



CASE STUDY

**Breaking through
the ceiling: Daniel
Wang's success
story**



Imagine this scenario; a startup hits the ground running, garners success, and makes a name for itself within a few years while constantly navigating speed bumps along the way. It's a tremendous task, to say the least. Now imagine, putting in all your effort for this task only to realize years later that you've finally hit the ceiling, and now your efforts aren't taking you anywhere.

That was the situation Daniel Wang found himself in a few years ago.

"We grew pretty fast," Daniel stated. "You know when I was there, every year we were getting like 20 to 40 something percent growth," he added. "Of course, when you are young, it's easier to achieve that level of growth. But still, we grew our revenue to around 1.5 million in six or seven years... compared to a lot of companies, that was still pretty fast."

For many startups, achieving the level of success Jexet was able to in the span of a few years was nothing short of a miracle. It's what many new business owners dream of. However, that dream also came with a hefty price.

GROWING PAINS: DOUBLE THE REVENUE, QUADRUPLE THE PROBLEMS

Even though Jexet was in a good spot, continuing to grow each year, Daniel found that the resistance kept getting higher as well. As the company's profits and clientele multiplied, so did its problems.



"Whenever your business grows, you might get double the revenue, double the number of employees but also quadruple the number of problems... The difficulty keeps growing along with your revenue... It's exponential."

- Daniel Wang

"When you first start out, it's easier because you have like two to three people. You don't have to worry about the culture and all those other crazy issues yet. But once it grows, you have to add those middle layers, and that's really where things start falling apart. I see this in so many MSPs," he added.

After years of working and growing the company, Daniel eventually began to feel fatigue setting in.

When asked what his daily routine in Jexet was like, he answered: "It's busy. It's crazy. All kinds of problems fly right in your face. Sometimes you feel like it's a perfect day, then... Bam! At 9:15, you get a call; suddenly, your entire day is ruined." Daniel had a hectic schedule that anyone would struggle to keep up with, and he had to do it daily. "



"It's always an emergency, and it's always the same problems happening over and over again. You know, whether it's about culture, leadership, sales, service, marketing, or financial, there's always a conflict you need to get your hands on and solve for the company," he lamented.

At this point, Daniel finally realized that he felt burnt out and that his passion for the operation side of the business was dying down.

HITTING THE CEILING

What made it worse was that Daniel's efforts to stay on top of all the problems weren't translating into the company's growth. Jexet was stuck in the mud.

"Jexet got stuck in many areas, sales, marketing, operations. It's the same old problems day in and day out. You feel like you already tried everything. It was frustrating. I've hit the ceiling," Daniel stated.

While Jexet was still profitable, its growth had slowed down significantly. "Day to day operations and having to solve the same problems constantly, it's pretty much where all your energy was spent. All-day long, just solving the same problem over and over. You just don't have the time or energy to grow the business anymore." he added.

Finally, Daniel realized he needed someone to take over and help out. So he decided to leave the company in the hands of a CEO while pursuing a new business venture, MSPBots, to reignite his passion. Unfortunately, this decision would come back to haunt him.

Handing over a business you've nurtured into existence is never an easy decision to make. In Daniel's words: "This (company) is my baby. Even if my kid gives me trouble, it's still my kid." However, he had decided it was in the best interest of his company, his employees, and himself to let someone else take over.



In an ideal scenario, the person who will be handling your business will have the same goals and philosophies as you do. However, in Jexet's case, Daniel and his new CEO simply did not see eye to eye.

Daniel first realized this when he decided to use Jexet as a testbed for his new company's process automation system. While going through Jexet's processes under his new CEO, he found that the company he built was going in a completely different direction than what he was expecting. "When I saw it, I was like 'Oh my God! This is how we do business today? Okay, before I automate Jexet, I need to fix Jexet first!'" He recalled.

LOOKING FOR FREEDOM

At the time, Daniel was running MSPBots and felt that he had found something he enjoyed doing again. He had reignited his passion. "At that point, I didn't wanna go back in the business (Jexet) anymore," he admitted.

However, to save the business he built, Daniel had no choice but to take back the helm if he wanted to solve Jexet's issues. "There were too many problems (with Jexet) that I just had to get back," he declared. Daniel felt trapped.

"As a business owner, what I wanted the most was freedom. You get to choose what you want to do, or at least that's what I thought. In reality, a lot of the time, that's just not going to be the case," Daniel explained.

DISCOVERING HOPE IN PARTNERSHIP

Thankfully, while in the process of taking his new venture off the ground, Daniel had re-engaged with the industry's most in-demand marketing consultancy program, Robin Robins. It was there that he reunited with an old friend, ITS CEO, Tom Andrulis.

"I've known Tom for more than ten years. We're very close friends. So we just started having a casual conversation about our businesses. Then that's when it happened," Daniel recalled. The two had decided upon a partnership that would help both achieve even greater heights, which for Jexet meant finally breaking through the ceiling.



"OH MY GOD! I'M GOING TO SIGN OFF EVERYTHING."

Despite being friends with Tom for over a decade, Daniel still had his reservations about the deal.

"I'm a super skeptical person. Any partnership, I think about twenty times. I think about all the ways it could go wrong. Like, how are you gonna screw me over if I really jump in?" Daniel stated. "Of course, the biggest fear is loss of control. It sounds crazy now, but that was really the number one fear," he added.

Daniel admitted that for a time, he retained that skeptical mindset going into the deal. It was a huge decision. Even down to the moment before signing the paperwork, he thought, "Oh my God! I'm going to sign off everything."

In order for the deal to come to fruition, Daniel chose to think of the situation logically. He wanted Jexet to break through the ceiling, he wanted the freedom to choose what he liked to do, and he wanted the time to think of the future.

Thankfully, Daniel found partners he can trust fully in both Tom Andrulis and Intelligent Technical Solutions.



FINDING A TRUSTED PARTNER IN ITS

According to Daniel, the decision ultimately boiled down to the question: "Can I trust Tom?"

"I was going through my decision, and there are three boxes I'm checking in my head about Tom. I can trust him; he has integrity. He's smart enough to do a good job. He works hard, he's really driven, and he's not going to stop growing. So, I checked those three boxes regarding his leadership, and I just said, 'yeah, I'm good,'" Daniel said.

Being good friends also meant he knew a lot of what was happening at ITS and how Tom handled many of the difficult situations the company faced before.



"With Tom, knowing him for over ten years, I saw how he dealt with all kinds of people, how he handled difficult situations. Everyone can talk a nice game, you know. But, when you're dealing with tough situations, all that stuff goes out. How he handled people and made decisions, all of that gave me confidence in him," he recalled.

Ultimately, the partnership agreement went on to become one of the fastest and most seamless in ITS' history, all thanks to the trust both founders had for each other.

After Jexet merged with ITS and became ITS Chicago, LLC, it now had even more room for growth, the team also received great opportunities within the company, and Daniel finally found the freedom to choose what he wanted to do.



THE POWER OF CHOICE

For Daniel, the power to choose was one of the main points that helped him decide to sign the agreement because, according to him, different owners have different wants.

"That's why I joined ITS. I had the freedom to choose. It's like if I suck at sales, but I like operations, ITS can handle sales while I focus on operations. You get the option to choose what you are doing, the things that you are really passionate about. Then you can hand over all the things that frustrate you." Daniel explained.

"In my case, I didn't want to get involved in the day-to-day. So I still get paid the same amount, sometimes even more for way, way, way less stress. I think right now I spend two to three hours each week at most. I don't really have much stress at all because the team is taking care of most of it, and I only get involved when they need help," he added.

When asked if he had anything to say to other business owners who experienced similar situations, Daniel said: "if you didn't hit the ceiling, if you still feel passionate about your business, that's great! Go run it by yourself. But if you hit the ceiling somewhere, you start to get tired, frustrated, and feel like, 'I'm done! I don't want to do this anymore.' then you really don't have to hold on." That is the power of choice.

Ready to get the most out of your business? Let's have a chat on ways you can partner with us.

