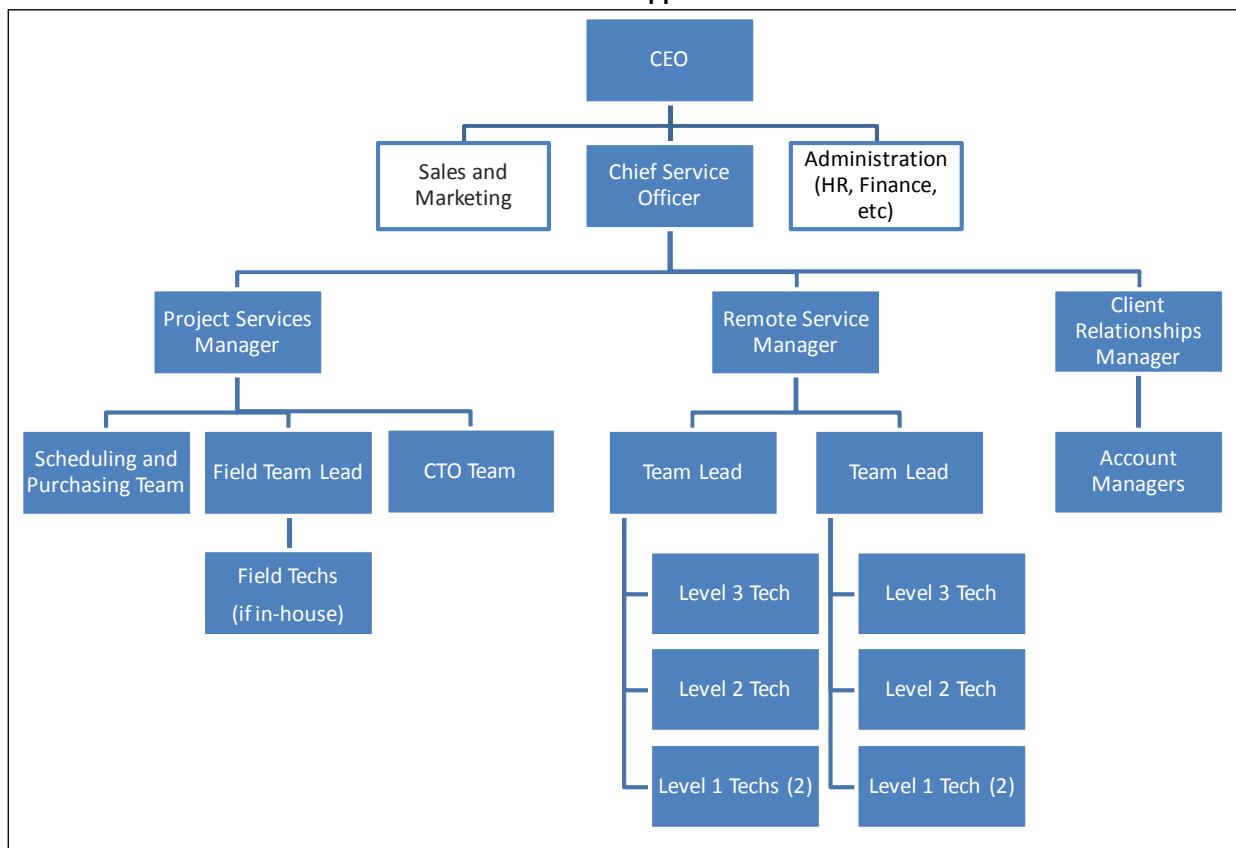
consider having a person to oversee all the techs in this way to make sure the team is moving in the right direction together, particularly if you have many new employees.

## Maturity

You've passed early growth stages and now need to mature your team structure to make your business really hum. By now, you've learned how to recognize when you need to add to your team and how to adjust your internal team structure to meet growing client needs. Now, you need to focus on refining your team and processes so that you are more efficient and effective with clients. Everything you do should have this goal.

What is the optimal support team structure to aim for in this effort? There is no "right" answer that fits all MSPs but we share our perspective on how to structure your support team to maximize client satisfaction in the most cost-efficient way.

**Recommended Mature Support Team Structure**



### **Mature MSP Support Team Members**

Chief Service Officer: No matter what you call this role, it's the person who is in charge of the entire client support team, from remote service to on-site project field work to strategic technology needs planning. This person is responsible for making sure each segment of the client service team is

sufficiently staffed and trained and that the right processes are in place to facilitate internal communication and effective work flows. This person reports directly to the CEO.

## **REMOTE SERVICE**

**Service Manager:** The Service Manager oversees all of the remote service personnel and is responsible for making sure that clients receive quality service when they call in for assistance.

- **Team Leads:** These people are experienced members of your remote tech team who have responsibility for ensuring successful tech support for a specific set of clients. Each Team Leads manages a team or “pod” of Level 1, 2 and 3 Techs. Team Leads deal with escalated service issues and upset customers, give team guidance, and help develop the tech team.
  - **Level 1 Techs:** Level 1 Techs are the remote support techs that answer the phone. They are all about customer service and availability – they are responsible for getting to the phone, setting client expectations, resolving issues and providing great customer service.
  - **Level 2 Techs:** These techs are the escalation team that is ready to handle issues handed over by Level 1 Techs. These are technical issues that need tracking and following up on such as an ISP outage.
  - **Level 3 Techs:** These are the big brains on your remote support tech team. They are responsible for resolving the really sticky issues that Level 2 Techs can’t handle. These are the folks that handle emergencies such as server crashes and network outages. We’ve found that it works best to have Level 3 Techs available to help all of your “pods” when necessary, but assign a primary Level 3 Tech to each pod.

## **PROJECT SERVICES**

**Professional Services Manager:** The Service Manager oversees all of the remote service personnel and is responsible for making sure that clients

- **Scheduling and Purchasing Team:** These people handle all scheduling and equipment purchasing for client projects. By splitting these duties out, you can enable your techs to focus on solving the technology issues of your clients.
- **Field Support Team Lead:** This person manages the team of employees or external partners that do the on-site field work for your clients and is responsible for ensuring that all field work is done properly.
  - **Field Support Techs:** The techs that go to client sites to complete projects (can be in-house or outsourced to a third party partner)
- **Network Ops Team:** The Network Ops team is responsible for standards enforcement, change management, and systems maintenance as well as defining new technologies that your team will utilize. This role usually only exists in very mature MSPs . Level 3 Techs will serve as your Network Ops team as you grow with a lot of input from you as the founder. You can also outsource this work to companies such as Zenith.
- **CTO Team** – These team members act as high-level “CTO” advisors to clients, helping them navigate their strategic technology needs for their unique businesses. This service is a high-priced, value-added service that is on top of typical managed services. These CTO advisors meet periodically with clients and have in-depth conversations about their business condition, plans for growth and the necessary technical changes and their implications. Though it is tempting to make the Account Manager act as a CTO advisor, we have found that it’s important to keep these roles separate. Otherwise, it’s hard to charge for CTO services because it’s unclear when the conversation is in the Account Manager realm.

## **CLIENT RELATIONSHIP**

Client Relationship Manager: This person is responsible for managing the Account Managers, the people who are charged with maintaining positive relationships with clients.

- Account Managers: These people are the “strategic quarterbacks” of a client relationship. Each Account Manager has a specific set of clients assigned to him/her and has full accountability for making sure these client are satisfied and well taken care of. Account Managers meet periodically on a scheduled basis with each client to discuss their business changes, their technology needs, and any concerns. In these meetings, Account Managers can push out new solutions to their client set (assuming the new solutions are in the best interests of the client). Account Managers must communicate regularly with the Team Leads and CTOs assigned to their clients to keep up to date on support issues.

### ***Assigning client ownership***

In a mature managed services structure it is easy to lose track of who has ultimate accountability for a client relationship because so many people on your team interact with the client. Often, MSPs assign Account Managers to specific clients but have their remote service team assist all clients similarly. This can lead to everyone deferring all decisions and common sense steps regarding work for a client to their Account Manager. This structure creates both a bad service experience and a bottle neck in your support team.

To avoid this issue, we’ve found it very helpful to assign clients by team or “pod.” For us, a pod includes a Team Lead, two Level 1 Techs, one Level 2 Tech and a Level 3 Tech. We then align the Team Leaders with the Account Managers for their client groups so that they have an identical client base. This structure not only provides a better service to your clients, but it facilitates better team work, communication, and ownership of issues down to the most junior people on your team.

Once you assign the clients to each pod, make sure that everyone on the team knows their client group inside and out. They should know:

- The client contacts: their roles/titles, their personalities, their preferences and their hot buttons
- The client’s business context: what technology systems are critical to their business
- The client’s technology infrastructure: their current hardware/networks/software, their passwords, their technical infrastructure challenges. The support team should constantly be watching for potential issues and areas of concern that can be taken care of proactively.

### ***Working together***

By the time you’ve reached this mature state, you should have clear, documented processes for internal communication and work flows as well as for all types of client support and interactions. Your management team should be holding a weekly company-wide huddle to share important business information with everyone on your team. You should be meeting individually with your key employees (department heads) each week to ensure alignment on key initiatives. Each team should be conducting daily 10 minute huddle to share information and priority alignment. And finally each team should be huddling for 5-7 minutes each day to set operational priorities and disseminate information.

You should also have a program in place to develop your current employees and grow them into higher positions as time goes on. As your business grows, your key people will need to grow along with and it is your responsibility to make sure they are aware of this. There is nothing worse than having to replace a key person because they have failed to develop the appropriate business skills, people skills, or

technical skills to continue advancing in the organization. Be sure to provide training and resources to those who want to advance.

However, professional development is not something you can force on people; they must be self motivated and always looking to grow themselves. Even the best laid development plan will fail if the employee does not take accountability for his own success. We use and promote the philosophy of CANI (Constant And Never-ending Improvement) to help drive home the importance of people taking accountability for their own future and for the future of the organization. Ultimately, the pace of each person's development and advancement is up to them and they need to take ownership of it.

Don't leave professional development to chance. Clearly define the skills and experience required for each position and develop methods for helping your good people grow accordingly.

We've found that the two most powerful development techniques for our team are experiential learning and role playing. Generally, the best MSP employees will be fast learners, the type of people that when they see or hear something they are able to pick it up and start to make it their own. Have them sit in on phone calls and conversations to watch, listen and learn. Next, have them role play key client conversations and tasks with more experienced team members. Role playing is an incredibly powerful development tool and you will see your team making huge strides by doing it on a regular basis. If you don't have the time to role play in person we suggest video recorded role playing.

## Wrapping up

So, how do you optimize your team structure to be as powerful as possible?

- **Map out the team structure you have.** Consider doing two maps, one that shows reporting relationships (who manages who) and one that shows information flows between roles. This will give you important insight into potential areas of inefficiency or overload
- **Benchmark your current activity levels.** If you haven't already done so, measure your current average number of inbound calls per day, the average time to resolution per call and the average time per call. Track these metrics every month and watch for increases.
- **Talk to your people.** Get a solid understanding of what your employees think should be changed and include them in the process of designing an optimal structure for your unique organization. They're the ones living the ups and downs of the current structure so their input can be very valuable. Just set expectations that they don't have final decision rights about the new structure because they don't have visibility to all of the company implications of a change.
- **Think about your new business requirements.** Are you anticipating strong growth soon? Are you adding a major new product or service? Do you want to service clients differently? Think carefully about how you should adjust the team structure to meet these upcoming needs in a proactive way.

*Good luck!*

**Josh Clifford and Mike Cooch**  
MSP Coach