Greyman Industries Short Case Study



SEMPRO Technical Restructuring

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Introduction

SEMPRO was struggling with their technical infrastructure and budget since their opening several years ago. Their website was not being updated, and the price attached to their yearly technical services bill seemed too high for the utility they were getting out of their package. They wanted to be rid of the burden of website and network management; they wanted their technical infrastructure to "just work."

Findings

An analysis of SEMPRO's account brought several factors to light that were contributing to "budget bloat" and inefficient service delivery with their current provider. Technical services were duplicated under different names, and some were completely unnecessary to perform the company's mission. The end result of all of these inefficiencies was an annual bill of over \$1800 for a package containing services that were either underperforming or completely unnecessary.

Some of the items we found included:

- 1. Yearly fees for a "visual website builder" that was not able to be used by SEMPRO. Even if SEMPRO would have had the staff to use the application, it still would have been inadequate to deliver the needs of the company website.
- 2. Redundant email subscriptions. They were being billed for both standard business and Microsoft accounts, and only using a partial number of mailboxes from one of the two providers.
- 3. They were being overcharged (in our opinion) for domain name renewals.
- 4. DNS was bloated with unnecessary records.
- 5. Their website was not up to security standards. It was not using HTTPS, and the server was using an out-of-date version of PHP (5.x)

"...(our previous service provider) to me, was a company that will take your money for services and not look out for you as a customer. I felt like I was taken advantage of as a small business."

-Darryl Jennings, CEO, SEMPRO

We immediately saw a variety of ways in which we could reduce the price tag for SEMPRO while improving the quality of service they were receiving.

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Actions Taken

Over a period of 30 days, we implemented the following in stages that ensured service would not be interrupted:

"I knew we would have no problem meeting their (SEMPRO's) needs, but when I saw the difference in price and how much their quality had improved, well... I got really excited about that."

-Julian Vickers, Greyman Industries

- We took over a redesign of their website, modernizing the look and implementing a back-end login for them to allow their staff to easily update their own content in the future. This made the yearly fee for the "visual builder" unnecessary. SEMPRO can get several hours of website/network labor from us – without the need for a renewal - for the same price or less than a year of their old provider's service.
- 2. We were able to cut their bill for email by about 2/3 of their prior provider's proposed renewal price and will be able to keep them in email for about half of the cost of their previous provider.
- 3. We moved their domain names from their provider to ours, saving them approximately 50 percent on domain renewals over their previous expenses.
- 4. We streamlined their DNS records to remove all of the "DNS bloat" that had been introduced by their previous provider.
- 5. We migrated them from their previous provider to our

servers, providing them with a managed security and update solution for about the same price point as their previous provider. We also provided them (as we provide everyone) with HTTPS certificates for their website at no additional charge.

Results Summary

In the course of this analysis and restructuring, we achieved a few goals:

- 1. We improved their quality of services.
- 2. We simplified the complexity and increased the efficiency of their IT infrastructure.
- 3. We DRASTICALLY improved their bottom line, **saving SEMPRO over 1200 dollars per year** in services.

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Why did this work? A short analysis...

In a phrase, **service on a small scale.** The way SEMPRO got into this situation with their technology provider reveals some glaring shortcomings with the business model of "big box" companies that makes them (again - in our opinion) a less-than-ideal choice for small business operations.

- 1. **Their dependence on automation:** While it may seem counter-intuitive, the complete reliance on automation to manage their clients' infrastructure has major drawbacks when dealing with small businesses as clients. We incorporate automation where it is appropriate, but the state of the industry is not yet such that automation can adequately assess and deploy the best solution for every individual client. We pay attention to the needs of each business individually and will tell them if we believe that any of the services they are ordering from us might be more or different than what they need.
- 2. **Their need for higher margins on service:** The margins for large providers are, by necessity, quite high. As a small business-to-small business operation, we have the advantage of being able to keep our own infrastructure costs low. Lower overhead translates to lower costs to the client.
- 3. Their inability to provide customized assistance: The sheer scale of a "big box" provider makes it impossible to assist their clients at a personal level. Large providers such as the one that was responsible for these services are counting on two things. One, that their customers will make the correct choices in the services they need. Two, after those choices are made they are counting on automation to automatically deploy those services as requested... no questions asked, no recommendations made. If tech is not the client's business, mistakes can happen and those mistakes can translate into loss of time and money. This is nobody's fault per se, but large-scale providers are far less concerned with meeting individualized business needs than they are of getting as many of their customers as possible to use the "box solutions" that they provide… which may or may not be the ideal solution for a given small business.

In Conclusion...

When we started Greyman Industries several years ago, we knew that technology was a growing market and would be for the foreseeable future. As time passed, we saw that small businesses – particularly those in small markets - were being under-served by the technology sector, and we decided to address that issue. Companies have successfully scaled the business of "discount technical products," but offering those services to non-technical business owners to pick and choose from can be a disservice. If there is no assistance, no assessment of business needs, and no offer of customized solutions, then there is no value added.

For more information on what Greyman Industries can do for your small business, give us a call at 912.584.2516 or send us an email – <u>Grey@GreymanIndustries.com</u>