Life in the Agile Lane
How is Chalk & Wire Different?

VIRTUAL (no real estate) - Challenges of running a virtual company
All tools in the Cloud:
  • Demonstrations: WebEx/GoToMeeting, JoinMe  
  • Communications: Skype/Email/ the above  
  • Business operations: ZenDesk/Jira/Confluence/CRM (Solve360), Freshbooks

Goal: Not profit but service and elegant tech solutions to problems
  • Target a small number of qualified potential clients (10-20 new clients a year). Success breeds success.
  • A “Family” company in fact and in feel.
  • **Agile & synergistic** in all respects
What’s a Start-up Like?

Fun:
• You are working for yourself
• A field you are passionate about and have expertise in
• Short decision cycle
• The ultimate creative experience
• Unencumbered by bureaucratic organization
• No rules, few procedures or systems to weigh you down
• Everyday – something new
• Adrenal highs are frequent
• There is no horizon in site.
What’s A Start-up Like?

Scary:
• The buck stops on your desk
• YOU are sitting at the ONLY desk
• You talk to yourself a lot
• In the case of CRC – they are a partner but they are not legally responsible to your clients
• Your clients are in the USA – The land of lawyers
• Time crunch – you cannot last for years in this mode.
There are consequences

- Impact on your family is very high
- You are NOT Stephen Covey ( "7 Habits of Highly Effective People")
- Work ridiculous hours (7/days a week/16 hour days)
- Your salary is a myth
- You are on-call 24 hours a day (the dreaded, unplanned down-time call)
- Travel 50% of the year (travel and good health do not compute)
- An SaaS/Technology company is a perfect storm for crushing, personal stress (little control over actual delivery, scale is your enemy (success is a double edged sword), knowledge is moving too fast, competitors multiply and operate unethically or more aggressively

There are consequences
Choose your path...but once you choose there is no turning back. After two years you have passed the point of no return.
Path 1: Become a 500 Pound Gorilla

Go Big or Go Home!
Goal: Profit & Market Share:

- **Find capital investment** (borrow other people’s money, trade equity)
- Hire a real CEO (you remain the President)
- Get a volunteer “Advisory Board”
- Hire an aggressive VP Marketing first and defer to this person
- Hire sales people (train them to show the product ...not to understand it)
- Conferences galore – Heavy metal sponsorships
- Hire a CIO/CTO (will bring system and process)
- Hire a Director of Development – Development is driven by market forces (not necessarily vision)
- Hire programmers (offshore is a real option)
- Build to main “pain points” only and convince people they need it (dress up the donkey and call it a race horse)
- Core value: Quarterly sales/Marketing/Profit
Option 2: Become a “Boutique Solution” (NOT the Marriott but a Boutique Hotel)

NOT THIS!
BUT THIS!
Goal: Build trust via deeds (surprise clients & sector)

- Loyal clientele, 99+% renewal rate
- Service obsession (hours at maximum)
- Marketing via word of mouth and thought-leadership
- **YOU LEAD the industry** (the 500 Pound Gorillas will copy you)
- Clients are partners (your best sales people, your best source of “what’s next”)
- Develop modern, elegant, broad scope solutions
- Release frequently (support only one code stream)
- Spend only what you have to on “marketing”
- Pour everything you can into innovation (your “ace” versus competition).
Hire strategically – run lean and virtual
Live within your means and grow out staff as you need them.

- Added ~ two people per year for the past decade
- 25 people can serve hundreds of clients; hundreds of thousands of users (especially if you build good software that is well documented)
- Located in Ottawa (Development Team), Hamilton (Support), Ridgeway (Upper Management), US-based Consultants
- Face-to-face meetings when needed (Retreats)
- Weekly virtual meetings (Management/Partnership Development
- Several Open Skype Windows (constant flow of information)
- Skype work protocols
Outsource Expensive “Departments”:

• Fiscal (Accounting firm) – Rheaume Williams Kalbfleisch (Ottawa)
• Legal (Law firm with High Tech savvy). Bradley Hiscocks (Ottawa)
• Public Relations (Young & Associates – USA/Ed. Sector)
• Marketing (Google – Ad Campaign consulting)
• Market Research (Eduventures - USA)
• Product delivery (Rogers- Canada)
• Special projects outsourced (N.A. only)
Organic/Synergistic Web-presence: Technology, Know how, Values
Prototype to Commercial Product
Tear the band aid off and hope…

• Refactoring from prototype to commercial product is AWFUL
• Survive based on goodwill in the bank (the early adopters/innovators)
• Offshore experience: if avoidable, avoid it…but you probably will not be able to do so.
• Expect to refactor the refactoring (will take years)
SR&ED tax incentives ...is your friend

- The Scientific Research and Experimental Development (SR&ED)
- Must have good SVN Logs and be innovating constantly
- Chalk & Wire has both – We have always been an R&D company
- Goes hand in hand with Agile Development approach
- An extra $90-130,000 annually – this funds new hires every year (so the system works)
6-8 Releases of Upgrades/Year – Keep Competition Breathless!

Step 1: Develop “Sprints” or “Epics” from “Objectives” and the “backlog” of user suggestions:
- Involve stakeholders in the company who are outside of DEV group
- Pull a small number of new features/enhancements of the top of the pile = Period Strategic Plan.

Step 2: Develop given specs and wire frames (4-6 weeks)

Step 3: Quality Assurance Team try to break the software (2 weeks)

Step 4: Release Internally ONLY (Internal stakeholders get another kick at it)

Step 5: Release Upgrade to the Wild
- Collection of stable new features = upgrade
- Have an emergency “roll-back” protocol if something unexpected happens

Step 6: Collect Evidence & Findings from Client Comments and revision performance

Step 7: REPEAT (every workday of every week of every year)
“Breakout” Years

• Reposition the company EVERY THREE YEARS
• Invest in short-term consulting – Reality Check
• Invent a new vision for the next five years
• Repeat this exercise every three years.
• Invest in use of ORGANIC Social Media channels to generate legitimate “buzz”
• Seed respect based on deeds (no vaporware)
• Stay “Agile”