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2017 BUYER'S GUIDE

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THE BUSINESS HANDBOOK FOR TECHNOLOGY PROFESSIONALS

SHIFT TO SERVICE IN 365 DAYS

Learn how ClearTech's small, nimble, committed staff added processes, software and significant services-based revenue in just one year. **PAGE 26**

Christina De Bono,
ClearTech Media, president



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SHIFTING TO SERVICE

IN 365 DAYS

Being small, young, nimble and committed to a transition to more service revenue has paid off for ClearTech Media. But not without hard work and good timing.

By Tom LeBlanc,

Photography by Allen Altchech

G O TO ANY EXECUTIVE CONFERENCE and you'll see the same thing — company owners and executives listening attentively to speakers while busily jotting down notes.

What will they do with those notes?

Is that notetaking the first step toward implementing a new strategy that will transform their business?

Or will those notes sit on their notepads or tablets until pages are turned or files are forgotten, never to be implemented or discussed again?

Christina De Bono, president of integration firm ClearTech Media, was one of those feverish notetakers 14 months ago at NSCA's Business & Leadership Conference (BLC) where the sessions collectively formed a clear directive to integration firm executives in attendance: It's absolutely necessary for your company to transition to a more service-based revenue model or there's a good chance you'll go out of business.

ClearTech, at that time, had very little service-based revenue, so the message stung a little bit.

De Bono was motivated enough to hit the ground running when she returned to ClearTech's Altadena, Calif., headquarters. "We were very inspired," she recalled during a panel discussion at the next year's BLC. She sat on that panel because, after spending the

previous year designing and implementing a managed services strategy and transforming its business, ClearTech won an NSCA Excellence in Business award for strategic transformation.

Quite a change in one year.

"We came back from the conference on Sunday," she says. Sitting at the airport bar with director of technical services Joe Perez that day, they made a commitment to follow through with a goal that

De Bono realized that the industry-wide priority that NSCA was emphasizing was also a no-brainer for ClearTech simply from a business and customer service perspective.





Christina De Bono (right) credits her committed staff with ClearTech's relatively quick shift to a profitable managed services business. From right: Thuy To, Max Brown, Joe Perez and Adam Mejia.

ClearTech Media | cleartechmedia.com

PRIMARY LOCATION: Altadena, Calif.

PRINCIPAL: Christina De Bono, president

REVENUES: Opted not to share

YEARS IN BUSINESS: 34

EMPLOYEES: 13

NUMBER OF INSTALLS LAST YEAR: 104

TOP 3 MARKETS: Higher Education, Corporate, Utilities

TOP 5 BRANDS: Extron, Epson, Da-Lite, Middle Atlantic, Chief

"My company does customer service better than any other company."

CI SNAPSHOT

they knew was important for the relatively small integration firm.

It's not as if the concept of transitioning from business models based entirely on product- and project-based revenue was anything new. The challenge for ClearTech and other firms — especially smaller ones — is that the transition isn't easy for firms with embedded practices.

However, De Bono and Perez had confidence that its team would fare differently and realized that, after all, it didn't have much of a choice. "We need to do this," De Bono recalls thinking at that airport meeting. "And, we're a company that's younger and more flexible. We felt like because of that we may have a better chance of being able to do that pivot."

After a year of implementing new processes and mindsets while committing to creating a profitable service business, ClearTech is already seeing 15 percent of its revenue stemming from service versus projects, up 5 percent from the previous year.

With the processes now in place and with service a line-item in every project sale, service sales are picking up rapidly. That doesn't mean the transition has been easy.

A Little Help from a Friend

There's a reason why transitioning from project- and product- to more service-based revenue was such a priority at that BLC in 2016. Many integration firms struggle with that shift. It's not likely anybody at that conference was hearing about that priority for the first time. Meanwhile, it's not like just because De Bono was motivated ClearTech media would be immune to the struggles.

After all, pre-2016 ClearTech could easily be described as a "traditional" AV integration firm, says Perez. "Both [De Bono] and I came from traditional integration companies. Although ClearTech has always worked to build relationships with clients it was still a traditional project-based company."

One of the reasons De Bono was so motivated, however, was that she could see that ClearTech's customers had already demonstrated both need and demand for ongoing service. She's been with ClearTech for eight years and says she has focused much of the past five on building an internal technical services team to focus on "a few clients who we provide cradle-to-cradle services for" mostly in the higher education, corporate and utilities markets.

"Our clients who we do a lot of ongoing work for really needed a more proactive approach to managing all of their audio-video assets," she says.

So sitting at that BLC in 2016 De Bono realized that the industry-wide priority that NSCA was emphasizing was also a no-brainer for ClearTech simply from a business and customer service perspective. The problem she struggled with was just as simple: How to create a repeatable service model that will be valuable to them.



With 13 employees ClearTech's shift to services required an all-hands-on-deck approach. In the end the size and flexibility of the firm seemed to make the transition easier.

That's when the phone rang.

On the other end was the contact for ClearTech's largest customer, a person in charge of all projects and facilities for a large company. "We were the go-to vendor for all their audio-visual systems," she told the crowd at BLC in 2017. "He said, 'Christina, we need to get together to evaluate a service program for our organization.'"

De Bono was quick to recognize the opportunity. The decision (which was actually made at the airport bar) was to be transparent with that customer and lean on him not just to create a service program for *his* organization but to gather his input on what ClearTech should offer *other* customers in service programs.

"Two days later we met with the client and we asked him to help us define what our program would be," De Bono says. "For the next several months, this client committed to working with us to develop the business plan. We went all-in on this. We had to put everything into this and make a business model."

Those meetings with the client were invaluable, according to Perez, who was involved in the process, because they provided a window into organizational concerns.

For instance, throughout the meetings with ClearTech it became clear that the customer had about 50 percent more systems installed than they realized. Many were not in use. "The first thing they wanted to do was assess all of these locations," Perez says. "That was surprising to me."

It made ClearTech realize the importance of providing room utilization feedback to customers. "It was also important to have an asset management portion of our managed services," Perez says. "In other words, be able to have all the documentation in one location where it's accessible to us and in the future accessible to the client so they can just go into a portal and find everything they need to know about one room."

The next step for ClearTech, of course, was to take what it learned from that generous customer and apply it to a service model that would be offered more broadly.

Inside ClearTech's Service Transition

It didn't take very long after those customer meetings before ClearTech unveiled its "Silver," "Gold" and "Platinum" levels of managed services plans (see box). The good-better-best portfolio offers a range of service calls from one- to unlimited-per-year and guaranteed service response times from within 12 to 48 hours, plus services that may include:

- › Remote active system monitoring
- › Monthly device activity report
- › Remote troubleshooting
- › Help desk support
- › Technical resource library
- › Preventive maintenance
- › Training or retraining
- › Client specific resource libraries

Adam Mejia, client relationship manager, says the service contracts include preventive or "proactive" maintenance. "We go out and inspect their systems to make sure everything is in working order."

Then there's the remote monitoring aspect. "That basically allows us to keep an eye on customers' devices. We can be alerted if, say, a lamp goes out in a projector. In an ideal scenario we'd be notified before the customer is even aware. We can contact them and say, 'Your lamp is out. Let's take some action and get it replaced.'"

With only 13 full-time employees there's always a chance to step up and assume a larger role at ClearTech. That was case for Mejia, who already had an established role before De Bono asked him to manage the transition to services. Having somebody take on that responsibility was critical, in De Bono's view, as ClearTech continued to deal with day-to-day business.

Mejia brought an IT background to ClearTech. "That was invaluable because when it came time to start onboarding the audio-visual systems we needed a combination of knowledge because there's extensive interaction that needs to take place between us and the IT side of the client," De Bono says.

There's no question that in De Bono's view the success or failure of the transition fell into the hands of her small staff.

That turned out to be a good thing, according to Perez. One reason so many integration firms struggle with the transition from project- to service-based revenue is that they're stuck in the old

ways. He says ClearTech's relatively young staff actually got excited and enthusiastic about the transition.

Being relatively small and flexible also helped with the transition, according to Mejia. "It allowed us to make these big changes necessary to migrate our business model," he says, adding that he thinks the industry's largest integration firms would struggle with such a dramatic shift. "That played a big part in our success."

That, of course, begs the question of how ClearTech defines success when it comes to its transition to service.

Taking Stock: One Year In

Launching a portfolio of service solutions that have to be managed and supported is a lot like starting a new company. You spend the first year building and investing in it, and you don't necessarily expect instant gratification. It's impressive, therefore, that in a year that was largely focused on implementing services ClearTech saw its services revenue grow by 150 percent. Meanwhile, its overall revenue also grew by 25 percent.

After all, project-based revenue remains, by far, the firm's largest source. Therein lies another reason why integration firms often struggle with the transition to services: How do you teach a sales staff accustomed to selling projects to keep doing that but also sell this other very different thing?

It wasn't as dramatic an adjustment as it could have been, according to Mejia. ClearTech had been selling "non-managed service plans" for some time, he says. The uncharted territory was the remote monitoring part. "I think the learning curve was probably most affected by just grasping what getting a client up and running for remote monitoring actually entails," Mejia says. "It can be a long and arduous process, depending on the client. There are a number of factors that affect it, but that was the big hurdle."

De Bono agrees that it was difficult at first "to fully grasp what the value proposition is for our clients." Fueled by those meetings with the key customer, ClearTech set out to make the transition easier on the sales staff by providing marketing support.

"We came up with a marketing brochure outlining the different levels of managed services programs. We added a section to our website dedicated to managed services. We added a section to all of our proposals about managed services including a line-item cost. All of these things have helped us in the sales process with our clients," De Bono says.

In terms of figuring out what to charge for service contracts, that has evolved, too. ClearTech used to price service based on a percentage of the value of the equipment. Now, however, "we are changing our pricing model for managed services to be based on the amount of devices we are responsible for," De Bono explains. "We also have a one-time onboarding fee that is based on the amount of devices and what type of monitoring software is required."

ClearTech is in the process of evaluating if it makes sense to provide a differently structured compensation package related to selling managed services versus the project end of a contract.

There have been a lot of changes for ClearTech in the past 14 months. Another example stems from the elevated level of organization an integration firm needs in order to deliver on managed services solutions versus one-time projects. Like most traditional AV integration firms, ClearTech was spreadsheet driven.

PLANS	SILVER	GOLD	PLATINUM
Remote Active System Monitoring	✓	✓	✓
Monthly Device Activity Report	✓	✓	✓
Remote Troubleshooting	✓	✓	✓
Help Desk Support	✓	✓	✓
Technical Resource Library	✓	✓	✓
Onsite Service Calls	1 Per Year	2 Per Year	Unlimited
Guaranteed Response Time	48 Hours	24 Hours	12 Hours
Event Onsite Support		1 Per Year	6 Per Year
Onsite Service Calls - After Hours/Weekends	1.5 Labor Rate	No Extra Charge	No Extra Charge
Preventative Maintenance Visits		Biannual	Quarterly
Training/Retraining		Annual	Biannual
AV Technology Assessment		✓	✓
Free Travel		✓	✓
Client Specific Online Resource Library			✓
Free Freight			✓
Free Certified Recycling			✓

ClearTech breaks down good-better-best plans to help sales staff shift toward selling service.

"We went all-in on this. We had to put everything into this and make a business model."

—CHRISTINA DE BONO,
ON IMPLEMENTING
SERVICE REVENUE



The focus on service led to the implementation of ConnectWise customer relationship management (CRM) software changing how ClearTech runs its business. And that's a good thing, according to Thuy To, a staff accountant who along with Mejia oversaw company-wide implementation of the software (see sidebar.)

Prior to that shift there was a lot of juggling of email threads in order to stay on top of projects, To recalls. ConnectWise "has had a big impact," she says. "Not just on the service part of the business, but the other parts like the projects."

After Mejia worked with ConnectWise to set up the software, De Bono credits To with tirelessly and meticulously tying it to every aspect of ClearTech's business while making sure the entire team understands how to interact with it and embrace it.

Adding ConnectWise to ClearTech's work flow, To says, "set a procedure in place that helps us regulate what process and procedure works to resolve an issue." It has made processes more efficient.

The onboarding part, including getting the buy-in from the entire team, wasn't difficult, according to To. ClearTech's embrace

of ConnectWise and its new managed service-oriented processes in general are at most on display in the office's network operations center. One of the first steps ClearTech took to commit to managed services was to build out a "beautiful network operations center," Mejia says.

The small, flexible staff can access information on the operation center's several monitors and via ConnectWise software on their computers. Sitting in an open space they collaborate, solving project- and service-related challenges.

In doing so the team seems to be making strides toward solving for ClearTech a challenge that has stymied so many integration firms. In essence, even though it's clearly focused on growing its service business beyond 15 percent of its revenue, it solved it in a year.

What a difference a year makes. At NSCA's BLC in 2016 De Bono sat in the audience realizing that if her firm didn't act quickly it would be left in the dark ages. At BLC in 2017, she sat on a stage explaining to others that, although transitioning a business model isn't easy, it can be done. [CI](#)

6 WAYS BUSINESS SOFTWARE IMPROVED WORKFLOW

WHEN CLEARTECH MEDIA, a 13-employee integration firm, decided to shift from its decades-old focus almost exclusively on project-based revenue and commit to providing managed services solutions, it needed a little help.

First it needed a key employee to oversee the transition, which it found in Adam Mejia (right), client relationship manager.

Second, it needed a comprehensive customer relationship management (CRM) software solution that allows the firm to elevate its processes to the point where it deliver air-tight contracted services, which it found in ConnectWise.

About a year from the moment the firm began researching CRM solutions, ClearTech president Christina De Bono says "now ConnectWise runs a large portion of our business."

After Mejia worked with ConnectWise to set up the software, staff accountant Thuy To (left) assumed the task of making sure it's fully implemented across all aspects of the company and embraced by employees. That part wasn't hard, she insists, because "everyone was pretty enthusiastic."

Still, it goes without saying that it can be time-consuming and high-risk for a company to invest and commit to new business software. As such, To walks through the impact that Connectwise has had on ClearTech.

Helps with Decision-Making — "It set a procedure in place that will really help us regulate what process works to resolve an issue or even to set up a system with accountability."

Manages Tasks — "The software that we use is also a ticketing system for our maintenance/service department. That ticketing system keeps track and issues [tickets] to the appropriate person to resolve the issue. Rather than depending on email we have a central location where everyone can see the issue."

Provides Project Transparency — "ConnectWise really shows you the grand plan of how things are done and what the processes are. Before we had our own procedure and responsibility in relation to a service ticket, but you wouldn't see where it goes after it leaves your computer. Here in ConnectWise you get to see the mapping of it. You get to see where it goes, how it was resolved, where it came from."

Employee Buy-In Is Self-Motivated — "We all understand that the more data you put into the software, the more you get out of it. The more data you have available to analyze it's more collective. We pretty much share our information at a centralized location."



Training Wasn't Disruptive — "After [Mejia] did the initial setup of the software I came in during the implementation process and we had a representative from ConnectWise set up training. We had a meeting every other week for an hour or two. We took it one step at a time. We started with our sales people using the sales portion of it. Then we moved to the project and then to our service desk. We're still working toward it."

Impact on Project Efficiency — "We also use it on projects to log our time to understand true cost of a project. Before we had someone working on a project and they might not log a time. You don't understand how much engineering time it really took, how much sales time, how much stock and admin time. Here, everyone logs in their time and you understand exactly what that cost is to complete it."



CLEARTECH

LIKE BEING THERE FROM ANYWHERE

BOARD ROOMS

CLASS ROOMS

CONFERENCE ROOMS

AV INTEGRATION

VIDEOCONFERENCING

MANAGED SERVICES

DIGITAL SIGNAGE



Leader in Customer Service

The expectation is that any firm you choose to work with is a leader in customer service.

Dedicated Trustworthy Expert

Accommodating daily changes to the AV Technologies world and those who are served by our products and services.

The Sustainable WELL Choice

The words "green" and "sustainable" are used quite often these days however ClearTech's commitment to the environment is deep seated.

Trusted Adviser

Within the industry ClearTech fully understands we may not be the largest firm however we are a mighty force with the ability to deliver on every one of your strategic initiatives.

Collaborative Technologies

Our niche is implementing collaborative display solutions that will enable users to connect via any device from literally anywhere including social media platforms.

729 W Woodbury Road, Altadena, CA 91001
Phone: 800.561.5070 Video: 66.215.80.20 info@cleartechmedia.com
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