

\$1M



The MSP CEO's Guide to the Next \$1 Million

How modern MSPs increase revenue, improve valuation and win more strategic clients without building a software development team.

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A note on sources: every figure in this guide names the organization that published it, so you can check it and quote it with confidence. Figures marked "illustrative" are examples, not data.

The opportunity

Your clients are already asking for more. See how big the opportunity is, why most MSPs miss it and what that costs them.



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The Arizona MSP Growth Opportunity

The next \$1M for an MSP may not require 100 new clients. It may come from solving more problems for the clients you already have.

Arizona is adding regulated, technology-dependent employers faster than its MSPs can staff for them. The growth sits in healthcare, semiconductors, financial services and aerospace, and these clients need automation, integrations, reporting and compliance evidence.

4.7M

residents in the Phoenix metro

Source: Greater Phoenix Economic Council



250,000+ ^{+11%}

jobs added in the region from 2019 to 2025, an 11% increase

Source: LHH



This guide is built for Arizona MSPs with 10 to 100 employees and \$2M to \$30M in revenue that provide IT support, helpdesk, security, license and cloud management, but have no in-house development team. You already own the relationship. The opportunity is to grow what that relationship delivers.

From IT provider to strategic technology partner

Existing MSP relationship What you already deliver

IT Support

Security

Cloud

Microsoft 365

Add services

Next revenue layer What clients are asking for

AI

Automation

Integration

Data

Applications

Deepen the partnership

Strategic technology partner Where the relationship becomes strategic

Modernization

AI Adoption

Continuous Optimization

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Chapter 1: The opportunity

The \$1M Blind Spot: Why Most MSPs Hear the Demand but Don't Capture It

The growth gap is the distance between what clients want to buy and what MSPs can deliver.

MSPs ranking AI & automation as their clients' top need



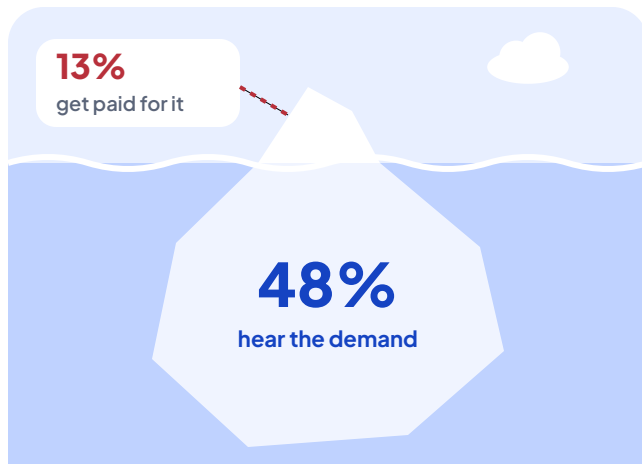
48%

MSPs earning meaningful revenue from AI & automation



13%

Source: Kaseya 2026 MSP survey



In plain terms: nearly half of MSPs hear the demand, **but only about one in eight is getting paid for it.**

Source: Kaseya 2026 MSP survey. The tip of the iceberg is the revenue MSPs capture today. The rest is demand they already hear.

71%

of MSPs name new-client acquisition as their top challenge

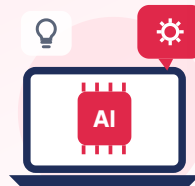
Source: Kaseya 2026 MSP survey



36%

of MSPs now offer custom AI solutions, up from 21%

Source: Informa MSP 501, October 2026



11.9% ^{vs 9.6%}

recurring revenue growth vs. total revenue growth

Source: Informa MSP 501, October 2026

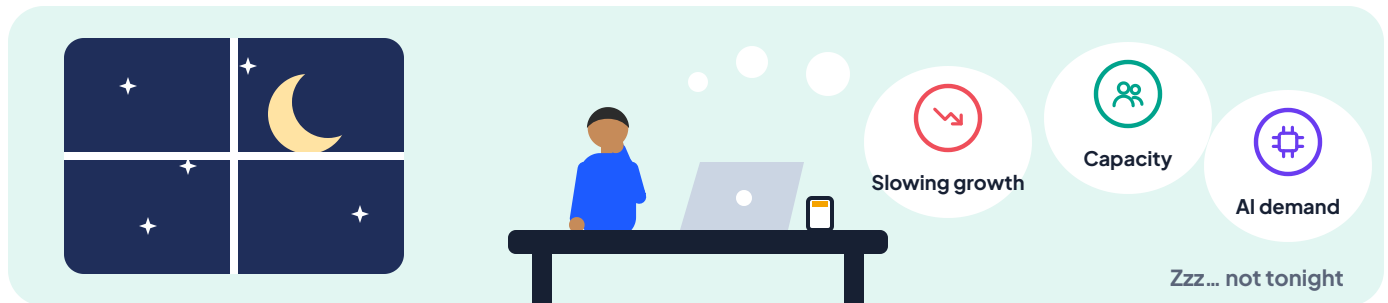


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Chapter 1: The opportunity

The MSP Growth Challenge: What Keeps Leaders Up at Night

The growth gap looks different from each seat at the leadership table.



CEO / Founder

What keeps them up
Slowing growth, retention pressure, valuation, rising competition

Their question

“Where does our next \$1M come from?”

What a partner gives them

A new revenue line with no hiring risk

VP of Services

What keeps them up
Capacity shortage, overloaded team, slow and costly hiring

Their question

“How do we say yes without burning out the team?”

What a partner gives them

Engineers who scale with demand

Director of Solutions

What keeps them up
Clients asking for AI, automation and integrations

Their question

“What can we offer this client next week that we can deliver?”

What a partner gives them

Senior architects on scoping calls

The hidden cost of saying no

1

A client asks, “Can you automate our intake?”

2

You decline. The client hires a software firm.

3

That firm starts meeting with leadership.

4

It proposes the next project, then the one after that.

5

It becomes the strategic partner. You become the help desk.

The real risk

The real risk is not one lost project. It is lost strategic relevance.

Where you stand

Before you grow, know your starting point. Find your stage, score your MSP and see what the next \$1M could look like.



In this chapter

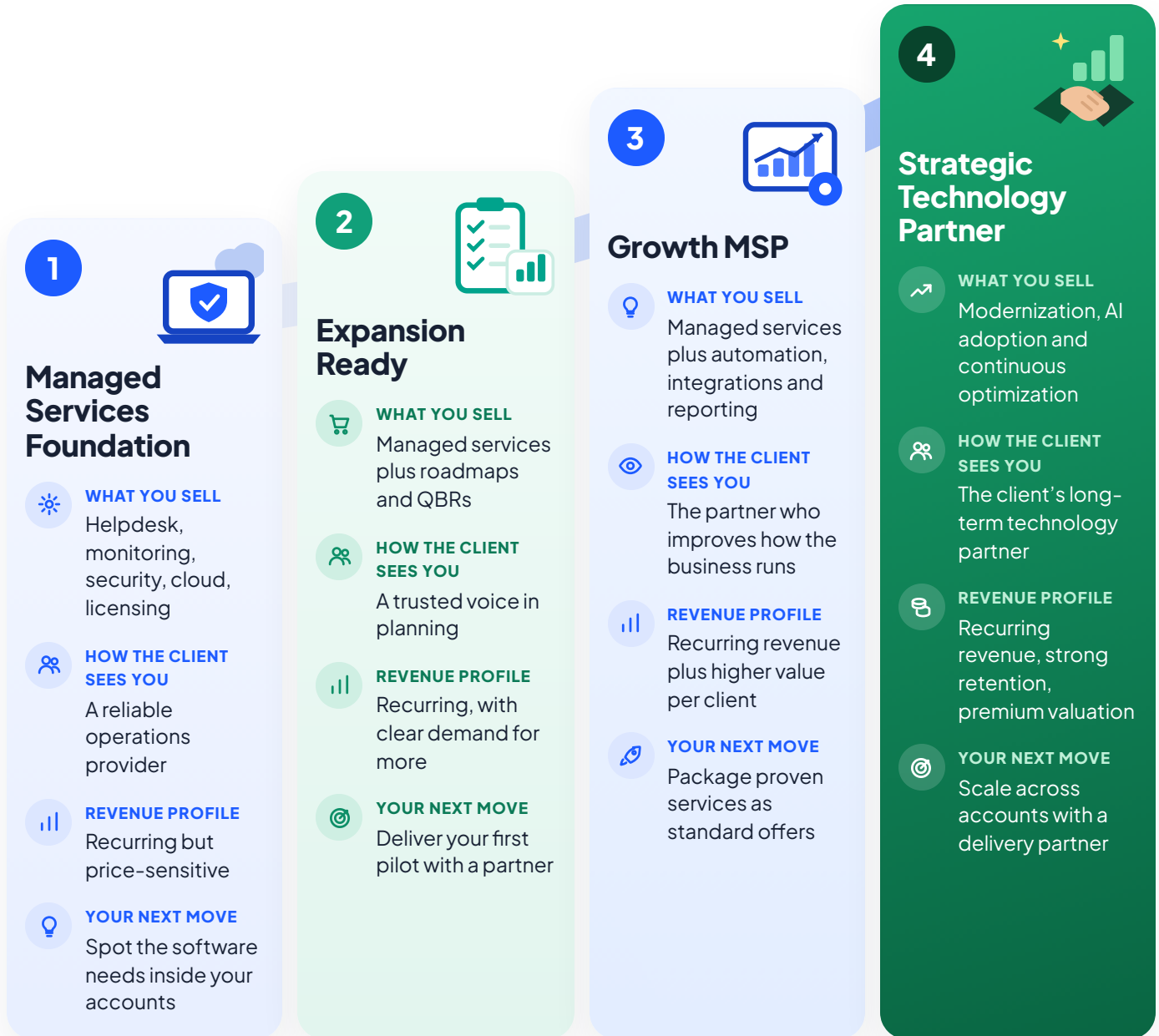
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Chapter 2: Where you stand

Where Does Your MSP Stand?

The MSP Maturity Model. Most MSPs grow through four stages. Each stage changes what you sell, how clients see you and how buyers value your business. Your score on the assessment in Section 5 tells you which stage you are in today.



Quick self-check

If a client asked you today to automate a workflow or build a portal, would you deliver it, refer it or decline it? Your answer shows how far you are from Stage 3. The jump does not require a development team. It requires a delivery partner and a clear offer.

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Chapter 2: Where you stand

MSP Growth Maturity Assessment

Score 1 point for every “yes.”

☐ We have clients asking about AI

☐ We see manual processes inside client environments

☐ We have clients asking for integrations

☐ We manage Microsoft 365, Azure or Power Platform

☐ We have clients with legacy applications

☐ We have clients facing compliance pressure

☐ We have more demand than engineering capacity

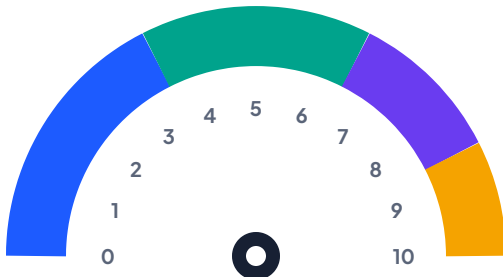
☐ We want to increase revenue per client

☐ We want to offer software without hiring developers

☐ We want to become more strategic to our clients

Your score and stage (see Section 4)

Your score: _____ of 10



0 to 3
Managed Services Foundation

4 to 6
Expansion Ready

7 to 8
Growth MSP

9 to 10
Strategic Technology Partner

Where Is Your Next \$1M?

What does the next \$1M actually look like?

$$\begin{array}{ccccc}
 20 & \times & \$50K & = & \$1M \\
 \text{existing clients} & & \text{average annual technology expansion} & & \text{new annual revenue}
 \end{array}$$

You do not need 100 new logos. You need 20 existing clients who each buy one more meaningful improvement a year. Here is what \$50K from one client could look like:

One client, one year (illustrative)

\$50,000

\$32,000

One project: a workflow automation or system integration

\$18,000

Run & support: \$1,500 a month

Component	Illustrative example	Annual value
One project	A workflow automation or system integration	\$32,000
Run & support agreement	\$1,500 per month for hosting, monitoring and improvements	\$18,000
Per client		\$50,000
Across 20 clients		\$1,000,000

Illustrative model built by InterBiz for planning only. It is not a forecast, and your prices and volumes will differ.

Why the support agreement matters

6–8x

EBITDA: what North American MSPs typically trade at

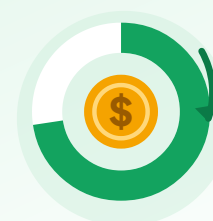
Source: Channel Insider



70–75%

recurring revenue is considered solid

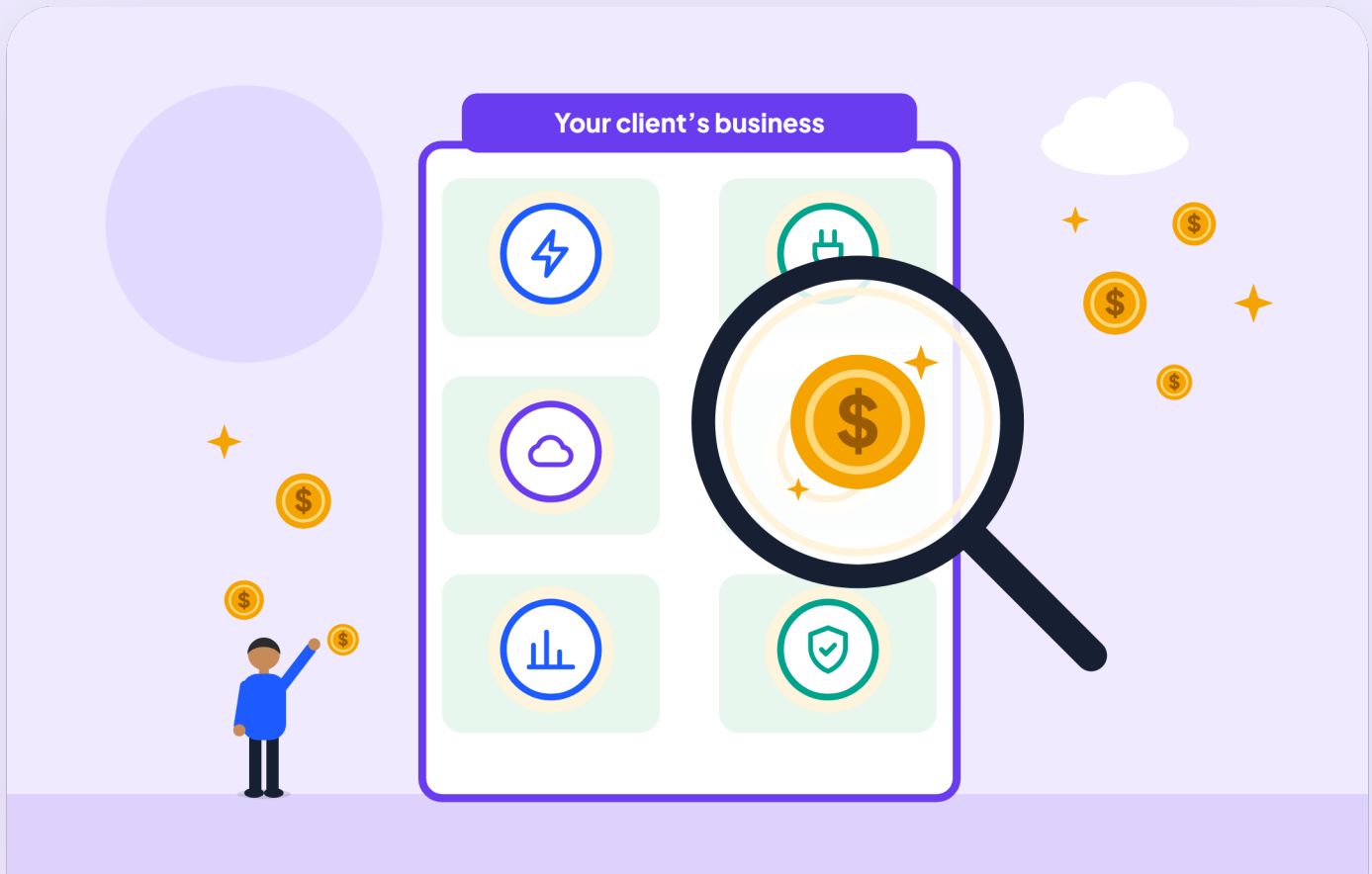
Source: Channel Insider



One-off project fees count for less. Pairing every project with a monthly agreement turns new revenue into recurring revenue that buyers value. The scorecard in Section 13 helps you find your 20 clients.

Where the revenue is

The next \$1M is hiding in plain sight inside your client base. Here is where to look.



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Six Revenue Opportunities Already Inside Your Client Base

Your technicians already see the signals on every site visit and ticket. Each signal points to a project you can sell, and each one grows out of work you already do.

1	AI Agents & Workflow Automation	Client signal Manual processes and repetitive tasks	→	Revenue opportunity AI agents and workflow automation Starts with the manual work you already see
2	System Integrations & APIs	Client signal Duplicate data entry across systems	→	Revenue opportunity Integration and API projects Grows from cloud and license management
3	Cloud & Application Modernization	Client signal Aging servers, legacy apps, rising cloud bills	→	Revenue opportunity Azure migration, app modernization, cost optimization Grows from the servers and apps you support
4	Client & Employee Portals	Client signal Customers calling for status, documents sent by email	→	Revenue opportunity Secure portals for documents, status and payments Grows from identity and security work
5	Reporting & Analytics	Client signal Leadership waiting days for reports	→	Revenue opportunity Live dashboards and data platforms Starts with Power BI licenses clients already own
6	Compliance & Audit Automation	Client signal Audits, insurer questionnaires, manual evidence	→	Revenue opportunity Automated evidence, audit trails and compliance reporting Grows from the security monitoring you run

Custom apps are the stickiest service you can sell

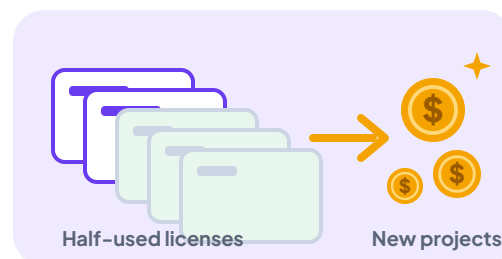
A business that runs on software you built and support rarely switches providers.

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Chapter 3: Where the revenue is

Turning Microsoft Licenses into MSP Revenue

Most of your clients already pay for Microsoft. Much of that investment sits half-used, and each underused product is a project waiting to be scoped.



Microsoft Opportunity Map

What the client already owns	The opportunity	What you can sell
Microsoft 365 (SharePoint, Teams)	Documents and approvals still run on email	Document workflows, intranet, Copilot readiness and permissions cleanup
Power Platform (Power Apps, Power Automate)	Spreadsheets and manual steps remain	Low-code apps and workflow automation
Power BI	Reports are built by hand each month	Live leadership dashboards
Azure	Aging servers and rising cloud bills	App modernization, migration and cost optimization
Dynamics 365	The CRM or ERP does not talk to other systems	Integrations, extensions and data migration
Microsoft Fabric	Data is spread across many tools	A single data platform for reporting and AI
Azure AI Foundry & Copilot	Interest in AI with no plan	AI readiness review, AI agents and adoption support

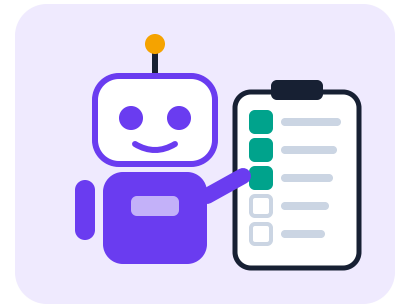
How InterBiz helps here

InterBiz is a Microsoft Solutions Partner with a Microsoft Marketplace listing and co-sell eligibility. That means certified engineering on the stack your clients run, and a partner who can bring Microsoft into larger opportunities with you.

Source: InterBiz company data, 2026

Before Your Clients Buy AI, Ask These Five Questions

Clients want AI, but most are not ready for it. An AI tool connected to messy data, loose permissions and undefined processes creates risk, not results. That makes readiness the first paid step, and MSPs are best placed to sell it because you already manage the systems underneath.



Data

Is the data clean, connected and in one place?

You deliver: data cleanup, integration and a single data platform

Security & access

Could an AI tool expose files people should not see?

You deliver: permissions review and access cleanup

Process

Which workflows are repetitive and well defined?

You deliver: process mapping and automation candidates

Governance

Who approves AI use, and how is it monitored?

You deliver: an AI usage policy and monitoring

People

Do staff know how to use AI safely?

You deliver: training and adoption support

Sell it in three steps

Step 1

An AI readiness review

Step 2

One focused AI pilot, such as an intake or document-review agent

Step 3

A monthly AI support and improvement plan

Each step builds trust and recurring revenue.

Your Next Big Client Is Probably in One of These Five Industries

Arizona's anchor industries each bring a predictable set of software needs. Use this map to match your client list to the first project most likely to land.

Healthcare

Phoenix, Scottsdale, Mesa

Market signal	Mayo Clinic's investment of nearly \$2B in Arizona (AZ Big Media); Banner Health is based in Phoenix
Client pain	Manual intake, disconnected EHR and billing
First project	Intake automation or EHR integration
Compliance	HIPAA

Financial services

Tempe, Chandler, Phoenix

Market signal	Named a top anchor industry (Greater Phoenix Economic Council)
Client pain	Manual loan and KYC review, slow reporting
First project	Document-review automation, dashboards
Compliance	FTC Safeguards Rule

Semiconductors & suppliers

Chandler, north Phoenix

Market signal	Major chipmaker investment in the region (company announcements)
Client pain	Supplier tracking on spreadsheets
First project	Supplier portal, quality dashboards
Compliance	Customer security questionnaires

Aerospace & defense

Phoenix, Mesa

Market signal	Named a top anchor industry (Greater Phoenix Economic Council)
Client pain	Proving security to win contracts
First project	Compliance evidence and reporting
Compliance	CMMC

Professional & business services

Scottsdale, Gilbert, Tempe

Market signal	250,000+ jobs added across the metro from 2019 to 2025 (LHH)
Client pain	Growth outpacing tools and processes
First project	Workflow automation, client portal
Compliance	Arizona breach law



How to use this map

Sort your client list by industry. Start with the first project in each row, because it solves a pain the client already feels and a rule they already answer to.

Compliance Is Not Just a Requirement. It's a Revenue Trigger.

Arizona's healthcare, financial and defense clients now have to prove their security, not just practice it. Proof means evidence, dashboards, reports and modern systems, which is software work you can sell once and support every month.

What the MSP can sell

Compliance requirement		MSP opportunity
Audit evidence	→	Automated evidence collection
Security documentation	→	Compliance dashboard
Manual reporting	→	Automated reporting
Risk assessment	→	Readiness assessment
Legacy systems	→	Modernization project

The rules creating the demand

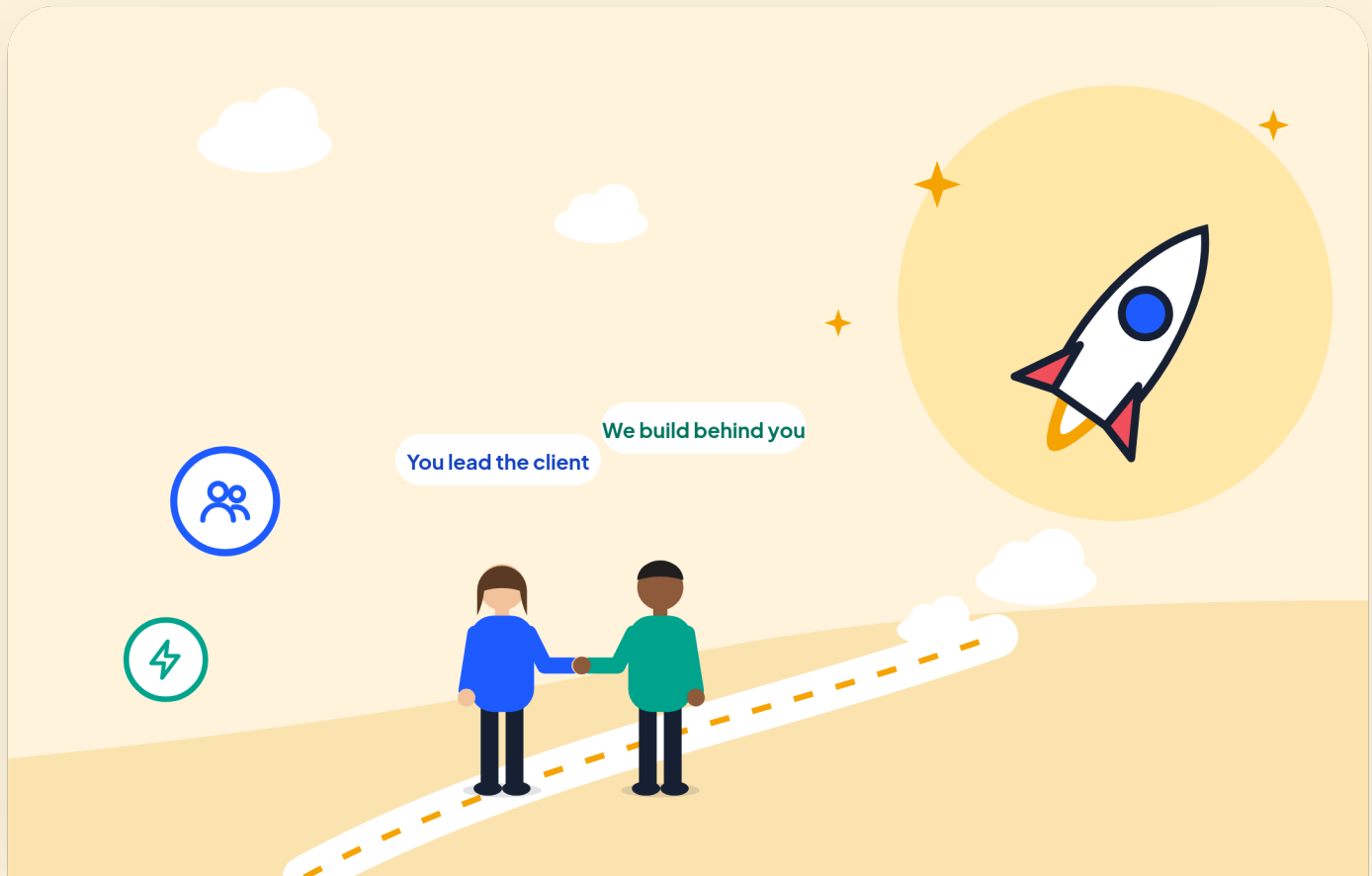
Rule & source	What it requires
HIPAA Security Rule HHS, 45 CFR Part 164, Subpart C	MSPs that manage patient-data systems are business associates and directly subject to the rule. HHS proposed an update in January 2025 that would make MFA and encryption explicit requirements.
FTC Safeguards Rule FTC, 16 CFR Part 314	Non-bank financial firms need a written security program with MFA, encryption and vendor oversight. Since May 2024, breaches affecting 500+ consumers must be reported to the FTC within 30 days.
CMMC Department of Defense, 32 CFR Part 170	Defense contractors must meet a set cybersecurity level to win contracts. The phase-in began in November 2025.
Arizona breach law A.R.S. § 18-552	Notify affected residents within 45 days, and the Attorney General when more than 1,000 residents are affected.

How to open the conversation

Lead with readiness, not fear: "If your insurer or an auditor asked for proof today, could you produce it in a day?" Most clients cannot, and that answer is your first project.

Making it happen

Count what you are losing, score your accounts, choose how to deliver and launch your plan in 90 days.



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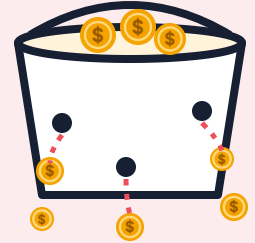
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Chapter 4: Making it happen

Every “No” Has a Price. Here’s How to Count It.

Revenue leaks quietly, one declined request at a time. Tick every statement that was true for your MSP in the last 12 months. Each tick is revenue that went to someone else.



- ☐ We turned down a client request for automation, an app, a portal or an integration.
- ☐ We referred software work to another firm and earned nothing from it.
- ☐ A client hired a software vendor we only heard about after the fact.
- ☐ We gave free advice on a project that someone else was paid to build.
- ☐ A client pays for Power BI, Power Platform or Copilot licenses that no one uses.
- ☐ We delivered a project with no monthly support agreement after it.
- ☐ Our QBRs review tickets and uptime, not a roadmap of improvements.
- ☐ We absorbed custom work into a flat monthly fee instead of billing it.
- ☐ A client asked about AI and we had no clear answer or offer.
- ☐ We lost a client to a provider that offered software and AI services.

How to read your score

Ticks: _____ of 10

0 to 2 ticks

You are capturing most of the demand

3 to 5 ticks

You are leaking meaningful revenue every quarter

6 or more ticks

Clients are building strategic relationships elsewhere, and renewals are at risk

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Chapter 4: Making it happen

The MSP Client Revenue Opportunity Scorecard

Score each client in your next QBR or account review. Give one point for every signal you see.

#	Opportunity signal	Likely project	Seen?
1	The client relies on a spreadsheet for something critical	Custom app or Power Platform solution	☐
2	Staff enter the same data into more than one system	System integration	☐
3	Approvals are handled by email or paper	Workflow automation	☐
4	Customers or patients call for status updates	Client portal	☐
5	Leadership waits days for reports	Dashboards & reporting	☐
6	A key system has no link to the rest	API integration	☐
7	The client faces an audit or insurer questionnaire	Compliance evidence tool	☐
8	A critical tool is old, slow or unsupported	Application modernization	☐
9	A tool “almost” does what the client needs	Custom extension or new build	☐
10	The client is curious about AI but unsure where to start	AI readiness review and first AI agent	☐
Total signals			___ of 10

What the score means

0 to 2 signals
Low opportunity

3 to 5 signals
Expansion opportunity

6 to 8 signals
High-value account

9 to 10 signals
Strategic transformation opportunity

Chapter 4: Making it happen

Calculate Your \$1M Opportunity

List your top accounts, add each one's score, and estimate what the first project and the support agreement could be worth. Your total shows how close your existing client base already is to the next \$1M.

Tip: use the scorecard on page 19 to score each account, then list your highest scores here first.

Build, Partner or Pass?

When a client asks for software, automation or AI, every MSP makes one of three choices. Be deliberate about which one you make.

Build internally

Best when

- You already have engineering leadership
- You have enough recurring demand
- You can support utilization and hiring

The risk

- Payroll and bench cost before demand is proven

The fastest path for most MSPs

Partner

Best when

- Demand exists but engineering capacity does not
- You need speed
- You want to keep the client relationship in your hands
- You do not want permanent payroll

The risk

- Choosing a partner who does not respect your client relationship

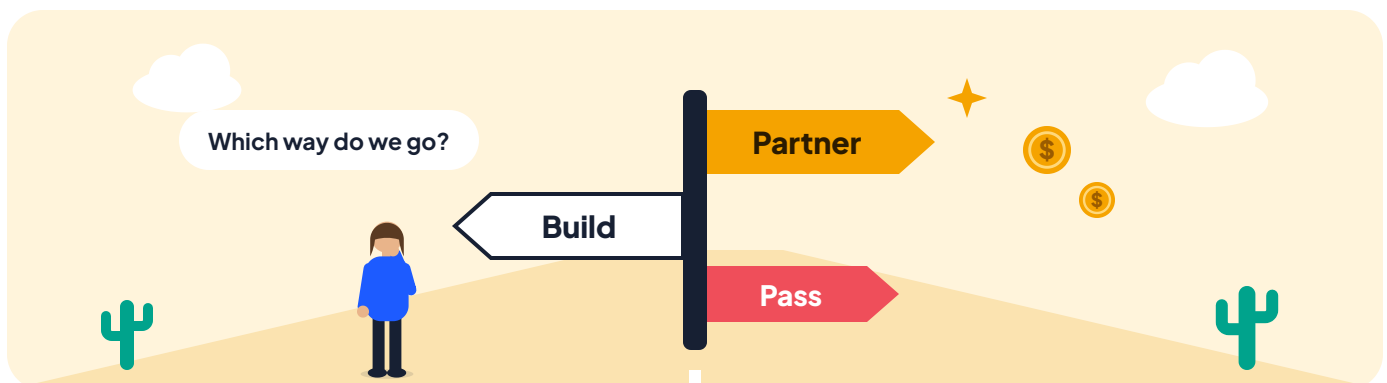
Pass

Best when

- You have no capacity and no partner

The risk

- Another provider enters the account
- The client relationship becomes fragmented
- The MSP loses strategic relevance



The bottom line

For MSPs that want to say yes without building a software organization, an engineering partner can close the delivery gap.

You Lead the Client. We Build Behind You.

How InterBiz helps your MSP grow. InterBiz is the engineering partner behind your MSP. You stay in front of the client. We provide the capacity to say yes.

The engineering model behind the growth



Three ways to work together

Model	How it works	How you earn	Best when
Referral	You make the introduction. InterBiz scopes and delivers	A referral fee on the closed project	You want new revenue with almost no effort
Co-sell & co-delivery	You lead the client. InterBiz joins scoping and delivers the software, data and AI work	Shared project revenue plus your own support fees	You want to build a software practice and learn as you go
Capacity extension	Dedicated InterBiz engineers join your team for a set period	Your standard billing to the client	Your bench is full or a big project would be declined

Why Arizona MSPs choose InterBiz (Source: InterBiz company data, 2026)

Microsoft Solutions Partner

Engineering on Azure, Power Platform, Power BI and Microsoft 365

Guaranteed capacity

150+ in-house engineers and 50+ marketing and BPO professionals across the U.S. and India

20+ years of delivery

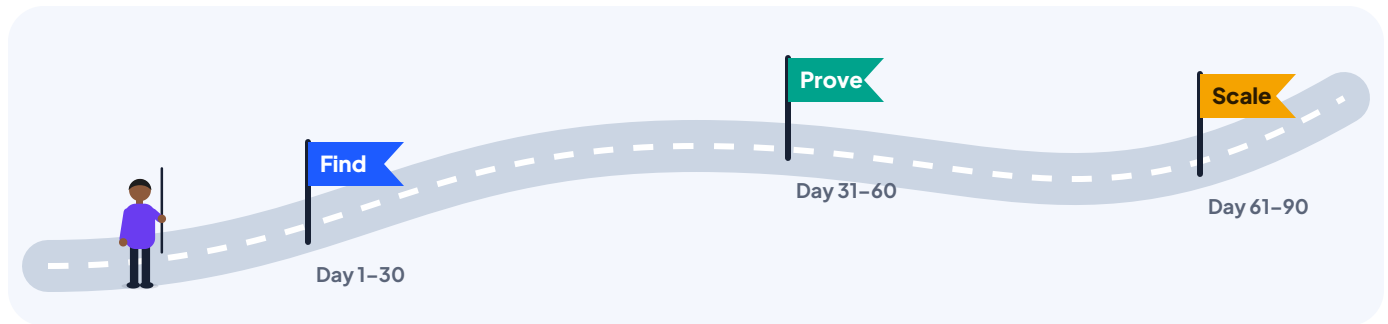
Led by a founder-architect with 25+ years of software experience

Healthcare and fintech depth

Plus a local team in Tempe for face-to-face scoping and joint client calls

The 90-Day Arizona MSP Growth Plan

Three phases take you from a scored client list to a repeatable service in one quarter.



Days 1 to 30

Find

1. Score your top 20 clients
2. Identify revenue leakage
3. Select your top 5 accounts
4. Run a Client Opportunity Audit

Days 31 to 60

Prove

1. Select one pilot
2. Define the success metric
3. Deliver the pilot
4. Capture the before-and-after result

Days 61 to 90

Scale

1. Present QBR results
2. Convert to recurring support
3. Expand into another business process
4. Package the service
5. Repeat with the next account

What good looks like at day 90

One live pilot, one recurring support agreement and a packaged service you can take to the next account on your scorecard.

Want to identify your three highest-value opportunities?

Book the free Client Opportunity Audit. In 30 minutes, InterBiz reviews your client base with you and names the three software, automation or AI projects most likely to pay off this quarter.

1

Your top three opportunities, ranked by score

2

The partnership model that fits your team

3

A first pilot you can take to a client

Book the free Client Opportunity Audit

Every Arizona MSP hears the same question: “Can you build that for us?” The MSPs that say yes, with a partner behind them, keep the client, grow the account and raise the value of the business.

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InterBiz Consulting, Tempe, Arizona

Microsoft Solutions Partner helping MSPs, healthcare and financial services organizations build, modernize and scale technology.