ACHIEVING YOUR AMBITION

Interview with
DANIEL PAYNE
MANAGING DIRECTOR
COMPSOFT

For a report commissioned by

RoffeSwayne

Owner-managers talk about their ambitions and reveal the issues which are mission-critical for them to address in achieving their goals in a series of interviews, commissioned by chartered accountants and business advisers Roffe Swayne.

Together, they will form a report to be published by DECISION magazine and then as a digital book.

RoffeSwayne

THE HERITAGE OF A company shouldn't be downplayed or forgotten, says Daniel Payne. He's the MD of Compsoft, set up in the days of Dos, just over thirty years ago, to develop rapid application software tools. "That pedigree and experience allows us the headspace to create new ideas and to solve problems," he maintains.

One thing hasn't changed regardless of accumulated knowledge. And that's a fundamental sense of purpose. "The focus always has to be on the end user, how what we produce is going to improve their lives," he explains. "The product has to be developed from the ground up, and the relationship between the user's requirements and the features we have designed has to be right or their satisfaction with the product will falter. In a fast-moving sector, this has to be the only platform for building a sustainable business. Why launch something if it isn't genuinely going to provide a benefit for the customer and make life better for the end user?

Which is one of the reasons, just after the turn of the century that the company seemingly diversified by starting its own design agency. We could see we were entering an age when programs not only had to work, but the user experience had to look and feel right," says Payne. "We weren't the first but we recognised the paradigm."

His route into IT could be described as dramatically unconventional. From drama school he ran a metal shop which designed special effects and automation for the stage, and then managed the delivery of bespoke sets for commercial events.

When he applied to manage an Arts Centre - he got to the last two - a trustee who conducted the interview asked if Payne would like to join his IT company.

At Compsoft his first role was selling bespoke development work. "My approach from the outset with a prospective customer was to go in, listen, find the pain points, and then suggest how we could fix them, and this type of sale seemed to fit in IT," he recalls.

And then two defining moments led the company to re-invent itself. First Apple announced the launch of the iPhone. "I already liked all things Apple from my time in the USA," explains Payne, "because they flipped everything on its head, focusing on the interaction with the user rather than just functionality.

The second came in 2008 when Apple allowed third parties to build apps for the iPhone. That very day Compsoft began to develop their first products for that platform, a bug logging app, followed somewhat eclectically by a golf tutorial app.

RoffeSwayne

"Memory was tiny then, but we had proper software engineers to make the apps work, so we got it right straight away," recalls Payne, who was promoted to head of service delivery, innovation director, then managing director.

The company picked up on Android and Windows. "Mobile first was our motto," Payne explains. As a consequence, the set of sales enablement tools which the company had also developed, with the name iPresent, was separated out as a separate entity.

Now called Compsoft Creative, the business deliberately doesn't have a sector sweet-spot. "We are vertical agnostic, and this is key," explains Payne. "Developers who focus on a single sector, such as financial services, tend to have preconceptions about the way things should work; they're not so able to think creatively when posed with a functional or technical challenge.

"The challenge for us is to be able to engage far more at the point of delivery, so we can see how users are responding to the app and to collect statistical feedback which will enable us to more accurately define what needs to be adjusted."

What Payne has been working to introduce is more recurring revenue through retainers and support contracts, delivered on a more proactive basis, such as monitoring data for the customer to identify any change in their customers' behaviour. "What we are trying to achieve is combining the delivery of the best product for the customer and then actively maintaining and developing that relationship," he says. "It's about finding what really matters to them so we can say to the customer, this is the positive contribution to your bottom line because of having us on board."

To date, Compsoft Creative have built more than 200 apps for companies including nPower, Nissan, and Screwfix. Growth could also come from left-field. When a company which automates data capture contacted Compsoft about developing an app, Payne saw merit in looking at doing it as a fifty-fifty venture instead. "We're agile enough to decide whether we should take that kind of punt, and conservative enough to know that we can't attempt to run along similar lines with every idea," he points out.

"Bigger isn't necessarily better and I want Compsoft Creative to make money but not at the expense of maintaining the qualities which have enabled us to succeed. And I want us to be able to hand-pick people because I don't want the team diluted. If you have a

RoffeSwayne

reputation for quality and delivery, then you are in a better position to achieve a premium price.

"But I want us to always be of a size where we can be an early mover, to always have first sight of the next thing we need to be doing. What isn't going to change is that to succeed we have to meet the user at the point of need."

Payne volunteers that it could be that the business will reach a stage where it needs a different person to take it further. "I don't have the desire to be someone who could have the profile to be a dragon on Dragons' Den," he says. "My goal is to delight the customer because of what our team can deliver, and as a consequence of that, make a good profit.

What would help that to happen long-term is for Payne to do some 'flipping' of his own.

Because what concerns him is while the preliminary consultancy work enables Compsoft Creative to demonstrate their "awesomeness," competitors are prepared to do that for free in order to get their hands on the initial development contract. "But it's the front-end piece which is key, the nub of whether the project is going to achieve what is required, proving that it will

which differentiates us," he stresses. "That's the value. If this is where the financial transaction is focused, then the customer could take the development stage elsewhere," he muses.

Meanwhile, what Payne is making sure of is that their voice isn't lost, and that Compsoft stay market-tuned. "Nobody wants to become the Betamax of their market sector," he avers.

● ● ● ●

Roffe Swayne look after companies and private individuals across the south east, helping them structure and manage their businesses, grow their bottom line, explore new opportunities, manage their cost base, and enabling them to outsource some of their business processes, as well as advising on wealth distribution options and trusts for families and owners.

Roffe Swayne
Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Tel: 01483 416232
Fax: 01483 426617
Email: mail@roffeswayne.com
Web: www.roffeswayne.com

RoffeSwayne