



Solutions360 Helps Genesis Integration Pivot to Services

There is a lot of discussion within the integrator community about the need to get into managed services and develop recurring streams of revenue in response to shrinking margins on hardware. We spoke with Kelly McCarthy, President at Genesis Integration about this phenomenon and how Solutions360 has helped Genesis develop and grow its managed services business.

"It is interesting to see how companies are adjusting in the face of margin erosion on hardware," says McCarthy, "There is a real dichotomy – some companies are going out of business while others are thriving. The differences boil down to the revenue and profitability of their services business."

Keeping margins up is a top concern for Genesis, and this was a key driver behind the company's pivot to services. One of the benefits of Q360 is, it allows McCarthy to see the road, *"As we look ahead I can see the numbers and where they are taking us. I can see that the services side of our business is the most profitable and that is where we want to steer the business."*

"We are two years into a three year plan, and as our services business evolves, the whole service contract piece within Q360 provides an enormous amount of information that really informs our decision making, says McCarthy."

The transition to managed services has been a multi-year undertaking for Genesis, and the journey has not been without challenges. *"A lot of people in the industry know they have to get into services, but they have no idea how to make it happen. It is not as simple as deciding to move into services, but Q360 helped us realize how profitable the services side of the business is and how much effort we would need to make to pursue that business long term."*

Genesis has been using the Q360 platform for almost ten years, and the company keeps discovering new ways to leverage the software. For example, Q360 allows Genesis to track the revenue, costs and the profitability for each department of the business, *"So we can look at each individual activity like designing or engineering, and see how they are performing,"* says McCarthy.

Q360 is the only **complete business software** package that is purpose built for **Technology Integrators**

“Q360 gives us the visibility we need into the services business and what its return is to the company.”

The ability to monitor and measure the performance of all areas of the business has been critical as Genesis is expanding its service department. *“You have to be on top of your game with all of these elements if you are going to be successful. Being able to see the profitability of each department really woke us up a lot,”* says McCarthy, *“Not all services are created equal and Q360 is giving us information for each individual activity, so we can decide to make a change or increase efforts in a certain area.”*

What Genesis gets back from Q360 is confirmation of the assumptions the company has made, which fuels their desire to grow the services side of the business. In three years McCarthy forecasts that services revenues will make up 20 percent of revenues, but will represent 60 percent of profitability.

McCarthy reports that keeping margins up is a top concern with many integrators, as margins are shrinking on hardware. In fact, this will be a key topic of conversation at the upcoming Pivot to Profit conference, where integrators learn about how recurring monthly revenue can impact revenue growth, operating income and gross margins.

“A lot of people in the industry know they have to get into services, but they have no idea how to make it happen,” says McCarthy, *“Pivot to Profit is about the steps to take and change you have to make in order to pivot your business toward services.”*

At Solutions360, our mission is to become our customers' most valued business partner

The second annual Pivot to Profit conference, hosted by NSCA, PSA Security and SYNEX, is taking place on September 28-29, 2017, at the Crowne Plaza Hotel & Conference Center Chicago O'Hare.

Solutions360 is excited to participate in Pivot to Profit as one of the sponsors of an innovation hall made up of companies that offer unique services and solutions to help integrators grow recurring revenue. If you can make it to Chicago, be sure to stop by and see us in the innovation hall. We look forward to seeing everyone in Chicago and continuing the conversation.

For more information about Solutions360 contact:

SOLUTIONS360
business.managed

John Graham | Executive Vice President
jgraham@solutions360.com
(905) 868-9901 x230
www.solutions360.com