

# The Midlands Business Journal

VOL. 27 NO. 33

THE BUSINESS NEWSPAPER OF GREATER OMAHA, LINCOLN AND COUNCIL BLUFFS

AUGUST 17, 2001

## MSI looks to balance technology, sound business practice

by Ken Wall

Over the past few years stories about flashy and oh-so-hip technology shop types served as the equivalent of fashion pages for national business magazines.

It is doubtful that the no-nonsense approach of MSI Systems Integrators' new president, Jim Simpson, could easily be confused with the spend-at-will style that proved to be the poison arrow for so many of the now defunct techno-business wannabes.

Spending 19 years with powerhouse IBM, if there is one thing Simpson learned it's that business is business, no matter what you happen to be selling.

"The technology business is essentially a people business," Simpson said. "Technology is all about talent and teamwork. Our challenge is to remind ourselves that the business is about the client and not the technology."

"Rather than getting caught up in the idea of 'What's the newest hardware available?' we need to recognize that bells and whistles are just a fleeting satisfaction."

Simpson's promotion Aug. 1 from vice president of sales and integration of the Omaha-based firm comes on the tails of MSI's announcement it has been certified by Cisco Systems as an IP telephony specialist.

Simpson said before making major investments like the installation of an IP telephony network, management must first ask itself, "What does it do for our clients?"

Doug West, vice president of networking practice for MSI, said the way to answer that question was to first implement Cisco's IP integration technology at MSI.

"About 18 months ago we set up our office in St. Louis, then started doing some pilot offices for our clients," West said. "Having converged data and telephony allows us to leverage one infrastructure and be more effective and more efficient."

"From the technical aspect, any of our employees can now access all of our technologies. The whole company is on a four-digit dialing plan which presents significant cost savings for us."

Just as it would do for a client, MSI researched the return on investment potential of building a companywide IP telephony network. West said not only did the decision make sense internally, but it would be useful as a sales tool to have a working model to show MSI's clients.



Simpson watches some of MSI's technical team doing test work for a client.

"All the additional training and the investment in lab equipment allows clients to come to our office and see, touch and feel a converged network in action," West said.

If you look beyond the technology aspect of the business, you can see that MSI is grounded in conservative business principles. Calling it a "constancy of purpose," Simpson said the first goal of the company is to execute its business model and maintain profitability. MSI has recorded double-digit growth each year, and the addition of a new CFO earlier this year, Simpson said, will bring an even more disciplined approach.

"We've set very conservative goals for revenue and profit margin," he said. "That prompts us to keep pretty tight control on our expenses. What money we do spend is used on our clients and keeping our people fresh, but what our clients really want is value, so we have to be sure to keep a balance there as well."

In seven years that plan has led MSI to grow from 3 to 160 employees, who now staff a total of eight Midwestern offices. Beginning as an IBM remarketer, MSI now provides both products and consulting services covering a variety of disciplines including e-commerce, networking, printing and imaging, storage, servers and software.

"For midsize to large businesses we can provide a soup to

**Continued on next page.**

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August 17, 2001 issue of the  
Midlands Business Journal*

# MSI

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nuts approach to their technology needs,” Simpson said. “For very large companies we may provide a specific area of expertise.

“We have a group of people who go in and work with clients to gain an understanding of what their issues are and if we can help them. It’s important through this process that our people understand our own core capabilities and those of our technical alliances.”

Simpson said MSI might implement a more formal evaluation of a client’s current situation and what changes need to be made, or a client might come in and specifically ask for something like more IBM storage. Either way, he said, someone from MSI is going to do some level of assessment to determine exactly what is needed.

Simpson remains confident MSI’s straightforward approach to business will bring the company continued growth despite the flock of buzzards circling much of the technology sector today.

“Our goals will continue to reflect the simplicity of our business model,” Simpson said. “It may be hard to do in an industry that is under the kind of pressure that technology is under now, but I honestly think we are just scratching the surface. We could feasibly double the work we’re doing right now without adding another location.”