A Conversation with William Adams, Jr.

What Differentiates ACS Services?

Q: ACS has been in business for nearly three decades. What has fueled your growth and success to this point?

A: There are really four things that make us different from other managed-IT providers.

1. Our partnership orientation to working with clients
2. Our focus on risk management
3. Our infrastructure and resources
4. Our ability to provide customized service by engaging at the strategic, solutions implementation and ongoing operational support levels

Q: So which is the most important?

A: They're all important – but I think the most important attribute is our partnership orientation. We don't see ourselves as just our clients' IT service provider. We see ourselves as their intimate business partner because we understand their growth and success drives ours.

Q: What does that mean?

A: It means we view ourselves as having fully-aligned financial interests because we have learned that our business growth, stability and profitability are linked to the success of our clients. If we can help them achieve their business objectives and increase revenues and ROI by providing an IT strategy and infrastructure that supports their needs and frees their people to focus on what they do best, we become an integrated part of their business. That's the kind of relationship we are always looking for.

Q: How is that approach different from those of other managed-IT companies?

A: Many of the groups we compete against for business are owned by big corporate entities or they are backed by private equity firms. There's nothing inherently wrong with those things, but we just don't believe such firms are capable of developing the kind of intimate relationships we have with our clients.
Q: Why is that?

A: Well, first of all, when a managed-IT provider is owned by a corporate entity, it lacks the flexibility and nimbleness that we bring to the table. There’s bureaucracy... There’s too much process… Every decision or incident of engagement with a client is weighed against some type of cost and efficiency metric. We just don’t operate that way. We focus on getting the job done. If a client needs us – even on Thanksgiving afternoon, New Year’s Eve or during the Super Bowl – they know we are going to drop everything and be there. That level of engagement is part of our culture. It is who we are as a family-owned business and I think it is something my father instilled in everyone at ACS from our beginnings in 1985. I’m not sure you see that kind of commitment from people who are working for a big company. On top of that, when you’re owned by a corporation, a huge percentage of your profits are siphoned off by the parent company so there is less flexibility to deploy capital in ways that benefit clients – whether that be investing in new systems and equipment or hiring great people and providing them with appropriate financial rewards and incentives for providing outstanding support.

Q: What about managed-IT companies backed by private equity firms?

A: To some degree, the same is true. Private equity firms add value by providing their portfolio companies with access to growth capital as well as business expertise and discipline. The capital they invest in companies like ours comes from big institutional and high-net-worth investors who expect to generate very high returns. As a result, private equity firms push their portfolio companies to grab as much market share as they can as fast as they can. There is a huge incentive to squeeze out cost, grow revenues rapidly and capture as much profit as possible so they can turn around and sell off their companies at very high multiples. This means managed-IT providers that are owned by private equity firms are often very good at building their clienteles. They’re good at marketing. They’re good at branding. In short, they’re good at telling you how good they are. However, I’ve rarely seen the ethos of such companies being centered around partnering with their clients because they come to view the managed-IT space as a commodity business.
At ACS, we’ve been methodically building our business for years. Obviously, we want to be known as a premier managed-IT company – but one whose reputation is anchored not by how many clients we have, but rather by our ability to consistently satisfy our clients over long periods of time. I think this is why our client retention rates are so high. Once we win a client’s business, they tend to stay with us. All of us at ACS are very proud of that.

**Q:** What are some of the other ways ACS differentiates itself?

**A:** As I said earlier, another important dimension of our approach is helping our clients “de-risk” their businesses. We do this by ensuring their IT strategies fit with their business needs. We also do it by ensuring their IT infrastructures are strong, safe and extremely well maintained. Frankly, we’re relentless about it – to the point of even developing a subjective scoring mechanism to measure a company’s level of IT vulnerability.

In fact, we have had some clients tell us we go overboard in trying to manage IT risk for them. However, I’d rather be accused of being overly vigilant than disengaged and lackadaisical.

**Q:** I find it interesting that you haven’t mentioned your technical capabilities as a source of differentiation. Why is that?

**A:** Look, and I know this may sound strange, but I don’t think technical skills and capabilities are a huge differentiator in the managed-IT space – and our clients and prospective clients are smart enough to know that. Everyone has good people and everyone has an idea of how to apply technology to help companies grow and protect themselves.

In our case, our infrastructure, resources and support platform are as “muscular” as any of those maintained by the companies we compete against. We have robust technical skills and deep and expansive relationships and affiliations with leading technology providers – like Microsoft, Hewlett-Packard and Cisco. In addition, our headquarters is a state-of-the art facility and it houses a highly secure data center. Finally, I believe our “Help Desk” resources are unmatched in their quality and responsiveness. Having said all of that, I think what sets us apart is our legacy and experience.

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When you have been in business for 28 years, you’ve seen just about everything and that is of tremendous value. It gives us the context we need to know:

- HOW to anticipate a client’s IT needs and challenges at a strategic level
- HOW to develop, apply and implement technology solutions
- HOW to provide ongoing management of a client’s IT infrastructure
- HOW to provide support to a client’s users.

I guess what I’m saying is that the most valuable technical capability we offer our clients is our knowledge and perspective because everything we do for them flows from there.

Q: *So why do you think ACS is a great option for any organization looking for a managed-IT provider?*

A: Well, I hope I’ve answered that question through the course of this interview. Having said that, I guess I would summarize my overarching message like this… If you view your IT strategy and infrastructure as critical drivers of your growth and success, you need a partner that can manage that aspect of your business professionally and cost effectively. That’s what we do at ACS and in most situations I think we can add a ton of value by helping our clients operate more efficiently and more profitably.