



Richard Tubb: Hi everyone, Richard Tubb here and today I'm joined by Andy Pope of the Consort Group. How are you doing, Andy?

Andy Pope: Not bad, thank you.

Richard Tubb: Andy and I are currently on the MSP Raise Your Game road-show going to cities across the UK. And today we're here in Old Trafford, home of Manchester United, probably the world's most famous football team.

Andy Pope: Well....

Richard Tubb: As an Arsenal fan, you disagree?

Andy Pope: Well, we're going to the Emirates Stadium tomorrow so...

Richard Tubb: Well, there we go.

Andy Pope: There we go, we'll see the difference then but...

Richard Tubb: We've had good audiences of MSPs, aspiring MSPs, and IT companies talking to us. Tell us a little bit more about your background within the MSP industry and what led you to being the MD of Consort Group.

Andy Pope: Well, I came from a retail background. I put back in at the beginning just to say that I kind of am able to speak to people and understand what customers want. More so than from a techie background. So I came in to IT from that way.

And I've actually been the MD of an MSP, as they are now for the last 15 years. I've recently left them and that's something I've done by myself, and left them to do their thing with their owner which is great. And during that process we went from—if you like a classical, I don't call it "great fix," I call it "Sweeney Support."

Richard Tubb: Ok, tell me more.

Andy Pope: Well, Sweeney, the car door's open, the engine's running outside the office, as soon as the phone rings it's down, "Go! Go! Go!" Everyone slides across the bonnet, gets in the car and off they shoot to remove a newspaper from a keyboard. That's actually a true story.

One of my first days there suddenly the phone rang, "Oh, there's a strange noise coming from my PC." They we're based in New Market which is about a 45 – 50 minute journey for someone to go up there and literally take a newspaper off the keyboard to make the funny noise go. So there we go, that was the challenge but yeah, we successfully moved them from Sweeney Support to—

Richard Tubb: And I was going to say, for any of our American listeners who's watching you and not familiar with Sweeney, I'll put it in the show notes, you're in for a treat.

Andy Pope: Yeah.

Richard Tubb: Sorry, Andy, continue.

Andy Pope: So yes, we managed to do the right thing and moved them from Sweeney to Managed Services. And during that process we've come across—there's been a lot of changes in the IT industry since then. I think the first PCs that we were

putting in were either clone build-yourself PCs valued at roughly £1,500 - £1,200, now £250. And the margin's gone from that completely.

Software again has changed an awful lot. We've gone through lots of changes and now Cloud is here. So the industry has changed an awful lot and we've been able to change the business to see that as well.

Richard Tubb: Tell me a bit more about the Consort Group. Loosely understood it, collaboration, collective of IT companies. Share a bit more, what's the benefit?

Andy Pope: Well, the benefits of being a member of the Consort Group is that it's a member's organization for the members. So it's non-profit. The idea being is a collaborative partnership between all of the members. We can all sit together and share information on technical, on sales, marketing.

And it's kind of non-competitive environment as well. So there's no one there really competing for anyone else's business. We all get on well, have a couple of beers, and enjoy ourselves which is great because you tend get an awful lot of collaboration done the night before the Board meeting.

And of course, it gives us one voice to go and speak to specific vendors. They want to come and speak to us because there's ten wise men sitting in the room. I have to say that if they're listening. And it's good for them to actually pitch themselves against us and our experience as well. So we do get a lot of interesting vendors who want to come speak to us as well. And obviously, we want to speak to vendors and get prices down, and better terms, and better partnership, and better collaboration with them. That tends to work very well.

And the core services around Consort of things like marketing, training, sales training, customer service training, access to lots of different contractual documentation, and the shared, combined knowledge of a lot of techies across the country. We do get an awful lot of, "Guys, I've got this," or "Guys, I've just discovered this security issue," and sharing that type of information which is great.

Richard Tubb: Makes a lot of sense. Clearly, lots of things have changed in the industry over the past few years. What do you think have been the biggest changes and how should MSPs cope with that?

Andy Pope: Well, I think one of the biggest changes is the difference in skill sets required these days. So if you've, for example, decided that all you're going to do is put

Office 365 and Cloud-based products, so therefore your clients no longer need servers, and these are broad assumptions but there's a logic behind that.

So therefore you don't need servers anymore, so therefore you don't need a Server Engineer any more. Someone that can support the exchange, why would you go to market and find—unless you've got clients that pick up this guy's salary. I don't know, an Exchange Engineer is going to cost you £25,000 per year plus.

Richard Tubb: And the rest, pretty penny, yeah.

Andy Pope: Yeah. So you've got to be delivering, or you've got to be having in Exchange Support contracts worth £25,000 that he uses and everything else that sits around that. Then you've got to support them, someone else has got to look after that when he's on holiday or sick. And it just doesn't stack up anymore.

So we hear a lot about skill shortage and I wonder whether actually that's the wrong question. It's a skill difference. Looking at who your workforce now is, I talk about digital migrants and digital natives. Digital natives were born with a mouse in their hands, basically. And actually, support these days is more about device support rather than service support. Especially if you take the Cloud model.

So therefore, you need people that are friendly, good bedside manner, can go out and hold conversation, listen for sales opportunities whilst they're there.

Richard Tubb: Attitude comes before technical skills?

Andy Pope: And be able to support devices. And I think that's one of the biggest difference these days is that with Cloud, it does take away that whole area of IT. Now, again, through transitioning—I'm not saying ditch all your server clients because someone else is going to make some serious money out of them when you do—but just consider what happens in your business over the next four, five years and where that's going.

Are we going to go in a cycle and go back to servers? I don't think so. So what does that look like? And it becomes more about bedside manner that it does about technical skills, I think.

Richard Tubb: So let's talk a little bit more to that point then. As an employer, what do you look for in people when you recruit? Because I'm hearing that technical is probably a little bit further down that list than people skills.

Andy Pope: Well, there's this mythical beast in the IT world and that's a technical person that is also a really good salesman, doesn't want to get paid an awful lot, and doesn't want sales commission. If you know where they are, tell me because from a recruitment point-of-view we can put them in lots, and lots of different places.

But essentially, what you're after is you're after that—I personally think that someone that understands business, and understands what the client is going through. Now, some of that you can do by training. So from a training point-of-view, teach your staff about what makes a business tick.

So what challenges do you take on a day-to-day basis? So therefore they can start thinking along that lines, applying IT to that. And then looking for those solutions. Obviously, you need someone with technical skills but recruit for attitude, train to skill.

Richard Tubb: Yeah, I've always said myself, I'd much rather recruit somebody based on their good attitude and to train them up on the technical side because it's very difficult to hire somebody with great technical skills and teach the man to be a good person.

Andy Pope: Yeah, yeah, and McDonald's, if you take McDonald's, I've heard that they're a burger chain. I've never eaten in a McDonald's before.

Richard Tubb: Bear in mind the herculean physiques, we...

Andy Pope: Absolutely, yeah.

Richard Tubb: Our bodies are temples!

Andy Pope: So I've heard about this place called McDonald's and what they do is they—wherever you go across the country, and we've done quite a few miles over the last few days, and I've seen these McDonald's on the road, they all have the same menu. And they all have the same standard. So a cheeseburger should be the same cheeseburger whether it's in Edinburgh or North London, and all the way in between.

So how do they do that? Well, they've got a process for that. So in the same with your IT Support, actually can you deliver a process that says when a client comes in with a support call, we deal with it this way; we then do this, we then do that?

And actually, you can break a lot of the skill down—let me go back a step—a helpdesk engineer needs to know lots of different things other than just how to fix the problem. He needs to know how to dial in. Where do I find this customer's detail? Who is this person? Is he the boss or is he the cleaner?

So there's a lot of knowledge that is difficult to capture and difficult to train. Where if you can actually do the McDonald's and break it down to its lowest common denominator, you also write a Visio chart of "This is what we do," pictograms, keep it simple. That's what McDonald's do, you go into a McDonald's and if you want a cheeseburger, the burger goes on, then the piece of cheese, this amount sauce goes on. Then the bun goes on. It's wrapped in a certain way, and it's delivered in a certain time.

So if you can try make as many things in your organization process-driven as possible, and again, PSAs and remote-management tools help you do that, then I think actually what you're looking for in a support person is slightly different. And maybe slightly cheaper as well so therefore profitability wise, that's better.

Richard Tubb: Yeah. Up to your point, I really like the idea of sharing the business model with your staff. So many IT business owners that I speak to they tell me that the engineers are focused on helping the clients first and foremost. And actually, that's only half the job. I mean, it's an admirable trait but you've got to help the client and be profitable. Otherwise, there's no business there.

Andy Pope: Yeah, and actually, a really good point on that, we interviewed for an apprentice recently and one of the guys come in, you ask him the standard questions. He was 16 years old, he's quite fun; "So what's your strength? What's your weaknesses?"

And this guy says, "My weakness is that sometimes I jump to Google too quick to find the solution."

And I said, "No, that's actually a strength." In academia, I completely understand that. But in business, actually, what I want you to do is to clear that problem as quick as possible. Because the simple thing from an IT support point-of-view is I don't want you to phone me for IT support, I just want to earn money from having that service. And the customer's thinking I need value from it so when I do phone I need quick response and such and so forth. The idea is to get them off the phone as quick as possible and move on to the next one.

And actually, not even wait for the phone to ring, using remote management, go in and actually see what problems, and really work on issues, and understand it, and that sort of thing.

And again, around that process-side, sorry, is if you look at what products you sell and have a kind of best-of-breed policy, so why do we have five different backup solutions in our business? Why have we got five different anti-virus solutions? Why is there such a difference in hardware across the board?

And try and standardize because again, it's easy to train knowledge-based wise you can share things between one. You can fix one on one machine then you know the—it's an anti-virus issue where you need to tweak an exclusion on Sage, you know ten of your other clients have got Sage and they're using the AV so go in and do it and sort it out. And then just email the client and say, "We've done this by the way." That's value.

Richard Tubb: Yeah. So let's pick on your experience again. Despite the fact the fact you're only looking at 21 you've been in the IT industry for years and years. If you were to start an MSP again today, what would you do differently? And I guess, my question really is, for MSPs who are starting up in this new client, what advice would you give to them?

Andy Pope: I would really go for this trusted advisor role. If you're a techie, unfortunately, people still view you as this kind of geeky person. And actually you're ok with a screwdriver and you come up with some good pearls of wisdom all the time, I've seen it in so many places where I've gone in and the web designer or someone that's involved in their marketing is now starting to give them IT advice which I thought was my domain.

And actually, it's good sound business advice. And they don't come to me because I'm the IT guy. So we very much focus on new business around being the trusted adviser, being the business adviser who will help you get the most out of IT rather than the IT guy who can help you solve some business problems.

Richard Tubb: Yeah, makes a lot of sense.

Andy Pope: Another key area for, if you're starting a new MSP, is choose what you're really good at and stick to that. Become this man-of-all people. So if what you're really good at is supporting desktops, well, just support desktops. Don't do servers.

And the reason for that is there's other people that you should actually look at partnering with rather than competing in the local area. Obviously, there's a trust issue, there's all sorts of things going on. But for me, it's about we do Cloud, that's what we do. So if anyone wants something that isn't in that area, I'll either try and sell my solution or if they won't change, if they won't do—"We want as it were," then we'll suggest they go elsewhere.

Richard Tubb: Yes! So you're looking for the customers that are the right fit for your business than trying to bend your business model to suit—to do all things for people.

Andy Pope: Yes, that's correct.

Now that is really brave to do for an existing IT company. Because the existing IT company probably has two of those exchange engineers sitting there, and they've got four helpdesk staff, and they've got a fleet of vans and they've got this, and they've got that. So their overhead is very high.

So to transition from they still need those capital projects and those one-off things to still carry on paying the bills. But when you start a new business you can say, "Ok, well, I'm just going to grow my staff when I get the monthlies in to do so." And you can actually keep your costs in line with your monthly income. A lot easier than transition from one to another.

And that is why it's always going to be the biggest challenge. That might mean there's going to be cash flow issue. So that's why getting things on direct debit or automatic payment preferably upfront is a good way of just going about and doing that sort of thing. But yeah, that's it.

Richard Tubb: Fantastic. I'm going to pick up on some things that you mentioned earlier on. And these actually fit into the theme of the Consort Group. You said too for MSPs to focus on their core competencies and to buddy up, to team up with other providers in that.

Let's take that forward a little bit. So we're here at Old Trafford, Manchester. We're here for the Raise Your Game roadshow and some of the feedback I've heard from the MSPs in attendance today is that it's actually first exposure to the idea that not every IT company is a competitor, that you can collaborate. Why do MSPs join say, the Consort Group which is a very tightly-knit group of peers collaborating? What's the benefits to their business?

Andy Pope: I think there's different benefits. The overriding benefit is what we class as—we have these core services, if you like—but the overriding is that you're

meeting with peers and you're able to share information in a non-competitive way. And that all sounds very grand but it's true and it does work. And that is some of it is because geographically they're dispersed but we have got kind of a smattering, a clustering in the Northwest.

And they're very careful to share information. There's been many times where one of the member's client has phoned another one of the members and there's been a tip off going back and forward through. So it's that shoulder-to-lean on or cry on, if you like, is actually at the heart of it.

And then that split down into a sales advice; "This is how we sell this." Kind of the compliance and the legal advice. "Look, we've just spent a lot of money on this, producing this set of IT contract documentation, does anyone else want to share it, we'll go halves on the cost with me or whatever from there."

And technical skills, being able to share ideas but also pool technical resources especially when it's product development, developing new things and new services, sharing that within the group. And then that voice to vendors, being able to go to vendors and saying, "Actually, there's now 350 who's between this week's support coming up to 250,000 devices so let's talk about a decent rate." And that type of thing. But I see that as a secondary rather than the first of that kind of peer collaboration, and support between the group.

And the core services, things like shared marketing, so we have a Business Talk Magazine that goes out once a quarter to prospects all over. And it has that kind of thought leadership piece. And it's the same that goes to all of the members. Obviously, with their own kind of contact details, and logos, and bits and pieces on there.

For things like customer service training, we share between, sales training, and lots of other—if you like, core add-ons to it from there. But essentially, it's that peer collaboration. In our blurb, "it's a member organization for the benefit of the members."

Richard Tubb: Good. Makes a lot of sense. And from what I'm hearing as well, a part from the nice to have's; the collaboration, technical collaboration and the shared marketing, there's an impact on the bottom line isn't there, for the companies that are part, clearly so.

Andy Pope: Yeah, so there's a membership fee but we tend to find that depending on how you have your operation running, and your kind of operational tools, that

sometime depending if they're the right ones that we've got the discounts that tends to pay the membership.

Richard Tubb: Yeah, in it of itself, membership has an impact on the bottom line, I'm going to presume it's a very positive impact.

Andy Pope: Absolutely, yeah.

Richard Tubb: Based on learning, your constant sharing also.

Andy Pope: Well, just marketing, if you look at the quality of the Business Talk that we send out if an individual's to do that it would cost them the same to do it for ten members as it does for one member. So it's just to print—the difference in print, which is nothing really. So from that point-of-view, yeah, there's definitely benefits in belonging to the group.

And also, we found that guys have been able to punch above their weight now so they're being able to go out and have a little bit on their proposals or on their website that says, "We're part of the Consort Group. That means we have 350 engineers across the country."

Because we have kind of an intercompany charge rate between the group. So, "Guys, I need someone down in Bristol," from the company up in Stirling, in Scotland because that's one of their satellite offices where clients, you know the story. So our member down in the South will go and send someone over to Bristol for that. Or the one from Rex, whoever is closest. And there's an internal charge mechanism for that. So that really helps as well to be able to go out and win new business and to tender for new business that you wouldn't typically have done before.

Richard Tubb: Makes a lot of sense. So for somebody who's business was built off the back of peer collaboration as my MSP business was, I would highly encourage any MSP and IT companies watching this, get out there, find local user groups and speak to your competitors, create the strategic alliance. Speak to organizations such as CompTIA and Consort. Get together with your peers. You know that old phrase; "A rising tide lifts all boats," is absolutely true.

Andy Pope: Yeah, and you will find that people are happy to network. So they'll go to a beer night or Chamber of Commerce event and various things like that. And so you're already doing networking but actually, look at networking within your marketplace. You really don't have to compete with people.

Yes, there are core services that you do compete on. You don't have to share that information but I tend to find there's enough business for us all anyway. Even if it's just servicing your own customers. If you're being aggressive, and going out, and trying to steal other business from elsewhere, you'll soon find out that no one wants to collaborate with you. And there are better ways of doing that; let customers make their decision rather than you trying to steal business.

Richard Tubb: And Andy, to fear that I have to hear from IT companies who don't collaborate in that, "If we collaborate, if somebody does steal our client," but it's a self-selecting mechanism isn't it?

Andy Pope: Yeah.

Richard Tubb: Because if they do, nobody collaborates with them anymore.

Andy Pope: Clients aren't stupid. It's not like they're sheep where someone would just go in and say, "Oh, they're not looking. That shepherd is not looking, come and join my flock." There tends to be a reason why they want to leave that flock in the first place.

So even if someone is stealing your business, you've got to ask yourself the question, why are they stealing my business? Is it price? Is it value? Is it service? All those sorts of things. But that's for another day, maybe.

Richard Tubb: Makes a lot of sense. And I feel as though we can talk about this all day.

Andy Pope: Yeah.

Richard Tubb: I'm conscious of your time. We're going to go back to doing some speaking in front of audiences. Before we go, how would people who want to find out more about the Consort Group and to reach out to you directly, how would they get in touch with you?

Andy Pope: So the best thing to do is to go to our website which is consort.IT, simple as that. All the information you need is on there. And my contact details are on there. Drop me an email. Give me a call and I'm happy to have a conversation, chat. What I'll probably do is point you to one of the members that are closest to you so you won't just hear it from me, you actually hear it from the members and see what their story is and why they decided to join the group.

Richard Tubb: Fantastic. Just before we go I've got one burning question for you. I know you're a comic book geek the same as me, so Superman or Spider Man, who's best and why?

Andy Pope: Well, it's easy, Superman, every time.

Richard Tubb: Wow, you're wrong but we don't have time for me to tell you why that is. Make my Marvel every single day! Andy, thanks very much for your time really appreciate it.

Andy Pope: It's been a lot of fun.