

Why the Right Cloud Platform Can Make All the Difference for PSOs

Professional services organizations (PSOs) have added more technology solutions to support their clients and projects, with some managing tens if not hundreds of disparate cloud applications. In many businesses, each function built out its own tech stack with a variety of applications - making it complex, and sometimes near impossible, for data to be standardized and shared transparently across the organization.

Real-Time Information Takes Center Stage

As PSOs look to increase productivity, grow more rapidly and achieve higher levels of profitability, having increased visibility helps leadership determine improvement priorities, all while balancing the needs of clients and employees. Leaders are more dependent than ever on real-time, accurate and cross-functional data to provide insights for competitive advantage.

To provide that visibility, PSOs have begun to shift their strategies to center and standardize their tech around one cloud platform for a cohesive and easy-to-manage ecosystem. More and more often, that's a professional services automation (PSA) solution.

Table 1: PSA drives performance improvement

Key Performance Indicator	With PSA	Without PSA	▲
Year-over-year change in PS revenue	8.6%	4.9%	74%
Year-over-year change in PS headcount	10.1%	7.2%	39%
New clients	27.0%	19.3%	40%
Deal pipeline / quarterly bookings forecast	176%	148%	19%
Annual revenue per billable consultant (k)	\$204	\$182	12%
Annual revenue per employee (k)	\$163	\$152	7%
Quarterly revenue target in backlog	47.8%	41.3%	16%
Project Margin	34.4%	28.5%	21%

Source: Service Performance Insight, May 2018

"The net effect of PSA is a more productive and profitable business, as well as improved levels of predictability and client satisfaction," reports [SPI Research](#).

WHAT MATTERS MOST

KPIs matter.

All PSOs are being asked to quantify the benefits of their work. The primary mode of work for PSOs is now based on virtual project teams who rapidly come together to produce measurable business outcomes. If businesses can standardize their approach to resource management and project delivery, they can reduce overruns and improve quality, enhancing the value realized.

Breaking silos matters.

Silos within businesses can bring a business down - and that's what happens when businesses use a variety of applications that can't speak to each other. The new name of the game is to choose one cloud platform to standardize an organization's tech stack. Leading platforms, such as Amazon, Microsoft Azure and Google, each have their own partner ecosystems of apps. Businesses can access all the tools they need with less worry about management and integration support. Leading PSOs are turning to Google in particular for its global market dominance, scale, security and low cost.

Expertise matters.

Platforms enable app developers to focus on their core areas of expertise, rather than building the underlying architecture to support their work. It is much easier for developers to build on top of an existing, standardized infrastructure. They can focus on building functionality to support specific industries and domains, which benefits users.

Transparency matters.

Growth, globalization, competition and regulatory pressure have been a catalyst to force PSOs to make better use of technology. At the same time, many PSOs have shifted how they approach project management, transitioning from a waterfall to agile approach. This requires instantaneous communication and collaboration between team members. Many firms are drawn to the tangible benefits of PSA solutions: improvements in billable utilization, decreased revenue leakage and the like. In truth, though, SPI found it's the increased visibility that lets teams better analyze their business and make smarter decisions for better outcomes.

Interested in learning more about how you can improve business outcomes across your organization?

Download our white paper: "[Why ecosystems matter for professional services organizations](#)," and [watch our webinar](#) hosted with SPI Research.

"VOGSY is all you need to run your services business from quote to cash. Unlike traditional PSA solutions, we put the professional at the center of technology."

VOGSY is your single source of engagement for anything you need to drive the desired outcomes for your clients and for your own business."

Mark van Leeuwen, CEO
VOGSY