



THE MANAGED SERVICE  
PROVIDERS COMPLETE GUIDE  
TO CLOUD ADOPTION



## ABOUT THIS E-BOOK

**This e-book is intended for the business and technical leadership of Managed Service Providers (MSP) looking to adopt new practices in the public cloud.**

For the business side, the goal is to provide insight into the key aspects of cloud computing and ideas for marketing and selling cloud solutions. This includes the benefits of the cloud, moving to a monthly recurring revenue business model, and strategies to differentiate your MSP and scale your business over the long-term.

For the technical side, the goal is to offer guidance on moving to the public cloud, adopting new cloud knowledge, resources to accelerate learning, and an introduction to Microsoft Azure as a platform to build a cloud practice.

### In this guide you will learn:

This e-book will give you new insights into transforming legacy MSP services into the new era of cloud computing, and how to successfully grow a cloud business by utilizing the benefits of the public cloud, differentiating your business, and forming strategic partnerships.

In the first section, **Understand the Cloud Opportunity**, we discuss the benefits of the public cloud infrastructure upon which your practice will be built. You can use the insight within this section to engage your customers and present them with new exciting opportunities in the cloud.

In the second section, **Define & Design Your Cloud Strategy**, we focus on the essential preparation for cloud adoption, especially in the SMB market. We recommend various tools and resources to obtain cloud knowledge and technical requirements. We also suggest how to identify the most common workloads and customer types in the cloud as well as vendors to partner with. This section will help you answer the question “Build or Buy” as you get started on your cloud journey.

In the third section, **Develop a New Business Model**, we discuss the business benefits of starting a cloud practice and moving to a MRR (monthly recurring revenue) business model. This section covers ideas for automation, creating an IP package, bundling services, and adopting a “try and buy” sales process to build a strong presence in the cloud marketplace.

In the final section, **Identify Opportunities with Microsoft Azure**, we focus specifically on Microsoft Azure and the benefits of co-selling with Microsoft to accelerate your cloud business. We will show you how to add value to your practice by leveraging Microsoft Azure’s compliance and industry standards as well maximizing your efficiency via the Microsoft partner ecosystem.

Please share any feedback on how we can improve this e-book by emailing [marketing@mycloudit.com](mailto:marketing@mycloudit.com).

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# UNDERSTAND THE CLOUD OPPORTUNITY

## An MSP's Complete Guide

### THE CLOUD AS THE NEW UTILITY

The cloud is changing the way we utilize IT resources, quite similarly to how electricity enabled the second industrial revolution in the 19th century. Your IT department can leverage the cloud's power, storage space, and fast network connection to save big on IT spend and enable greater flexibility and productivity for your employees and customers.

The three biggest cloud providers – Amazon, Microsoft, and Google – are investing billions of dollars per year in their data centers. It is time for IT providers to consider the potential of the public cloud as a new global utility.

#### CLOUD AS AN EMERGING UTILITY

Cloud computing has emerged as a compelling utility for delivering services over the internet. Users obtain and employ cloud computing as easily as they access a traditional public utility (such as electricity, water, or telephone network). The benefits of the cloud as a utility include:

- + **On-demand service provisioning:** Cloud computing provides resources and services for users on-demand. Admin users can customize computing environments based on their needs and scale users on-demand. Software installation and network configuration are easily customizable per user.
- + **Pay-as-you-go pricing:** Cloud computing is priced per minute, allowing customers to pay for IT services as an Operational Expense (OPEX) rather than a Capital Expense (CAPEX) accounting for monthly runtime and upfront server investment.
- + **Guaranteed quality:** Public cloud environments can ensure the quality of service for users as agreed in the Service Level Agreement (SLA). Microsoft Azure guarantees 99.95% availability for their service.
- + **Scalability and flexibility:** The cloud can be scaled across many dimensions such as geographical location, hardware performance, and software configuration. It is also flexible to adapt to different user requirements.
- + **Autonomous system:** The public cloud is an independent system. It is deployed, managed, and updated separately from your products or services.
- + **Accessibility:** Cloud client software is lightweight and ready to be installed locally. Another option, cloud interfaces, are location independent and can be accessed by some well-established interfaces like a web services framework or internet browser.

## CLOUD ENABLES GREATER PROFITABILITY

Cloud computing driven interactions are now commonplace. Looking for transportation? Open Uber or Lyft. Listen to your favorite music? Fire up Spotify or Pandora. Collaborate with friends and colleagues? Share and update files with Slack and Dropbox. The utility power of the public cloud is one of the main drivers that enable many companies to scale their services globally, quickly without infrastructure investment.

Enterprises now use the cloud as a way to ditch their own data centers. Intuit has 33 applications, 26 services, and 8 enabling tools in the cloud. General Electric leverages Microsoft Azure to deliver GE Healthcare applications and services to healthcare providers around the world.

**The expanded reach of businesses and decreased costs of IT operations enabled by the public cloud drive greater profitability for businesses of all sizes.** Additionally, the public cloud provides a seemingly inexhaustible supply of computing power, storage space and fast network connection pipes to deliver computing as a utility, much like power companies deliver electricity to all our homes and businesses.

## LEVERAGE THE CLOUD AS A UTILITY

The improved flexibility of cloud computing brings additional benefits, from delivering mobile versions of custom business applications more rapidly to integrating with partners and other web services more easily. As a utility, the cloud enables the creation of a whole host of new applications and IT services.

**The cloud is a tool for service providers to ensure greater productivity and satisfaction for customers that need managed service providers now more than ever.**

Businesses need help and guidance from managed service providers that can engineer and lead a smooth transition to cloud-based computing. By treating cloud resources as a utility, service providers can deliver unique, tailored and affordable next generation IT solutions to their customers.



# FROM CAPEX TO OPEX: IT IS NO LONGER YOUR “COST CENTER”

IT is often cast as a “cost center” – with enormous expenses for purchasing hardware and servers, paying for software upgrades and unexpected maintenance, and then having to do it all over again in the next refresh cycle.

In the next generation of IT that label no longer applies. Companies can significantly reduce IT spend and turn the IT department into a team empowering employee productivity. Cloud computing introduces a pay-as-you-go model, making it possible to switch IT operations from a hefty and upfront Capital Expenditure (CAPEX) to a predictable Operational Expenditure (OPEX).

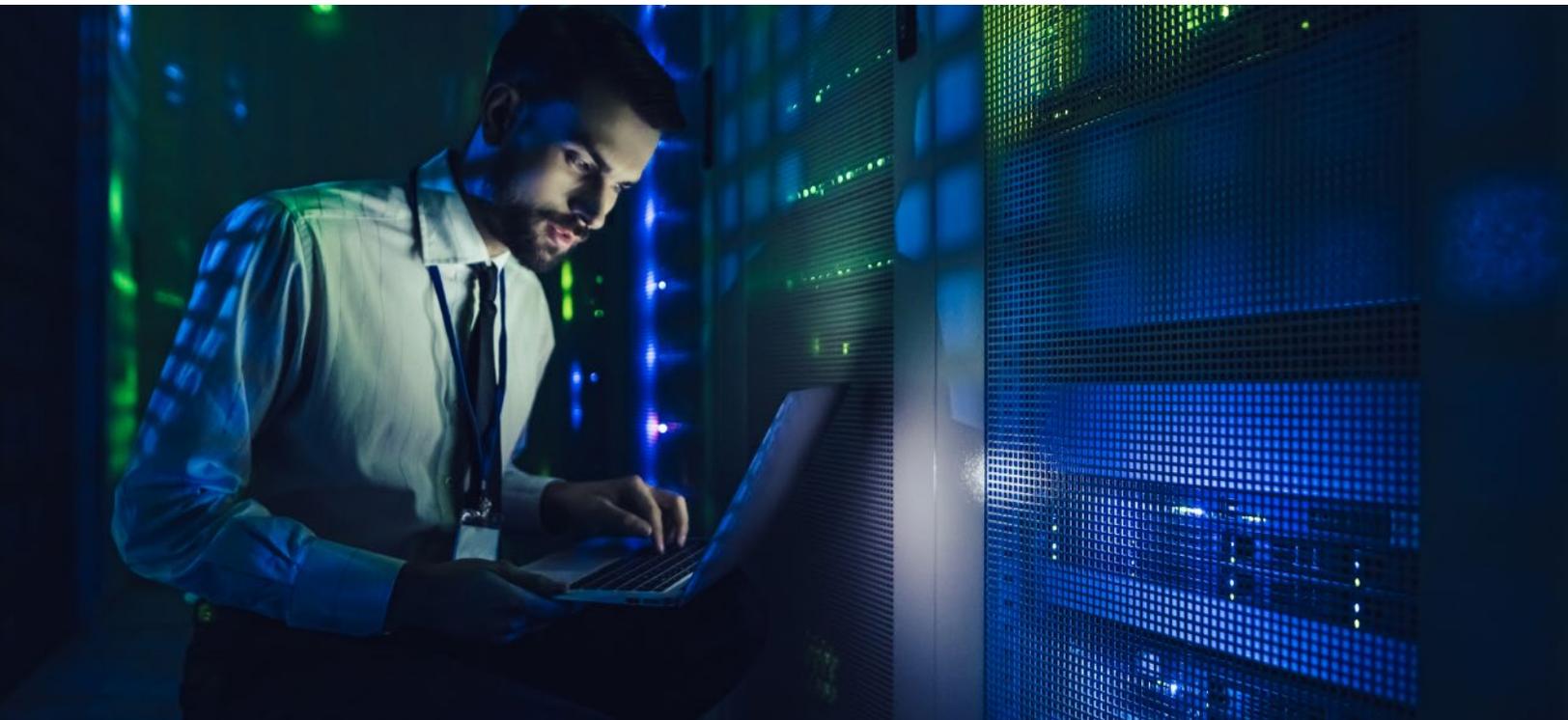
## CAPEX VERSUS OPEX FROM AN IT PERSPECTIVE

This summary compares CAPEX vs. OPEX and the impact on an IT budget.

	CAPEX	OPEX
<b>PURPOSE</b>	To buy assets, with a useful life beyond the current year	Ongoing costs to run a business
<b>WHEN PAID</b>	Lump sum (or financed, with extra charged); Followed up by maintenance expenses	No upfront payment; An agreed fixed fixed cost is charge every month
<b>WHEN ACCOUNTED FOR</b>	Over 3 to 10 years, as an asset depreciates over time	In the current month or year
<b>LISTED AS</b>	Depreciation, equipment, or property	Operating cost
<b>TAX TREATMENT</b>	Deducted over time as the asset depreciates	Deducted in the current tax year
<b>EXAMPLE</b>	Buy new server hardware and software for your datacenter	Infrastructure-as-a-Service from Microsoft Azure

CAPEX used to be the only way to pay for IT infrastructure. Now, the delivery of IT-as-a-Service in the cloud can give you the same power of in-house IT infrastructure with predictable monthly fees under an OPEX model.

- + **Software-as-a-Service (SaaS):** similar to the thin-client model of software provisioning - removes the need for managing, maintaining & upgrading;
- + **Platform-as-a-Service (PaaS):** provide a platform to develop or customize applications without managing OS, servers, storage, and networking;
- + **Infrastructure-as-a-Service (IaaS):** outsource a virtual data center in the cloud without investing in capacity planning or any physical management and maintenance



## **DRIVE IT INNOVATIONS WITHOUT HAVING A COST CENTER**

With cloud computing there is a predictable, on-going monthly fee and the IT infrastructure is always up-to-date without upfront hardware and software purchases or regular upgrade and maintenance needs.

Developers can direct their efforts towards exploring new products and technologies. As a result, IT returns to where it should be - an “innovation center” that drives business productivity and profitability.

## **AVOID IT WASTES AND PAY ONLY FOR WHAT YOU USE**

Many companies carry up to 5x the required hardware, networking, and data center space, wasting much more on compute and storage than is required. The only way to reduce IT spending waste is to utilize more computing power. However, high utilization limits agility and negatively impacts business growth. A sudden increase in demand, for example, might cause delays and service interruptions.

The biggest business benefit of cloud computing is aligning IT utilization with business agility. You can rapidly scale your leased IT infrastructure to adapt to the evolving needs of the business. You can turn on and off servers in the cloud to maximize utilization rate in both working and non-working hours, while ready to scale up or down to meet sudden changes in demand.

Companies want to pay for what they use, when they use it. Ongoing costs offer businesses good insight into IT expenditure, allowing business owners to better manage cash flows without waste in excess capacity or CAPEX surprises hidden in server issues and failures that can occur at anytime.

# 6 BENEFITS OF CLOUD COMPUTING

It is critical for both IT managers and business leaders to explore the benefits the cloud provides and determine how best the cloud can alter the way your IT department works.

BYOD policies are on the rise as they empower improved mobility, employee satisfaction, and greater productivity for both employer and employee. Employees can choose the tools and devices they prefer, making work more enjoyable and productive. Through predictable equipment stipends companies can spend less on devices and reallocate equipment spend to invest in cutting-edge technologies to further drive productivity and business value.

## 1. COST SAVINGS

Cloud computing is the most cost efficient method to use, maintain, and upgrade your IT infrastructure. There are many pay-as-you-go packages and other scalable options available, which make it reasonable for businesses of any size to switch from traditional on-premises hardware to the cloud.

Rather than shelling out money on expensive server equipment, desktops, and licenses, followed by long hours of setup and maintenance, you can utilize cloud resources for direct cost reductions and efficiency gains.

Some of the most popular cost savings benefits of the cloud include:

- + No upfront hardware and software purchases (CAPEX)
- + Reduced spending on compute, storage, networking, and security
- + Reductions in operational costs, maintenance, and upgrade expenses
- + Reduction in operation-oriented personnel

In addition to the quantifiable savings above, the cloud provides many intangible benefits that drive competitive advantages and future profitability. These intangible benefits include:

- + Increased developer productivity
- + Ability to change business process quickly
- + Increased geographical footprint
- + Conformation to changes in industry compliances
- + Avoidance of wasteful, unused capacity



## 2. RELIABILITY

Traditionally, many organizations think their on-premises data center is more reliable than hosting somewhere else. According to comScore's study, 42% of SMBs that have not yet adopted the cloud expressed concerns about the reliability of the cloud. For their counterparts who have adopted the cloud, 75% of SMBs said they experienced improved service availability since moving to the cloud. The change in perception is because of the new reality, that better server uptime and support is provided by public cloud providers.

Server uptime is one of the biggest concerns for any data center. If the system goes down, that could cost the company thousands or even millions of dollars. Many on-premises systems appear to have virtually 100% uptime since they are "always up". However, running 24/7 servers for 8-to-5 workloads are simply wasteful. And these "always up" systems periodically experience downtime, upgrade, or maintenance issues. On the contrary, most cloud services within Microsoft Azure come with a 99.95% SLA guarantee which is much higher than on-premises data centers can hope to offer.

For companies with existing data centers, extra protection drives costs even higher. Fire suppression, redundant data, power systems, and the ability to fail over to a co-located data center add serious dollars to the overall cost. A premise for moving to the cloud is that hardware will fail at some point.

Cloud providers like Microsoft or Amazon have automated features that prevent many common headaches from hosting on-premises servers:

- + 3 redundant copies of data at all times with 1 copy in a separate data center in case of a regional disaster like a hurricane or earthquake;
- + Automatic fail over to backup server to minimize downtime;
- + Hosting applications on at least 2 server instances to minimize downtime when hardware failure occurs; Unless you want to spend millions of dollars on building and maintaining your own IT infrastructure, it is highly unlikely you can compete with the stability and reliability of public cloud providers.

Unless you want to spend millions of dollars on building and maintaining your own IT infrastructure, it is highly unlikely you can compete with the stability and reliability of public cloud providers.

## 3. PREDICTABILITY

Cloud computing is typically provided on a monthly pay-as-you-go financing model. Cloud services can be built and maintained based on actual usage or need of the application or workload which they are supporting. Hence, the cost of IT operations can now be aligned with business growth instead of requiring large capital expenses up front in anticipation of new businesses, customers, or applications.

Thanks to the per unit cost of the cloud, CIOs can know exactly how much IT operational costs are associated with an addition of one customer or a unit of service. The cloud allows for "just in time" delivery of needed services with very little advanced notice of seasonal or temporary spikes in demand.

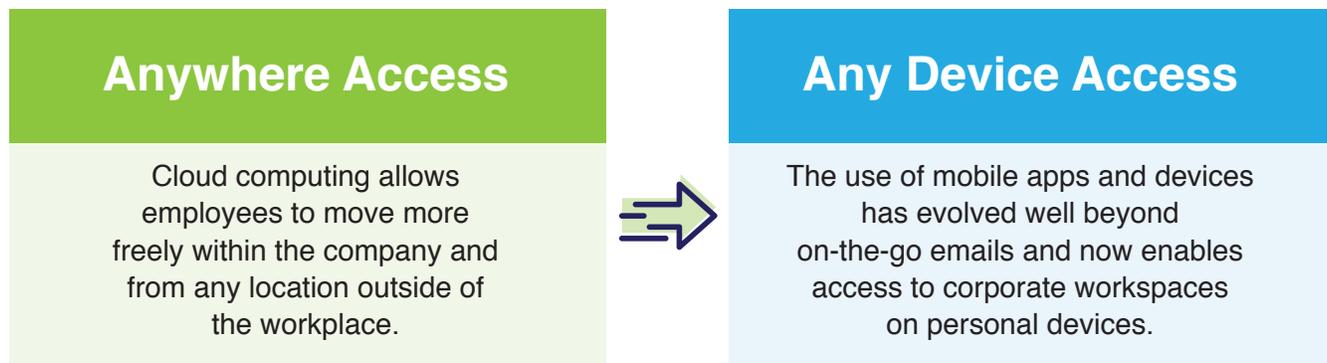
You can also predict trends and challenges before they happen. Most cloud providers have monitoring tools and predictive analytics which help your IT personnel troubleshoot potential bottlenecks and plan for additional capacity if needed. Rather than reacting with a technical breakdown, you can proactively resolve issues with real-time data, alerts, and technical support.

## 4. MOBILITY AND COLLABORATION IN THE CLOUD

Many people use the cloud daily without realizing it. Applications like Google Drive, iPlayer, Apple's iCloud, Spotify, and Kindle Cloud Reader are examples of cloud technology as a utility in everyday life. We enjoy instant access to our favorite, music, books, and data on-the-go regardless of location or device.

Workspace cloud computing is the next phase of cloud transformation because it offers the same benefits of mobility for your employees.

For mobile companies, offsite locations, contracted workers, and traveling sales forces, the cloud allows end users access to corporate data as soon as it is posted. For businesses starting up or expanding geographically, the cloud provides the most cost-effective way to have a new business or satellite office up and running in a heartbeat. Reduced cost to geographical expansion allows startups and SMBs to compete in the global marketplace with limited resources and hardware investment. In the cloud, businesses are getting things done at lightning speed with ease and low cost..



## 5. SCALE ON-DEMAND VERTICALLY AND HORIZONTALLY

Since the number of servers you can provision is no longer bound by the physical size of your server closet, a whole new way of scaling your infrastructure can be unlocked:

- + Vertical scaling is the process of beefing up a server by adding more CPUs, more memory or faster disks. Scaling vertically allows you to speed up individual applications and single threads without adding more machines to your pool of resources.
- + Horizontal scaling grants more throughput at the cost of complexity. A simple example - if one server can handle 6 remote desktops, then load-balancing between two servers should provide 12 desktop access simultaneously. Adding more concurrently running servers empowers you to execute more concurrent workloads.

Efficient infrastructure scaling in the cloud is achieved by performing both horizontal and vertical scaling. You can increase the storage or change the size of your virtual machine to accommodate the increasing needs of users. Once the servers can grow no further, you just add another one to handle more requests.

This flexibility is invaluable - it removes the fear we might make the wrong hardware investment at the onset of our architecture layout and therefore overpay for unused equipment or constantly make additional investments tying up resources. It's nearly impossible to truly understand how an application will need to scale in the future – especially when your developers haven't written the application yet!

There is no “one size fits all” strategy to infrastructure architecture, yet the cloud allows you to expand alongside the unique personality of the business or applications you host in just a few clicks instead of adding physical hardware, which can take days and weeks.

## 6. ENTERPRISE-LEVEL SECURITY FOR ALL

Cloud security is the most common misconception of the cloud. Many people often mistake data breach as a big concern when adopting cloud computing. However, cloud security is one of the major reasons that companies are moving to the cloud.

You can take advantage of the cloud while reducing security and compliance costs with a variety of built-in security services provided by a public cloud provider.

<b>IDENTITY &amp; ACCESS</b>	Enterprise-level cloud identity governance enables you to manage access for your end users, i.e. multi-factor authentication & single
<b>NETWORK SECURITY</b>	Your virtual machines and data are isolated from undesirable traffic and users. You can only access through encrypted or private connections.
<b>DATA PROTECTION</b>	Encryption is used to secure data in transit between data centers and you. Data destruction requires industry standards before reuse, as well as physically disposing of decommissioned hardware.
<b>DATA PRIVACY</b>	You can specify the geographic areas where your data is stored and get additional contractual commitments about the transfer of personal data to address specific compliances, such as GDPR.
<b>THREAT DEFENSE</b>	Continuous monitoring and analysis of traffic reveal anomalies and threats. You can also conduct penetration testing of apps you run in Microsoft Azure.
<b>COMPLIANCE &amp; CERTIFICATIONS</b>	Cloud providers such as Microsoft Azure help you streamline compliance for the infrastructure and applications you run in the cloud.

# MISCONCEPTIONS THAT SHOULD NOT STOP YOUR MOVE TO THE CLOUD

**The cloud is . . . well, an actual cloud.**



Unfortunately, no less than 29 percent of respondents in a survey conducted by Wakefield Research thought so.

The idea of cloud computing might still seem daunting, and in many cases, confusing for businesses. As a company 100% born in the cloud, we will help debunk many misconceptions so you can use the cloud to your advantage.

## **MYTH #1: CLOUD COMPUTING IS COMPLEX**

One of the biggest misconceptions - many people believe tech experts are the only ones who can use the cloud effectively. Cloud computing involves a massive network of data centers across regions. Because you need 1 or 2 technical specialists to take care of your in-house server network, you will probably need many more experts to figure out, access, and control your deployments in the cloud . . . right?

**The truth?** Even those with little or no understanding of cloud technology can manage IT networks in the cloud. **The cloud is packed with automation features that make things simple.** From data storage, user access, to application management, there are solutions to help you automate these processes in the cloud. User-friendly dashboards and informative, graphic-rich reporting are typical cloud features that simplify complex information and processes for non-technical users.

## MYTH#2: CLOUD COMPUTING IS RISKY

The misconception that cloud computing is a potential security risk comes from the fact that cloud service providers store your information in multiple data centers, leaving it vulnerable to third-party intrusion or even outright theft . . . right?

**The truth? Unless you can spend millions of dollars on security and compliance it is highly unlikely you can compete with the security that public cloud providers can offer.**

It may seem that having your data physically close to you on your servers is more protected, but the location of where your data resides doesn't necessarily determine how secure it is. Threats are just as prevalent in on-premises environments as they are in the cloud.

Data security is quite robust in the cloud, offering a multi-layer approach to security that's built into their infrastructure. In fact, most cloud service providers implement controls far more sophisticated than those implemented for on-site solutions. This security is in place while data is in-transit and while it is stored in the cloud. Many providers also use sophisticated encryption technology to add another layer of security.

Furthermore, compliance with latest security standards is made simpler in the cloud. A good cloud provider will proactively ensure adherence to the latest security compliance requirements.

**For example,** Microsoft offers the most comprehensive set of compliance offerings to help you comply with national, regional, and industry-specific requirements governing the collection and use of individuals' data.

## MYTH #3: IT'S A LONG, COMPLEX MIGRATION TO THE CLOUD

Many businesses refrain from migrating their IT infrastructure to the cloud because it is time-consuming and will lead to downtime or data loss . . . right?

**The truth?** It might be . . . if you migrate your data to the cloud manually with no cloud expert guiding the process. **Today, there are many automation tools for both service providers and in-house IT teams to speed up the migration process to hours, instead of taking days and weeks.**

Also, there will be zero downtime, as the migration will take place behind the curtain while existing systems and services continue to run. Once everything is synchronized, you can seamlessly switch to the cloud environment without any interruptions.

Migration has become simple and time-efficient with advancement in cloud technology and automation tools.

# BYOD IS CHANGING THE WORKPLACE

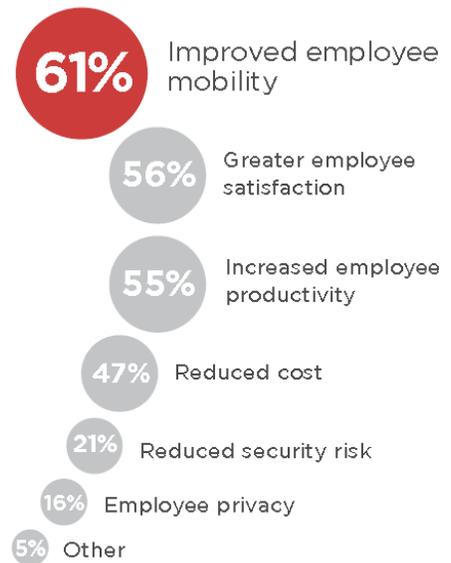
Working with outdated and inefficient equipment or learning to adapt to unfamiliar equipment are universal frustrations for employees. Remember the last time you had to fight technology instead of working on your projects? In many organizations, this is a daily conversation among employees.

An alternative to controlling corporate devices in a rigid structure is allowing your employees to bring their own devices (BYOD) to work and access business applications and corporate data from anywhere. For many organizations, especially small, agile firms less encumbered by rigid systems, the adoption of BYOD policies is changing the workplace for the better.

## HAPPY USERS WORK HARDER

With a BYOD policy in place, your employees can choose tools and devices they prefer, making work more enjoyable and productive with their favorite devices and productivity applications.

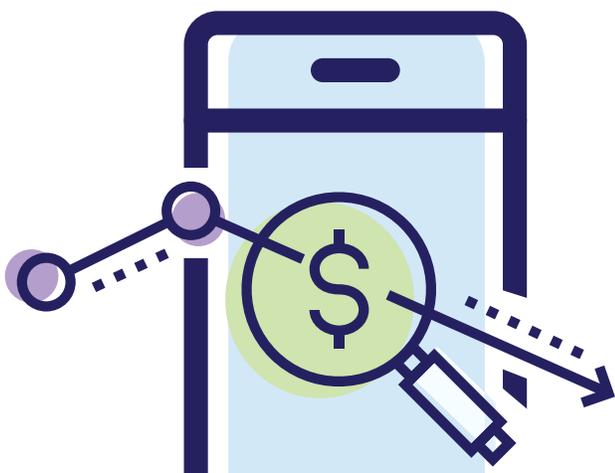
According to Crowd Research Partner's BYOD Spotlight Report, the top three benefits of BYOD are improved mobility (61%), greater satisfaction (56%), and increased productivity (55%). These employee-related benefits are even considered more important than reduced costs (47%).



## COMPANIES SPEND LESS ON DEVICES

From big capital expenditures on data centers to employee devices, IT is an expensive cost center for companies. Hardware generally requires long-term contracts with vendors and suppliers, and refreshing hardware in the next recycling period or when equipment crashes ensures constant expenditure. Owning the hardware also requires additional costs on computer cabling, external hard drives, mobile data, and so on.

With the BYOD approach companies can save on costs while increasing employee satisfaction and productivity. The company can provide predictable stipends for user equipment and IT only need focus on providing a secure access method and ecosystem. Money previously spent on equipment can now be invested in cutting-edge technology that can drive business value.



## RISKS TO CONSIDER

BYOD is attractive to both employees and employers. However, there are fears that make many companies hesitate to adopt such an approach.

From the user standpoint, an incomplete BYOD policy can raise privacy and user experience issues, for example:

- + Multiple logins to different systems, both personally & professionally;
- + No access to Windows-based applications on Mac devices;
- + Fear of company intrusion into personal emails and data on devices

From the organizational standpoint, the biggest concerns are involved with data security. Such risks include:

- + Unauthorized access to company data and systems;
- + Users download unsafe apps, malware, and other infectious software;
- + Lost and stolen devices;
- + Network attacks via unsecured WiFi

And multi-device management requires different procedures for tasks:

- + Ensuring up-to-date security software on any device;
- + Regulation compliance;
- + Integration with existing network and application stack

These fears and concerns are understandable, but with the growing use of cloud services and offerings many of these can be mitigated or eliminated completely. You can employ a successful BYOD policy – cutting costs while delivering a seamless user experience and keeping everything secure.

## PLAN YOUR BYOD APPROACH IN THE RIGHT WAY

A proper BYOD policy does not necessarily mean IT departments lose control over applications and programs. With the use of multiple devices and operating systems, IT departments just need to take steps to maintain control over corporate data and applications, which is possible if planned correctly.

### A complete BYOD approach requires IT to provide:

- + **Protection:** solutions that not only detect threats but also remediate them based on corporate policy;
- + **Integration:** solutions that integrate with the existing network, end-point, or application platforms;
- + **Visibility:** solutions to see and control all end-user access, affected devices, and differently types of threats;

There is no need for IT to come up with the solutions on their own. You can choose from many third-party solutions to assist your BYOD policy, such as Microsoft Intune for mobile device management, Virtual Private Network (VPN) for data and device encryption, or a cloud workspace solution that provides native desktop or application experience in the cloud with corporate-level security and industry compliance.

To minimize risks associated with BYOD you must also educate employees on BYOD policy security. Topics include:

- + Physical device use: general security requirements for devices and authentication; rights to monitor, manage, and wipe data by IT departments;
- + Mobile software use: authorized access to business applications and data;
- + Network security: storage/transmission encryption requirements

# GOOD NEWS FOR MSPS: YOUR JOB IS BETTER IN THE CLOUD

Cloud technology is a topic that still yields many questions and concerns, not only for the end-users but also for managed service providers who have spent years working in the data center. As the cloud removes the need to host IT infrastructure locally, many might wonder what they would do on a day-to-day basis if not patching, updating and managing on-prem servers.

The truth is virtual infrastructure, networking, applications, and development platforms also need to be managed and also provide more opportunity for value-add activities. Although there will be many differences in the management and monitoring of virtual networks, the cloud promises a better, more scalable job for MSPs.

## **A CHANGING ROLE FOR MSPS IN THE CLOUD**

For MSPs, the most time-consuming and tedious tasks managing on-prem IT, such as server maintenance, upgrading, and patching are now automated at an enterprise-level standard in the cloud. The hardware is always up to date with 99.95% availability, in the case with Microsoft Azure, a very high level of uptime that you would not have unless spending hundreds of thousands to millions of dollars on your servers.

Cloud providers also provide 24/7 support to troubleshoot and resolve any unexpected problems. You will be taken care of by experts in the field rather than juggling through many possibilities that may have caused the issues.

Part of the job gets easier thanks to automation, but apps still need to be managed as if they were on-premises. Moving a workspace to Microsoft Azure doesn't mean Microsoft knows how to handle your customized, complex applications, and deliver the right solutions for your client.

The new role of IT in the cloud is more management and monitoring than maintenance and repairs - ensuring end-users have enough storage and memory to use, stable access to their required applications, and receive the highest level of security and industry compliance. There will also be new responsibilities such as cloud migration, cloud consultation, and user training along with the transition.

In the cloud, you will no longer spend hours on the servers every day but focus entirely on the customers – strategically planning and engineering how they access their applications and data. Your job will be more impactful to the bottom line, driving your customer's productivity and efficiency.

## **AN OPPORTUNITY TO GROW WITHOUT ADDING MORE STAFF**

For many MSPs growth is limited by geography and headcount due to the need to manage both hardware and software for current customers. In the cloud, you can manage your team more efficiently and scale your business without adding more people.

Your IT admins and developers can leverage their on-premises knowledge to deploy and manage virtual deployments in the cloud. After getting rid of actual server maintenance tasks they now have more time to service and onboard new customers. Your customer base will also no longer be limited by your physical proximity. In the cloud you can expand your geographic reach, move across state lines or even overseas

## **ARE YOU READY TO EMBRACE THE CLOUD?**

There will certainly be changes to roles and responsibilities in a cloud-based world, but job loss is not one of them. Cloud computing replaces a lot of tasks most would rather not do, for innovative MSPs this will free you to focus more on integration, service management, and growing your business.



Change is a constant in the world of IT. Rather than worrying about the cloud, let's embrace it!

# DEFINE & DESIGN YOUR CLOUD STRATEGY

## An MSP's Complete Guide

### HOW SMALL BUSINESSES THINK ABOUT THE CLOUD?

As a reader of this guide, you know the cloud is an inevitability and a great option sooner or later for you and your customers. The transition is quick, the provisioning and management can be automated, and the business model makes sense for you and your customers.

However, many small businesses, who often lack cloud knowledge as well as IT staff, hesitate to move to the cloud. In this chapter we will discuss common business owner hesitations and provide some tips to help them realize how the cloud empowers small businesses.

#### HOW DO SMALL BUSINESSES THINK ABOUT THE CLOUD?

Some of the common hesitations include:

- + **The cloud isn't safe**
- + **I don't have enough control over my hardware and data**
- + **I don't know anything cloud technology**
- + **I don't need to change from the status quo**

Most concerns and hesitations stem from a lack of technical knowledge and clear understanding of the cloud. "The cloud" is a new, ambiguous term – for many it represents change and uncertainty. Small business owners must rely on managed service providers to tell them what they should be using and guide them on their transition to the cloud.

#### WHAT SHOULD THEY REALLY THINK ABOUT THE CLOUD?

Hesitations aside, your customers already know the cloud is bringing big changes for all businesses, from tech startups in Silicon Valley to small-town mom-and-pop shops and large enterprises. Everyone is talking about "the cloud" and cloud opportunities.

Business owners need concrete examples of how cloud benefits translate to their day-to-day IT operations and overall bottom line, which include:

- + **Greater cost savings and predictable IT budget:** there is no need to own hardware or pay for a full stack of 24/7 servers when they only operate from 9am to 5pm. Because the cloud does all updates and patching automatically, businesses also save money and time on software updates.
- + **Enterprise-level security access:** with built-in security and industry compliance, the cloud provides small businesses enterprise-level secure access to files and data, which would cost a fortune to develop in-house.
- + **Flexibility with a variety of productivity solutions:** in addition to basic apps, like Word, Excel, and Mail, the cloud offers easy access and integration with different tools to work faster and more effectively. Activate new apps whenever you want and deactivate when you no longer need them.
- + **Availability from anywhere, at any time:** for small businesses, software updates, server downtimes or issues can cause inactivity during business hours. By using multiple data centers around the globe, Microsoft Azure ensures greater continuity than any other server solution. And employees can access their desktop, apps, and data from any device, anywhere with an internet connection.

### 3 TIPS TO SELL CLOUD SERVICES TO SMALL BUSINESSES

Follow these 3 steps to introduce cloud computing to small businesses:

<p><b>1</b> DEMYSTIFY THE CLOUD ASSUMPTIONS</p>	<p>Clarify their cloud misunderstandings before discussing actual cloud solutions. A biweekly newsletter with some articles about cloud technology would get your customers familiar with the idea and benefits of the cloud.</p>
<p><b>2</b> CUSTOMIZE THE SOLUTION PACKAGE</p>	<p>Once you've introduced the cloud to your customers, present a few cloud solutions that directly and efficiently solve their needs. To do so, you would need to identify their pain points and provide a good solution to address</p>
<p><b>3</b> OFFER A TRY BEFORE- YOU-BUY MODEL</p>	<p>Try-before-you-buy model is a good way to test the waters without taking on too many risks. Guide customers along the way as a strategic partner, explore and reinstate exactly how the cloud can solve their specific</p>

At the end of the day, your customers biggest questions are whether it can save them money and provide excellent service for them to run their business. **The answer to both is yes!**

Big, well-known brands can bring credibility and allay fears. For example, put "Microsoft Azure" next to the cloud and they would likely find more comfort that the technology is the latest, best, most efficient, and secure solution.

# EVERYONE WINS IN THE CLOUD – WHAT BUSINESSES BENEFIT THE MOST?

Cost savings, scalability, flexibility, and increased productivity - these are universal benefits of moving to the cloud. For some businesses, these advantages are even more acute. Any organization with one of the following business challenges would be better off with a cloud migration, today!

## **SATELLITE OFFICES & REMOTE USERS**

It is difficult and expensive to maintain on-premises servers as a business grows regionally or hires remote workers. In most cases, off-site workers still experience latency and disrupted connectivity, which results in lower productivity and employee satisfaction.

Instead of adding extra infrastructure at large capital expenditures, companies can provide satellite offices with secure, remote access to cloud-based corporate data and applications. Instantly add or remove user access with a few clicks and pay only for what your users actually use.

## **SEASONAL BUSINESS**

Many organizations experience peak sales during a seasonal business cycle, and solve for variability of demand through capacity planning – running extra servers on-prem to ensure stable connectivity and usability in peak seasons.

However, for the rest of the year, they must pay for capital expenditures like maintenance and licensing while the infrastructure sits idle. And unexpected customer demand that exceeds current forecasting can lead to poor user experience due to insufficient capacity.

Cloud solutions allow companies to extend their workloads on-demand and pay for additional computing servers as they use them. Not only reducing maintenance waste, the cloud also removes the uncertainty of wrong capacity prediction.

## **EXPENSIVE IT INFRASTRUCTURE**

On-premises infrastructure is expensive to manage, difficult to maintain, and potentially disruptive to upgrade. And a few years later, at the end of the server's lifecycle, your clients will reluctantly pay for large capital expenses to repurchase and update new on-premises infrastructure.

Businesses with large IT capital expenditures can remove ongoing costs of maintaining and upgrading on-premises legacy systems through cloud solutions - turning the large IT capital outlay into predictable monthly operational expenses. All the heavy lifting of implementing, upgrading, and running the servers is then automatically taken care of by cloud experts.



## **RIGOROUS INDUSTRY COMPLIANCE**

Many industries deal with an enormous amount of customer data and sensitive information on a daily basis – for example, healthcare, legal, and government. As a result, are required to follow strict industry standards and compliance to safeguard customer confidentiality and privacy. This adds another layer of effort and expense to maintaining hardware and data centers.

Now, you can simplify management of IT infrastructure, security, and compliance by moving workloads and data to the cloud because cloud providers, like Microsoft Azure, are designed to meet these industry regulations.

## **LEGACY APPLICATIONS**

Many organizations have a difficult time running legacy applications, especially in the new era of mobile devices. You can either rewrite the application to support mobile operating systems, which would potentially take weeks or even months, or simply deliver these legacy applications via the cloud.

Cloud hosting platforms can automate provisioning and management of legacy apps, allowing you to upload and share them on any device in minutes.

## **REGARDING BUSINESS SIZE ...**

These challenges face businesses of all sizes, but small and medium organizations are especially positioned to benefit from cloud computing. The public cloud allows SMBs to access the breadth of resources that are usually reserved for enterprises with larger IT budgets.

The cloud operates as a “pay-as-you-go” system, meaning that all companies have access to software and storage as they need it, without having to forecast capacity planning in the future. Companies can spend less hours wasted with IT troubles and more time and resources focused on the day-to-day running and development of their business.

Start the conversation early and lead the effort to take advantage of the benefits of the public cloud!

# LET'S MOVE THESE WORKLOADS TO THE CLOUD NOW!

Transitioning IT infrastructure to the cloud helps enhance operational productivity, agility, cost savings, and security. Some workloads are ripe for the cloud, here are a few key considerations:

- + **Application lifetime:** if an application is ready for a huge redevelopment, it is better to be migrated to the cloud to reduce budget and resources.
- + **Integration complexity:** if an application does not have a complex interconnection with other applications or processes, then it's easier and less costly to migrate to the cloud.
- + **Compliance and security:** some cloud providers provide built-in compliance for particular industries.

And here is a list of common workloads ready to move to the cloud now.

## EMAIL SERVICES

With cloud-based email systems, such as Office 365, your services are always up and running without the need for maintenance or updates. Enable your end-users to connect better with customers and colleagues whether they are working in the office or on the go.

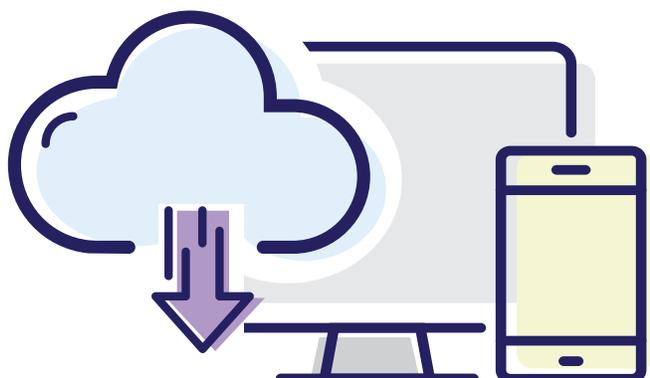
Also, you can count on Microsoft Azure's built-in security and compliance offerings to keep the data safe and meet the most rigorous industry standards, even in the government or healthcare industry.

## DATA BACKUP AND DISASTER RECOVERY

Before the cloud, if your servers went down or the power went out there was a good chance of data loss. The old-fashioned way to prevent this was replicating servers. This traditional method is expensive and requires extra resources and staff for maintenance and updates.

Moving data off-premises to a cloud provider is the best way to preserve your customer data against transient hardware failures. Microsoft offers at least three copies of your data for data redundancy. There are also options to keep copies of your data in a secondary region in case of a natural disaster.

Along with backup, cloud service providers can also help with disaster recovery. For example, Azure Site Recovery continuously monitors service health and helps automate the orderly recovery of service in the event of a site outage at the primary data center.



## COLLABORATION TOOLS

Collaboration tools drive most end-users' day-to-day activities: instant messaging, web conferencing, file sharing, and project management. Many of these are still powered by on-premises servers, which is great for local users, but often cumbersome for remote users.

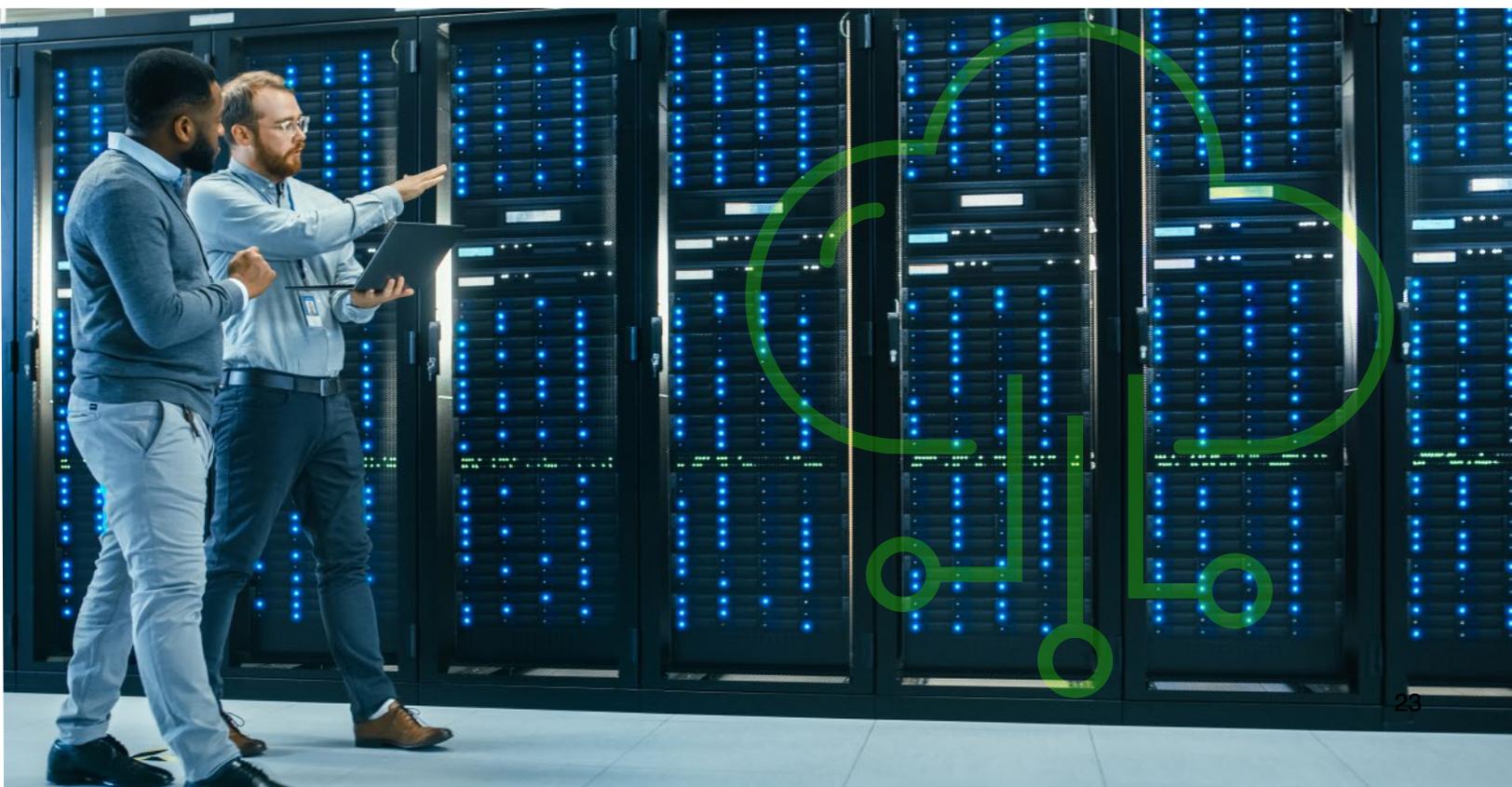
Team collaboration services in the cloud, such as Microsoft Office SharePoint let employees access company information wherever they are. You can host a large instance in the public cloud near HQ, and have smaller instances running in other cloud regions that are near remote offices. Users will enjoy a native-feeling performance from anywhere and mitigate the day-to-day challenge of disconnection or lagging services.

## APPS WITH LARGE DATABASES (CRM, ERP)

Applications such as Customer Relationship Management (CRM) & Enterprise Resource Planning (ERP) often consist of many VMs and huge databases containing terabytes worth of data. While much of the data stays idle most of the time, these applications and databases still require capacity planning to prepare for seasonal peaks.

There are two big benefits to getting these applications and their datasets into the cloud. First, you'll greatly reduce your servers and storage costs to host and run the data. Second, these applications can benefit from the elasticity of the cloud by easily adding more computing power or storage during peak seasons.

If you are not ready to dive fully into the cloud, these specific workloads are great opportunities to begin your adoption of the cloud and become familiar with the technology and benefits. Greater profitability awaits as you move more and more to fully functional cloud workspaces that include email services, collaboration tools, data backup and disaster recovery, and applications of your choice.



# KEY TECH AND RESOURCE REQUIREMENTS TO MOVE TO THE CLOUD

Cloud computing promises new opportunities for MSPs, but what are the key technology and resource requirements for moving to the cloud?

Your technical skills remain relevant in the cloud. System configuration tasks such as creating routing rules or configuring, archiving, and managing policies are necessary whether you deploy on-prem or in the public cloud.

However, IT pros will need to develop new skill sets to meet the demand of a cloud-based service offering. Moving from building and supporting local IT infrastructure to managing IT services in the cloud requires additional skills to be effective. The move to the cloud requires a shift in focus from routine day-to-day support to strategic thinking and value-added services.

This chapter will identify new skills associated with 3 key types of as-a-service offerings made possible in the cloud – Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS).

## INFRASTRUCTURE-AS-A-SERVICE (IAAS)

IaaS is the capability to provision processing, storage, networks, and other fundamental computing resources where the consumer is able to deploy and run the software. Companies can choose to optimize their IT infrastructure by adopting an IaaS approach.

Infrastructure in the cloud is dynamic, always available, and has self-service capabilities. To take full advantage of IaaS, IT professionals must learn how to pool resources into a single structure to serve multiple customers. This is very similar to managing your own on-prem servers, except you don't have to invest in the actual hardware. Key areas of required knowledge include:

- + Provisioning and management
- + Monitoring and protecting
- + Service management
- + Virtualization
- + Automation
- + Security and compliance
- + Performance optimization

## PLATFORM-AS-A-SERVICE (PAAS)

A PaaS model consists of the software and hardware infrastructure to run applications, such as using Microsoft Windows Azure to deliver legacy apps.

IT professionals can use existing skills with Microsoft Visual Studio and Microsoft.NET to build apps and services hosted in the cloud. They are less constrained by resources such as memory and processing power, but IT professionals must think architecturally about how to design the application:

- + What services to purchase from Microsoft Azure?
- + Do they put an application on the server using SQL Azure, Windows Azure storage services, etc?
- + What virtual machine size should optimize costs and performance?

Cloud developers must acquire knowledge and understanding of how to use many components in the PaaS space and facilitate how they work together.

The skills developers need to invest in to prepare for the cloud include:

- + Identity management – address security issues
- + Windows Communication Foundation (WCF) and Rich Internet Application (RIA) services – create compelling websites and front ends
- + Connects – work with the hosted virtual machines in Microsoft Azure
- + Middleware – handle access controls, integration, and caching services, and create a bridge between an on-premises and off-premises solution
- + Architecting Cloud Solutions – optimize costs by understanding data storage options and data partitioning

## **SOFTWARE-AS-A-SERVICE (SAAS)**

SaaS is the quickest way for MSPs to provide business value for their end customers via the cloud. With a SaaS model, MSPs only manage the applications and user data without having to build and control the underlying resources.

New skills required for a SaaS model, therefore, focus on learning technology skills associated with specific software and understanding how to bundle solutions together to empower end user productivity.

Let's use Microsoft Office 365 as an example. Office 365 offers SME customers the capability to move key collaboration products and services such as Microsoft SharePoint, Microsoft Exchange Server, and Microsoft Lync Server from an on-premises deployment model to a public cloud model.

An Office 365 administrator will need the following technology skills:

- + Foundational understanding of Office 365 and related technologies;
- + Infrastructure skills to determine basic requirements such as Directory Synchronization, mail routing and namespace planning, Active Directory Federation Services, DNS, bandwidth, etc.;
- + Security skills to determine internal security and privacy policies and address any concerns or legal requirements;
- + Migration and integration skills to manage your users and their mailboxes;
- + Industry-specific data retention compliance;
- + Hybrid deployment skills to determine coexistence and maintenance strategy between on-premises systems and the cloud;
- + Core skills in configuration of all Office 365 technologies with deep specialization in one or more of the following: SharePoint Server, Lync Server, and Exchange Server

Therefore, skill development in a SaaS offering requires learning the ins and outs of the underlying software, and the best way to gain this knowledge is through usage and study of the providers documentations and guidelines. Often, SaaS providers have helpful customer support teams to walk you through the software.

## AVAILABLE TRAINING AND RESOURCES

Technical training is critical to your success in the cloud. Here are some good resources to help you acquire new knowledge in the cloud:

- + [Cloud Platform University Online](#) is an interactive, scenario-based training resource to equip you with the foundational elements of selling and supporting Microsoft cloud and enterprise technologies.
- + [Microsoft Partner Network Learning Paths](#) provide training guides and certification options, organized by products, competencies, accreditations and business focus.
- + [Pluralsight](#) offers several beginner, intermediate, and advanced training courses on Azure.
- + [Opsgillity](#) has more than 70 online classes focused on Architects, Developers, DevOps, Operations, Sales and Decision Makers.

It is tempting to want to do everything related to your business, but you should focus on core competencies and invest in gaining expertise in those specific areas. Retraining staff and hiring new expertise is a costly and time intensive undertaking – you can expedite time-to-market by finding cloud vendors that can take care of the heavy lifting in areas you lack resources or expertise.



# CLOUD VENDORS AND HOW TO CHOOSE THE RIGHT ONES?

You understand the cost and performance benefits of the public cloud and are ready to embrace it. Your next question is how to get your MSP business up to speed with the best cloud offerings.

Assessment & Planning	Migration	Deployments	Infrastructure Management				Monitoring	Cost Optimization	Security	Support
			Config Management	Backup & DR	Identity Management	Automation/ DevOps				
Application Recovery	Lift and shift	Solution design & architecture support	OS updates, upgrades and patching	Snapshotting	Subscription management	ARM template authoring and deployment	Basic infrastructure management (OS, compute, storage, network)	Usage and spend analytics	Anti-virus / Anti-malware	24/7 support
App dependency mapping & visualization	Re-platforming / Re-architecting	Dev-test, POCs and App performance testing	Password resets	Managed Backup (Short-term)	User access and RBAC management	Continuous integration & deployment	Advanced infrastructure monitoring (basic + firewall/ DNS/load balancer, etc.)	Spend and usage forecasting	Security and risk assessments	Uptime and response SLAs
Azure TCO analysis	App decommissioning	Auto-scale design and deployment	Resource configuration and policy management	Long term data retention	User tagging and change management	Application life cycle management	Alerting/alarms with response SLAs	Tagging and audit trails	Intrusion detection and remediation	System health monitoring
Migration ROI analysis		Compliance and regulation support	Audit log management	DR planning and DR drills	Single sign on and Multi-factor authentication		Database monitoring	Custom invoicing	Security information and event management	IT Service and incident management
Migration Planning		Deployment automation	Deployment operations and troubleshooting	Automated failover and restore			App performance monitoring	Capacity planning and resource optimization	Web application firewall	Custom control panels / customer portals
						Log analytics & alerting	Encryption and key management			
Dedicated account management and architect support										
Governance and planning										
Compliance and regulation support										

With so many options this can be hard to navigate. Here are seven questions to help you assess potential cloud vendors.

## 1. WHICH CLOUD SERVICES WILL YOU PROVIDE?

IaaS is the capability to provision processing, storage, networks, and other fundamental computing resources where the consumer is able to deploy and run the software. Companies can choose to optimize their IT infrastructure by adopting an IaaS approach.

You can also think beyond your current offerings to expand your portfolio in the cloud. The workloads you haven't done in the past because of limited resources and technology, such as desktop and application hosting, now become viable and will be a good complement to your current services.

In this assessment you must make sure to understand your own end customers, particularly the size and industries in which they operate. Each industry can be unique and will require different services or go-to-market strategies.

For example, compliance concerns are different in the financial, legal, and healthcare industries. Same with size, the differences require different strategies to execute effectively.

**First identify cloud services you want to provide, assessing your existing customer base, core competencies, and opportunities for expanded offerings.**

## 2. WHERE IS THE DATA CENTER?

The cloud is a fancy word for a bunch of data centers. Even though many cloud vendors have a large network of data centers around the globe, it's still important to make sure their data centers are close to where your users are. What's the point of having a global data center network if you only provide services in Dallas?

Vice versa, if you plan to expand regionally or even globally, ensure that your cloud vendors have the capacity and compute power to scale with you without sacrificing the end-user experience.

If you go for smaller cloud vendors, don't forget to ask them how they protect their data centers from natural disasters, such as fires, flood, earthquakes, and storms, and whether they have network redundancy and a disaster recovery plan in place.

## 3. HOW CAN YOU ENSURE SECURITY AND COMPLIANCES?

Security and compliance regulations can vary drastically across industries and from country to country. When assessing cloud vendors, ask how they handle their security practices. Get this right from the beginning and you will meet the full security and compliance requirements for future services:

- + **Security policies:** There should be policies and procedures for controlling access to the platform and your customer systems.
- + **Identity management:** Changes to any application service or hardware component should be authorized on a personal or group role basis.
- + **Data backup and retention:** Policies and procedures to ensure the integrity of customer data should be in place and operational.
- + **Industry compliance:** Vendors must show compliance with government legislation specific to your industry.

## 4. HOW MUCH TECHNICAL KNOWLEDGE DO YOU REQUIRE?

This is a key question that boils down to how much you want to control the underlying infrastructure. If you have an expert team on cloud computing, you might want to look for cloud vendors with strong compute capabilities and customization so that you can build your applications in the cloud.

If you don't have much cloud expertise you must make sure the vendors make it easy for you to deploy, manage, and upgrade software and apps. No matter what vendor you partner with they should have documentation and formal processes.



## 5. DO YOU PROVIDE ADMINISTRATIVE SUPPORT?

Reselling cloud services means your success is tied to your vendors, so it is key to be transparent with clear expectations. Specifically, admin support.

Vendors should provide a level of service that you are comfortable with and give you performance reports on a regular basis, if appropriate. You should be able to track and monitor services provided to your customers through the vendors and any changes made to their systems.

You'll also need to ensure their billing policy is aligned with your current practice. It's common to expect monthly, pay-as-you-go pricing in the cloud, so be weary of any large upfront costs.

## 6. HOW CAN I ACCESS CUSTOMER SUPPORT?

While cloud vendors give you the power to accelerate time-to-market, service disruptions may happen. So assessing their technical capabilities is not enough, you must ensure they provide dedicated customer support to you and your end customers.

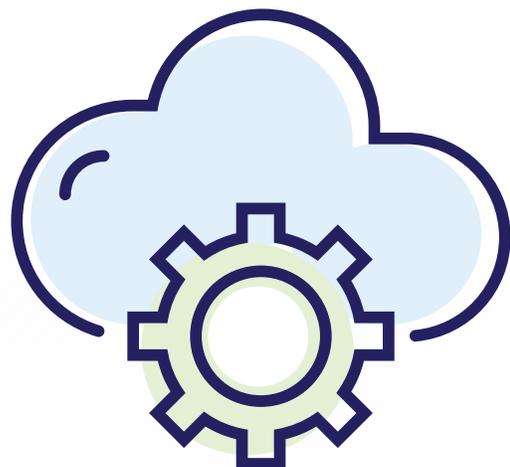
Without exception, technical support should be available to you online or by phone 24/7. There should also be a detailed knowledge base so you can troubleshoot any issues and learn about the solution in depth.

## 7. HOW WILL I GET SET UP?

In most cases, you'll have to help customers migrate from their on-premises servers to the cloud, which is hard and can be expensive.

Cloud migration requires considerable planning and coordination through integration, supporting elements, APIs, and connectors. A good cloud vendor can assist you with the migration process, or better than that, already have an automatic migration plan to help you save time and minimize risks when moving resources to the cloud.

**Choosing a cloud vendor is not easy, but it is generally faster and cheaper than learning new cloud technology or hiring cloud experts.** We hope that with the seven questions above, you can successfully select vendor partners to expedite your cloud business.



# SHOULD YOU BUY OR BUILD CLOUD SOLUTIONS FOR YOUR CUSTOMERS?

In the last few chapters, we've covered the benefits of cloud computing for end-user customers and started the discussion of cloud vendors. In this chapter, we will further discuss servicing your customers and whether you should "buy" and resell cloud services or you should help them "build" their own solutions.

## WHY NEITHER "BUY ALL" OR "BUILD ALL" IS IDEAL

Dropbox started file hosting and sharing by hosting those files on AWS datacenters. After nearly ten years of scaling and expanding, Dropbox now builds its own cloud infrastructure to have complete control over the performance, reliability, and overall user experience for 500 million users and is storing 500 petabytes of data.

Akhil Gupta of Dropbox admits that most companies would not see a huge benefit from building their own infrastructure. It took Dropbox two and a half years and significant personnel investments to build their infrastructure from scratch. Certainly a different scale, but the point remains that a "build all" strategy requires significant time and resource investment, regardless of size.

"Buy all" is an alternative approach that is possible for most MSPs. IaaS cloud computing offers infrastructure services that work well for most workloads. "Buy all" offers MSPs a quick, easy way to drive profitability from the cloud without any overhead investment of staff training. **However, "buy all" only offerings can be easily replicated by competitors.**

"The scale that we're operating on is one that very few other companies will get to."  
- Akhil Gupta VP of Infrastructure, Dropbox

## HOW TO CREATE YOUR OWN IP WITH A "BUY AND BUILD" APPROACH

In most cases, the combination of "buy and build" will give the best return on investment - save time and resources on tasks that can be automated, and focus on customizing features and bundling offers your customers demand.

Leverage a third-party service first (buy), and then customize, package, and resell it as your own solution (build). The management of a cloud platform or cloud application involves several layers, many of which can be solved by third-party vendors.

### For example:

- + **Cloud infrastructure:** Microsoft Azure can offer you 99.95% availability, so you are free of any data center management tasks.
- + **RDS Hosting:** MyCloudIT can give you an end-to-end platform to deliver your future cloud applications, so you don't have to worry about connectivity, user gateway, user management, app schedules, etc.

Focus on your core competencies and let others focus on theirs. By leveraging IaaS and PaaS technologies you can save time and money from managing and monitoring the hardware and hosting services, and focus on delivering what matters to your customers.

**In short, unless you are operating at a super large scale with lots of customization or you are serving mom and pop shops with basic app needs, you should view the cloud as a "buy and build" opportunity to package and bundle unique cloud offerings for your customers.**

# DEVELOP A NEW BUSINESS MODEL

## An MSP's Complete Guide

### MSP GUIDE TO TRACK NEW MONTHLY RECURRING REVENUE IN THE CLOUD

With the traditional project-based business, MSPs have to “reinvent” their business month to month. Go out and sell projects, collect the check, and then start all over again.

With the cloud, transactional billing can be replaced by a Monthly Recurring Revenue (MRR) business model in which new sales build upon each other as you wrap software and services in a neat, predictable monthly subscription for customers.

This chapter will get you up to speed on the MRR business model and what you should expect to grow a profitable, steady stream of MRR.

#### UNDERSTAND THE NEW MONTHLY RECURRING REVENUE BUSINESS

MRR is the income that a company can reliably anticipate every 30 days via collecting monthly software subscription fees. This monthly fee replaces the upfront and maintenance licensing fee in the old business model. The subscription generally includes updates, patches, and new versions of the software when they occur.

This new MRR model gives MSPs multiple benefits:

- + **Steady cash flow:** Multiple MRR streams achieve a steady cash flow, which can protect the company's bottom line with more consistency than a company dependent on the ebb and flow of projects.
- + **More predictable budget planning:** In reducing the peaks and troughs and gaining more predictability, a business can properly plan a budget and project revenue and discover opportunities for revenue growth.
- + **Clients benefit:** A subscription approach allows clients to pay a set fee with minimum variation only for what they use, this can be predicted.

#### GET FAMILIAR WITH YOUR NEW MRR METRICS

Now, let's drill deeper into the metrics of your new business model. Here are the most important metrics you should track as your legacy project-based business turns into MRR in the cloud.

- + **Monthly Recurring Revenue (MRR):** The amount of revenue you expect to receive every month from recurring services.

This is the single most important metric that a cloud service provider should be tracking. It will serve as your primary benchmark for progress and indicate how your business grows overtime.

**MRR = Total monthly billings in recurring services**

- + **Customer Lifetime Value (LTV):** Predictable, long-term profits a company will derive from a customer relationship.

Because revenue is earned and recognized over a period of time, understanding the long-term potential value derived from a customer relationship is critical.

$$\text{LTV} = \text{Average revenue per account} * \text{Gross margin} * \text{How long the customer is with you}$$

The profitability horizon in cloud managed services is longer than for project work, requiring this metric to look further into the future.

- + **Cost Per Acquisition (CPA):** The average amount that you spend for each new customer.

$$\text{CPA} = \text{Total marketing expenses} / \text{Total number of new customers (over the same period)}$$

It can be tricky to establish CPA for sales & individual marketing campaigns. You'll need to have customer analytics which can tie all the data to the customers so you can see which marketing efforts bring you the most profit. We'll talk about this in a later blog.

- + **Churn (%):** The percentage of customers who leave during a given period (month, quarter, year)

$$\text{Churn (\%)} = \text{Customers Lost} / \text{Total Customers (over the same period)}$$

If you have a high churn (double-digit) for your managed services, there's something problematic with your product. Start talking to your customers and fix the problem before further invest in acquisition efforts.

Tracking these core metrics will give you plenty of insights to act on, identify opportunity and build your business.

## REWARD YOUR SALES PRO IN THE NEW MRR MODEL

Adopting subscription-based cloud services not only involves changes in tracking and the billing process, but also affects the way you sell and how you should motivate your salespeople.

Commissions provide a great incentive for the MSP sales team. One key question is should those sales pros earn commissions on that recurring revenue ... forever?

An obvious concern is sales laziness or complacency. To avoid it, you can introduce sunset clauses — tiered commission rates that fade away over a four-quarter cycle. Each new customer win earns a high commission, while customer engagements that are three- and four-quarters old gradually fade to zero commission rates.

Some may argue that sunset clauses should never fade a commission to zero. By earning at least a small commission indefinitely, the salesperson is more motivated to stay in touch with the customer over the long haul — potentially ensuring higher customer retention rates and a better customer relationship. These are interesting questions to explore with an MRR model.

# DIFFERENTIATE YOUR MSP BUSINESS IN A CROWDED MARKET

The managed IT services market is crowded - it can be difficult to set your company apart from the competition and showcase what makes you unique.

In this chapter, we will identify five strategies to increase your visibility and differentiate your business in a crowded market.

## 1. BUILD PACKAGES THAT MAKE SENSE FOR YOUR CLIENTS

Few businesses can credibly claim to be good at everything. *Differentiating in a crowded market and maintaining high-profit margins requires an MSP to build packaged offers that make sense for its ideal customer target.*

By creating a packaged offer, MSPs can reduce the learning curve associated with each new client, become more efficient at service delivery and enhance their ability to leverage existing tools and assets. MSPs can charge premium pricing for these bundles and further boost margins and profits with tailored add-ons. MSPs can also leverage existing sales and marketing materials, like customer references, to win each new deal more quickly and easily.

Focus on what you do best, package it for your customers, and then offer additional specialized services tailored to each specific client's needs.

## 2. TRACK YOUR CLIENTS' REQUESTS TO OFFER THE RIGHT SERVICES

Don't overlook what your customers are looking for. *You want to build your service offering around core competencies, but always look for ways to grow and tailor solutions as you notice customer needs and demands evolve.*

Survey your customers' needs and take notes of what concerns they have - you might find there are other services they need that you haven't even considered. Maybe they don't want to run the infrastructure 24/7 for 8-hour workdays. Maybe they need to implement a Disaster Recovery plan. Maybe they are considering moving to the cloud.

MSPs can play a big role in helping customers anticipate and solve their problems. So, talk to your customers. Find out what their concerns are and what products they want – before any of your competitors. Then figure out how to add it to your service offerings.

## 3. PICK PROVIDERS THAT FILL GAPS AND OFFER FLEXIBLE SUPPORT

As the world becomes increasingly interconnected, new ideas and innovations spread quickly. Speed to execution becomes critical for you to maintain pace as a technology leader in the market. This places a lot of pressure on the MSPs. If it takes three months to architect and build out a service that your customers request, you are likely to lose that opportunity to someone else who already develops that line of service.

*Keep an eye out for providers that can offer services that might be beneficial for your customers - you can resell their services and cut time to market.* For example, find a cloud vendor you can trust, someone who will back you up and help you grow your business. Choose those that offer good support services and reseller resources.



#### 4. LEVERAGE THE RIGHT TECHNOLOGY TO GROW

A successful MSP business requires a good product with quality service and customer support. However, many MSPs hold themselves back by the lack of or outdated infrastructure management tools and processes. In the past, they treated each new service as a one-off – implementing custom tools and processes to address a specific opportunity. As a result, their businesses were saddled with too much complexity and too many time-consuming, labor-intensive processes.

MSPs can now take advantage of new cloud infrastructure and management tools to deliver tailored solutions in the cloud. There are technologies that make it significantly easier to deploy new services while eliminating unnecessary costs and maintenance time.

Therefore, to meet with today's high demand for quality service, MSPs will need a new approach – replacing ad hoc, bespoke systems and processes with standardization and automation.

#### 5. SHOW YOURSELF OFF

You can differentiate yourself by the way you are presented. More important now than ever in the age of digital transformation.

An online presence is a must – you must use different digital channels such as website, email, Reddit, Facebook, LinkedIn, etc. **Because marketing is now the new sales, your online presence is important and allows you to speak to potential customers before a face-to-face conversation even begins.**

This new MRR model gives MSPs multiple benefits:

- + **Develop an authentic voice instead of normal business jargon:** Make IT transparent and comprehensible even for non-technical people.
- + **Communicate early and regularly:** Create engaging welcome emails and regular, helpful updates for your leads as well as your customers.
- + **Offer value through online networking:** Identify key channels on Facebook, Twitter, LinkedIn, or Reddit to answer questions and provide insights.
- + **Optimize for conversions:** Make it easy for people to contact you, whether it is putting a CTA under every piece of content, having a clear, relevant CTA in your email and signature, or engaging web analytics to identify the content and strategies that are most effective.

# ADOPT AUTOMATION FOR GREATER PROFITABILITY

When was the last time your technician complained about spending hours on backup or adding users? Such mundane, repetitive tasks prevent MSPs from scaling and expanding their business.

Automating processes can boost productivity and free up time for the team to focus on revenue-generating activities and drive more profitability. From deployment, management, and monitoring to updating, billing, and helpdesk support opportunities for automation are abundant, especially in the cloud with several SaaS & PaaS offerings.

## **AUTOMATE YOUR INTERNAL PROCESSES**

For most MSPs, maintenance tasks, such as software updates and patches, regular disk cleanup, and frequent backups, are the most repetitive and time-consuming processes. These maintenance tasks are tedious, yet crucial to your IT service offerings. Just think what would happen if a malware infection gets through when you don't implement backup properly.

Moving from on-prem servers to the cloud you can automate many of those frequent, time-consuming, and error-prone tasks. For example, Automatic Maintenance by Microsoft enables users to be in control of maintenance activity scheduling and configuration. By reducing errors and boosting efficiency, automation helps to lower your operational costs.

Another candidate for automation is the deployment of a new solution. In the past, you would have to go through the tedious provisioning process for every single new customer, spending days or even weeks to build a new environment, migrate existing applications, and integrate required services. Automation can reduce deployment time to minutes. The ability to handle processes that span tools, systems, and department silos gives enormous cost savings regarding reduced technician time & expedited time to market.

You can leverage existing scripts and workflows or create your own. Public cloud services such as Microsoft Azure or AWS make it easy by putting samples, utilities, and scenario runbooks at your fingertips so that you can get up and running quickly with your automation tasks.

## **AUTOMATE CLIENT-FACING FUNCTIONS**

While automation can improve operational efficiency, it also offers significant benefits in various client-facing services. It is vital that MSPs cultivate close relationships with their customers to ensure a steady stream of recurring revenue. To increase customer satisfaction, you can automate services such as billing, reporting, and ticketing. If you only provide reports upon request or manually handle and assign support tickets, it's time to revamp this post sales engine to serve your customers more efficiently.

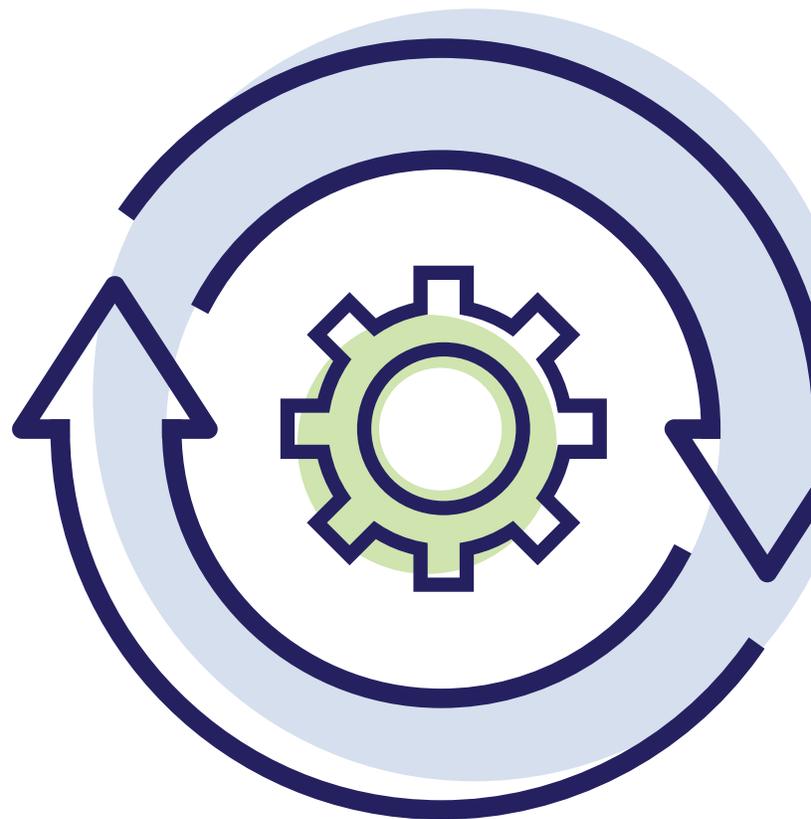
Bills and reports should be generated and delivered automatically on a regular basis. Tickets should be quickly routed to the appropriate technician, ensuring faster resolution of the issue and boosting customer satisfaction. These extra efforts will reinforce the value you provide and keep the benefits of using your IT services top of mind for clients.

## ADOPT AUTOMATION TO DELIVER PROACTIVE SERVICES

Adopting automation enables you to provide more proactive services. Automated monitoring and management allows you to perform a variety of diagnostic and preventative maintenance routines with real-time alerts. Ensure potential bottlenecks are identified before they become major problems. Combined with an automated ticketing system, you can immediately generate tickets when specific alerts are detected.

This level of automation will boost customer satisfaction and loyalty because you are taking an extra step to ensure their service is up and running at all times. High customer satisfaction leads to higher retention rate and possible referral opportunities in the future.

Moreover, automation for proactive services can significantly cut costs by preventing issues from escalating into tickets that will consume valuable technician time. As the result, you can increase service quality while reducing the time spent supporting clients and fixing issues.



# CREATING A CLOUD IP PACKAGE THAT SELLS FAST

According to the IDC, an IP packaged offer can generate up to 70% gross margin while reselling services only drive 5-20% margins. Despite greater profitability, the idea of coming up with “productized” Intellectual Properties (IP) still can be daunting to MSPs, especially for smaller shops.

Most MSPs already have IP, it just isn't packaged as an offer. For example, if you did something custom that was successful for one client, there may be more customers that would benefit from solving the same problem.

Your IP can be a simple template or a few lines of code that automates a particular function in a way your market typically needs. If you don't want to create your own IP, you can also look to the partner ecosystem for incremental solutions that can be bundled with current Microsoft offerings to round out your total solution.

Productizing IP and creating repeatable processes is a very successful and profitable strategy for many partners. This guide will show you 4 simple steps to build an IP packaged offer that can add a striking differentiator amongst your competitors and expedite customer engagement in the buying journey.

## 1. START WITH A FAMILIAR SERVICE

The foundation of your IP package can be as simple as reselling Microsoft's services that are pertinent to your customers' needs and requirements. Think about what kind of customers you have to deal with and the core services that you usually sell to them.

For example, if you are building a productivity package, your standard offer would include Office 365 Business and other related Microsoft services, such as Office Pro Plus, Exchange Online, OneDrive for Business, and Skype for Business.

## 2. ROUND OUT YOUR OFFER

There are two different ways to package your offer: leverage your existing expertise in consultancy, onboarding services, and workflow automation OR find a partnership that allows you to white-label a new solution and bundle it with existing services.

For example, after choosing the core Microsoft products for your productivity package, you can round out your offer by adding more services:

### **Project-based offerings**

- + Cloud readiness assessment
- + Migration and configuration of mail and documents

### **On-going managed services:**

- + 24/7 end-user helpdesk for Office 365
- + Office 365 analytics
- + User management, compliance, and auditing

You might also look to the Microsoft partner ecosystem and find an incremental solution for the productivity suite you're developing. A good match in this scenario would be combining Office 365 and SharePoint Online with a full desktop or line of business application solutions.

### **3. VERTICALIZE THE SOLUTION**

Once you have developed a full packaged offer it is recommended that you specialize by vertical, functional process, or by technology. Each vertical would require a different setup and a unique set of business applications and industry compliances.

**Some examples of specialization include:**

- + Vertical specialization: healthcare, banking, retail, manufacturing
- + Functional process specialization: accounting, HR, marketing
- + Technology specialization: system management, analytics, ERP

Establish your company as an expert in certain areas. You can also focus on a specific technology or be known as an early adopter and technology leader. Then, adding IP to a vertical or business process makes that advantage even more powerful.

### **4. ADOPT OFFER-BASED APPROACH**

The way businesses shop for IT solutions is changing dramatically in the last few years. In the past, companies would come directly to the MSP with a specific need, and you will custom the solution based on their needs. Now, most customers are shopping for IT solutions online and making significant decisions before they even talk to you.

To turn a lead into a qualified prospect, you must have a well-defined solution ready, or otherwise, the customer will keep searching and gravitate towards vendors that do provide an offer that meets his needs. MSPs are facing a transition from demand-based approach to offer-based selling. By having your solution offer packaged in advance, you can meet your customers' needs immediately or with minimal adjustment.

# REVAMP YOUR MSP SALES STRATEGY WITH “TRY AND BUY”

Customers today aren't buying the way they used to – they control their buyer's journey. They are more informed and knowledgeable, and want to buy on their terms when they're ready. Customers don't want to be sold to, they want to find the right solution for their pain point.

Today, many SaaS companies adopt a “try and buy” approach. Give potential clients freedom to explore the product before making purchasing decisions.

But, don't relinquish all control – a successful “try and buy” model requires a great user experience and a structured sales process. You must prepare to provide informative, educational assistance to help your customers choose the best solutions for their business.

Here are 3 key steps to roll out an effective “try and buy” selling model that guarantees sales and customer satisfaction.

## 1. SIMPLIFY THE TRIAL EXPERIENCE

The idea of “try and buy” is not new in the software market. Back in the old days, you had to download the trial version, install it, set it up, and try it out. 30 days later, when the trial was over, you would have to go back and buy the full version, download that and do all the configuration once again. It felt like software companies were trying to make it harder for you to test and buy.

In the on-demand world of cloud applications and platforms, hardly anybody is willing to go through such hassle. First, find an efficient way to offer a trial of your services. For example, provision a fully-functional trial environment online that enables sign on with a few clicks. Spin up an environment with automated schedules and configuration.

The cloud makes it much easier to offer trials for potential customers - the faster you can get trials up and running, the quicker you can accelerate the buyer journey and boost customer satisfaction.



## 2. LEVERAGE MARKETING AS THE NEW SALES

Develop marketing strategies and produce online content to drive prospects to your product trials. Digital deliverables include e-books, infographics, blogs, and videos, which are easily shared and consumed on any device. These should educate prospects about alternative technology solutions, emphasize the differentiating benefits unique to your product, and offer customer testimonials and case studies.

Once a product trial begins, marketing messages can help your sales team lead prospects to purchase. By offering integrated training, feature tours, best practices, and so forth, partners can help trial users recognize more value in the offering and better convert trial prospects into paid subscribers.

Vice versa, you can use these marketing assets to collect data about your prospects by creating gated content that requires leads to provide their information before downloading an e-book or infographic. Such data will help you qualify your prospects, identify those who are ready for a trial and help salespeople prepare a targeted message for leads.

Establish your company as an expert in certain areas. You can also focus on a specific technology or be known as an early adopter and technology leader. Then, adding IP to a vertical or business process makes that advantage even more powerful.

## 3. ADD VALUE TO THE BUYER JOURNEY

Buyers can now find virtually all the information they need online, including comparisons with your direct competitors. They don't want a lot of sales calls, but they do want the option of speaking to a product specialist while assessing a trial product. Hence, you must engage early in the sales cycle and offer personalized assistance at no charge.

Find out what they need from you to add value to the customers. Otherwise, they'll have no reason to engage you at all. Ultimately, there are three things every customer wants to know:

- + **Why Buy?** Identify important initiatives; understand what drives their IT investments and show how you can help them meet their goals.
- + **Why You?** Compare with other possible alternatives to your solution, ready to position and differentiate your product from that of competitors.
- + **Why Now?** Demonstrate quantifiable ROI; align your product's capabilities, operational benefits, and financial value with the company's goals.

# IDENTIFY OPPORTUNITIES WITH MICROSOFT AZURE

An MSP's Complete Guide

## FIVE MUST-KNOW FACTS ABOUT MICROSOFT AZURE

Microsoft Azure is gaining ground on AWS, the biggest public cloud provider in the world. Like many others, you are considering the public cloud because it offers so many universal benefits – cost savings, predictability, scalability.

Which public cloud provider to choose is a key question. Here we will discuss 5 important features of Microsoft Azure to shed some light on that question.

### 1. AZURE WILL ALWAYS MAINTAIN AT LEAST 3 COPIES OF YOUR DATA

Your data in Microsoft Azure is always replicated to ensure durability and high availability. Azure Storage will maintain at least 3 copies of your data, either within the same data center, locally redundant storage (LRS), or a second data center, either zone-redundant storage (ZRS), geo-redundant storage (GRS), or read-access geo-redundant storage (RA-GRS).

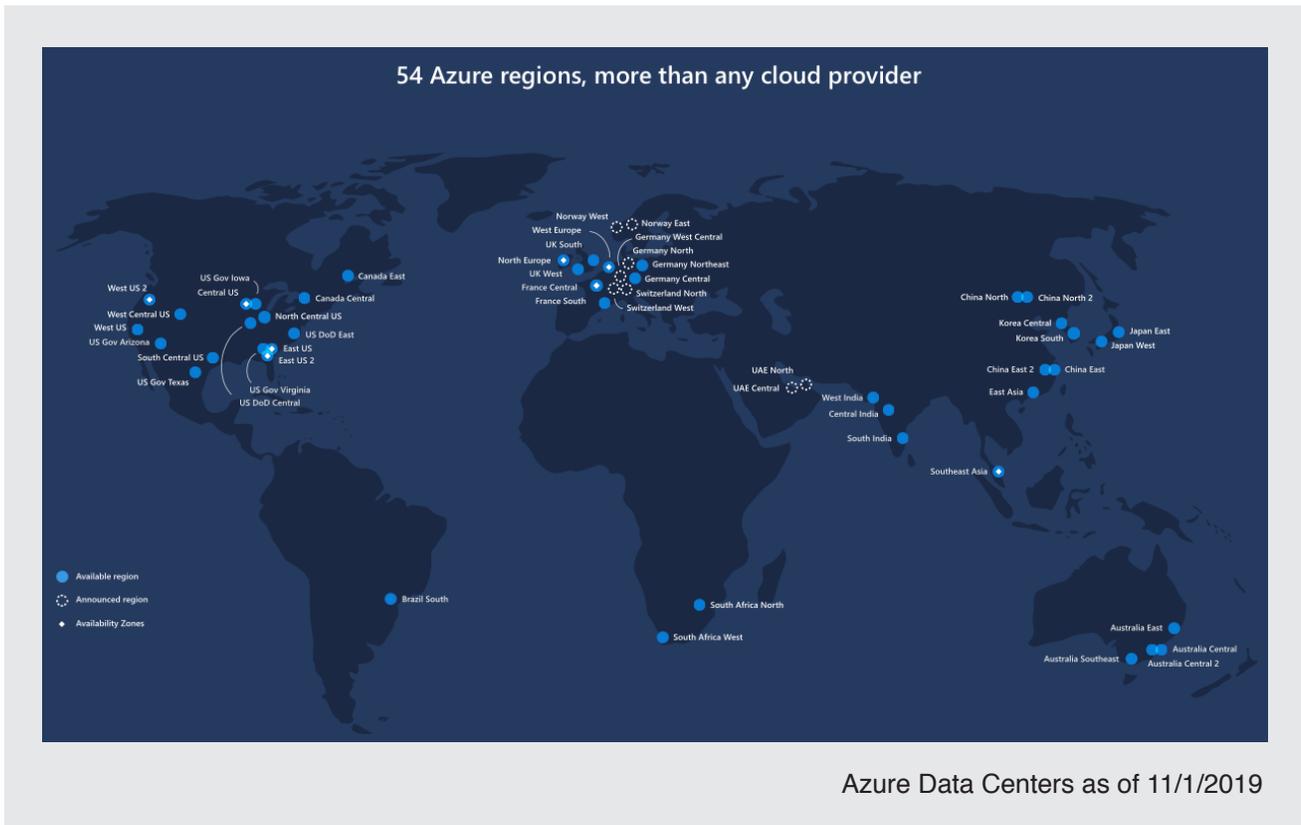
REPLICATION STRATEGY	LRS	ZRS	GRS	RA-GRS
Number of copies of data maintained	3	3	6	6
Data is replicated across multiple data centers		Y	Y	Y
Data can be read from a secondary location				Y

With at least 3 replicated copies, Microsoft Azure protects your data and preserves application up-time in the event of transient hardware failures.

### 2. AZURE STORAGE CAN PROVIDE GEOGRAPHIC REDUNDANCY

To maximize durability for your deployment, you have an option to replicate your data in a secondary region within the same geo-political boundary.

Using geo-redundant storage (GRS) your data is replicated 3 times within the primary region and also replicated 3 times in a secondary region hundreds of miles away from the primary region. In the event of a failure at the primary region, Azure Storage will failover to the secondary region.



Read-access geo-redundant storage (RA-GRS) not only replicates your data to a secondary geographic location but also provides read access to your data in the secondary location. RA-GRS allows you to access your data from either location, in the event that one location becomes unavailable.

### 3. 99.9% UP-TIME SLA FOR A SINGLE INSTANCE VIRTUAL MACHINE

For years, Microsoft Azure required you to have 2 or more virtual machines together in an Availability Set to have a 99.95% guaranteed uptime SLA for an Azure Machine. That's no longer the case!

As of November 2016, you get a 99.95% money-back guaranteed up-time SLA for a single instance Azure Virtual Machine. This is perfect for SMBs looking to put a second domain controller in Azure or move their first line of business workload into Azure without compromising expectations of availability.

In case Microsoft Azure needs to take a virtual machine down for maintenance they will still provide notification five days in advance.

## 4. AZURE PROVIDES A HYBRID CLOUD STRATEGY

Because on-premises data centers are limited and economies of scale in the cloud are vast, Microsoft supports customers using cloud resources to enhance their existing on-prem compute and storage capabilities.

Scenarios for a hybrid cloud with Microsoft cloud services vary with platform:

	SOFTWARE AS A SERVICE (SAAS)	PLATFORM AS A SERVICE (PAAS)	INFRASTRUCTURE AS A SERVICE (IAAS)
Platform	Microsoft SaaS services include Office 365, Microsoft Intune, & Microsoft Dynamics.	Azure PaaS services allow you to create cloud-based applications.	Azure IaaS services allow you to build and run server-based IT workloads in the cloud.
Hybrid Cloud Scenarios	Combine Microsoft SaaS service with on-premises services or applications.	Combine an Azure PaaS app with on-premises resources or apps.	Connect an IT workload that runs on virtual machines to your on-premises network.
Examples	Exchange Online running in Office 365 can be integrated with Skype for Business 2015 that is deployed on-premises.	An Azure PaaS app could securely query an on-premises data store for information needed to display to mobile app users.	You can use cloud storage as a backup destination for your critical data or leverage multiple Azure Regions for full data protection & redundancy.

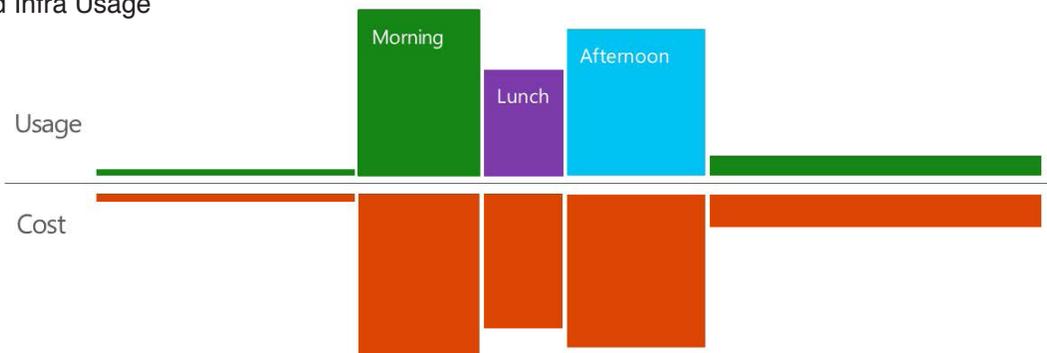
## 5. AZURE PROVIDES ELASTICITY

So you don't have to run 24/7 server for 9-to-5 apps. Elastic computing is the ability to quickly expand or decrease computer processing, memory, and storage resources to meet changing demands without worrying about capacity planning and engineering for peak usage.

The Azure cloud provides elastic computing capabilities to match the amount of resources allocated to the amount of resources actually needed without disrupting operations. With cloud elasticity, you can avoid paying for unused capacity or idle resources and don't have to worry about investing in the purchase and maintenance of additional resources and equipment.

By hosting desktops and applications in Microsoft Azure, you can match actual app usage with infrastructure runtime and maximize your cost savings.

Matching App and Infra Usage



# ACHIEVING TRUST AND COMPLIANCE IN THE MICROSOFT AZURE CLOUD

In a data-driven world data breaches happen. Managing industry compliance and data security is a complex task for an organization to navigate on its own. Compliance is even more of a challenge for regulated industries such as healthcare, legal, or financial services where extensive, constantly evolving regulations make it difficult to stay up-to-date.

A big benefit of leveraging public cloud computing is that many of the regulatory and data protection standards can be handed off to, or at least shared with, the cloud vendor. This chapter will discuss how Microsoft Azure can help you ensure the highest level of trust, transparency, and data security.

## HOW MICROSOFT AZURE COMPLIES WITH INTERNATIONAL, REGIONAL, AND INDUSTRY STANDARDS

Microsoft Azure offers the most comprehensive set of compliance and industry standards for different sectors, including healthcare, manufacturing, education, financial services, and government. For cross-border businesses and transactions there are even more regulations to comply with, and Azure has built-in compliance for many of these as well. Below are the examples of some established standards Microsoft Azure cloud services comply with.

GLOBAL	REGIONAL OR NATIONAL	INDUSTRY/SECTOR SPECIFIC
<ul style="list-style-type: none"> <li>+ International Standards Organization: ISO 27001/2 (general IT security)</li> <li>+ ISO 27018 (protection of PII stored in the cloud)</li> <li>+ Cloud Security Alliance (Cloud Controls Matrix 3.0.1)</li> </ul>	<ul style="list-style-type: none"> <li>+ Europe’s ENISA Information Assurance Framework</li> <li>+ Japan’s Cloud Security Mark</li> <li>+ Argentina’s PDPA</li> <li>+ Australia’s IRAP</li> <li>+ China’s MLPS</li> <li>+ U.S. Federal Government’s FedRAMP</li> </ul>	<ul style="list-style-type: none"> <li>+ Healthcare sector’s HIPAA</li> <li>+ Financial industry’s PCI-DSS</li> <li>+ Financial industry’s SOC 1</li> <li>+ Financial industry’s SOC 2</li> </ul>

Regarding regulations outside of the United States, you can visit this full list of compliance offerings or contact us for more information.

## HOW YOU CAN MANAGE DATA SECURITY AND COMPLIANCE

Compliance is more complicated than just meeting a checklist of standards and regulations. Effective compliance requires a two-way partnership between the customer who owns the data (your company) and the cloud vendor who acts as the data processor and delivery platform. **Having a partnership agreement that defines roles and responsibilities is essential to achieve complete legal and regulatory compliance.**

Microsoft Azure offers an easy way for legal and compliance professionals inside organizations to gain access to tools and information to help staff operate in a consistent and compliant way. This includes access to governance, risk and compliance summaries, as well as tools for managing employee security access settings, device management policies, data retention policies, and eDiscovery.

The cloud provider provides the tools, but you are responsible for operating a compliant cloud environment once the service has been provisioned. You must identify which controls apply to your business, and understand how to implement and configure them to manage security and compliance with applicable regulatory requirements. Legal staff in your company can also use the audited reports, compliance certifications and attestations provided by Microsoft Azure to as proof of compliance for your customers to demonstrate how you deal with industry compliance requirements.

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## YOU CAN TRUST THE MICROSOFT AZURE CLOUD

**In addition to the most comprehensive compliance offerings, Microsoft has more than 1,400 lawyers and public policy professionals working with legal and compliance leaders to tackle the regulatory issues businesses face in more than 100 countries (Think Cloud Compliance, Microsoft).** Even in the ever-changing regulatory landscape, you can have complete confidence trusting the security and privacy of apps and data in Microsoft Azure.

By leveraging the compliance offerings of Microsoft Azure you can help your organization and customers realize the following tangible benefits:

- + More protection against data leaks and breaches;
- + Less risk of regulatory or legal sanctions;
- + Lower costs for achieving compliance;
- + Assurance of adherence to international privacy and security standards;
- + Assurance of adherence to the rules of highly regulated industries;
- + Decreased overall risk for data and business

# TAKE ADVANTAGE OF THE MICROSOFT PARTNER ECOSYSTEM

Interested in leveraging the Microsoft Azure cloud? In addition to the product, Microsoft built an entire ecosystem of support for partners to empower their success. Here are some key Microsoft support resources to get you started.

## JOIN THE MICROSOFT PARTNER NETWORK

The Microsoft Partner Network (MPN) offers tech companies a variety of resources to build their business offerings around Microsoft technologies. MPN gives companies product licenses, technical support, and online training, as well as access to connect and collaborate within its partner ecosystem.

The MPN provides three types of memberships. Participate in the program at the level that suits your unique needs to help your business grow:

- + **Network Member:** Receive a set of no-cost introductory benefits to help you save times and money. This helps new partners build your first cloud practice and discover key next steps to grow your business.
- + **Microsoft Action Pack (MAP):** This is an affordable yearly subscription for businesses looking to build and grow their Microsoft practice in the cloud through a wide range of software benefits.
- + **Competency:** Access more support, software and training to accelerate your success. As a competency partner, you can earn both gold and silver competencies in one or more areas to showcase

## LEVERAGE THE AZURE MENTOR PROGRAM

After obtaining a valid MAP or competency, you are eligible to participate in the Azure Mentor Program (AMP). AMP provides partners customized technical training and pre-sales to deployment support to build your Azure or EMS business.

Successful completion of the AMP would result in:

- + 5 Azure solutions successfully deployed within 6 months
- + Ability to achieve the Silver Cloud Platform Competency
- + Ability to build a profitable Azure and/or EMS practice

## SELL THROUGH AZURE MARKETPLACE

Azure Marketplace is an online store that enables ecosystem partners to offer their solutions to enterprises and Azure customers around the world. Within a single, unified platform, customers can easily search, purchase, and deploy your solutions on Azure with just a few clicks. The process of getting your solution listed in Azure Marketplace is referred to as getting Microsoft Azure Certified, one of the benefits from the Silver Cloud Competency from the MPN.

Azure Marketplace is also a place to discover and leverage other solutions that can complement your current offerings. You can find new partnership opportunities and resell cloud solutions through thousands of software applications and services certified by Microsoft to run on Azure.

# SUMMARY

## An MSP's Complete Guide

Thank you for taking the time to read this e-book. We hope you gained new insights into transforming legacy MSP services into the new era of cloud computing, and how to successfully grow a cloud business by utilizing the benefits of the public cloud, differentiating your business, and forming strategic partnerships. To recap:

In the first section, **Understand the Cloud Opportunity**, we discuss the benefits of the public cloud infrastructure upon which your practice will be built. You can use the insight within this section to engage your customers and present them with new exciting opportunities in the cloud.

In the second section, **Define & Design Your Cloud Strategy**, we focus on the essential preparation for cloud adoption, especially in the SMB market. We recommend various tools and resources to obtain cloud knowledge and technical requirements. We also suggest how to identify the most common workloads and customer types in the cloud as well as vendors to partner with. This section will help you answer the question “Build or Buy” as you get started on your cloud journey.

In the third section, **Develop a New Business Model**, we discuss the business benefits of starting a cloud practice and moving to a MRR (monthly recurring revenue) business model. This section covers ideas for automation, creating an IP package, bundling services, and adopting a “try and buy” sales process to build a strong presence in the cloud marketplace.

In the final section, **Identify Opportunities with Microsoft Azure**, we focus specifically on Microsoft Azure and the benefits of co-selling with Microsoft to accelerate your cloud business. We will show you how to add value to your practice by leveraging Microsoft Azure's compliance and industry standards as well maximizing your efficiency via the Microsoft partner ecosystem.

### About MyCloudIT

MyCloudIT, developed by Conexlink, is an automation platform that simplifies the delivery, management, and monitoring of desktops, apps, and data in Microsoft Azure. Any managed service provider can deploy and manage any workload in the Microsoft Azure Cloud today, with MyCloudIT.

MyCloudIT deploys remote desktop services on top of Microsoft Azure Infrastructure as-a-Service. This allows for simplified access to the public cloud and more control once there. We built a lot of really cool monitoring and management features to make it easy for you to increase performance and decrease costs.

### About Conexlink

Conexlink is a Dallas-based SaaS company committed to empowering every business to take advantage of the cost and performance benefits of delivering IT in the cloud. We create automated solutions for helping businesses access and manage the cloud -the next generation of IT.

“There is no need to hire an engineer that's an Azure expert when you have MyCloudIT. You simply point and click, point and click and you have a Windows deployment built in Azure.”

- Bruce Mizell, CEO and President at Global-ENC



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