

## The Napkin Guys: Business Transformation

Tim Hanson: What do you think? Nice wrap up to the couple of days we spent down in Madison?

Bryan Bechtoldt: Yeah, I love when we get a chance to just meet with a lot of different people. Haven't seen some of them in a while and to hear the challenges they are facing, what they're going through. So I think it's a good thing.

Tim: I think the networking event last night was really cool because it gave me a chance to reinforce some of the different types of projects we've been working on.

Bryan: Yeah.

Tim: And you know, I think they all have that common theme of transformation somewhere within the business.

Bryan: Yeah, you can tell businesses are feeling pressured because that conversation is everywhere.

Tim: Yeah.

Bryan: And I'm not sure everybody uses the word transformation in the same fashion but what's important is they realize some need to change.

Tim: So I was talking to a gentleman last night in the life science space. Tell me a little more about the project you've got going on with the green fieldwork out in California.

Bryan: Yeah, so we're doing some interesting things with companies that are really going to market for the first time. So what they do is they focus on research and development and at some point when they get positive news, they have to actually commercialize. They have to actually start to transact business, and that's a new thing for that company to do. So that transformation is going from an R&D firm, which is largely cash burn, to something that's generating cash.

Tim: They need to make some money.

Bryan: And how do they, how do you set up those systems for revenue and proper tracking and compliancy?

Tim: And all the different systems that they need and the communication between those.

Bryan: They need everything.



Tim: Yeah. And frankly, even business process, right?

Bryan: Exactly.

Tim: They wouldn't necessarily even have business process.

Bryan: And many times they don't have the time to even think that way because they're on such an accelerated timeline or pace.

Tim: So what did you think about the conversation with the heavy industry guys?

Bryan: It's interesting because they're feeling that same kind of pressure and they know they need to transform and they need to change many of the disciplines inside of their business to kind of keep pace or to try to find some sort of competitive advantage. And so while the emerging life sciences might be about maximizing their opportunity, many times to create a competitive advantage inside of their manufacturing segment, they have to optimize.

Tim: Yeah.

Bryan: So a lot of that work goes on.

Tim: Well what I liked about it was that, specifically, we have the project in Wisconsin that has this very traditional business, right? And they have this combination of applications in a lot of different disciplines within the organization that have become dated that when implemented, probably didn't ultimately achieve some of the objectives of what they had intended to achieve.

Bryan: Right.

Tim: But more importantly, I think they've transformed their business, or needs some transformation of their business to stay competitive.

Bryan: Correct.

Tim: So it blends all of those disciplines in a project.

Bryan: Correct, and they're feeling pressure because there's potentially price pressure in their industry and all of a sudden that's making these things become very relevant and how do we optimize? How do we get back on our edge, right?

Tim: Yeah. Did you get a chance to talk to the machine manufacturers that I was speaking with?

Bryan: I did not.



Tim: Because I think they're very typical in that, we see this resurgence of organizations that have this classic need to better leverage just core business applications as well.

Bryan: Right on.

Tim: And what do we have, five or six projects that just started with these traditional businesses.

Bryan: Mm-hmm.

Tim: They haven't changed their business systems for ten years, fifteen years, now because Y2K was really the last major disruption in applications within our client base.

Bryan: Right on, yep.

Tim: And so I thought that was very typical of the types of clients and the challenges that they were talking about were very similar to all the challenges that we see within our client base.

Bryan: Well, and many of those older systems were very closed systems, very proprietary languages. They had data models that really weren't built for the kind of analysis that people need to do today so some of that pressure is coming in again, forces to be more competitive. They can look at systems and how do we actually gain an edge.

Tim: Yeah, exactly. So I thought, what a great conference to have such a representative sample of the types of work we're doing with these green field clients in the life science space and traditional manufacturers where smaller businesses just making that next tier change of their business applications. I thought it was very representative.

Bryan: Yeah and many times they had this short-term burst where they need executive leadership to come in and get them over a hump because they've got to run their business while they're transforming, because the key mistake is not.

Tim: Yeah.

Bryan: So if you focus all of your attention to the new and shiny, you're gonna have the opportunity to lose fast, right?

Tim: I love getting out and having a chance for you and I to discuss, think strategically, and talk about these things, so it's been great.

Bryan: Yeah, it's been great buddy. And get a good bloody.



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Tim: And kudos to the Edgewater for hosting us, right? This is a great place to have an event.

Bryan: Oh, this is just fantastic. Cheers.