



5 Tips for Better Maintenance Contract Management

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How to Better Manage Your Recurring Maintenance Contracts

VAR's, MSP's, and ISV's live off of their Recurring Revenue stream. They are born from the maintenance and support contracts won from closed deals. They soon become the main source of Cash Flow for all of these businesses.

Building that Recurring Revenue is vital to success, yet companies rarely know the underlying details about their ongoing maintenance contracts. An ongoing support program is our rock in a storm of high-seas and cash flow troubles. It will keep us afloat, but we need to protect it, and do everything we can to better understand it. An unorganized approach to managing these contracts will lead companies to failure because they cannot track:

- What their customers own
- Which support contracts are active
- When to bill these ongoing contracts
- Where their customer's products are located
- How much to bill them after new purchases throughout the year

Tough economic times force SMB owners to think smarter, faster, and more tactical. Yet, they are making serious decisions, based on incomplete information. Renew Software can help you make those decisions better.

In this whitepaper, we give you the best *5 Tips for Better Maintenance Contract Management..*

1

Organize Your Contracts

Can you go into your system and immediately pull up any Support Contract, and in full confidence, know it is 100% correct? Do you know if your team has every customer contract, location, product, serial number, and maintenance term date up to date?

Most VAR's and MSP's manage Recurring Customer Contracts with spreadsheets or with unreliable database tools.

When it comes to managing and organizing your Recurring Revenue Contracts, **successful VAR's and MSP's use real Contract Management Software**. When they use a complete Contract Management solution, alongside their existing CRM and Accounting Systems, Accounts Receivable teams are able to organize greater amounts of information **faster and more reliably**.

How? If you start using a Contract Management Solution, it will enforce logical standards and rules so that you can **eliminate any inconsistencies** in your support management process. Plus, information will always be up to date.

Take the first step and start organizing all of your customer's contracts with a real contract management solution. With the right information at your fingertips, you can make smarter decisions faster.



2

Watch for Predators

You fought hard and did good work to win those contracts, now keep an eye on them.

In 2013, indications show that more **customers tried to replace their existing support vendor** than ever before. These customers demonstrated little loyalty for their existing vendors as they went to shop for better pricing, even if they were receiving discount pricing in the first place. In many cases, those customers never notified their existing support vendors.

How do we hold onto these customers? **Provide your customers with irreplaceable value.**

Contract Management solutions should offer you Free Customer Portal Access and Control. Once you take the time to organize your contracts, give your customers login credentials so that they can see all of their active contracts, equipment, equipment information, support terms and budgetary items for the year. Now you have instilled confidence in your customer that you are well-organized and technologically-ready to handle their on-going needs.

You need to **take proactive steps, not reactive, for better customer retention.** Providing your customers with extra value makes you difficult to replace. Have your sales reps use the Contract Management System to do monthly check-ins and see what they can do to help your customers. Always position your representatives as trusted advisors, not just sales people trying to make quota. Create extra value with better insight, unique to your technical support offerings.

Planning With Cash Flow Insight

The Golden Rule: **If you don't know your Cash Flow, you're going to have a bad year.**

Successful VAR's and MSP's know their Cash Flow like the back of their hand. They know their best months and their worst months, before the fiscal year even begins. This is a difficult thing for small VAR's, MSP's, and ISV's to do manually **by hand, with basic spreadsheets and database tools.**

How do Successful VAR's, MSP's and ISV's have access to this information? Their Contract Management System keeps them up-to-date in real-time, which makes it extremely easy to budget and forecast the year for recurring contract business. Now they know exactly when their Recurring Revenue Contracts are billed throughout the year, and more importantly, **when each contract can expect to be paid.** They also receive real-time reports of their month-to-month revenue and profit, for each customer and vendor.

Bottom line: you can't navigate without knowing where you are and where you're going. You can only make the best business decisions possible, based on the information given to you at the time. If your information is off, outdated or wildly inaccurate, your business decisions are likely to fail. Knowing what is around the corner with your recurring contracts can help pave the way for your next big business move. Now you can **plan with confidence.**

Keep Your System Flexible

Your customer's and vendor's **information is changing all of the time** with new products, serial numbers, locations, pricing, contracts and maintenance terms. Keeping track of what your customers own and billing them on-time is hard enough, but keeping up to date with their latest information can be challenging when trying to renew contracts.

The best Maintenance Contract Teams know that their systems need to be flexible and ready to amend changes at any moment, whether they need to update information with their customers, or even their vendor's price lists. Contract Management Systems should allow for **automated calculations** and the ability to **mass update your pricing lists**, in just a few clicks. This will keep your pricing up to date so that accounting can always reflect on the latest numbers.

Those management systems should also be able to identify multiple locations for your customers. This way you can **always keep track** of exactly where your hardware and software is across your customer's entire fleet.

Now you can also enable your Sales Team to reach back into your accounts, knowing they have the latest information. It allows them to check for possible Professional Services Projects, as they make sure that your customers have all of the latest equipment and updates.





5

Bill On-Time, Every Time

If you're planning your Cash Flow for the entire year, you want to know that you're going to be **billing on-time, every time**. When you have billable invoices, you want to get them to your customers and be paid as soon as possible. This can only happen if you're equipped with the right systems to help you keep everything in line for the year. Organization and execution is key.

Successful VAR's, MSP's and ISV's are using Contract Management Systems to **automatically remind them of upcoming renewal contracts** that need to be invoiced. These companies have enabled their Accounting, Sales and IT Support Teams to take their customer experience to another level. These management systems include additional information such a billing workflow, to let you and your team know where a contract has been billed, paid, cancelled, co-terminated, and more. A full audit-trail also keeps track of every little change ever made to an individual contract. Now everyone is on the same page.

Now, not only do these companies have their **Accounting Teams** billing on-time, their **Sales Team** knows when it's time to sell upgrades and their **Support Group** can keep an eye on all of the customers and products that they handle.

Take command of your billing and start managing the exact dates your invoices need to be sent out.

About Renew

Renew was founded in 2013 with one goal in mind: To help VAR's, MSP's and ISV's easily Manage and Automate the Recurring Renewals of their Service, Maintenance and Support Contracts in the Cloud – from anywhere.

Our Goals Are to Help You:

- Create Cash Flow Stability
- Never Miss a Billing Opportunity
- Improve Customer & Vendor Relationships

Renew Background

Renew Software was designed and built by a VAR, for VAR's/MSP's/ISV's, to vastly improve the renewable contract process. The founders of Renew have been in the Document Management industry for over 25 years. During their tenures and the successful build of their own VAR company, Tallega Software, they learned that manually trying to renew service, maintenance, and support contracts was very tedious. This led to inaccurate and unusable information.

Using spreadsheets and custom systems created numerous problems like: the Inability to View Upcoming Cash Flows; Missed Billing Opportunities; and more. It also took a toll on Customer and Vendor Relationships because of the Failure to Accurately Report Contract Details. Renew was established in order to solve these problems for Tallega and any other vendor who needs help automating their contract renewals. Whether it is maintaining hardware, software or whatever, Renew will help you get the job done faster and more affordably than existing alternatives



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