

PROFESSIONAL SERVICES STRATEGY

BASED ON YOUR MATURITY LEVEL

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PLAN. TRACK. FORECAST.



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INTRODUCTION.

The maturity curve of Professional Services functions is essentially the organizational/team capacity to hit key services targets. In professional services there are multiple themes that encompass that overall level of capability and effectiveness that a service provider achieves when delivering solutions to customers. The Precursive PS Maturity Model is a framework we've developed with leading names in services delivery, that can be used to assess such capabilities against these core themes, the goal of which is to gain a deeper understanding of a PS team's ability to meet client needs.

WHAT ARE THE LEVELS OF **PS MATURITY?**

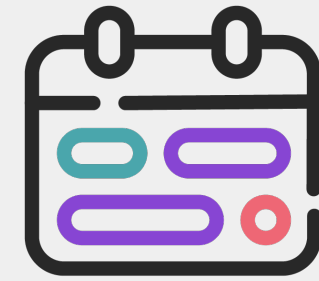
THE LEVELS.



LEVEL ONE.

Improvised

Success relies on individual expertise over proven methods. The team lacks a clear strategy. Too much time spent firefighting.



LEVEL TWO.

Defined

Early processes are in place for managing resources and projects, and the team has first iteration of services methodology.



LEVEL THREE.

Repeatable

Clear processes and structures have been established to facilitate collaboration and coordination with the sales team.



LEVEL FOUR.

Growth

The organization has established sustainable operating processes with a strong focus on continuous improvement.



LEVEL FIVE.

World Class

Strong, sustainable operating processes in place and a focus on innovation and operational excellence.

PLOT A COURSE **BASED ON YOUR COMPANY SIZE.**

Does size matter? The short answer is not necessarily, but it can help. Smaller companies often do well with achieving high customer satisfaction because having fewer customers generally means firms can offer a better, more personable service. These small teams will still be missing other elements of maturity, however. SPI research in 2023 showed that companies with over 500 employees had a higher score for resource management effectiveness, and had increased billable utilization and organisational profit than their smaller counterparts.

The chart on the right shows an example of this fluctuating maturity, with companies of no more than 100 employees often exceeding expectations. When complexity is added when companies go through scaling is often when they drop in maturity because they adopt an ad-hoc, reactive strategy to cope with an influx of customers and a possible increase in staff and resources.



EARLY STAGE MATURITY.

LEVEL ONE - LEVEL TWO

So you're at Level One, as defined on page 4. Your team's processes and tools are ad-hoc and cobbled together, and employees wear many hats and perform multiple roles. How do you move up the ranks? To reach Level Two, you should be assessing how to create some repeatable processes, and you should be making a business case for automation, and beginning to look into software vendors.

- The company **vision** determines all future activities and goals. Companies have a scattergun approach to most processes, and this tends to result in the organization becoming all too reliant on services to fix things that go wrong. Introducing basic levels of automation can help to create standardized (L3) processes to increase overall efficiency.
- The ability to communicate both with internal teams and clients can be the difference between winning and losing a deal. At the most basic level, services and sales teams **will** be siloed, which means opportunities are passed between teams without effective handoff processes in place. Companies should put in place more reliable channels (L2) for communication to ensure any important information can be passed between teams without any delay.
- The most basic function of a PS team's resource management will see a lot of reactive decisions, which often leads to misallocated resources. Establishing foundational processes (L2) helps to manage both people and projects. This approach contributes to increased project success rates, improved efficiency, and better utilization of available resources.
- Services Execution looks at the quality, efficiency and repeatability of service delivery. What poor services execution looks like is a noticeable lack of repeatable scheduling processes so to graduate, put one in place and avoid tasks from becoming ad-hoc. Spreadsheets are the primary tool for scheduling which increase the likelihood of errors; move away from these into a dedicated tool.
- The absence of a structured financial management process makes it difficult to consistently track and analyze key performance indicators (KPIs) and financial metrics. It will be difficult for less mature PS teams to track performance due to an ad-hoc strategy of financial management. So add some discipline to the process.

LEVEL ONE.



LEVEL TWO.

MID STAGE MATURITY.

LEVEL TWO - LEVEL THREE

So you're at Level Two, meaning you've likely established some basic processes for your PS functions. As a result, your team can begin to deliver services in a more consistent and coordinated manner, which lays the foundation for future growth and success. For those looking to get to Level Three, it's important to expand efforts to further implement automation to increase the level of standardization and improve efforts to consolidate redundant processes.

- The optimal way to grow beyond firefighting is to begin by focusing on a more technical implementation, which in turn leads to fewer ad-hoc or reactive processes. Becoming more repeatable (L3) and descriptive in implementation starts with standardization.
- Evolving beyond siloed sales teams, establishing repeatable sales processes and structures can encourage further collaboration and coordination within the sales team. These standardized processes (L3) enable PS teams to create a clear roadmap for the entire sales cycle, from lead generation to deal closure.
- Growth sees foundational processes put in place for PS teams to manage people and projects. Basic repeatable tasks are introduced and there may be some primitive form of automation that begins to relieve some of the administrative workload and frees up time to focus on more important tasks.
- Services Execution looks at the methodologies, processes and tools to effectively schedule, deploy and measure the quality of the service delivery process. What poor services execution looks like is a noticeable lack of repeatable scheduling processes. Many tasks are ad-hoc. Spreadsheets are the primary tool for scheduling which increase the likelihood of errors.
- More mature PS teams will begin to see early stage financial improvements and fiscal discipline by implementing a PSA tool (L4). This provides financial visibility, and although real-time visibility may not be fully achieved, organization's should have taken steps to optimize the PSA system to implement advanced reporting features to support decision-making.

LEVEL TWO.



LEVEL THREE.

LATE STAGE MATURITY.

LEVEL THREE - LEVEL FOUR

If you're at Level Three you're probably starting to introduce some repeatable processes with the help of some basic software to aid standardization. Teams are less siloed and there is enhanced collaboration between departments, perhaps aided by internal communication processes. To get to Level Four, PS teams should focus on collaborating more closely with individuals to promote the adoption of established policies and encourage knowledge-sharing practices so new processes can be accepted.

- Repeatability helps to build strong, sustainable operating processes, but in order to prioritize long-term customer satisfaction, success-led strategies are required to begin gaining that Services Recurring Revenue (SRR), i.e. customers wanting to continue to use an organisation's services.
- Further growth beyond the current commercial level necessitates a PSA tool (L4). This fosters a data-driven approach that accelerates product and professional services growth. Delivery teams can now make more informed decisions, identify areas for improvement, and adjust strategies based on real-time information.
- The path to even further success in resource management comes in the form of adopting an insight-based method (L4) where capacity planning is optimized. These insights are derived from thorough data analysis, which is used to inform and prop up any data-based decisions the company choose to make.
- Focusing on outcomes-based engagements puts customers at the center of every interaction. This prioritizes customer success, a key metric of which is time-to-value, which, if utilizing a PSA tool for services delivery, can be massively improved, maximizing customer satisfaction and reducing churn.
- Further down the line, Many procedures become standardized to unlock more accountability and financial control. The majority of procedures are preplanned and seldom executed on an ad-hoc basis unless there is a critical issue.

LEVEL THREE.



LEVEL FOUR.

FINAL STAGE MATURITY.

LEVEL FOUR - LEVEL FIVE

At Level Four, an organisation is a strong PS vehicle with sustainable operating processes and a team which delivers higher-quality services in a financially sustainable manner. This is backed up by an integrated PSA solution which helps you gain key insights. Bringing in a greater level of automation would be key to reach Level Five as it is crucial to prioritize optimization to enhance team performance, lower execution times, and improve customer services.

- Unlocking the next level of maturity lies in innovation (L5). This is earned by pairing the strategies above with a robust operating model. This method ensure PSO's remain adaptable to sudden changes in the market effectively.
- The upper echelons of commercial success revolve around becoming trusted advisors by customers. If sales are being anchored around thought leadership then this means companies are not just selling services, but providing guidance throughout the sales process. Becoming established thought leaders stems from developing original research and prioritizing educating others in the industry, although this should not just be digested by customers.
- Organizations can harness data analytics to gain insights into historical resource utilization, project performance, and future demand forecasts. By analyzing such data, decision-makers can make informed choices about resource allocation, project prioritization, and capacity planning.
- To reach that next level of maturity, a highly integrated approach to services execution helps to drive innovation to ensure consistent, high-quality services delivery. This innovation is generated across a project and consumption-based services architecture (L5) to further improve time-to-value.
- With a fully integrated PSA solution in effect, the team has predictable revenue and is able to deliver high-quality services to its customers whilst maintaining strong margins. This predictable revenue, along with high profit margins helps fund future investments.

LEVEL FOUR.



LEVEL FIVE.

HOW PRECURSIVE **HELPS.**

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PRECURSIVE SOLUTION.



The World's #1 CRM

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The Services Delivery Cloud for Salesforce

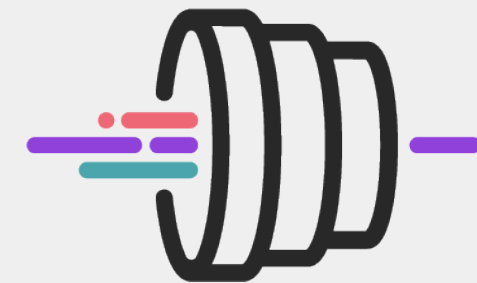


Sales
Order

Sales of products and services
Existing customer requests
Upsell and cross sell opportunities



Customer
Case



Demand
Forecast

Visualise demand for resources
Allocate projects and tasks
Manage capacity and lead times

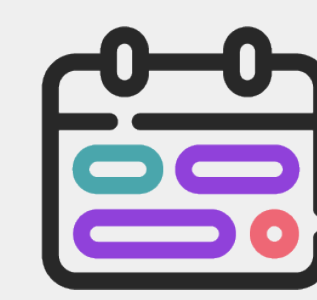


Resource
Allocation



Project
Management

Manage timelines and milestones
Project team collaboration
Engage and communicate with customer



Customer
Collaboration



Revenue
Management

Monitor budgets and costs
Forecast and recognise revenue
Track margin and overrun



Services
Billing

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REALIZING MATURITY **IMPACT.**

£1M

Cost saving for
operations

HIGHER

Onboarding
NPS scores

LOWER

Rates of
Churn

80%

Projects delivered
on time

TTR

Time-to-Revenue
Accelerated

500+

Working Hours
Saved Annually

HOW PRECURSIVE **HELPS.**



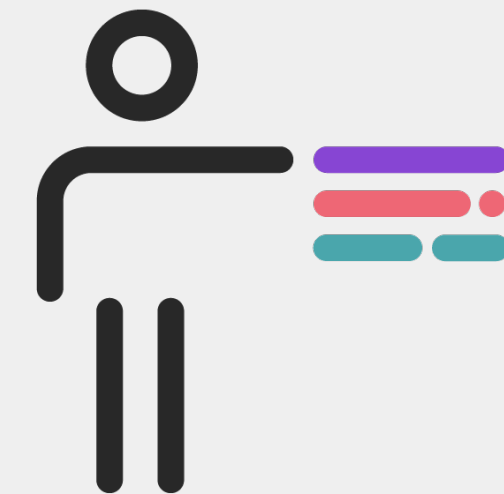
IMPROVE REVENUE MANAGEMENT

Get more visibility and control over financial performance with better forecasting and recognition of services revenue.



OPTIMIZE SERVICES DELIVERY

Build repeatable delivery playbooks with templated project plans that include tasks, timelines, roles and effort estimations.



MAKE BETTER DECISIONS

With reporting on key operational metrics including delivery times, team utilization, project margins, time recording, and revenue.

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THE SERVICES DELIVERY CLOUD FOR SALESFORCE

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